

ALBERT P. BARKER
JOHN A. ROSHOLT
JOHN K. SIMPSON
TRAVIS L. THOMPSON
SHELLEY M. DAVIS
PAUL L. ARRINGTON
SCOTT A. MAGNUSON



Albert P. Barker
apb@idahowaters.com

July 31, 2015

1010 W. Jefferson, Suite 102
Post Office Box 2139
Boise, ID 83701-2139
(208) 336-0700 telephone
(208) 344-6034 facsimile
brs@idahowaters.com

195 River Vista Place, Suite 204
Twin Falls, ID 83301-3029
(208) 733-0700 telephone
(208) 735-2444 facsimile
jar@idahowaters.com

RECEIVED

AUG 03 2015

DEPARTMENT OF
WATER RESOURCES

VIA EMAIL AND U.S. MAIL

Michele Edl
Idaho Department of Water Resources
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

Re: Permit 63-33599 (Fargo Drop Hydroelectric Facility)

Dear Ms. Edl:

You made a data request for information on this beneficial use examination by email dated June 26, 2015. We have been gathering the data requested during your site visits and it has taken some time to pull the information together.

This project went online in 2013. See Exhibit A from Idaho Power acknowledging that the facility was operational and generating as of April 28, 2013. You have requested generation records to confirm actual generation. Attached as Exhibit B are generation reports for the Fargo Drop Hydroelectric Facility for the years 2013 through 2015. These reports show daily and indeed hourly generation for the days when the plant was in operation during that period of time. While the generation records confirm that generation occurred on each of the days referenced, the amount of kWhs generated is not an element of the permit or water right and should not be included in the license.

You also asked for efficiency curves for the Fargo turbine. Attached as Exhibit C are the turbine efficiency curves for the Fargo Drop Hydroelectric Facility provided by the turbine manufacturer, CHEC.

As with Arena Drop, Riverside and the Boise Project have determined a better and more accurate way to calculate the maximum flow put to beneficial use by this facility rather than back-calculating flows from generation data and efficiency curves. The Project measures the flow at the head of the canal. Attached as Exhibit D is a chart measuring the flows at the head of the canal for the highest generation days over the period of operation 2013-2015. Exhibit E is a

chart showing the bypass flows measured by Riverside on the bypass channel as a percentage of the bypass channel openings. Riverside then took that information and determined the four maximum flow days, which occurred in July of 2013, when the highest volume of water was measured by the Boise Project, without any bypass flows. Riverside also determined that the wicket gates were set at 100% on each of those days, thus repositioning the maximum turbine flow. See Exhibit F. Those maximum flows range from 112.7 to 117.2 cfs.

You have asked for annual volume data so that you can recommend a volume limitation on the license. As with Arena Drop, the Boise Project objects to any volume limit being placed on the license. Your email requests do not describe how a volume limitation is necessary to administer this water right. No such limits were set forth in the Fargo permit. The Department has stated that it has a general policy of not adding conditions to a license that were not in the permit. Second, like Arena Drop, this facility is a non-consumptive, subordinated hydropower plant. It does not have the ability to call for any water to be diverted out of the river other than the water is already being diverted into the same canals for irrigation purposes. Only when water is diverted into the canals under the irrigation right is the water available for use in this hydroelectric facility. It operates as a run-of-the-river facility.

Idaho Code § 42-217 provides no authorization for a volume limitation on the water right. Idaho Code § 42-1411(2) provides that the director in recommending a right in an adjudication may set "an annual volume of diversion of water for use or storage in acre feet per year as necessary for proper administration of the water right." You have cited to IDAPA Rule 37.03.02.035.j as providing that a volume limit is not necessary for an on-stream non-consumptive hydropower right, but state that this provision does not apply to this hydropower right, even though this hydroelectric facility is also non-consumptive, subordinated, and cannot call for any water that would not otherwise flow past the plant.

The SRBA Court in the Facility Volume case, *In Re SRBA Case No. 3957 in the District Court of Fifth Judicial District of the State of Idaho in and for the County of Twin Falls* (December 29, 1999), held that an attempt to place a facility volume limitation on a non-consumptive fish processing permit would not be permitted because a volume limitation was not necessary for the definition of the right or administration of the right. In a subsequent case involving a hydroelectric facility, *In the Matter of Licensing Water Right Permit No. 01-7011, in the Name of Twin Falls Canal Company and North Side Canal Company* (July 30, 2010), the hearing officer rejected an attempt to require a volume limit on a hydroelectric facility at Milner Dam. The hearing officer, retired Supreme Court Justice Gerald Schroeder, held "Nothing in the statute requires both a diversion rate and an annual volume rate for a non-consumptive hydropower right that has been subordinated." *Findings of Fact, Conclusions of Law, and Recommendations*, p. 9. The Hearing Officer went on to conclude that an annual volume if it differs from the maximum diversion rate makes administrative of the right more complex and would result in wasting of water that otherwise could have been used to generate power to the detriment of the holder of the water right and to power users in the public as a whole. *Id.*

The same rationale applies here. There is no reason for a volume limitation on the Fargo Drop Hydropower right. Placing an annual volume limitation could require the districts and the Board of Control to spill or bypass water that could otherwise be put to use generating electricity for the benefit of the district landowners and the electrical consuming public as a whole just because an arbitrary volume limit had been reached. No other water user would benefit from or be protected by a volume limit. As Justice Schroeder has found in the *Milner* case, there is no basis for a volume limitation in proper administration of a non-consumptive hydropower right.

As a practical matter, determining the total volume use for actual generation cannot be done with any precision. The measurements at the head of the canal drop are taken periodically, daily or twice daily, and are not taken on a continuous basis. Flows in the canal vary from day to day and even within the day, depending on irrigation demand and other canal operational issues. Canals start and stop operations from year to year on different dates depending on total water available under the irrigation rights, but not under this hydropower right as that right is completely dependent upon the water available for irrigation. Because these hydropower facilities are not located on the main canal it is not possible to simply calculate the amount of water that is turned into the head of the New York Canal on an annual basis because that amount of water does not reach to the locations of these hydroelectric facilities.

Moreover, there is no storage associated with this facility. The Fargo Drop Hydroelectric Facility does not back up water and store it for later generation. It simply uses the flow as it goes through the canal.

For these reasons, the Boise Project Board of Control objects to any volume limitation imposed on the right. Idaho Code § 42-217 and Idaho Code § 42-1411(2) do not authorize such a volume limitation because it is not necessary for the administration of right and would make the right far more complicated to administer. In addition, this hydroelectric facility being a run of the river type of facility with no storage and non-consumptive falls within the spirit and the letter of IDAPA 37.03.02.035.j.v.

We believe this data satisfies the Department's legitimate request for proof of beneficial use. There is no doubt that this project has used the existing canal water every year since it came online in 2013 to generate electricity. We request the license to be issued on the same terms and conditions of the permit.

Very truly yours,

BARKER ROSHOLT & SIMPSON LLP



Albert P. Barker

APB/se
Enclosures

Michele Edl
Idaho Department of Water Resources
July 31, 2015
Page 4

cc: T. Page (via email w/attachments)
D. Daugherty (via email w/attachments)
S. Keen (via email w/attachments)

EXHIBIT A

April 25, 2013

Mr. Dennis Daugherty
Fargo Drop Hydroelectric
Riverside Investments, LLC
P. O. Box 154
Adrian, OR 97901

SENT VIA CERTIFIED US MAIL AND ELECTRONIC MAIL

RE: Fargo Drop Hydroelectric
Project Number – 21615215
Operation Date - **April 28, 2013**

This notice is provided as specified in paragraph 5.2 of the Firm Energy Sales Agreement between Riverside Investments, LLC and Idaho Power Company.

On March 27, 2013, Idaho Power received an email from the project requesting an Operation Date of April 28, 2013.

As specified in paragraph 1.25 of the Agreement;

"Operation Date – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed."

Idaho Power has reviewed the requirements of paragraph 5.2 and the information provided by the project and agrees that the project has completed all of the requirements to be granted an Operation Date as requested.

Therefore, the Operation Date for this project shall be considered to be 00:01 hour of April 28, 2013.

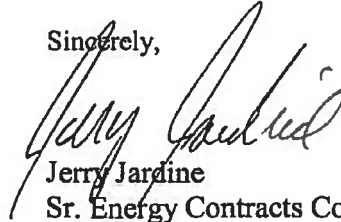
April 25, 2013

Please review the complete Agreement, specifically any requirements that go into effect as of the Operation Date.

If you have any questions specifically in regards to the ongoing payment calculation, please contact Kent Christensen (208-388-2593, kchristensen@idahopower.com).

If there are any other questions that you have, please feel free to contact me.

Sincerely,



Jerry Jardine
Sr. Energy Contracts Coordinator
Idaho Power Company/Power Supply
208-388-6118
jjardine@idahopower.com

EC: Randy Allphin (IPC)
Kent Christensen (IPC)
Nancy Cyr (IPC)
Michael Darrington (IPC)
Gary Felton (IPC)
Josh Harris (IPC)
Shaun Jensen (IPC)
Chris Nebrigich (IPC)
Donovan Walker (IPC)
Dennis Daugherty – dennis@rsicorp.net

EXHIBIT B

**FARGO GENERATION
2015**

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

April 2015

Energy produced by the project:

Gross Energy	489,928 Kwh
Usage - Current Month	606 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	489,322 Kwh

Total Delivered Energy Less Inadvertent	489,322 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	243,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	489,322 Kwh
110 % Projects estimated energy deliveries	267,300 Kwh
Current Month Net Energy that is more than 110%	222,022 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	218,700 Kwh
Total Delivered Energy Less Inadvertent	489,322 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	222,022 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	150,815 Kwh
Total Light Load Energy	116,485 Kwh
Total Surplus Energy	222,022 Kwh
Total Delivered Energy Less Inadvertent	489,322 Kwh

MT

Apr-15

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Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

May 2015

Energy produced by the project:

Gross Energy	482,920 Kwh
Usage - Current Month	2 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	482,918 Kwh

Total Delivered Energy Less Inadvertent	482,918 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	535,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	482,918 Kwh
110 % Projects estimated energy deliveries	588,500 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	481,500 Kwh
Total Delivered Energy Less Inadvertent	482,918 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	0 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	262,904 Kwh
Total Light Load Energy	220,014 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	482,918 Kwh

Fargo Drop Hydroelectric
Project Number 21615215

Header # 1162

May-15

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
5/1/2015	684	684	682	687	688	685	581	557	554	480	442	441	440	531	542	539	557	558	580	588	628	653	679	679	13,446	6,003	5,342
5/2/2015	688	706	706	714	722	723	693	682	788	807	808	808	808	787	781	797	741	786	786	786	786	749	749	749	18,073	12,316	6,757
5/3/2015	749	712	701	702	701	701	704	704	705	705	705	704	703	702	713	733	733	754	803	832	812	726	708	708	17,417	0	17,417
5/4/2015	707	284	687	822	825	745	655	685	703	333	654	741	761	760	757	756	752	782	778	768	718	715	715	715	16,780	11,300	5,480
5/6/2015	715	718	717	717	717	718	717	719	721	719	676	675	675	663	653	608	602	635	635	635	635	635	633	634	10,210	10,843	6,567
5/8/2015	649	674	700	726	739	716	682	844	727	808	810	811	812	798	748	747	746	746	745	745	727	721	703	680	17,683	11,977	5,886
5/7/2015	655	680	581	621	633	684	706	738	739	781	781	783	735	729	728	728	737	755	768	768	758	758	754	755	17,126	11,873	5,253
5/8/2015	689	622	580	586	583	560	561	643	688	746	766	778	788	798	797	788	794	781	761	789	862	820	874	874	17,807	12,133	5,374
5/9/2015	830	807	788	740	741	807	831	813	789	789	798	789	789	783	783	782	780	778	778	780	784	784	754	755	18,848	12,846	6,202
5/10/2015	752	752	760	769	788	788	768	767	770	771	772	771	786	808	808	787	782	781	778	778	777	776	776	775	18,601	0	18,601
5/11/2015	775	774	789	800	802	790	770	762	770	691	686	686	720	721	722	715	687	689	686	685	685	683	702	710	17,519	11,377	6,142
5/12/2015	710	711	710	710	709	711	788	794	708	680	672	671	688	734	746	746	740	741	742	742	718	680	717	774	17,321	11,668	5,752
5/13/2015	752	659	622	586	584	550	584	480	489	480	488	383	265	242	240	324	329	383	424	443	449	473	475	475	19,026	6,236	4,691
5/14/2015	475	475	475	475	478	478	478	478	478	478	478	751	754	781	782	800	800	800	802	802	743	718	718	723	16,006	11,708	4,297
5/15/2015	761	752	710	688	688	688	688	723	780	791	803	850	851	851	851	851	848	848	847	836	850	850	865	865	19,093	13,099	5,994
5/16/2015	787	682	571	503	454	486	486	484	804	674	691	680	680	631	615	614	615	599	541	486	489	489	436	436	19,863	9,483	4,401
5/17/2015	489	489	489	489	489	489	489	486	463	463	463	463	463	463	463	463	463	436	382	386	383	375	424	424	9,443	6,028	3,416
5/18/2015	436	436	438	436	436	436	437	371	285	287	287	287	328	421	439	442	442	443	440	438	386	383	375	424	9,443	6,028	3,416
5/19/2015	446	485	513	518	539	548	568	570	577	610	623	623	623	683	587	588	584	550	549	548	548	548	548	548	13,440	9,314	4,146
5/20/2015	548	548	548	548	548	548	548	580	527	424	370	385	364	364	382	380	367	509	572	626	631	637	602	602	11,865	7,338	4,527
5/21/2015	571	570	586	588	588	601	601	613	614	583	563	533	533	532	531	629	486	482	483	482	482	482	483	523	13,285	8,684	4,641
5/22/2015	548	583	587	609	614	628	588	529	536	574	601	608	605	605	587	581	581	580	577	577	577	577	552	484	13,913	9,329	4,584
5/23/2015	429	389	326	305	286	275	276	332	497	526	526	534	582	582	580	673	727	725	628	596	586	586	587	587	13,865	0	13,865
5/24/2015	554	553	554	588	607	607	608	610	570	554	566	680	593	592	581	680	672	656	553	552	550	583	587	587	13,865	0	13,865
5/25/2015	808	828	680	684	553	580	589	485	421	374	316	308	308	283	278	277	278	277	321	366	356	356	381	381	9,786	0	9,786
5/26/2015	548	626	686	684	709	882	610	536	502	448	445	442	484	501	521	378	281	650	658	689	680	659	659	661	17,028	11,600	5,428
5/27/2015	675	714	714	680	657	658	683	726	832	862	889	809	807	776	688	682	682	650	658	689	680	659	659	661	17,028	11,600	5,428
5/28/2015	661	659	681	659	656	733	830	840	840	836	792	798	827	827	844	846	845	844	818	812	812	800	787	771	16,799	13,216	5,589
5/29/2015	742	709	682	673	667	688	688	686	688	747	802	800	821	836	851	850	846	790	788	832	836	838	838	838	18,607	12,878	5,820
5/30/2015	836	838	839	839	831	811	814	824	833	825	823	823	823	824	821	820	820	824	847	854	853	853	851	853	18,878	13,281	6,898
5/31/2015	875	902	913	934	931	933	934	934	937	944	943	940	939	939	881	817	784	759	733	718	688	688	687	685	20,452	0	20,452
Total																									482,918	282,804	220,014

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation	482,920
Usage	2
Net	482,918

FARGO GENERATION
2014

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

April 2014

Energy produced by the project:

Gross Energy	376,932 Kwh
Usage - Current Month	382 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	376,550 Kwh

Total Delivered Energy Less Inadvertent	376,550 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	165,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	376,550 Kwh
110 % Projects estimated energy deliveries	181,500 Kwh
Current Month Net Energy that is more than 110%	195,050 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	148,500 Kwh
Total Delivered Energy Less Inadvertent	376,550 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	195,050 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	102,301 Kwh
Total Light Load Energy	79,214 Kwh
Total Surplus Energy	195,050 Kwh
Total Delivered Energy Less Inadvertent	376,550 Kwh

Fargo Drop Hydroelectric
Project Number 21615215
Header # 1162

Apr-14

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LB
4/1/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4/2/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4/3/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4/4/2014	0	0	0	0	0	0	0	0	0	0	0	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-26	-22	-4
4/5/2014	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-51	-34	-17
4/6/2014	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-50	0	-50
4/7/2014	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-50	-33	-17
4/8/2014	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-50	-33	-17
4/9/2014	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-50	-33	-17
4/10/2014	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-50	-33	-17
4/11/2014	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	227	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	176	184	-18
4/12/2014	848	822	865	866	859	859	859	858	805	746	713	687	687	688	743	744	702	623	596	607	698	635	699	889	17,941	11,281	6,660
4/13/2014	695	695	696	713	715	715	715	715	693	693	693	693	693	693	693	693	693	693	693	693	693	693	693	693	16,169	0	16,169
4/14/2014	730	736	736	735	735	583	549	593	593	593	593	593	593	571	524	525	525	525	525	525	526	525	525	525	14,221	8,878	5,343
4/15/2014	609	618	638	653	656	659	656	677	586	450	593	597	607	634	634	635	612	572	665	857	869	869	814	825	16,189	10,515	5,674
4/16/2014	929	944	960	989	955	964	961	981	926	941	1,020	971	1,001	1,024	965	1,034	987	989	985	1,035	977	926	974	1,011	23,449	15,723	7,726
4/17/2014	1,075	1,094	1,092	1,091	1,092	1,035	1,022	78	733	998	1,000	984	983	968	981	989	988	983	981	961	935	897	896	924	22,731	14,432	8,299
4/18/2014	948	908	908	910	908	915	952	949	876	802	776	778	827	858	876	784	746	757	783	761	715	653	619	641	19,357	12,597	8,760
4/19/2014	843	874	878	881	884	839	575	574	630	721	757	757	758	735	755	758	753	747	707	702	708	793	708	739	16,869	11,416	5,444
4/20/2014	790	805	854	856	856	859	871	870	872	871	871	874	872	846	831	853	863	864	863	861	846	826	841	946	20,561	0	20,561
4/21/2014	993	1,026	1,029	1,027	1,028	1,028	1,029	1,066	1,043	1,028	988	1,015	1,019	1,014	985	975	974	973	962	939	944	966	967	967	23,994	15,938	8,064
4/22/2014	938	917	894	895	895	895	895	911	908	840	808	798	755	741	793	799	797	760	706	702	704	749	751	751	19,600	12,664	6,938
4/23/2014	764	782	782	783	785	784	784	713	690	752	753	734	721	701	701	703	787	803	830	837	814	920	905	905	18,688	12,164	6,505
4/24/2014	908	905	906	898	895	905	899	850	965	967	988	980	940	938	988	978	871	831	953	865	871	955	1,004	997	22,770	15,356	7,414
4/25/2014	963	935	913	875	876	899	906	819	800	797	798	798	794	825	847	854	855	847	796	787	735	850	898	886	20,312	13,086	7,226
4/26/2014	848	828	823	822	793	814	889	871	886	916	917	916	911	887	880	880	880	880	830	914	895	896	895	886	21,045	14,338	8,707
4/27/2014	850	803	796	785	796	794	746	774	779	778	777	776	776	778	776	776	776	757	742	741	742	742	742	742	18,489	0	18,489
4/28/2014	718	718	718	718	718	719	719	725	688	634	596	634	481	475	475	508	563	582	586	596	598	601	636	674	14,982	9,383	5,619
4/29/2014	718	789	786	827	833	834	835	842	784	773	760	809	874	894	892	873	868	868	866	866	869	794	736	773	18,753	13,467	6,286
4/30/2014	836	855	874	881	882	883	871	801	690	616	644	751	786	785	785	783	782	782	782	761	755	697	703	782	18,788	12,072	6,696
Total																									376,980	212,239	184,341

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation	376,932
Usage	352
Net	376,580

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

May 2014

Energy produced by the project:

Gross Energy	633,153 Kwh
Usage - Current Month	6 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	633,147 Kwh

Total Delivered Energy Less Inadvertent	633,147 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	502,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	633,147 Kwh
110 % Projects estimated energy deliveries	552,200 Kwh
Current Month Net Energy that is more than 110%	80,947 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	451,800 Kwh
Total Delivered Energy Less Inadvertent	633,147 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	80,947 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	309,704 Kwh
Total Light Load Energy	242,496 Kwh
Total Surplus Energy	80,947 Kwh
Total Delivered Energy Less Inadvertent	633,147 Kwh

Fargo Drop Hydroelectric
Project Number 21615215

Header # 1162

May-14

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL	
5/1/2014	632	672	684	603	604	614	683	693	693	624	641	658	667	666	667	665	669	640	640	640	638	640	640	636	939	22,216	15,018	7,196
5/2/2014	638	641	650	648	650	651	653	657	646	688	681	681	619	655	662	668	665	662	661	622	614	639	624	625	22,211	14,864	7,327	
5/3/2014	625	675	611	650	665	666	637	657	663	624	672	666	657	696	636	633	612	610	606	601	607	607	607	607	19,932	12,946	6,986	
5/4/2014	767	767	766	766	765	767	765	767	767	768	768	767	767	767	767	765	764	764	764	764	764	766	723	724	16,756	0	16,756	
5/5/2014	726	766	791	791	792	765	739	606	613	683	693	675	642	634	614	613	608	608	610	769	752	732	776	610	19,471	13,243	6,226	
5/6/2014	626	657	657	657	657	657	658	628	721	671	688	748	760	755	722	719	767	621	666	665	668	666	667	666	16,373	12,527	6,846	
5/7/2014	692	628	646	650	650	652	662	650	670	666	656	653	652	630	623	623	620	662	653	622	628	656	673	673	22,686	15,120	7,566	
5/8/2014	673	684	1,020	1,042	1,033	1,068	1,070	1,084	1,016	994	634	151	666	672	670	666	668	646	646	603	617	640	641	667	22,686	14,547	8,039	
5/9/2014	673	675	676	674	675	674	673	629	622	623	624	625	625	624	619	604	602	604	604	602	601	603	605	612	22,260	14,667	7,593	
5/10/2014	794	741	656	623	624	644	723	625	634	673	667	668	700	700	700	688	668	668	668	668	668	668	668	700	16,183	10,700	5,483	
5/11/2014	700	701	701	701	701	703	702	703	704	704	703	701	695	691	689	688	700	731	730	732	724	709	709	710	16,932	0	16,932	
5/12/2014	671	619	612	678	663	659	600	624	667	712	712	711	708	769	772	802	634	606	793	776	774	767	818	629	17,100	11,861	5,239	
5/13/2014	631	630	604	766	793	662	620	765	747	700	695	665	664	662	661	661	661	661	661	674	663	629	662	602	17,336	11,229	6,107	
5/14/2014	666	702	727	758	761	760	683	661	679	680	692	739	737	737	713	664	660	679	680	680	679	676	679	679	679	16,634	11,102	5,532
5/15/2014	706	737	739	738	739	740	741	739	758	704	682	663	662	661	741	764	772	770	769	770	770	731	714	715	17,638	11,611	6,027	
5/16/2014	763	607	633	666	670	667	688	634	609	604	605	604	619	671	679	676	677	663	637	635	637	637	634	605	21,640	14,975	6,665	
5/17/2014	680	635	616	767	779	776	743	760	648	1,033	1,008	405	506	1,076	1,036	1,031	1,042	1,051	1,046	1,006	1,050	1,019	1,028	1,028	21,704	14,765	6,939	
5/18/2014	1,028	1,022	1,007	1,004	1,003	1,001	1,001	1,000	987	986	987	983	994	995	985	984	980	979	981	970	967	967	967	968	23,779	14,006	9,773	
5/19/2014	968	970	968	971	971	971	970	958	931	873	846	848	845	845	846	858	857	856	856	857	857	857	817	916	21,680	14,006	7,674	
5/20/2014	661	651	643	628	628	676	625	921	809	952	964	991	988	991	1,010	1,010	1,005	1,001	874	643	625	626	604	604	22,379	15,455	6,924	
5/21/2014	663	665	651	646	646	646	660	657	644	773	763	763	766	766	762	637	623	621	654	665	635	605	604	604	16,062	11,650	6,352	
5/22/2014	662	738	761	772	773	814	854	849	677	723	769	770	770	789	768	767	767	766	765	776	761	646	634	667	18,345	12,079	6,266	
5/23/2014	766	614	650	649	649	647	617	746	677	723	653	674	674	673	672	675	676	676	677	676	676	677	673	606	20,967	0	20,967	
5/24/2014	703	733	749	767	768	767	767	763	784	614	653	674	674	673	672	675	676	676	677	676	676	677	673	606	20,967	0	20,967	
5/25/2014	669	670	669	670	670	668	670	669	670	668	673	671	670	668	677	675	676	676	677	676	676	677	673	606	20,967	0	20,967	
5/26/2014	616	605	680	680	680	680	647	766	796	796	796	807	616	616	616	616	611	611	776	777	777	776	602	760	19,824	0	19,824	
5/27/2014	609	609	609	612	612	613	654	666	666	616	612	780	773	767	614	628	606	606	646	667	610	662	602	760	19,716	13,260	6,456	
5/28/2014	668	921	661	661	669	667	626	624	1,004	1,034	967	962	976	960	639	609	664	602	602	602	602	602	626	629	631	22,669	15,072	7,597
5/29/2014	648	666	670	662	661	642	612	640	664	962	626	620	650	660	665	667	664	664	665	666	1,003	1,025	1,028	1,028	23,403	15,665	7,738	
5/30/2014	1,037	1,025	1,027	1,040	1,049	1,031	1,026	1,057	1,040	1,060	946	-2	394	1,064	1,107	1,105	1,104	1,105	1,104	1,091	1,091	1,052	1,040	1,053	23,666	15,364	8,302	
5/31/2014	1,052	1,010	1,006	1,006	1,003	1,017	1,021	1,019	1,025	1,072	1,054	1,054	1,060	1,060	1,061	1,065	1,046	1,054	1,051	1,056	1,061	1,054	1,072	1,050	25,071	16,855	8,216	
Total																									633,147	355,103	278,044	

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation	633,153
Usage	6
Net	633,147

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

June 2014

Energy produced by the project:

Gross Energy	606,675 Kwh
Usage - Current Month	151 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	606,524 Kwh

Total Delivered Energy Less Inadvertent	606,524 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	615,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	606,524 Kwh
110 % Projects estimated energy deliveries	676,500 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	553,500 Kwh
Total Delivered Energy Less Inadvertent	606,524 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	0 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	333,756 Kwh
Total Light Load Energy	272,768 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	606,524 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

Jun-14

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL	
6/1/2014	1,046	1,046	1,008	1,037	1,011	1,027	1,018	1,035	1,007	1,023	1,027	1,016	1,025	1,026	1,027	1,026	1,024	1,024	1,025	1,025	1,024	1,026	1,021	981	24,561	0	24,551	
6/2/2014	983	983	975	971	971	1,038	1,025	1,028	1,031	1,034	1,012	1,004	985	974	987	984	985	982	982	983	983	982	982	981	23,686	15,812	7,864	
6/3/2014	981	959	959	957	958	967	1,010	1,013	1,018	1,018	997	976	988	946	937	938	936	926	927	939	956	892	837	22,912	15,432	7,480		
6/4/2014	826	809	808	828	838	850	851	851	805	782	742	739	709	707	746	779	780	802	841	840	840	789	712	710	18,820	12,442	6,378	
6/5/2014	711	732	733	832	853	871	889	873	885	841	841	835	834	841	840	841	917	945	899	889	889	823	844	907	20,386	13,842	6,543	
6/6/2014	832	932	945	956	958	978	982	1,012	1,015	1,018	741	870	1,017	974	959	939	1,064	1,076	1,077	1,019	1,010	998	959	824	23,383	15,789	7,594	
6/7/2014	883	877	854	854	855	854	850	846	988	1,038	232	688	1,045	1,049	1,033	1,005	1,004	1,003	1,002	1,003	1,003	1,002	998	950	21,905	14,770	7,135	
6/8/2014	825	802	889	883	892	893	892	886	928	931	832	848	852	858	958	959	959	958	955	948	946	947	987	974	22,411	0	22,411	
6/9/2014	874	986	991	982	989	981	986	987	884	833	817	784	790	826	880	862	882	862	831	797	788	788	851	811	21,208	13,553	7,655	
6/10/2014	953	974	1,007	1,057	1,064	1,051	994	1,030	1,035	1,028	988	981	1,004	976	970	988	983	1,017	1,055	1,068	1,070	1,072	1,071	1,070	24,507	18,289	6,247	
6/11/2014	1,071	1,082	1,084	1,078	1,072	1,072	1,029	1,054	1,052	1,052	1,052	1,052	1,052	1,101	1,101	1,089	1,098	1,097	1,097	1,094	1,095	1,094	1,094	1,094	25,167	18,611	6,546	
6/12/2014	1,081	1,080	1,093	1,084	1,094	1,084	1,087	1,090	1,091	1,091	884	170	1,000	1,113	1,111	1,105	1,105	1,089	1,100	1,101	1,101	1,100	1,098	1,098	26,086	16,388	8,740	
6/13/2014	1,099	1,089	1,073	1,097	1,081	1,083	1,087	1,090	1,089	1,089	460	479	1,099	1,108	1,102	1,077	1,087	1,078	1,094	1,094	1,092	1,073	1,046	1,045	24,761	16,148	8,613	
6/14/2014	1,040	988	985	936	917	907	937	944	938	988	288	678	983	987	988	968	932	926	928	912	885	880	806	740	21,426	14,128	7,298	
6/15/2014	740	737	808	813	838	838	838	838	838	838	839	839	839	868	879	880	881	880	878	878	878	938	946	902	20,460	14,327	6,133	
6/16/2014	878	878	878	880	880	817	967	935	899	887	918	823	851	833	833	845	906	904	904	903	904	904	905	905	21,449	13,008	8,441	
6/17/2014	839	780	785	786	787	878	856	716	867	902	903	558	838	878	901	901	901	907	909	910	910	910	954	941	20,674	12,645	8,029	
6/18/2014	901	892	881	881	881	878	861	901	918	911	722	787	900	887	776	772	826	598	674	685	684	643	887	847	19,703	12,045	7,658	
6/19/2014	794	747	715	716	715	716	734	728	883	775	835	843	438	857	813	822	824	794	743	802	856	881	880	862	19,304	12,151	7,153	
6/20/2014	791	752	725	727	718	713	712	707	777	712	691	682	859	870	905	816	898	785	754	717	717	716	718	718	17,734	11,415	6,319	
6/21/2014	837	825	805	805	806	805	802	794	787	712	691	682	859	870	905	816	898	785	754	717	717	716	718	718	17,818	11,415	6,319	
6/22/2014	718	712	700	699	700	700	700	700	701	730	747	746	746	774	777	778	776	775	774	775	774	773	773	774	17,818	11,415	6,319	
6/23/2014	847	888	885	887	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	19,372	12,903	6,469	
6/24/2014	721	786	837	873	902	903	904	919	918	982	388	988	1,067	1,053	1,067	1,031	1,034	1,043	1,050	1,048	1,027	916	828	854	22,319	16,406	5,913	
6/25/2014	980	1,016	1,022	1,021	1,018	1,020	1,039	1,054	139	915	757	404	1,055	1,066	1,062	1,049	1,031	1,043	1,047	992	442	172	-3	-2	19,340	13,267	6,072	
6/26/2014	-2	-2	-3	-2	-3	-2	-2	-2	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-3	-2	-3	-2	-2	19,340	13,267	6,072
6/27/2014	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-2	-2	19,340	13,267	6,072
6/28/2014	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-2	-2	19,340	13,267	6,072
6/29/2014	1,117	1,117	1,117	1,117	1,116	1,116	1,111	1,105	1,086	709	414	1,086	1,108	1,105	1,105	1,103	1,101	1,089	1,100	1,100	1,100	1,102	1,102	1,101	25,445	18,440	7,005	
6/30/2014	1,101	1,101	1,102	1,101	1,100	1,087	1,087	1,083	1,022	998	1,046	1,078	1,063	1,070	1,071	1,054	1,085	1,086	1,094	1,098	1,098	1,093	1,075	1,065	25,874	17,132	8,742	
Total																									606,624	333,796	272,788	

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation

606,675

Usage

151

Net

806,524

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

July 2014

Energy produced by the project:

Gross Energy	732,559 Kwh
Usage - Current Month	12 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	732,547 Kwh

Total Delivered Energy Less Inadvertent	732,547 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	690,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	732,547 Kwh
110 % Projects estimated energy deliveries	759,000 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	621,000 Kwh
Total Delivered Energy Less Inadvertent	732,547 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	0 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	410,158 Kwh
Total Light Load Energy	322,389 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	732,547 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

Jul-14

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
7/1/2014	1,084	1,095	1,086	1,095	1,093	1,088	1,088	1,091	1,093	1,094	1,091	1,079	1,087	1,087	1,082	1,078	1,078	1,067	1,067	1,067	1,066	1,066	1,067	1,065	26,102	17,379	6,723
7/2/2014	1,084	1,067	1,078	1,081	1,065	1,067	1,071	1,064	1,051	1,035	1,034	1,012	1,004	981	981	982	980	981	980	979	973	960	961	958	24,430	16,066	8,362
7/3/2014	931	921	953	981	983	959	938	923	943	963	986	1,003	1,012	973	937	825	973	968	988	989	999	963	958	960	23,189	15,553	7,636
7/4/2014	982	980	980	980	980	978	941	1,016	1,031	1,052	843	436	1,086	1,101	1,086	1,100	1,087	1,089	1,089	1,089	1,089	1,088	1,088	1,087	24,178	0	24,178
7/5/2014	1,098	1,070	1,017	1,009	1,014	979	962	874	947	1,001	1,002	996	1,018	992	1,001	1,033	986	1,008	1,018	1,004	998	1,012	1,014	1,014	24,079	15,883	8,216
7/6/2014	1,013	1,014	1,015	1,015	1,015	1,013	1,014	1,012	995	986	992	988	997	985	983	981	992	985	985	987	1,008	969	1,015	237	23,236	0	23,236
7/7/2014	-2	530	1,069	1,074	1,081	1,087	1,111	1,071	1,040	999	976	715	1,016	1,024	1,023	1,018	892	990	987	1,009	1,009	1,008	1,008	1,007	22,652	15,998	6,654
7/8/2014	1,008	1,009	1,012	1,034	1,037	1,037	1,036	1,018	945	859	402	892	898	907	919	904	865	865	882	904	821	866	982	959	22,262	14,183	8,079
7/9/2014	938	950	987	987	998	971	950	965	975	1,033	1,037	1,053	1,061	1,062	1,000	943	943	946	954	970	980	981	979	980	23,663	19,853	7,800
7/10/2014	983	1,006	1,009	1,022	1,012	1,012	985	954	889	1,033	1,056	1,030	1,030	1,036	1,039	1,028	1,007	1,080	1,079	1,079	1,078	1,076	1,077	1,070	24,781	16,590	8,191
7/11/2014	1,040	1,031	1,031	1,014	1,011	1,011	1,010	1,018	1,068	1,083	1,078	1,066	1,068	1,078	1,065	1,063	1,064	1,071	1,070	1,073	1,081	1,081	1,070	1,068	25,312	17,036	8,276
7/12/2014	1,067	1,033	1,021	1,009	1,010	1,028	1,043	1,043	1,013	982	982	958	949	948	986	1,000	1,000	999	999	978	983	984	983	984	23,883	16,787	8,096
7/13/2014	982	983	958	944	934	935	934	934	935	715	950	952	945	920	920	918	917	917	893	982	923	921	950	950	22,222	0	22,222
7/14/2014	1,004	1,029	1,049	1,052	1,059	1,060	1,059	1,042	1,024	1,067	1,067	1,029	1,026	835	839	1,033	1,039	1,035	1,009	378	854	1,024	1,029	1,064	23,708	15,382	8,346
7/15/2014	1,094	1,111	1,114	1,114	1,113	1,112	1,109	1,110	1,109	1,107	1,103	1,097	1,098	1,097	1,098	1,096	1,097	1,082	1,081	1,081	288	944	1,117	1,117	25,501	16,898	8,602
7/16/2014	1,117	1,119	1,118	1,109	1,108	1,108	1,104	1,109	1,109	1,107	1,103	1,093	1,093	1,082	1,088	1,086	1,078	1,081	1,088	1,082	1,070	1,081	1,084	1,080	25,315	17,471	8,844
7/18/2014	1,078	1,081	1,083	1,078	1,083	1,083	1,083	1,083	1,083	1,083	1,073	1,048	1,017	1,010	1,025	1,042	1,044	1,045	1,023	1,019	1,019	1,059	1,082	1,077	25,893	16,630	9,263
7/19/2014	1,042	1,054	1,053	1,055	1,045	978	984	1,014	1,013	1,043	1,055	1,057	1,056	1,069	1,073	1,081	1,075	1,076	1,076	1,076	1,077	1,078	1,077	1,055	26,240	16,883	9,357
7/20/2014	1,033	1,003	970	949	938	928	944	977	1,047	1,081	1,070	1,052	1,057	1,043	1,068	1,048	1,053	1,070	1,037	1,054	1,055	1,056	1,056	1,064	24,643	16,710	7,933
7/21/2014	1,057	1,031	1,031	1,028	1,046	1,049	1,048	1,050	1,055	1,065	1,043	1,074	1,039	1,078	1,036	1,067	1,041	1,086	1,037	1,048	1,050	1,048	1,064	1,031	25,182	0	25,182
7/22/2014	1,083	1,028	1,039	1,039	1,042	1,049	1,061	1,015	1,015	927	835	823	803	860	890	888	897	889	868	866	865	883	888	910	22,358	14,280	8,066
7/23/2014	914	949	950	952	952	955	955	947	932	887	872	847	844	860	901	899	898	899	889	889	901	810	953	964	21,939	14,350	7,589
7/24/2014	975	966	940	928	928	928	948	955	996	1,025	1,031	1,035	1,040	1,041	1,022	1,016	1,007	1,007	1,008	1,004	974	947	929	925	23,666	16,864	7,701
7/25/2014	1,021	980	963	964	961	958	965	977	978	977	988	1,006	1,006	1,007	1,007	1,008	1,007	1,007	1,008	1,004	974	947	929	925	23,666	16,864	7,701
7/26/2014	987	988	983	992	988	989	995	1,017	1,025	1,025	1,031	1,040	1,042	1,040	1,080	1,044	1,061	1,061	1,041	988	952	934	987	1,033	24,314	16,368	7,946
7/27/2014	1,018	984	962	946	926	927	904	884	832	866	976	992	1,001	988	986	995	997	981	978	976	978	876	976	958	23,224	15,530	7,694
7/28/2014	929	907	886	886	874	869	888	887	885	868	886	888	901	885	877	877	879	880	876	872	801	804	808	806	20,784	0	20,784
7/29/2014	835	869	885	901	902	902	884	907	928	901	887	877	854	853	853	853	836	802	802	802	803	808	820	863	20,840	13,663	6,987
7/30/2014	811	854	884	904	923	928	920	852	833	837	835	909	988	973	919	887	881	857	788	785	803	808	820	863	23,335	15,862	7,653
7/31/2014	907	940	888	874	886	888	965	975	976	970	986	987	988	990	979	976	977	977	976	977	977	965	953	839	23,335	14,398	7,237
7/31/2014	931	912	802	901	901	803	894	848	848	865	878	881	901	919	920	920	920	933	934	917	905	905	905	882	21,535	14,398	7,237
Total																									732,547	410,158	322,389

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation

732,569

Usage

12

Net

732,547

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

September 2014

Energy produced by the project:

Gross Energy	460,091 Kwh
Usage - Current Month	0 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	460,091 Kwh

Total Delivered Energy Less Inadvertent	460,091 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	495,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	460,091 Kwh
110 % Projects estimated energy deliveries	544,500 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	445,500 Kwh
Total Delivered Energy Less Inadvertent	460,091 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	0 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	254,218 Kwh
Total Light Load Energy	205,873 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	460,091 Kwh

Fargo Drop Hydroelectric
Project Number 21615215

Header # 1162

Sep-14

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
9/1/2014	821	821	823	824	827	826	827	813	877	845	805	772	767	747	733	724	722	721	723	724	722	881	911	874	18,130	0	18,130
9/2/2014	853	828	828	786	783	887	934	923	925	924	892	883	873	844	813	786	837	846	844	841	818	724	703	751	20,153	13,716	6,437
9/3/2014	748	876	874	878	877	858	823	815	814	818	817	817	818	871	858	497	506	642	641	641	641	484	478	481	14,170	9,103	5,067
9/4/2014	581	833	883	704	708	830	803	804	805	571	882	583	581	588	583	827	626	820	622	624	623	597	588	589	14,880	9,588	5,074
9/5/2014	679	838	841	842	883	888	870	721	743	745	766	788	808	824	827	842	880	848	848	829	814	788	788	787	18,052	12,884	5,388
9/6/2014	704	853	807	871	881	844	844	478	598	646	648	847	818	809	848	887	887	881	882	730	794	803	817	821	15,818	10,540	5,278
9/7/2014	814	788	775	778	777	777	777	778	784	803	804	804	806	805	800	784	782	778	788	810	817	704	775	754	18,984	0	18,984
9/8/2014	727	881	856	847	816	483	511	823	514	425	407	388	284	223	231	302	335	358	373	421	485	617	547	585	11,218	6,277	4,941
9/9/2014	810	841	875	879	879	882	883	832	812	855	883	882	881	880	708	727	780	751	751	750	748	716	715	715	18,845	11,248	5,386
9/10/2014	724	757	767	754	740	832	804	817	818	819	818	817	819	819	879	881	722	725	726	725	737	748	751	752	18,551	10,884	5,887
9/11/2014	741	744	787	765	739	757	859	845	845	847	801	782	788	788	780	788	784	798	796	794	787	761	838	882	18,985	12,752	6,233
9/12/2014	820	778	742	738	770	784	784	812	817	818	824	850	827	794	783	780	789	787	788	749	778	778	774	789	18,922	12,748	6,173
9/13/2014	887	838	853	851	852	838	481	477	480	481	421	346	341	388	458	486	485	450	488	487	487	488	487	487	14,572	7,121	4,451
9/14/2014	470	489	487	484	483	484	485	484	484	484	488	489	489	473	508	629	629	628	489	427	386	274	372	424	18,880	0	18,880
9/15/2014	440	485	617	531	533	535	536	518	676	644	682	700	708	704	883	643	644	659	880	880	880	688	686	688	14,788	10,482	4,353
9/16/2014	855	855	855	869	885	871	838	883	884	848	819	814	814	810	808	810	813	833	832	846	880	885	883	884	18,918	11,363	5,547
9/17/2014	886	885	884	883	883	883	884	831	830	887	888	888	888	888	887	885	887	887	888	867	887	888	725	725	18,886	10,602	5,373
9/18/2014	634	836	837	836	838	838	838	838	708	708	807	828	816	868	715	743	745	745	744	744	746	746	745	745	17,013	11,383	5,680
9/19/2014	725	725	718	671	687	888	888	708	811	812	842	852	878	848	545	545	545	545	545	544	546	545	544	544	18,072	9,183	4,889
9/20/2014	704	887	832	814	815	815	817	811	812	842	852	842	842	842	555	800	801	897	882	881	881	810	806	578	13,317	0	13,317
9/21/2014	510	508	510	823	541	840	841	841	842	842	842	842	842	842	842	842	842	842	842	842	842	842	842	842	11,833	8,421	5,680
9/22/2014	586	888	706	706	706	707	707	719	722	713	888	885	734	765	789	787	787	781	781	789	742	743	745	748	17,333	11,833	5,680
9/23/2014	883	847	813	879	872	872	873	871	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	888	12,938	8,421	4,514
9/24/2014	485	821	863	870	871	871	871	871	871	871	871	871	871	871	871	871	871	871	871	871	871	871	871	871	12,881	8,418	4,463
9/25/2014	447	480	485	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	511	12,881	8,418	4,463
9/26/2014	883	583	846	513	512	613	633	548	578	588	588	588	588	588	588	588	588	588	588	588	588	588	588	588	13,381	8,982	4,388
9/27/2014	584	665	559	635	635	535	557	819	824	811	810	812	810	803	882	559	880	657	658	658	659	680	680	680	13,788	8,380	4,445
9/28/2014	604	803	578	676	688	553	653	664	664	676	688	688	688	688	688	688	688	688	688	688	688	688	688	688	14,074	0	14,074
9/29/2014	850	888	888	887	788	788	788	773	786	727	884	883	883	883	884	883	883	883	883	883	883	883	883	883	16,780	11,010	5,770
9/30/2014	886	887	834	828	613	805	583	578	580	584	536	530	483	484	482	507	527	527	527	527	527	582	819	580	13,578	8,555	5,043
Total																									480,881	284,218	205,873

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation	Usage	Net
460,081	0	460,081

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

October 2014

Energy produced by the project:

Gross Energy	92,353 Kwh
Usage - Current Month	1,193 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	91,160 Kwh

Total Delivered Energy Less Inadvertent	91,160 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	135,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	91,160 Kwh
110 % Projects estimated energy deliveries	148,500 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	121,500 Kwh
Total Delivered Energy Less Inadvertent	91,160 Kwh
Current Month Net Energy that is less than 90%	91,160 Kwh

Total Surplus Energy	91,160 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	0 Kwh
Total Light Load Energy	0 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	91,160 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

Oct-14

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
10/1/2014	580	581	580	580	581	581	581	582	583	548	597	632	587	619	605	579	638	623	591	628	628	599	586	587	14,247	9,591	4,656
10/2/2014	587	588	589	588	588	589	589	589	580	582	586	604	605	571	566	628	588	588	588	587	588	587	582	604	14,183	9,467	4,726
10/3/2014	604	604	606	604	632	635	635	636	635	640	676	703	705	723	723	745	747	747	746	746	746	746	746	746	16,475	11,289	5,176
10/4/2014	713	685	616	608	580	577	576	573	602	659	677	714	732	744	743	743	743	743	743	743	743	742	743	765	16,817	11,220	5,297
10/5/2014	767	766	767	767	766	767	767	768	768	768	768	784	760	761	761	766	766	776	777	777	776	776	778	790	18,606	0	18,606
10/6/2014	790	791	790	790	790	790	790	790	790	791	844	886	867	863	489	165	83	-12	-3	-2	-2	-3	-2	-3	12,282	7,544	4,738
10/7/2014	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-3	-66	-37	-19
10/8/2014	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-60	-37	-19
10/9/2014	-2	-3	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-2	-3	-2	-3	-2	-2	-3	-2	-3	-2	-57	-34	-19
10/10/2014	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-3	-2	-2	-3	-2	-68	-37	-19
10/11/2014	-2	-3	-2	-3	-2	-2	-3	-2	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-3	-67	-38	-19
10/12/2014	-2	-2	-3	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-66	0	-46
10/13/2014	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-3	-67	-38	-19
10/14/2014	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-57	-36	-19
10/15/2014	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-3	-2	-3	-2	-3	-2	-2	-2	-3	-56	-37	-19
10/16/2014	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-3	-2	-3	-2	-2	-2	-2	-2	-3	-67	-36	-19
10/17/2014	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-67	-36	-19
10/18/2014	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-56	-37	-19
10/19/2014	-3	-2	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-3	-57	0	-57
10/20/2014	-2	-3	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-3	-57	-36	-19
10/21/2014	-2	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-2	-2	-2	-2	-2	-56	-37	-19
10/22/2014	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-2	-2	-2	-2	-2	-56	-37	-19
10/23/2014	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-3	-2	-2	-2	-2	-2	-2	-57	-36	-19
10/24/2014	-2	-3	-2	-3	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-57	-37	-20
10/25/2014	-3	-2	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-67	-38	-19
10/26/2014	-2	-3	-2	-3	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-56	0	-56
10/27/2014	-3	-2	-3	-2	-3	-2	-2	-2	-2	-3	-2	-2	-2	-2	-2	-3	-2	-2	-3	-2	-2	-2	-2	-2	-30	-15	-16
10/28/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10/29/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10/30/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10/31/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total																									91,160	48,470	42,690

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation	92,353
Usage	1,193
Net	91,160

**FARGO GENERATION
2013**

Fargo Drop Hydroelectric
Project Number 21615215

Header # 1162

Apr-13

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
4/1/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/2/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/3/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/4/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/5/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/6/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/7/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/8/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/9/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/10/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/11/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/12/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/13/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/14/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/15/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/16/2013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4/17/2013	-2	-3	-2	-2	-3	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
4/18/2013	-3	-2	-2	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
4/19/2013	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
4/20/2013	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
4/21/2013	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
4/22/2013	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
4/23/2013	910	910	914	919	919	919	920	914	875	977	971	918	778	9	680	658	730	773	773	780	653	882	882	884	884	8,808	1,773
4/24/2013	1,025	1,027	1,022	1,014	1,003	1,010	1,023	1,025	1,028	385	-3	120	782	1,084	1,061	1,064	1,070	1,063	1,061	1,060	1,039	1,055	1,037	1,018	22,070	13,914	8,156
4/25/2013	983	985	984	937	916	900	879	853	961	432	14	433	880	899	900	899	912	919	929	928	929	916	890	881	20,159	12,723	7,438
4/26/2013	980	817	814	815	814	821	831	827	815	773	749	736	721	721	720	748	769	768	767	771	765	784	784	782	18,778	12,282	6,887
4/27/2013	783	784	783	783	783	783	778	738	748	831	831	835	836	836	841	853	866	868	864	864	865	882	881	848	18,884	13,285	6,298
4/28/2013	849	848	849	852	851	850	850	850	850	842	842	842	833	797	797	793	722	714	802	827	827	826	825	805	19,747	0	19,747
4/29/2013	805	805	806	806	806	799	740	814	833	831	825	836	597	0	12	446	762	812	834	841	841	818	812	854	17,333	10,841	6,492
4/30/2013	883	901	807	910	908	785	770	795	746	598	608	856	655	656	632	618	617	617	617	571	548	515	509	509	16,543	10,220	6,323
																									88,946	71,342	

Hourly Generation Exceeding Plant Capacity of 1270 0

Generation	161,611
Usage	323
Net	161,288

Pre-Operational Energy	107,665	HL	LL
Operational Energy	53,623	21,061	32,562
Total Energy	161,288	21,061	32,562

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

May 2013

Energy produced by the project:

Gross Energy	547,465 Kwh
Usage - Current Month	67 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	547,398 Kwh
Inadvertent Energy - Total Hourly	0 Kwh
Inadvertent Energy - Total Monthly	0 Kwh
Total Delivered Energy Less Inadvertent	547,398 Kwh

Monthly Inadvertent Energy Calculation

Total Delivered Energy	547,398 Kwh
10 aMW Maximum allowed for the month	7,440,000 Kwh
Inadvertent energy - Total Monthly	0 Kwh

Surplus Energy Calculation

Projects estimated energy deliveries	550,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	547,398 Kwh
110 % Projects estimated energy deliveries	605,000 Kwh
Current Month Net Energy that is less than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	495,000 Kwh
Total Delivered Energy Less Inadvertent	547,398 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy 0 Kwh

Net Energy Less Inadvertent Energy

Total Heavy Load Energy	293,028 Kwh
Total Light Load Energy	254,370 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	547,398 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

May-13

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
5/1/2013	544	507	683	593	593	498	413	408	450	618	565	587	587	587	557	520	520	564	554	554	552	551	536	509	12,928	8,477	4,461
5/2/2013	511	511	511	542	551	571	613	613	644	686	683	682	646	513	487	612	632	628	579	575	568	527	520	504	13,787	9,566	4,221
5/3/2013	592	679	727	754	772	778	712	704	645	-3	-2	-2	-3	-2	-2	-2	-3	-1	415	762	799	800	800	789	10,818	4,717	5,801
5/4/2013	638	884	908	923	940	946	959	989	936	888	862	861	851	866	867	832	796	786	794	793	805	833	831	830	20,761	13,669	7,101
5/5/2013	829	829	827	828	826	824	823	822	824	445	-2	326	805	630	832	831	836	845	845	845	793	727	686	786	17,849	0	17,849
5/6/2013	829	853	857	868	872	835	787	761	735	735	770	802	839	880	872	880	886	896	808	856	861	859	832	882	20,569	13,638	6,938
5/7/2013	880	880	910	936	951	953	917	831	704	646	450	-2	241	832	682	664	664	682	682	682	628	598	597	586	18,346	9,821	6,725
5/8/2013	682	682	682	691	692	681	691	673	686	761	782	784	713	704	703	885	865	863	780	773	772	706	701	737	17,048	11,501	5,548
5/9/2013	743	745	718	718	718	717	717	708	687	613	60	45	422	545	544	542	544	542	550	739	693	627	626	626	14,170	8,556	5,614
5/10/2013	575	554	514	516	515	518	681	580	580	589	684	742	823	877	906	921	922	893	858	854	877	880	889	886	17,806	12,538	4,867
5/11/2013	870	845	844	849	848	848	833	838	851	888	-2	-2	171	875	895	895	961	950	952	982	982	971	971	970	19,238	12,181	7,045
5/12/2013	970	956	963	963	953	953	950	950	949	948	948	947	946	946	961	977	976	974	974	973	982	980	958	956	22,984	0	22,984
5/13/2013	830	820	889	886	885	895	883	887	881	878	872	879	41	587	834	827	744	748	782	781	781	780	759	752	18,842	11,898	6,946
5/14/2013	752	762	764	779	778	812	888	872	800	764	144	-2	347	761	797	807	807	805	805	805	804	792	770	766	17,159	10,888	6,173
5/15/2013	813	841	865	865	881	883	882	888	883	829	800	788	785	780	770	761	761	760	761	750	739	738	739	757	19,340	12,898	6,444
5/16/2013	786	822	838	847	863	872	872	865	865	865	865	868	868	868	868	868	868	868	868	868	868	868	868	868	19,340	12,898	6,444
5/17/2013	846	843	844	844	845	846	869	878	366	2	-3	291	823	861	848	847	845	844	843	842	842	842	831	831	19,850	13,463	6,187
5/18/2013	811	783	752	727	712	740	767	770	846	877	888	870	881	848	848	847	845	844	843	842	842	842	831	831	19,850	13,463	6,187
5/19/2013	823	817	815	814	813	812	835	841	670	628	813	832	838	844	866	869	878	876	875	875	875	758	758	792	18,882	12,745	7,157
5/20/2013	945	937	925	925	927	947	893	910	894	802	888	717	757	765	786	786	786	787	786	786	759	758	759	792	18,882	12,745	7,157
5/21/2013	793	783	796	808	808	914	884	867	840	792	750	782	814	814	791	717	776	782	730	725	727	728	748	770	18,882	12,745	7,157
5/22/2013	772	683	677	676	677	695	712	710	888	849	647	649	647	646	646	603	479	470	515	577	598	619	618	619	15,182	8,765	5,417
5/23/2013	618	620	619	621	620	623	628	626	659	661	660	659	685	709	708	709	707	707	704	707	707	706	713	773	16,130	10,922	5,208
5/24/2013	798	788	800	800	789	798	775	740	728	792	803	783	756	759	810	823	824	800	793	794	774	770	768	719	18,513	12,534	6,279
5/25/2013	682	660	640	642	644	646	659	673	673	708	707	707	707	706	706	707	708	707	706	706	686	670	670	670	16,408	11,142	5,264
5/26/2013	670	670	677	682	682	683	683	683	703	719	719	719	718	716	688	670	685	707	708	708	710	728	728	728	16,766	0	16,766
5/27/2013	726	726	726	726	728	722	738	755	771	616	856	860	865	872	872	872	871	872	873	871	891	952	943	916	19,828	0	19,828
5/28/2013	903	889	882	877	871	868	871	873	287	806	865	863	815	801	781	780	781	781	781	780	785	819	880	833	18,512	12,508	7,003
5/29/2013	781	748	716	703	703	614	795	754	746	612	611	749	731	731	730	727	760	764	726	685	686	685	692	671	15,620	11,194	4,426
5/30/2013	820	556	493	431	419	534	637	846	853	684	701	714	714	715	716	716	716	716	715	714	713	713	702	671	15,620	11,194	4,426
5/31/2013	672	889	700	716	718	733	758	780	758	758	758	758	758	780	760	760	760	771	774	774	771	772	772	791	18,003	12,212	5,791
Total																								547,388	283,028	254,370	

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation	547,465
Usage	67
Net	547,398

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

June 2013

Energy produced by the project:

Gross Energy	654,844 Kwh
Usage - Current Month	9 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	654,835 Kwh

Total Delivered Energy Less Inadvertent	654,835 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	725,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	654,835 Kwh
110 % Projects estimated energy deliveries	797,500 Kwh
Current Month Net Energy that is less than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	652,500 Kwh
Total Delivered Energy Less Inadvertent	654,835 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	0 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	366,991 Kwh
Total Light Load Energy	287,844 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	654,835 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

Jun-13

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
6/1/2013	802	803	803	803	798	708	708	707	707	694	674	675	674	674	685	733	733	683	674	674	674	684	684	684	17,201	11,973	6,128
6/2/2013	707	708	707	707	697	685	686	675	676	676	675	718	721	699	658	655	655	683	694	662	650	650	703	759	16,507	0	16,507
6/3/2013	824	818	1,001	989	1,014	837	1,002	987	970	908	906	907	820	928	946	952	945	944	943	943	945	945	945	945	22,862	16,088	7,873
6/4/2013	959	980	982	983	983	986	1,018	980	925	884	832	808	788	781	781	773	772	771	772	771	761	758	837	748	20,655	13,187	7,468
6/5/2013	946	1,015	1,048	1,070	1,070	789	817	824	760	871	665	614	601	650	663	666	713	808	896	824	882	796	747	748	19,363	11,950	7,413
6/6/2013	746	761	826	830	858	878	923	988	1,008	1,052	1,056	1,057	1,058	1,057	1,057	1,066	1,064	1,051	1,048	1,026	1,006	980	937	862	23,146	16,452	6,696
6/7/2013	508	818	931	932	932	936	901	899	947	958	971	975	821	892	883	830	1,028	1,030	1,003	988	904	888	860	860	22,113	15,110	7,003
6/8/2013	986	1,004	1,010	1,018	1,020	985	971	981	958	977	978	982	1,000	1,008	1,005	1,013	1,003	988	979	988	970	971	978	995	23,735	15,731	8,004
6/9/2013	956	988	990	982	983	978	980	983	973	974	964	970	975	986	990	994	991	980	985	1,004	1,019	947	941	1,028	23,162	0	23,162
6/10/2013	1,042	1,081	1,085	1,084	1,082	1,086	1,067	987	1,055	1,053	1,076	1,061	1,043	1,043	810	834	1,057	1,081	1,081	1,087	1,068	1,055	1,068	1,070	24,776	16,218	8,558
6/11/2013	1,089	1,068	1,061	1,054	1,044	523	1,018	1,071	1,073	1,072	1,068	1,070	1,068	1,059	1,058	1,060	1,080	1,080	1,081	1,062	1,054	1,054	1,055	1,055	24,886	16,902	7,988
6/12/2013	1,055	1,031	1,024	1,021	1,027	1,035	1,015	972	1,006	984	982	978	978	989	991	997	1,000	1,001	1,001	1,002	1,013	988	1,012	1,003	24,126	15,918	8,208
6/13/2013	1,003	1,030	1,016	1,005	1,025	1,026	1,012	1,009	1,021	983	957	945	936	934	932	919	928	933	955	949	917	901	901	880	23,137	15,252	7,885
6/14/2013	863	841	829	828	830	840	859	867	838	830	834	803	836	874	903	937	936	937	935	934	811	812	836	823	21,028	14,136	6,893
6/15/2013	888	836	823	805	801	836	862	889	989	1,048	1,027	1,028	1,011	1,035	1,001	1,034	1,021	1,017	1,037	1,019	1,006	1,017	1,031	1,006	23,657	16,681	7,006
6/16/2013	1,011	1,015	1,041	997	1,020	1,028	1,016	992	1,016	1,039	1,025	1,048	1,033	1,019	1,040	1,024	1,012	1,030	1,048	1,037	1,029	1,058	1,037	1,059	24,669	0	24,669
6/17/2013	1,061	1,061	1,061	1,060	1,061	1,060	1,057	1,059	1,042	1,018	1,024	1,028	1,030	1,031	1,066	1,033	1,043	1,039	1,038	1,024	1,045	1,046	1,047	1,047	25,096	16,639	8,457
6/18/2013	1,048	1,047	1,047	1,048	1,048	1,046	1,030	967	787	888	868	858	887	886	889	815	844	846	865	785	838	839	851	910	20,987	12,922	8,066
6/19/2013	965	1,002	1,030	1,043	1,044	1,007	744	148	908	1,014	1,022	1,031	1,018	982	833	831	842	885	884	883	883	923	1,068	1,031	22,040	13,898	8,180
6/20/2013	986	974	954	942	918	942	968	962	887	1,055	1,045	828	856	823	828	882	916	916	925	922	922	924	899	899	23,894	16,106	7,788
6/21/2013	938	907	874	866	866	892	825	832	876	887	883	885	858	823	828	882	916	916	925	922	922	924	899	899	21,387	14,231	7,156
6/22/2013	857	818	804	782	783	784	741	784	820	974	976	982	982	1,009	850	1,010	942	879	872	875	977	985	873	882	21,833	15,160	6,783
6/23/2013	951	802	878	872	855	857	853	854	869	857	856	853	782	754	727	730	739	758	758	757	588	604	703	703	18,984	0	18,984
6/24/2013	786	816	848	851	858	888	888	931	905	906	857	894	880	873	895	873	968	978	1,005	1,007	1,007	1,008	1,007	1,007	22,555	15,535	7,020
6/25/2013	1,021	994	1,012	1,016	1,005	1,012	985	957	889	884	880	941	835	820	918	917	916	915	944	959	970	1,001	1,010	1,011	22,848	15,150	7,699
6/26/2013	912	834	843	853	852	884	888	980	884	943	941	835	872	872	870	870	910	923	811	868	983	870	869	872	22,188	14,367	7,801
6/27/2013	880	950	948	950	950	948	954	892	883	983	1,004	1,013	1,016	1,019	1,019	1,039	1,003	1,013	1,033	985	1,013	1,016	1,009	946	23,789	16,107	7,682
6/28/2013	875	802	753	752	748	749	818	785	887	878	875	875	874	874	873	871	869	869	867	867	868	868	704	770	17,182	11,028	6,154
6/29/2013	886	818	836	836	835	788	728	814	827	804	804	824	835	833	808	788	753	800	817	790	779	786	744	720	18,122	12,768	5,354
6/30/2013	786	772	772	773	782	754	755	755	755	755	755	755	755	755	754	754	756	782	793	781	783	787	781	886	18,532	0	18,532
Total																									654,835	386,981	287,844

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation

654,844

Usage

9

Net

654,835

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

July 2013

Energy produced by the project:

Gross Energy	697,228 Kwh
Usage - Current Month	30 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	697,198 Kwh

Total Delivered Energy Less Inadvertent	697,198 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	825,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	697,198 Kwh
110 % Projects estimated energy deliveries	907,500 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	742,500 Kwh
Total Delivered Energy Less Inadvertent	697,198 Kwh
Current Month Net Energy that is less than 90%	697,198 Kwh

Total Surplus Energy	697,198 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	0 Kwh
Total Light Load Energy	0 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	697,198 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

Jul-13

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL
7/1/2013	985	1,010	1,021	1,021	1,021	983	970	961	895	856	826	811	804	855	877	928	956	955	955	930	891	862	836	819	22,188	14,333	7,776
7/2/2013	921	922	928	924	928	87	72	771	1,041	1,050	1,052	1,012	1,008	1,036	1,030	402	625	1,008	1,016	1,018	1,000	979	974	974	20,779	14,121	6,658
7/3/2013	973	959	958	958	962	886	986	1,027	1,037	1,028	1,041	1,027	1,040	1,042	1,031	1,021	1,048	1,033	1,034	1,046	1,023	913	976	956	24,106	16,378	7,728
7/4/2013	942	254	-2	-2	-3	-2	50	755	1,007	1,008	967	942	463	670	947	957	923	920	920	919	919	925	964	966	16,390	0	16,390
7/5/2013	944	916	910	910	910	933	860	961	933	914	908	908	908	907	925	929	935	943	943	943	923	899	899	898	22,159	14,839	7,320
7/6/2013	888	904	906	904	904	987	974	973	1,014	1,057	1,058	1,051	330	841	1,100	1,089	1,087	1,082	1,080	1,081	1,084	1,085	1,078	1,089	23,476	15,827	7,649
7/7/2013	1,058	1,048	1,048	1,061	1,042	1,048	1,058	1,052	1,040	1,042	1,058	1,022	1,046	1,046	1,034	1,031	1,034	1,034	1,033	1,033	1,031	1,033	1,033	1,058	25,025	0	25,025
7/8/2013	1,051	1,052	1,050	1,087	1,058	1,033	1,040	1,070	1,080	1,054	1,068	1,063	1,034	1,022	1,018	1,021	1,019	1,015	1,024	1,025	1,025	1,025	1,011	995	24,898	16,581	8,317
7/9/2013	1,028	1,037	1,037	1,037	1,036	1,042	1,046	1,034	1,016	1,025	1,024	1,013	1,013	1,012	1,012	1,022	1,022	1,018	1,019	1,021	1,021	1,022	1,022	1,022	24,802	16,340	8,262
7/10/2013	1,022	1,022	1,023	1,022	1,022	1,023	1,021	1,023	1,038	1,005	1,025	1,028	1,016	489	533	1,064	1,081	1,058	1,054	1,051	1,052	1,051	1,050	1,051	23,782	16,947	8,236
7/11/2013	1,060	1,066	1,066	1,064	1,082	1,059	1,055	1,017	1,047	1,040	1,041	1,042	1,041	1,042	1,043	1,041	1,042	1,044	1,042	1,039	1,040	1,045	1,039	1,020	23,127	16,891	8,436
7/12/2013	1,003	970	968	950	949	949	935	927	867	886	1,006	1,008	1,008	1,017	1,022	1,014	1,015	1,013	1,007	1,008	1,010	1,010	1,010	994	23,748	15,955	7,793
7/13/2013	950	907	867	877	877	928	965	961	882	868	880	878	872	868	871	872	884	887	887	887	883	878	879	880	21,587	14,412	7,185
7/14/2013	879	884	887	887	887	922	926	928	943	944	945	935	915	910	925	929	928	931	932	985	975	974	974	974	22,319	0	22,319
7/15/2013	992	1,021	1,024	1,033	1,024	976	1,000	1,016	885	1,008	1,034	1,043	1,039	1,035	1,034	1,036	1,036	1,038	1,038	1,038	1,038	1,039	1,039	1,042	24,586	16,436	8,181
7/16/2013	1,042	1,042	1,037	1,037	1,035	1,038	1,038	1,025	1,041	1,037	1,034	1,010	762	1,066	1,074	1,074	1,073	1,068	1,068	1,067	1,065	1,054	1,055	1,055	24,898	16,556	8,341
7/17/2013	1,055	1,057	1,057	1,057	1,058	1,039	1,028	1,007	980	958	941	927	928	927	914	924	928	920	884	883	825	827	858	856	22,466	14,457	8,038
7/18/2013	880	859	880	859	880	861	857	937	932	947	949	950	970	989	988	994	1,022	1,019	988	982	981	1,031	1,008	989	22,752	15,816	7,136
7/19/2013	850	940	928	928	928	944	947	980	917	940	968	973	977	982	1,002	1,001	1,001	1,007	1,010	1,012	1,012	1,012	1,012	989	22,860	15,891	7,569
7/20/2013	982	986	986	986	986	978	1,003	1,000	1,000	1,000	1,010	1,021	1,026	1,031	1,035	1,038	1,045	1,032	1,041	1,041	1,039	1,039	1,039	1,039	23,702	15,819	7,883
7/21/2013	1,046	1,058	1,073	1,036	1,070	1,040	1,084	1,051	1,029	1,061	1,033	1,043	1,048	1,024	1,035	1,038	1,045	1,032	1,030	1,036	1,046	988	871	1,016	24,884	0	24,884
7/22/2013	1,033	1,054	1,036	1,045	1,054	1,016	1,081	1,038	1,043	988	958	919	908	868	853	853	856	850	820	819	818	819	860	933	22,511	14,488	8,031
7/23/2013	983	1,009	1,011	1,023	1,021	1,010	985	981	878	871	844	828	823	824	824	824	824	821	816	785	786	794	788	778	21,169	13,546	7,623
7/24/2013	365	588	816	815	814	816	815	804	802	844	841	839	848	856	854	874	881	880	877	878	880	861	850	844	19,544	13,634	5,910
7/25/2013	827	811	799	789	740	758	776	794	882	885	902	910	909	907	907	904	805	808	810	811	880	887	878	871	20,847	14,177	6,470
7/26/2013	865	853	853	849	832	853	875	708	863	841	858	854	952	950	961	964	961	961	965	957	958	957	856	901	21,674	14,704	6,970
7/27/2013	880	825	806	806	806	881	866	458	884	898	931	931	949	960	960	980	967	968	965	957	958	957	856	933	21,238	14,367	6,872
7/28/2013	810	901	883	887	869	889	870	879	886	926	950	951	949	965	966	967	979	972	974	973	972	973	972	958	22,423	0	22,423
7/29/2013	956	947	946	946	946	854	884	872	889	868	873	901	919	938	956	982	981	964	955	964	959	976	977	22,333	14,787	7,546	
7/30/2013	978	982	982	983	983	983	982	970	887	830	802	800	804	851	853	853	850	849	850	848	848	722	779	797	21,066	13,601	7,465
7/31/2013	821	831	849	849	848	847	847	861	767	689	692	681	682	734	732	730	713	688	688	691	674	658	657	650	17,889	11,527	6,362
Total																									687,188	390,420	386,778

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation

697,226

Usage

30

Net

687,198

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

August 2013

Energy produced by the project:

Gross Energy	672,322 Kwh
Usage - Current Month	24 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	672,298 Kwh

Total Delivered Energy Less Inadvertent	672,298 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	725,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	672,298 Kwh
110 % Projects estimated energy deliveries	797,500 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	652,500 Kwh
Total Delivered Energy Less Inadvertent	672,298 Kwh
Current Month Net Energy that is less than 90%	0 Kwh

Total Surplus Energy	0 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	385,804 Kwh
Total Light Load Energy	286,494 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	672,298 Kwh

Fargo Drop Hydroelectric

Project Number 21615215

Header # 1162

Aug-13

Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Total	HL	LL	
8/1/2013	673	727	742	751	751	752	750	698	-2	-2	-3	-2	-2	-3	-2	10	288	814	823	743	798	882	878	897	11,922	5,751	6,171	
8/2/2013	900	911	908	905	917	911	908	912	313	807	1,003	1,027	1,016	1,000	983	975	964	965	965	985	985	986	984	938	22,168	14,794	7,374	
8/3/2013	905	881	872	865	865	829	944	915	809	908	882	881	883	880	902	921	922	920	920	922	922	905	901	898	21,053	14,647	7,116	
8/4/2013	882	882	890	882	882	884	883	889	881	890	885	892	892	894	884	882	893	880	888	889	871	29	587	889	20,221	0	20,221	
8/5/2013	911	911	911	911	912	911	902	929	919	918	921	934	955	955	957	956	953	954	952	953	952	964	983	987	22,571	16,134	7,437	
8/6/2013	982	988	995	984	988	984	1,015	991	995	905	880	875	878	856	853	857	853	809	881	881	880	855	839	840	21,984	14,324	7,660	
8/7/2013	842	842	844	845	848	883	890	888	848	851	871	866	850	850	847	847	860	857	877	889	842	744	735	736	20,182	13,837	6,585	
8/8/2013	707	677	722	718	721	730	744	781	809	870	898	914	914	915	938	944	956	952	953	954	952	951	828	878	20,523	14,443	6,080	
8/9/2013	859	821	825	823	812	839	874	888	889	907	883	876	878	912	941	938	940	952	949	965	979	932	806	877	21,455	14,703	6,782	
8/10/2013	857	841	816	824	851	881	883	883	988	1,036	502	248	985	1,027	1,024	1,025	1,022	1,025	1,020	1,019	1,019	1,018	1,019	1,018	21,818	14,713	7,105	
8/11/2013	1,015	1,014	1,016	1,013	1,015	1,010	1,006	983	1,009	1,004	1,004	1,005	1,011	1,007	1,019	1,025	1,018	1,013	1,005	989	1,004	1,006	1,020	1,027	24,248	0	24,248	
8/12/2013	1,032	1,048	1,062	1,054	1,055	1,039	1,050	1,070	1,073	1,058	1,042	1,034	1,042	1,038	1,032	1,029	1,022	1,018	1,013	1,006	1,012	948	987	882	24,712	16,503	8,289	
8/13/2013	944	834	932	928	925	914	903	897	885	859	888	853	853	854	882	851	851	857	871	871	875	928	864	883	21,281	13,916	7,365	
8/14/2013	885	894	883	897	903	968	960	941	940	955	971	877	982	988	979	990	970	963	969	958	967	949	943	950	22,813	18,480	7,333	
8/15/2013	926	903	884	889	887	877	887	882	887	922	928	929	930	954	971	980	982	967	949	967	986	984	981	941	829	23,181	15,417	7,764
8/16/2013	988	981	977	976	974	988	980	985	942	976	952	950	952	957	979	980	982	987	985	965	964	961	941	829	23,181	15,417	7,764	
8/17/2013	886	885	851	847	821	815	868	883	884	913	920	905	916	952	946	965	971	973	965	967	957	957	870	973	984	23,988	14,946	7,052
8/18/2013	958	965	970	968	982	950	965	973	872	853	883	888	884	881	886	880	883	913	889	888	888	891	884	884	21,956	14,380	7,576	
8/19/2013	980	978	976	981	982	951	953	988	946	888	884	881	881	881	886	880	883	784	743	743	716	702	703	731	19,404	12,582	6,882	
8/20/2013	885	816	916	813	888	882	856	888	888	837	817	778	780	779	778	743	782	784	743	743	656	654	654	654	17,181	11,332	5,849	
8/21/2013	747	748	752	779	779	738	771	782	811	731	713	882	722	721	686	888	886	678	671	670	656	654	654	654	17,181	11,332	5,849	
8/22/2013	654	653	626	638	665	627	627	680	742	813	877	871	880	886	883	980	938	935	951	944	936	1,006	1,001	1,022	19,844	13,958	6,886	
8/23/2013	1,020	998	1,004	1,013	1,008	885	248	803	1,080	1,081	1,058	1,038	1,038	1,056	1,046	1,053	1,051	1,054	1,055	1,041	1,044	1,022	1,043	987	23,864	15,818	8,086	
8/24/2013	950	928	913	910	911	933	957	915	922	946	932	888	885	1,019	1,002	1,002	1,008	1,007	981	1,003	1,004	982	874	878	23,156	15,661	7,485	
8/25/2013	1,013	1,013	1,012	987	1,003	1,007	1,003	999	987	987	987	1,007	1,005	1,000	1,016	1,004	1,007	1,006	989	888	894	897	1,015	1,018	24,102	0	24,102	
8/26/2013	1,028	1,028	1,043	1,047	1,045	1,031	1,009	980	987	942	981	944	937	949	948	940	928	927	930	882	844	887	901	870	23,087	15,003	8,084	
8/27/2013	1,005	1,015	1,030	1,006	987	925	966	932	909	875	856	856	859	886	891	883	889	887	916	915	911	806	853	813	21,891	14,247	7,744	
8/28/2013	945	878	983	1,010	1,022	970	956	980	969	828	821	820	822	920	918	820	901	883	883	887	887	887	888	883	22,388	14,861	7,887	
8/29/2013	880	872	887	886	888	839	853	881	901	823	832	828	837	948	955	962	968	969	967	888	832	838	836	836	22,084	14,872	7,122	
8/30/2013	932	933	937	949	947	903	903	895	873	880	884	885	881	913	917	914	917	911	911	911	914	923	932	920	21,915	14,482	7,483	
8/31/2013	929	905	925	901	896	916	932	948	948	948	947	943	903	803	824	925	923	988	1,012	1,034	1,042	1,048	1,050	1,047	22,915	16,581	7,564	
																									672,298	385,804	286,484	

Hourly Generation Exceeding Plant Capacity of 1270

0

Generation

672,322

Usage

24

Net

672,288

Calculation of Capacity and Energy Payment

Riverside Investments, LLC

Fargo Drop Hydroelectric

Project Number: 21615215

September 2013

Energy produced by the project:

Gross Energy	101,633 Kwh
Usage - Current Month	1,464 Kwh
Losses - Current Month	0 Kwh
Prior Period Adjustment	0 Kwh
Total Delivered Energy	100,169 Kwh

Total Delivered Energy Less Inadvertent	100,169 Kwh
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Surplus Energy Calculation

Projects estimated energy deliveries	550,000 Kwh
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Net Energy delivered to Idaho Power that exceeds 110 %

Total Delivered Energy Less Inadvertent	100,169 Kwh
110 % Projects estimated energy deliveries	605,000 Kwh
Current Month Net Energy that is more than 110%	0 Kwh

Net Energy delivered to Idaho Power that is less than 90 %

90% Projects estimated energy deliveries	495,000 Kwh
Total Delivered Energy Less Inadvertent	100,169 Kwh
Current Month Net Energy that is less than 90%	100,169 Kwh

Total Surplus Energy	100,169 Kwh
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Net Energy Less Inadvertent Energy

Total Heavy Load Energy	0 Kwh
Total Light Load Energy	0 Kwh
Total Surplus Energy	0 Kwh
Total Delivered Energy Less Inadvertent	100,169 Kwh

MT

Sep-13

Hourly Generation Exceeding Plant Capacity of 1270

Generation	101,633
Usage	1,464
Net	100,169

EXHIBIT C

1. Expected Turbine Efficiency for Fargo HPP:

Large Unit (HLA696-WJ-65)

Flow (cfs)	Flow (m ³ /s)	Net Head (ft)	Net Head (m)	Turbine Effi. (%)	Turbine Output (kW)
80	2.26	142	43.28	91.0	873
75	2.12	142	43.28	91.0	819
70	1.98	142	43.28	91.0	765
60	1.70	142	43.28	89.5	645
50	1.42	142	43.28	86.0	518
40	1.13	142	43.28	80.5	386
30	0.85	142	43.28	74.0	267

Small Unit (HLA153-WJ-50)

Flow (cfs)	Flow (m ³ /s)	Net Head (ft)	Net Head (m)	Turbine Effi. (%)	Turbine Output (kW)
45	1.27	80	24.38	87.5	265
40	1.13	80	24.38	87.8	237
35	0.99	80	24.38	85.5	202
30	0.85	80	24.38	82.5	167
25	0.71	80	24.38	78.5	133
20	0.57	80	24.38	70.0	95
15	0.43	80	24.38	60.0	61

2. Expected Generator Efficiency for Fargo HPP:

kW (%)	100	90	80	70	60	50	40	30
Effi. (%)	96.0	96.0	95.9	95.9	95.5	95.3	93	92.8

EXHIBIT D

FARGO

FARGO	2013	
		CFS
6/17	5985	119.7
7/7	5719	114.4
7/9	5636	112.7
7/11	6141	122.8
7/18	5304	106.1
7/21	5860	117.2

FARGO	2014	
		CFS
7/1	7111	142.2
7/11	6244	124.9
7/15	6461	129.2
7/16	6644	132.9
7/17	5855	117.1
7/18	6375	127.5

EXHIBIT E

Fargo Plant

Date,	Bypass gate	Time
6-17-13	2%	5:57 am
7-07-13	0%	6:34 am
7-08-13	0%	6:34 am
7-09-13	0%	7:21 am
7-11-13	1%	6:15 am
7-21-13	0%	6:41 am
7-01-14	8%	6:49 am
7-11-14		
7-15-14		
7-16-14		
7-17-14	6%	8:06 am
7-18-14	6%	5:51 am

EXHIBIT F



P.O. Box 720 Parma, Idaho 83660
Office 208.722.6731 Fax 208.722.6736
Email riverside@rsicorp.net

FARGO DROP HYDRO MAX FLOW

7/22/2015

After reviewing all the data from Tim Page and Terry Daugherty for flows at the canal, bypass flows and generation from the actual data, taken daily on site and by going thru the data and selecting the high flow and high generation dates were all the water was going thru the Turbine/Generator and none going thru the bypass gate and when the Turbine/Generator was at 100% wicket (max flow) taking all the water available we can report the following results (these results are the average for the 24 hour day with zero bypass):

<u>M/D/Y</u>	<u>KW</u>	<u>Wicket Gates %open</u>	<u>Bypass Gate %open</u>	<u>CFS</u>
7/7/13	1042	100	0	114.4
7/8/13	1037	100	0	113.8
7/9/13	1025	100	0	112.7
7/21/13	1037	100	0	117.2

NOTE: During these 4 days all the water in the canal passed thru the turbine/generator and produced maximum power that matched the original manufactures design/efficiencies. These flows represent the flow of water that was put to beneficial use to generate electricity.

Regards
Dennis Daugherty
Riverside Inc.

7/22/2015

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	
OF IDAHO POWER COMPANY FOR A	)	CASE NO. IPC-E-11-27
DETERMINATION REGARDING ITS FIRM	)	
ENERGY SALES AGREEMENT WITH	)	
RIVERSIDE INVESTMENTS, LLC.	)	ORDER NO. 32451
	)	

On December 6, 2011, Idaho Power Company filed an Application with the Commission requesting acceptance or rejection of a 20-year Firm Energy Sales Agreement (Agreement) between Idaho Power and Riverside Investments, LLC (Riverside). The Application states that Riverside would sell and Idaho Power would purchase electric energy generated by the Fargo Drop hydroelectric project (Facility) located near Homedale, Idaho. Idaho Power asked that its Application be processed by Modified Procedure.

On December 27, 2011, the Commission issued a Notice of Application/Notice of Modified Procedure and established comment deadlines. Order No. 32422. Staff was the only person or party to file comments. By this Order, the Commission approves the Agreement between Idaho Power and Riverside Investments for the sale and purchase of electric energy.

THE AGREEMENT

The Application states that Riverside proposes to own, operate and maintain a 1.27 MW (maximum capacity, nameplate) generating facility. Application at 2. The Facility will be a QF under the applicable provisions of the Public Utility Regulatory Policies Act of 1978 (PURPA). The Agreement is for a term of 20 years and contains the published avoided cost rates established by Commission Order No. 32337. *Id.* The Agreement includes shared ownership of the renewable energy certificates (RECs) generated over the 20-year term of the Agreement. *Id.* at 3.

Riverside selected July 20, 2012, as its Scheduled First Energy Date and August 1, 2012, as its Scheduled Operation Date. *Id.* Idaho Power asserts that various requirements have been placed upon the Facility in order for Idaho Power to accept the Facility's energy deliveries. Idaho Power states that it will monitor the Facility's compliance with initial and ongoing requirements through the term of the Agreement. Riverside and Idaho Power have agreed to liquidated damage and security provisions. Agreement ¶¶ 5.3, 5.8.1.

The Application maintains that all applicable interconnection charges and monthly operation or maintenance charges under Schedule 72 will be assessed to Riverside. Idaho Power states that the Facility is currently in the generator interconnection process. “Upon resolution of any and all upgrades required to acquire transmission capacity for this Facility’s generation, and upon execution of the FESA and the GIA, this Facility may then be designated as a network resource.” *Id.* at 5.

Idaho Power states that the Facility has also been made aware of and accepted the provisions in the Agreement and Idaho Power’s approved Schedule 72 regarding non-compensated curtailment or disconnection of its Facility should certain operating conditions develop on Idaho Power’s system. The Application notes that the parties’ intent and understanding is that “non-compensated curtailment would be exercised when the generation being provided by the Facility in certain operating conditions exceeds or approaches the minimum load levels of [Idaho Power’s] system such that it may have a detrimental effect upon [Idaho Power’s] ability to manage its thermal, hydro, and other resources in order to meet its obligation to reliably serve loads on its system.” Application at 6.

By its own terms, the Agreement will not become effective until the Commission has approved all of the Agreement’s terms and conditions and declares that all payments made by Idaho Power to Riverside for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes. Agreement ¶ 21.1.

STAFF COMMENTS

Staff noted that this Agreement contains terms and conditions that have become standard in many other existing PURPA contracts. The Agreement contains the non-levelized published avoided cost rates in accordance with Commission Order No. 32337. Some of Idaho Power’s more recent PURPA contracts have contained a sharing arrangement with regard to RECs. Under the terms of this Agreement, RECs would be split equally between Idaho Power and Riverside from the beginning of the contract through its 20-year term. Agreement ¶ 8.1.

Staff recommended that the Commission approve all of the Agreement’s terms and conditions and declare that all payments made by Idaho Power to Riverside for purchases of energy be allowed as prudently incurred expenses for ratemaking purposes.

DISCUSSION AND CONCLUSIONS

The Idaho Public Utilities Commission has jurisdiction over Idaho Power, an electric utility, and the issues raised in this matter pursuant to the authority and power granted it under Title 61 of the Idaho Code and the Public Utility Regulatory Policies Act of 1978 (PURPA). The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (FERC) to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from qualified facilities (QFs) and to implement FERC rules.

The Commission has reviewed the record in this case, including the Application, the Agreement, and the comments of Commission Staff. The Agreement contains the non-levelized published avoided cost rates established by the Commission in Order No. 32337. As represented and pursuant to contract, under normal and/or average conditions the Facility will not exceed 10 aMW on a monthly basis. As such, we find that the Riverside project is qualified to receive the current non-levelized published avoided cost rates. We further find it reasonable to allow payments made under the Agreement as prudently incurred expenses for ratemaking purposes.

ORDER

IT IS HEREBY ORDERED that the Firm Energy Sales Agreement between Idaho Power and Riverside Investments is approved without change or condition.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 1st
day of February 2012.


PAUL KJELLANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

O:IPC-E-11-27_ks2

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Idaho Public Utilities Commission

Case No. IPC-E-11-27, Order No. 32451

February 2, 2012

Contact: Gene Fadness (208) 334-0339, 890-2712

Website: www.puc.idaho.gov

Idaho Power with small hydro project is approved

The Idaho Public Utilities Commission has approved a 20-year sales agreement between Idaho Power Company and the owners of the 1.27-megawatt Fargo Drop hydroelectric project near Homedale. The project is expected to be online by August 1.

The project, owned by Oregon-based Riverside Investments LLC, is a qualifying facility under the provisions of the Public Utility Regulatory Policies Act. PURPA requires that electric utilities offer to buy power produced from qualifying small power producers or cogenerators. The rate to be paid small-power producers is to be equal to the cost the utility avoids if it would have had to generate the power itself or purchase it from another source.

Riverside will be paid a non-levelized energy price that escalates through the life of the 20-year contract, beginning with an average \$53.20 per megawatt-hour in 2012 up to an average \$107.27 per MWh in 2032. That price is adjusted to account for heavy and light load hours of the day and of the year.

The value of the renewable energy certificates (RECs) that will be generated over the 20-year contract will be shared equally by Riverside and Idaho Power.

A full text of the commission's order, along with other documents related to this case, is available on the commission's Web site at www.puc.idaho.gov. Click on "File Room" and then on "Electric Cases" and scroll down to Case Number IPC-E-11-27.

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Filename:	E:\Internet\fileroom\cases\ELEC\IPC\IPCE1127\staff\20120202press release.htm
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DONOVAN E. WALKER (ISB No. 5921)
JASON B. WILLIAMS (ISB No. 8718)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5317
Facsimile: (208) 388-6936
dwalker@idahopower.com
jwilliams@idahopower.com

Attorneys for Idaho Power Company

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IDAHO PUBLIC
UTILITIES COMMISSION

NEW CASE

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	
OF IDAHO POWER COMPANY FOR	)	CASE NO. IPC-E-11-27
A DETERMINATION REGARDING THE	)	
FIRM ENERGY SALES AGREEMENT FOR	)	APPLICATION
THE SALE AND PURCHASE OF ELECTRIC	)	
ENERGY BETWEEN IDAHO POWER	)	
COMPANY AND RIVERSIDE	)	
INVESTMENTS, LLC.	)	
_____	)	

Idaho Power Company ("Idaho Power" or "Company"), in accordance with RP 52 and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), hereby respectfully applies to the Idaho Public Utilities Commission ("Commission") for an Order accepting or rejecting the Firm Energy Sales Agreement ("FESA" or "Agreement") between Idaho Power and Riverside Investments, LLC ("Riverside" or "Seller") under which Riverside would sell and Idaho Power would purchase electric energy generated by the Fargo Drop hydroelectric project ("Facility") located near Homedale, Idaho.

In support of this Application, Idaho Power represents as follows:

I. BACKGROUND

1. Sections 201 and 210 of PURPA, and pertinent regulations of the Federal Energy Regulatory Commission ("FERC"), require that regulated electric utilities purchase power produced by cogenerators or small power producers that obtain Qualifying Facility ("QF") status. The rate a QF receives for the sale of its power is generally referred to as the "avoided cost" rate and is to reflect the incremental cost to an electric utility of electric energy or capacity or both which, but for the purchase from the QF, such utility would generate itself or purchase from another source. The Commission has authority under PURPA Sections 201 and 210 and the implementing regulations of the FERC, 18 C.F.R. § 292, to set avoided costs, to order electric utilities to enter into fixed-term obligations for the purchase of energy from QFs, and to implement FERC rules.

II. THE FIRM ENERGY SALES AGREEMENT

2. Riverside proposes to own, operate, and maintain a 1.27 megawatt (Maximum Capacity Amount) generating facility to be located in Idaho Power's service territory near Homedale, Idaho. The Facility will be a QF under the applicable provisions of PURPA. Idaho Power and Riverside entered into a FESA for the sale and purchase of the energy generated by the Facility on December 1, 2011. The FESA for this Facility was executed by Dennis Daugherty for Riverside Investments, LLC, on November 23, 2011. It was subsequently executed by Idaho Power on December 1, 2011, and now filed for the Commission's review on December 6, 2011. A copy of the FESA is attached to this Application as Attachment No. 1. This FESA contains the published avoided cost rates established by Commission Order No. 32337.

3. Riverside has elected July 20, 2012, as the Scheduled First Energy Date and August 1, 2012, as the Scheduled Operation Date for this Facility. See Appendix B. The FESA requires Riverside to meet various requirements in order for Idaho Power to accept energy deliveries from this Facility. Idaho Power will monitor compliance with these initial requirements. In addition, Idaho Power will monitor the ongoing requirements through the full term of this FESA.

4. The contract term specified in this Agreement is 20 years and includes shared ownership of the Renewable Energy Certificates ("RECs") generated over the term of the Agreement.

5. Riverside and Idaho Power have agreed to Delay Liquidated Damages and associated Delay Security within this FESA that have previously been approved as reasonable by the Commission in several PURPA FESAs. If the Facility fails to achieve its Operation Date within 90 days of the Scheduled Operation Date, the failure will be a Material Breach of the Agreement and Idaho Power may terminate the Agreement if not cured by Riverside. Riverside and Idaho Power have also agreed to Delay Security provisions requiring Riverside to post Delay Security in an amount equal to \$45 per kilowatt of nameplate capacity within 30 days of Commission approval of the FESA. These Delay Damage and Security provisions have previously been approved as reasonable by the Commission in several PURPA FESAs. See Case Nos. IPC-E-10-02; IPC-E-10-05; IPC-E-10-15 through IPC-E-10-19; IPC-E-10-22; IPC-E-10-24; IPC-E-10-26; IPC-E-10-37 through IPC-E-10-45; and IPC-E-10-47 through IPC-E-10-50.

6. Riverside and Idaho Power have agreed to terms providing for each party's ownership of any Environmental Attributes, including RECs, generated by the Facility for the full 20-year term of the FESA. The parties agree that Riverside retains

ownership of 50 percent of RECs and Idaho Power retains ownership of 50 percent of RECs through the entire term of this Agreement. This has mutual benefits for both Idaho Power's customers and the Facility. These provisions clarify the ownership of the Environmental Attributes generated by the Facility such that each party can potentially maximize what benefit it can from such ownership. It clarifies the QF developer's ownership and subsequent ability to retain RECs and obtain what value it can for them to help offset the costs of development and operation. It also clarifies Idaho Power's ownership and ability to obtain what value it can for its customers, to retire them and claim the Environmental Attributes of the renewable generation as part of its system, or utilize them to meet the requirements of potential future Renewable Portfolio Standards that may require the Company to obtain and have RECs.

7. The energy prices in this Agreement are derived from Commission Order No. 32337, which established published avoided costs for PURPA qualifying facilities.

8. The FESA provides that all applicable interconnection charges and monthly operational or maintenance charges under Schedule 72 will be assessed to Seller. The Facility is currently in the generator interconnection process. Assuming that Seller continues to provide necessary technical information and make payments for interconnection materials and studies in a timely manner, Idaho Power's Delivery business unit will be able to proceed with its interconnection and transmission study processes, which ultimately results in a Schedule 72 Generator Interconnection Agreement, or "GIA," between Riverside and Idaho Power. PURPA QF generation must be designated as a network resource ("DNR") on Idaho Power's system. Upon resolution of any and all upgrades required to acquire transmission capacity for this

Facility's generation, and upon execution of the FESA and the GIA, this Facility may then be designated as a network resource.

9. As previously stated in paragraph 3 of this Application, and set forth in Appendix B to the FESA, Riverside has selected July 20, 2012, for the Scheduled First Energy Date and August 1, 2012, as the Scheduled Operation Date. Riverside has been advised that it is Riverside's responsibility to work with Idaho Power's Delivery business unit to ensure that sufficient time and resources will be available for Delivery to construct the interconnection facilities, and transmission upgrades if required, in time to allow the Facility to achieve the August 1, 2012, Scheduled Operation date. Seller has been further advised that delays in the interconnection or transmission process do not constitute excusable delays in achieving the Scheduled Operation date and if Seller fails to achieve the Scheduled Operation date at the times specified in the FESA, delay damages will be assessed

10. Riverside has also been made aware of and accepted the provisions of the FESA and the Company's approved Tariff Schedule 72 regarding non-compensated curtailment or disconnection of its Facility should certain operating conditions develop on the Company's system. According to the standard provisions in Section 12 of the FESA, curtailment without compensation may occur if there is an event of Force Majeure, a Forced Outage, or a temporary disconnection of the Facility in accordance with Tariff Schedule 72. If the generation from the Facility will have an adverse effect upon Idaho Power's service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified within Schedule 72, or take such other reasonable steps as Idaho Power deems appropriate. The parties' intent and understanding is that non-compensated curtailment would be

exercised when the generation being provided by the Facility in certain operating conditions exceeds or approaches the minimum load levels of the Company's system such that it may have a detrimental effect upon the Company's ability to manage its thermal, hydro, and other resources in order to meet its obligation to reliably serve loads on its system.

11. Section 21 of the FESA provides that the FESA will not become effective until the Commission has approved all of the FESA's terms and conditions and declared that all payments Idaho Power makes to Riverside for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes.

III. MODIFIED PROCEDURE

12. Idaho Power believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure; i.e., by written submissions rather than by hearing. RP 201 *et seq.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to prepare and present its testimony in such hearing.

IV. COMMUNICATIONS AND SERVICE OF PLEADINGS

13. Communications and service of pleadings, exhibits, orders, and other documents relating to this proceeding should be sent to the following:

Donovan E. Walker, Senior Counsel
Jason B. Williams, Corporate Counsel
Idaho Power Company
1221 West Idaho Street
P.O. Box 70
Boise, Idaho 83707
dwalker@idahopower.com
jwilliams@idahopower.com

Randy C. Allphin
Energy Contract Administrator
Idaho Power Company
1221 West Idaho Street
P.O. Box 70
Boise, Idaho 83707
rallphin@idahopower.com

V. REQUEST FOR RELIEF

14. Idaho Power respectfully requests that the Commission issue an Order: (1) authorizing that this matter may be processed by Modified Procedure; (2) accepting or rejecting the Firm Energy Sales Agreement between Idaho Power Company and Riverside Investments, LLC, without change or condition; and, if accepted, (3) declaring that all payments for purchases of energy under the Firm Energy Sales Agreement between Idaho Power Company and Riverside Investments, LLC, be allowed as prudently incurred expenses for ratemaking purposes.

Respectfully submitted this 6th day of December 2011.


DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 6th day of December 2011 I served a true and correct copy of the within and foregoing APPLICATION upon the following named parties by the method indicated below, and addressed to the following:

Riverside Investments, LLC
Dennis Daugherty
Fargo Drop Hydroelectric
Riverside Investments, LLC
P.O. Box 154
Adrian, Oregon 97901

☐ Hand Delivered
☒ U.S. Mail
☐ Overnight Mail
☐ FAX
☒ Email dennis@rsicorp.net



Donovan E. Walker

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-11-27

IDAHO POWER COMPANY

ATTACHMENT NO. 1

FIRM ENERGY SALES AGREEMENT
BETWEEN
IDAHO POWER COMPANY
AND
RIVERSIDE INVESTMENTS, LLC
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FIRM ENERGY SALES AGREEMENT
(10 aMW or Less)

Project Name: Fargo Drop Hydroelectric

Project Number: 21615215

THIS AGREEMENT, entered into on this 1st day of December 2011 between RIVERSIDE INVESTMENTS, LLC (Seller), and IDAHO POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively as "Parties" or individually as "Party."

WITNESSETH:

WHEREAS, Seller will design, construct, own, maintain and operate an electric generation facility; and

WHEREAS, Seller wishes to sell, and Idaho Power is willing to purchase, firm electric energy produced by the Seller's Facility.

THEREFORE, In consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

ARTICLE I: DEFINITIONS

As used in this Agreement and the appendices attached hereto, the following terms shall have the following meanings:

- 1.1 "Base Energy" – Monthly Net Energy less any Surplus Energy as calculated in paragraph 1.32.
- 1.2 "Commission" - The Idaho Public Utilities Commission.
- 1.3 "Contract Year" - The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.4 "Delay Liquidated Damages" – Damages payable to Idaho Power as calculated in Article V.
- 1.5 "Delay Period" – All days past the Scheduled Operation Date until the Seller's Facility achieves the Operation Date.

- 1.6 "Delay Price" - The current month's Mid-Columbia Market Energy Cost minus the current month's All Hours Energy Price specified in paragraph 7.3 of this Agreement. If this calculation results in a value less than 0, the result of this calculation will be 0.
- 1.7 "Designated Dispatch Facility" - Idaho Power's Systems Operations Group, or any subsequent group designated by Idaho Power.
- 1.8 "Effective Date" - The date stated in the opening paragraph of this Firm Energy Sales Agreement representing the date upon which this Firm Energy Sales Agreement was fully executed by both Parties.
- 1.9 "Environmental Attributes" - means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility, and its avoided emission of pollutants. Environmental Attributes include but are not limited to: (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere;¹ (3) the reporting rights to these avoided emissions, such as REC Reporting Rights. REC Reporting Rights are the right of a REC purchaser to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the REC purchaser's discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes associated with one (1) MWh of energy. Environmental Attributes do not include (i)

¹ Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Environmental Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (iii) the cash grant in lieu of the investment tax credit pursuant to Section 1603 of the American Recovery and Reinvestment Act of 2009, or (iv) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

- 1.10 "Facility" - That electric generation facility described in Appendix B of this Agreement.
- 1.11 "First Energy Date" - The day commencing at 00:01 hours, Mountain Time, following the day that Seller has satisfied the requirements of Article IV and the Seller begins delivering energy to Idaho Power's system at the Point of Delivery.
- 1.12 "Heavy Load Hours" – The daily hours beginning at 7:00 am, ending at 11:00 pm Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.13 "Inadvertent Energy" – Electric energy Seller does not intend to generate. Inadvertent energy is more particularly described in paragraph 7.5 of this Agreement.
- 1.14 "Interconnection Facilities" - All equipment specified in Schedule 72.
- 1.15 "Initial Capacity Determination" – The process by which Idaho Power confirms that under normal or average design conditions the Facility will generate at no more than 10 average MW per month and is therefore eligible to be paid the published rates in accordance with Commission Order No. 29632.
- 1.16 "Light Load Hours" – The daily hours beginning at 11:00 pm, ending at 7:00 am Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.17 "Losses" – The loss of electrical energy expressed in kilowatt hours (kWh) occurring as a result of the transformation and transmission of energy between the point where the Facility's energy is

metered and the point the Facility's energy is delivered to the Idaho Power electrical system. The loss calculation formula will be as specified in Appendix B of this Agreement.

- 1.18 "Market Energy Reference Price" – Eighty-five percent (85%) of the Mid-Columbia Market Energy Cost.
- 1.19 "Material Breach" – A Default (paragraph 19.2.1) subject to paragraph 19.2.2.
- 1.20 "Maximum Capacity Amount" – The maximum capacity (MW) of the Facility will be as specified in Appendix B of this Agreement.
- 1.21 "Metering Equipment" - All equipment specified in Schedule 72, this Agreement and any additional equipment specified in Appendix B required to measure, record and telemeter bi-directional power flows between the Seller's electric generation plant and Idaho Power's system.
- 1.22 "Mid- Columbia Market Energy Cost" – The monthly weighted average of the daily on-peak and off-peak Dow Jones Mid-Columbia Index (Dow Jones Mid-C Index) prices for actual occurring non-firm energy transactions as reported by Dow Jones.. If the Dow Jones Mid-Columbia Index price is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the Dow Jones Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.
- 1.23 "Nameplate Capacity" –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperers, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.24 "Net Energy" – All of the electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) delivered by the Facility to Idaho Power at the Point of Delivery. Subject to the terms of this Agreement, Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement. Net Energy does not include Inadvertent Energy.

- 1.25 **"Operation Date"** – The day commencing at 00:01 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.26 **"Point of Delivery"** – The location specified in Appendix B, where Idaho Power's and the Seller's electrical facilities are interconnected and the energy from this Facility is delivered to the Idaho Power electrical system.
- 1.27 **"Prudent Electrical Practices"** – Those practices, methods and equipment that are commonly and ordinarily used in electrical engineering and operations to operate electric equipment lawfully, safely, dependably, efficiently and economically.
- 1.28 **"Renewable Energy Certificate"** or "REC" means a certificate, credit, allowance, green tag, or other transferable indicia, howsoever entitled, indicating generation of renewable energy by the Facility, and includes all Environmental Attributes arising as a result of the generation of electricity associated with the REC. One REC represents the Environmental Attributes associated with the generation of one thousand (1,000) kWh of Net Energy.
- 1.29 **"Scheduled Operation Date"** – The date specified in Appendix B when Seller anticipates achieving the Operation Date. It is expected that the Scheduled Operation Date provided by the Seller shall be a reasonable estimate of the date that the Seller anticipates that the Seller's Facility shall achieve the Operation Date.
- 1.30 **"Schedule 72"** – Idaho Power's Tariff No 101, Schedule 72 or its successor schedules as approved by the Commission. The Seller shall be responsible to pay all costs of interconnection and integration of this Facility into the Idaho Power electrical system as specified within Schedule 72.
- 1.31 **"Season"** – The three periods identified in paragraph 6.2.1 of this Agreement.
- 1.32 **"Special Facilities"** - Additions or alterations of transmission and/or distribution lines and transformers as described in Schedule 72.
- 1.33 **"Station Use"** – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility.

- 1.34 "Surplus Energy" – Is (1) Net Energy produced by the Seller's Facility and delivered to the Idaho Power electrical system during the month which exceeds 110% of the monthly Net Energy Amount for the corresponding month specified in paragraph 6.2, or (2) if the Net Energy produced by the Seller's Facility and delivered to the Idaho Power electrical system during the month is less than 90% of the monthly Net Energy Amount for the corresponding month specified in paragraph 6.2, then all Net Energy delivered by the Facility to the Idaho Power electrical system for that given month, or (3) all Net Energy produced by the Seller's Facility and delivered by the Facility to the Idaho Power electrical system prior to the Operation Date.
- 1.35 "Total Cost of the Facility" - The total cost of structures, equipment and appurtenances.

ARTICLE II: NO RELIANCE ON IDAHO POWER

- 2.1 Seller Independent Investigation - Seller warrants and represents to Idaho Power that in entering into this Agreement and the undertaking by Seller of the obligations set forth herein, Seller has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Idaho Power in connection with the transactions contemplated by this Agreement.
- 2.2 Seller Independent Experts - All professionals or experts including, but not limited to, engineers, attorneys or accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller.

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term

is used and defined in 18 CFR 292.201 et seq. After initial qualification, Seller will take such steps as may be required to maintain the Facility's Qualifying Facility status during the term of this Agreement and Seller's failure to maintain Qualifying Facility status will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Facility's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.

- 3.3 FERC License (*only applies to hydro projects*) - Seller warrants that Seller possesses a valid license or exemption from licensing from the Federal Energy Regulatory Commission ("FERC") for the Facility. Seller recognizes that Seller's possession and retention of a valid FERC license or exemption is a material part of the consideration for Idaho Power's execution of this Agreement. Seller will take such steps as may be required to maintain a valid FERC license or exemption for the Facility during the term of this Agreement, and Seller's failure to maintain a valid FERC license or exemption will be a material breach of this Agreement.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

- 4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller under this Agreement, Seller shall:
- 4.1.1 Submit proof to Idaho Power that all licenses, permits or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq. as a certified Qualifying Facility.
- 4.1.2 Opinion of Counsel - Submit to Idaho Power an Opinion Letter signed by an attorney admitted to practice and in good standing in the State of Idaho providing an opinion that Seller's licenses, permits and approvals as set forth in paragraph 4.1.1 above are legally and validly issued, are held in the name of the Seller and, based on a reasonable independent review, counsel is of the opinion that Seller is in substantial compliance with said permits as of the date of the Opinion Letter. The Opinion Letter will be in a form

acceptable to Idaho Power and will acknowledge that the attorney rendering the opinion understands that Idaho Power is relying on said opinion. Idaho Power's acceptance of the form will not be unreasonably withheld. The Opinion Letter will be governed by and shall be interpreted in accordance with the legal opinion accord of the American Bar Association Section of Business Law (1991).

- 4.1.3 Initial Capacity Determination - Submit to Idaho Power such data as Idaho Power may reasonably require to perform the Initial Capacity Determination. Such data will include but not be limited to, Nameplate Capacity, equipment specifications, prime mover data, resource characteristics, normal and/or average operating design conditions and Station Use data. Upon receipt of this information, Idaho Power will review the provided data and if necessary, request additional data to complete the Initial Capacity Determination within a reasonable time.

4.1.3.1 If the Maximum Capacity specified in Appendix B of this Agreement and the cumulative manufacture Nameplate Capacity rating of the individual generation units at this Facility is less than 10 MW. The Seller shall submit detailed, manufacturer, verifiable data of the Nameplate Capacity ratings of the actual individual generation units to be installed at this Facility. Upon verification by Idaho Power that the data provided establishes the combined Nameplate Capacity rating of the generation units to be installed at this Facility is less than 10 MW, it will be deemed that the Seller has satisfied the Initial Capacity Determination for this Facility.

- 4.1.4 Nameplate Capacity – Submit to Idaho Power manufacturer's and engineering documentation that establishes the Nameplate Capacity of each individual generation unit that is included within this entire Facility and also the total of these components to determine the Facility Nameplate Capacity rating. Upon receipt of this data, Idaho Power shall review the provided data and determine if the Nameplate Capacity specified is reasonable based upon the manufacturer's specified generation ratings for the specific

generation units.

- 4.1.5 Engineer's Certifications - Submit an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy as described in Commission Order No. 21690. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.
- 4.1.6 Insurance - Submit written proof to Idaho Power of all insurance required in Article XIII.
- 4.1.7 Interconnection – Provide written confirmation from Idaho Power's delivery business unit that Seller has satisfied all interconnection requirements.
- 4.1.8 Network Resource Designation – The Seller's Facility has been designated as an Idaho Power network resource capable of delivering firm energy up to the amount of the Maximum Capacity at the Point of Delivery.
- 4.1.9 Written Acceptance – Request and obtain written confirmation from Idaho Power that all conditions to acceptance of energy have been fulfilled. Such written confirmation shall be provided within a commercially reasonable time following the Seller's request and will not be unreasonably withheld by Idaho Power.

ARTICLE V: TERM AND OPERATION DATE

- 5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of twenty (20) Contract Years from the Operation Date.
- 5.2 Operation Date - The Operation Date may occur only after the Facility has achieved all of the following:
 - a) Achieved the First Energy Date.
 - b) Commission approval of this Agreement in a form acceptable to Idaho Power has been received.
 - c) Seller has demonstrated to Idaho Power's satisfaction that the Facility is complete and

able to provide energy in a consistent, reliable and safe manner.

- d) Seller has requested an Operation Date from Idaho Power in a written format.
- e) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 Operation Date Delay - Seller shall cause the Facility to achieve the Operation Date on or before the Scheduled Operation Date. Delays in the interconnection and transmission network upgrade study, design and construction process that **are not** Force Majeure events accepted by both Parties, **shall not** prevent Delay Liquidated Damages from being due and owing as calculated in accordance with this Agreement.

5.3.1 If the Operation Date occurs after the Scheduled Operation Date but on or prior to ninety (90) days following the Scheduled Operation Date, Seller shall pay Idaho Power Delay Liquidated Damages calculated at the end of each calendar month after the Scheduled Operation Date as follows:

Delay Liquidated Damages are equal to ((Current month's Initial Year Net Energy Amount as specified in paragraph 6.2.1 divided by the number of days in the current month) multiplied by the number of days in the Delay Period in the current month) multiplied by the current month's Delay Price.

5.3.2 If the Operation Date does not occur within ninety (90) days following the Scheduled Operation Date the Seller shall pay Idaho Power Delay Liquidated Damages, in addition to those provided in paragraph 5.3.1, calculated as follows:

Forty five dollars (\$45) multiplied by the Maximum Capacity with the Maximum Capacity being measured in kW.

5.4 If Seller fails to achieve the Operation Date within ninety (90) days following the Scheduled Operation Date, such failure will be a Material Breach and Idaho Power may terminate this Agreement at any time until the Seller cures the Material Breach. Additional Delay Liquidated Damages beyond those calculated in 5.3.1 and 5.3.2 will be calculated and payable using the Delay Liquidated Damage calculation described in 5.3.1 above for all days exceeding 90 days

past the Scheduled Operation Date until such time as the Seller cures this Material Breach or Idaho Power terminates this Agreement.

- 5.5 Seller shall pay Idaho Power any calculated Delay Damages or Delay Liquidated Damages within 7 days of when Idaho Power calculates and presents any Delay Damages or Delay Liquidated Damages billings to the Seller. Seller's failure to pay these damages within the specified time will be a Material Breach of this Agreement and Idaho Power shall draw funds from the Delay Security provided by the Seller in an amount equal to the calculated Delay Damages or Delay Liquidated Damages.
- 5.6 The Parties agree that the damages Idaho Power would incur due to delay in the Facility achieving the Operation Date on or before the Scheduled Operation Date would be difficult or impossible to predict with certainty, and that the Delay Liquidated Damages are an appropriate approximation of such damages.
- 5.7 Prior to the Seller executing this Agreement, the Seller shall have:
- a) Filed for interconnection and is in compliance with all payments and requirements of the interconnection process.
 - b) Received and accepted an interconnection and transmission capacity feasibility study for this Facility.
 - c) Acknowledged responsibility for all interconnection costs and any costs associated with acquiring adequate firm transmission capacity to enable the project to be classified as an Idaho Power firm network resource. If final interconnection or transmission studies are not complete at the time the Seller executes this Agreement, the Seller understands that the Seller's obligations to pay Damages and Liquidated Damages associated with the projects failure to achieve the Operation Date by the Scheduled Operation Date as specified in this Agreement is not relieved by final interconnection or transmission processes and schedules.

5.8 Within thirty (30) days of the date of a final non-appealable Commission Order as specified in Article XXI approving this Agreement, the Seller shall post liquid security ("Delay Security") in a form as described in Appendix D equal to or exceeding the amount calculated in paragraph 5.8.1. Failure to post this Delay Security in the time specified above will be a Material Breach of this Agreement and Idaho Power may terminate this Agreement.

5.8.1 Delay Security Forty five (\$45) multiplied by the Maximum Capacity with the Maximum Capacity being measured in kW.

5.8.1.1 In the event Seller provides Idaho Power with certification that, (1) a generation interconnection agreement specifying a schedule that will enable this Facility to achieve the Operation Date no later than the Scheduled Operation Date has been completed and the Seller has paid all required interconnection costs, or (2) a generation interconnection agreement is substantially complete and all material costs of interconnection have been identified and agreed upon and the Seller is in compliance with all terms and conditions of the generation interconnection agreement, the Delay Security calculated in accordance with paragraph 5.8.1 will be reduced by ten percent (10%).

5.8.1.2 If the Seller has received a reduction in the calculated Delay Security as specified in paragraph 5.8.1.1 and subsequently, (1) at Seller's request, the generation interconnection agreement specified in paragraph 5.8.1.1 is revised and as a result the Facility will not achieve its Operation Date by the Scheduled Operation Date, or (2) if the Seller does not maintain compliance with the generation interconnection agreement, the full amount of the Delay Security as calculated in paragraph 5.8.1 will be subject to reinstatement and will be due and owing within five (5) business days from the date Idaho Power requests reinstatement. Failure to timely reinstate the Delay Security will be a Material Breach of this Agreement.

- 5.8.2 Idaho Power shall release any remaining security posted hereunder after all calculated Delay Damages and/or Delay Liquidated Damages are paid in full to Idaho Power and the earlier of, (1) 30 days after the Operation Date has been achieved, or (2) 60 days after the Agreement has been terminated.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

- 6.1 Delivery and Acceptance of Net Energy - Except when either Party's performance is excused as provided herein, Idaho Power will purchase and Seller will sell all of the Net Energy to Idaho Power at the Point of Delivery. All Inadvertent Energy produced by the Facility will also be delivered by the Seller to Idaho Power at the Point of Delivery. At no moment in time will the total amount of Net Energy and/or Inadvertent Energy produced by the Facility and delivered by the Seller to the Point of Delivery exceed the Maximum Capacity Amount.
- 6.2 Net Energy Amounts - Seller intends to produce and deliver Net Energy in the following monthly amounts:

6.2.1 Initial Year Monthly Net Energy Amounts:

	<u>Month</u>	<u>kWh</u>
Season 1	March	0
	April	0
	May	0
Season 2	July	825,000
	August	725,000
	November	0
	December	0
Season 3	June	0
	September	550,000
	October	150,000
	January	0
	February	0

- 6.2.2 Ongoing Monthly Net Energy Amounts - Seller shall initially provide Idaho Power with one year of monthly generation estimates (Initial Year Monthly Net Energy Amounts)

and beginning at the end of month nine and every three months thereafter provide Idaho Power with an additional three months of forward generation estimates beyond those generation estimates previously provided. This information will be provided to Idaho Power by written notice in accordance with paragraph 25.1, no later than 5:00 PM of the 5th day following the end of the previous month or by electronic notice provided and verified via return electronic verification of receipt to the electronic notices addressed specifically in paragraph 25.1 no later than 5:00 PM of the 5th day following the end of the previous month. If the Seller does not provide the Ongoing Monthly Net Energy Amounts in a timely manner, Idaho Power will use the most recently provided three (3) matching months of the Initial Year Monthly Net Energy Amounts specified in paragraph 6.2.1 for the next three (3) months of monthly Net Energy amounts.

6.2.3 Seller's Adjustment of Net Energy Amount

6.2.3.1 No later than the Operation Date, by written notice given to Idaho Power in accordance with paragraph 25.1, the Seller may revise all of the previously provided Initial Year Monthly Net Energy Amounts.

6.2.3.2 Beginning with the end of the 9th month after the Operation Date and at the end of every third month thereafter: (1) the Seller may not revise the immediate next three (3) months of previously provided Net Energy Amounts, (2) but by written notice given to Idaho Power in accordance with paragraph 25.1, no later than 5:00 PM of the 5th day following the end of the previous month, the Seller may revise all other previously provided Net Energy Amounts. Failure to provide timely written notice of changed amounts will be deemed to be an election of no change.

6.2.4 Idaho Power Adjustment of Net Energy Amount – If Idaho Power is excused from accepting the Seller's Net Energy as specified in paragraph 12.2.1 or if the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 and the Seller's declared Suspension of Energy Deliveries is accepted by Idaho Power, the Net Energy

Amount as specified in paragraph 6.2 for the specific month in which the reduction or suspension under paragraph 12.2.1 or 12.3.1 occurs will be reduced in accordance with the following:

Where:

NEA = Current Month's Net Energy Amount (Paragraph 6.2)

SGU = a.) If Idaho Power is excused from accepting the Seller's Net Energy as specified in paragraph 12.2.1 this value will be equal to the percentage of curtailment as specified by Idaho Power multiplied by the TGU as defined below.

b.) If the Seller declares a Suspension of Energy Deliveries as specified in paragraph 12.3.1 this value will be the sum of the individual generation units size ratings as specified in Appendix B that are impacted by the circumstances causing the Seller to declare a Suspension of Energy Deliveries.

TGU = Sum of all of the individual generator ratings of the generation units at this Facility as specified in Appendix B of this agreement.

RSH = Actual hours the Facility's Net Energy deliveries were either reduced or suspended under paragraph 12.2.1 or 12.3.1

TH = Actual total hours in the current month

Resulting formula being:

$$\text{Adjusted Net Energy Amount} = \text{NEA} - \left(\left(\frac{\text{SGU}}{\text{TGU}} \times \text{NEA} \right) \times \left(\frac{\text{RSH}}{\text{TH}} \right) \right)$$

This Adjusted Net Energy Amount will be used in applicable Surplus Energy calculations for only the specific month in which Idaho Power was excused from accepting the Seller's Net Energy or the Seller declared a Suspension of Energy.

- 6.3 Unless excused by an event of Force Majeure, Seller's failure to deliver Net Energy in any Contract Year in an amount equal to at least ten percent (10%) of the sum of the Initial Year Net Energy Amounts as specified in paragraph 6.2 shall constitute an event of default.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 **Base Energy Heavy Load Purchase Price** – For all Base Energy received during Heavy Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 32337 with seasonalization factors applied:

Year	Season 1 - (73.50 Mills/kWh	Season 2 - (120.00 Mills/kWh	Season 3 - (100.00 Mills/kWh
2012	41.48	67.73	56.44
2013	42.74	69.78	58.15
2014	43.97	71.79	59.82
2015	45.29	73.95	61.63
2016	46.72	76.27	63.56
2017	48.24	78.75	65.63
2018	49.92	81.50	67.92
2019	51.59	84.24	70.20
2020	53.32	87.05	72.54
2021	55.15	90.05	75.04
2022	57.11	93.24	77.70
2023	59.06	96.42	80.35
2024	61.13	99.80	83.17
2025	63.33	103.40	86.16
2026	65.53	106.98	89.15
2027	67.86	110.79	92.33
2028	70.34	114.83	95.70
2029	72.89	119.00	99.17
2030	75.51	123.28	102.74
2031	78.32	127.87	106.56
2032	81.22	132.61	110.51

- 7.2 **Base Energy Light Load Purchase Price** – For all Base Energy received during Light Load Hours, Idaho Power will pay the non-levelized energy price in accordance with Commission Order 32337 with seasonalization factors applied :

Year	Season 1 - (73.50 %) Mills/kWh	Season 2 - (120.00 %) Mills/kWh	Season 3 - (100.00 %) Mills/kWh
2012	36.13	58.99	49.16
2013	37.39	61.04	50.87
2014	38.62	63.05	52.54
2015	39.94	65.22	54.35
2016	41.36	67.53	56.28

2017	42.88	70.02	58.35
2018	44.57	72.77	60.64
2019	46.24	75.50	62.92
2020	47.97	78.31	65.26
2021	49.80	81.31	67.76
2022	51.76	84.50	70.42
2023	53.70	87.68	73.07
2024	55.78	91.06	75.89
2025	57.98	94.66	78.88
2026	60.18	98.25	81.87
2027	62.51	102.06	85.05
2028	64.99	106.10	88.42
2029	67.54	110.26	91.89
2030	70.16	114.55	95.46
2031	72.97	119.13	99.28
2032	75.87	123.87	103.23

- 7.3 All Hours Energy Price – The price to be used in the calculation of the Surplus Energy Price and Delay Damage Price shall be the non-levelized energy price in accordance with Commission Order 32337 with seasonalization factors applied:

Year	Season 1 - (73.50 %) Mills/kWh	Season 2 - (120.00 %) Mills/kWh	Season 3 - (100.00 %) Mills/kWh
2012	39.10	63.84	53.20
2013	40.36	65.89	54.91
2014	41.59	67.90	56.58
2015	42.91	70.06	58.39
2016	44.33	72.38	60.32
2017	45.85	74.86	62.39
2018	47.54	77.62	64.68
2019	49.21	80.35	66.96
2020	50.94	83.16	69.30
2021	52.77	86.16	71.80
2022	54.73	89.35	74.46
2023	56.67	92.53	77.11
2024	58.75	95.91	79.93
2025	60.95	99.51	82.92
2026	63.15	103.09	85.91
2027	65.48	106.90	89.09
2028	67.96	110.95	92.46
2029	70.51	115.11	95.93
2030	73.13	119.40	99.50
2031	75.94	123.98	103.32
2032	78.84	128.72	107.27

- 7.4 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller the current month's Market Energy Reference Price or the All Hours Energy Price specified in paragraph 7.3, whichever is lower.
- 7.5 Inadvertent Energy –
- 7.5.1 Inadvertent Energy is electric energy produced by the Facility, expressed in kWh, which the Seller delivers to Idaho Power at the Point of Delivery that exceeds 10,000 kW multiplied by the hours in the specific month in which the energy was delivered. (For example January contains 744 hours. 744 hours times 10,000 kW = 7,440,000 kWh. Energy delivered in January in excess of 7,440, 000 kWh in this example would be Inadvertent Energy.)
- 7.5.2 Although Seller intends to design and operate the Facility to generate no more than 10 average MW and therefore does not intend to generate Inadvertent Energy, Idaho Power will accept Inadvertent Energy that does not exceed the Maximum Capacity Amount but will not purchase or pay for Inadvertent Energy.
- 7.6 Payment Due Date – Undisputed Energy payments, less any payments due to Idaho Power will be disbursed to the Seller within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Net Energy actually delivered to Idaho Power as specified in Appendix A.
- 7.7 Continuing Jurisdiction of the Commission This Agreement is a special contract and, as such, the rates, terms and conditions contained in this Agreement will be construed in accordance with Idaho Power Company v. Idaho Public Utilities Commission and Afton Energy, Inc., 107 Idaho 781, 693 P.2d 427 (1984), Idaho Power Company v. Idaho Public Utilities Commission, 107 Idaho 1122, 695 P.2d 1 261 (1985), Afton Energy, Inc. v. Idaho Power Company, 111 Idaho 925, 729 P.2d 400 (1986), Section 210 of the Public Utility Regulatory Policies Act of 1978 and 18 CFR §292.303-308

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power will be granted ownership of 50% of all of the Environmental Attributes associated with the Facility and Seller will likewise retain 50% ownership of all of the Environmental Attributes associated with the Facility. Title of 50% Environmental Attributes shall pass to Idaho Power at the same time that transfer of title of the associated Test Energy or Net Energy to Idaho Power occurs. Idaho Power's title to 50% of the Environmental Attributes shall expire at the end of the term of this agreement, unless the parties agree to extend in future agreements. If after the Effective Date any additional Environmental Attributes or similar environmental value is created by legislation, regulation, or any other action, including but not limited to, carbon credits and carbon offsets, Idaho Power shall be granted ownership of 50% of these additional Environmental Attributes or environmental values that are associated with the Test Energy or the Net Energy delivered by the Seller to Idaho Power. Seller shall use prudent and commercially reasonable efforts to ensure that any operations of the Facility do not jeopardize the current or future Environmental Attribute status of this hydroelectric generation Facility.
- 8.2 The Parties shall cooperate to ensure that all Environmental Attribute certifications, rights and reporting requirements are completed by the responsible Parties.
- 8.2.1 At least sixty (60) days prior to the First Energy Date, the Parties shall mutually cooperate to enable Idaho Power's Environmental Attributes from this Facility to be placed into Idaho Power's Western Renewable Energy Generation Information System ("WREGIS") account or any other Environment Attribute accounting and tracking system selected by the Idaho Power. The Seller at the Seller's sole expense will be responsible to establish and maintain the Seller's WREGIS or other Environmental Attribute account and/or system that enables the creation of the Environmental Attribute certificates associated with this Facility and the transfer of 50% of the Environmental Attributes to Idaho Power for the Term of this Agreement. If the Environmental Attribute accounting and tracking system initially selected by Idaho Power is materially

altered or discontinued during the Term of this Agreement, the Parties shall cooperate to identify an appropriate alternative Environmental Attribute accounting and tracking process and enable the Environmental Attributes be processed through this alternative method.

8.2.2 Each Party shall only report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program the 50% of the Environmental Attributes that such party owns and shall refrain from reporting the Environmental Attributes owned by the other Party.

8.2.3 If Idaho Power requests additional Environmental Attribute certifications beyond what is provided by the WREGIS process the Seller shall use its best efforts to obtain any Environmental Attribute certifications required by Idaho Power for those Environmental Attributes delivered to Idaho Power from the Seller. If the Seller incurs cost, as a result of Idaho Power's request, and if the additional certification provides benefits to both parties, the parties shall share the costs in proportion to the additional benefits obtained. If Idaho Power elects to obtain its own certifications, then Seller shall fully cooperate with Idaho Power in obtaining such certification.

8.3 If at any time during the Term of this Agreement, Federal or State laws and/or any regulatory body or agency deemed to have authority to regulate these Environmental Attributes or to implement Federal and/or State laws regarding the same, enact or implement a law or regulation or issue a ruling that specifically grants or recognizes ownership of Green Tags and Renewable Energy Certificates (RECs), or other environmental attributes, directly associated with the production of energy from the Seller's Facility to a specific party, either party shall provide written notification as provided for in Article 25 to the other party of this information, and the parties shall at their own costs take such action necessary to notify the WREGIS or appropriate tracking system of the effect of the decision.

8.3.1 This notice shall include reference to the specific law or ruling and additional details to allow the party receiving this notice to be able to independently review the law or ruling. Upon receipt of this notification from the other party, the party receiving notice shall have 30 days to either accept or reject the notification, if no response is provide within that 30 day period, the notice will be deemed to be accepted. If the receiving party rejects the notice, the receiving party shall provide detailed information in a response back to the other party as to the basis of the rejection. Both parties shall then work together in a reasonable manner to resolve the identified differences. Only after agreement by both parties of the applicability and application of the specific law or ruling shall the ownership of the Environmental Attributes as specified in paragraph 8.1 be adjusted to reflect this law or ruling. Any change in ownership of the Environmental Attributes will only be applicable to Environmental Attributes associated with Net Energy production that occurs after the parties have agreed to a revised Environmental Attributes ownership arrangement. If the parties are unable to reach an agreement by the effective date of the law or ruling, the law, regulation, or ruling shall control.

ARTICLE IX: FACILITY AND INTERCONNECTION

9.1 Design of Facility - Seller will design, construct, install, own, operate and maintain the Facility and any Seller-owned Interconnection Facilities so as to allow safe and reliable generation and delivery of Net Energy and Inadvertent Energy to the Idaho Power Point of Delivery for the full term of the Agreement.

ARTICLE X: METERING AND TELEMETRY

10.1 Metering - Idaho Power shall, for the account of Seller, provide, install, and maintain Metering Equipment to be located at a mutually agreed upon location to record and measure power flows to Idaho Power in accordance with this Agreement and Schedule 72. The Metering Equipment will be at the location and the type required to measure, record and report the Facility's Net Energy,

Station Use, Inadvertent Energy and maximum energy deliveries (kW) at the Point of Delivery in a manner to provide Idaho Power adequate energy measurement data to administer this Agreement and to integrate this Facility's energy production into the Idaho Power electrical system.

- 10.2 Telemetry – Idaho Power will install, operate and maintain at Seller's expense communications and telemetry equipment which will be capable of providing Idaho Power with continuous instantaneous telemetry of Seller's Net Energy and Inadvertent Energy produced and delivered to the Idaho Power Point of Delivery to Idaho Power's Designated Dispatch Facility.

ARTICLE XI - RECORDS

- 11.1 Maintenance of Records - Seller shall maintain at the Facility or such other location mutually acceptable to the Parties adequate total generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records in a form and content acceptable to Idaho Power.
- 11.2 Inspection - Either Party, after reasonable notice to the other Party, shall have the right, during normal business hours, to inspect and audit any or all generation, Net Energy, Station Use, Inadvertent Energy and maximum generation (kW) records pertaining to the Seller's Facility.

ARTICLE XII: OPERATIONS

- 12.1 Communications - Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power's Designated Dispatch Facility in accordance with Appendix A of this Agreement.
- 12.2 Energy Acceptance –
- 12.2.1 Idaho Power shall be excused from accepting and paying for Net Energy or accepting Inadvertent Energy which would have otherwise been produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force Majeure, or temporary disconnection of the Facility in accordance with Schedule 72 or if Idaho Power determines that curtailment, interruption or reduction of

Net Energy or Inadvertent Energy deliveries is necessary because of line construction, electrical system maintenance requirements, emergencies, electrical system operating conditions, or electrical system reliability emergencies on its system or as otherwise required by Prudent Electrical Practices. If, for reasons other than an event of Force Majeure, a temporary disconnection under Schedule 72 exceeds twenty (20) days, beginning with the twenty-first day of such interruption, curtailment or reduction, Seller will be deemed to be delivering Net Energy at a rate equivalent to the pro rata daily average of the amounts specified for the applicable month in paragraph 6.2. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.

12.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may temporarily disconnect the Facility from Idaho Power's transmission/distribution system as specified within Schedule 72 or take such other reasonable steps as Idaho Power deems appropriate.

12.2.3 Under no circumstances will the Seller deliver Net Energy and/or Inadvertent Energy from the Facility to the Point of Delivery in an amount that exceeds the Maximum Capacity Amount at any moment in time. Seller's failure to limit deliveries to the Maximum Capacity Amount will be a Material Breach of this Agreement.

12.2.4 If Idaho Power is unable to accept the energy from this Facility and is not excused from accepting the Facility's energy, Idaho Power's damages shall be limited to only the value of the estimated energy that Idaho Power was unable to accept. Idaho Power will have no responsibility to pay for any other costs, lost revenue or consequential damages the Facility may incur.

12.3 Seller Declared Suspension of Energy Deliveries

12.3.1 If the Seller's Facility experiences a forced outage due to equipment failure which is not caused by an event of Force Majeure or by neglect, disrepair or lack of adequate

preventative maintenance of the Seller's Facility, Seller may, after giving notice as provided in paragraph 12.3.2 below, temporarily suspend all deliveries of Net Energy to Idaho Power from the Facility or from individual generation unit(s) within the Facility impacted by the forced outage for a period of not less than 48 hours to correct the forced outage condition ("Declared Suspension of Energy Deliveries"). The Seller's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Seller's telephone notification as specified in paragraph 12.3.2 and will continue for the time as specified (not less than 48 hours) in the written notification provided by the Seller. In the month(s) in which the Declared Suspension of Energy occurred, the Net Energy Amount will be adjusted as specified in paragraph 6.2.4.

12.3.2 If the Seller desires to initiate a Declared Suspension of Energy Deliveries as provided in paragraph 12.3.1, the Seller will notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Idaho Power. The Seller will, within 24 hours after the telephone contact, provide Idaho Power a written notice in accordance with Article XXV that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries and a description of the conditions that caused the Seller to initiate a Declared Suspension of Energy Deliveries. Idaho Power will review the documentation provided by the Seller to determine Idaho Power's acceptance of the described forced outage as qualifying for a Declared Suspension of Energy Deliveries as specified in paragraph 12.3.1. Idaho Power's acceptance of the Seller's forced outage as an acceptable forced outage will be based upon the clear documentation provided by the Seller that the forced outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Seller's Facility.

12.4 Scheduled Maintenance – On or before January 31st of each calendar year, Seller shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year and Idaho Power and Seller shall mutually agree as to the acceptability of the proposed schedule.

The Parties determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

- 12.5 Maintenance Coordination - The Seller and Idaho Power shall, to the extent practical, coordinate their respective line and Facility maintenance schedules such that they occur simultaneously.
- 12.6 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to interrupt interconnection or curtail deliveries from the Seller's Facility. Seller understands that in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events, Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XIII: INDEMNIFICATION AND INSURANCE

- 13.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's, (a) construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement, or (b) negligent or intentional acts, errors or omissions. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all documented costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.
- 13.2 Insurance - During the term of this Agreement, Seller shall secure and continuously carry the following insurance coverage:
- 13.2.1 Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to \$1,000,000, each occurrence, combined single limit. The deductible

for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

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

- (a) An endorsement naming Idaho Power as an additional insured and loss payee as applicable; and
- (b) A provision stating that such policy shall not be canceled or the limits of liability reduced without ten (10) days' prior written notice to Idaho Power.

13.3 Seller to Provide Certificate of Insurance - As required in paragraph 4.1.5 herein and annually thereafter, Seller shall furnish Idaho Power a certificate of insurance, together with the endorsements required therein, evidencing the coverage as set forth above.

13.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by paragraph 13.2 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute a Material Breach of this Agreement.

ARTICLE XIV: FORCE MAJEURE

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

performance is affected by the event of Force Majeure, provided that:

- (1) The non-performing Party shall, as soon as is reasonably possible after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence.
- (2) The suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure.
- (3) No obligations of either Party which arose before the occurrence causing the suspension of performance and which could and should have been fully performed before such occurrence shall be excused as a result of such occurrence.

ARTICLE XV: LIABILITY; DEDICATION

- 15.1 Limitation of Liability. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. Neither party shall be liable to the other for any indirect, special, consequential, nor punitive damages, except as expressly authorized by this Agreement.
- 15.2 Dedication. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the Party or the public or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XVI: SEVERAL OBLIGATIONS

- 16.1 Except where specifically stated in this Agreement to be otherwise, the duties, obligations and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or impose a trust or partnership duty, obligation or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this

Agreement.

ARTICLE XVII: WAIVER

- 17.1 Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or other matter.

ARTICLE XVIII: CHOICE OF LAWS AND VENUE

- 18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.
- 18.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Fourth Judicial District of Idaho in and for the County of Ada.

ARTICLE XIX: DISPUTES AND DEFAULT

- 19.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution.

19.2 Notice of Default

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

- 19.2.2 Material Breaches – The notice and cure provisions in paragraph 19.2.1 do not apply

to defaults identified in this Agreement as Material Breaches. Material Breaches must be cured as expeditiously as possible following occurrence of the breach.

19.3 Security for Performance - Prior to the Operation Date and thereafter for the full term of this Agreement, Seller will provide Idaho Power with the following:

19.3.1 Insurance - Evidence of compliance with the provisions of paragraph 13.2. If Seller fails to comply, such failure will be a Material Breach and may only be cured by Seller supplying evidence that the required insurance coverage has been replaced or reinstated.

19.3.2 Engineer's Certifications - Every three (3) years after the Operation Date, Seller will supply Idaho Power with a Certification of Ongoing Operations and Maintenance (O&M) from a Registered Professional Engineer licensed in the State of Idaho, which Certification of Ongoing O & M shall be in the form specified in Appendix C. Seller's failure to supply the required certificate will be an event of default. Such a default may only be cured by Seller providing the required certificate; and

19.3.3 Licenses and Permits - During the full term of this Agreement, Seller shall maintain compliance with all permits and licenses described in paragraph 4.1.1 of this Agreement. In addition, Seller will supply Idaho Power with copies of any new or additional permits or licenses. At least every fifth Contract Year, Seller will update the documentation described in Paragraph 4.1.1. If at any time Seller fails to maintain compliance with the permits and licenses described in paragraph 4.1.1 or to provide the documentation required by this paragraph, such failure will be an event of default and may only be cured by Seller submitting to Idaho Power evidence of compliance from the permitting agency.

ARTICLE XX: GOVERNMENTAL AUTHORIZATION

20.1 This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party of this Agreement.

ARTICLE XXI: COMMISSION ORDER

- 21.1 This Agreement shall become finally effective upon the Commission's approval of all terms and provisions hereof without change or condition and declaration that all payments to be made to Seller hereunder shall be allowed as prudently incurred expenses for ratemaking purposes.

ARTICLE XXII: SUCCESSORS AND ASSIGNS

- 22.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights, obligations and interests under this Agreement. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that it is exercising such rights or remedies.

ARTICLE XXIII: MODIFICATION

- 23.1 No modification to this Agreement shall be valid unless it is in writing and signed by both Parties and subsequently approved by the Commission.

ARTICLE XXIV: TAXES

- 24.1 Each Party shall pay before delinquency all taxes and other governmental charges which, if failed to be paid when due, could result in a lien upon the Facility or the Interconnection Facilities.

ARTICLE XXV: NOTICES

25.1 All written notices under this Agreement shall be directed as follows and shall be considered delivered when faxed, e-mailed and confirmed with deposit in the U.S. Mail, first-class, postage prepaid, as follows:

To Seller:

Original document to:

Fargo Drop Hydroelectric
Riverside Investments, LLC
Attention: Dennis Daugherty
P.O. Box 154
Adrian, OR 97901

Telephone: (208) 372-5590
Cell: (208) 415-9815

E-mail: dennis@rsicorp.net

E-mail Copy to: terry@rsicorp.net

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
PO Box 70
Boise, Idaho 83707
Email: Lgrow@idahopower.com

Copy of document to:

Cogeneration and Small Power Production
Idaho Power Company
PO Box 70
Boise, Idaho 83707
E-mail: rallphin@idahopower.com

Either Party may change the contact person and/or address information listed above, by providing written notice from an authorized person representing the Party.

ARTICLE XXVI: ADDITIONAL TERMS AND CONDITIONS

26.1 Equal Employment. During performance pursuant to this Agreement, Seller agrees to comply with all applicable equal employment opportunity, small business, and affirmative action laws and regulations. All Equal Employment Opportunity and affirmative action laws and regulations are hereby incorporated by this reference, including provisions of 38 U.S.C. § 4212, Executive Order 11246, as amended, and any subsequent executive orders or other laws or regulations relating to equal opportunity for employment on government contracts. To the extent this Agreement is covered by Executive Order 11246, the Equal Opportunity Clauses contained in 41 C.F.R. 60-1.4, 41 C.F.R. 60-250.5, and 41 CFR 60-741.5 are incorporated herein by reference.

26.2 This Agreement includes the following appendices, which are attached hereto and included by reference:

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Forms of Liquid Security

ARTICLE XXVII: SEVERABILITY

27.1 The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other terms or provisions and this Agreement shall be construed in all other respects as if the invalid or unenforceable term or provision were omitted.

ARTICLE XXVIII: COUNTERPARTS

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

ARTICLE XXIX: ENTIRE AGREEMENT

29.1 This Agreement constitutes the entire Agreement of the Parties concerning the subject matter hereof and supersedes all prior or contemporaneous oral or written agreements between the

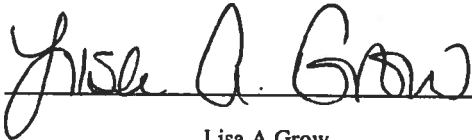
Parties concerning the subject matter hereof.

IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed
in their respective names on the dates set forth below:

Idaho Power Company

Riverside Investments, LLC

By



Lisa A Grow
Sr. Vice President, Power Supply

By


DENNIS DAGHER

Dated

12.1.11
"Idaho Power"

Dated

11-23-2011
"Seller"

APPENDIX A

A-1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

At the end of each month the following required documentation will be submitted to:

Idaho Power Company
Attn: Cogeneration and Small Power Production
PO Box 70
Boise, Idaho 83707

The meter readings required on this report will be the readings on the Idaho Power Meter Equipment measuring the Facility's total energy production and Station Usage delivered to Idaho Power and the maximum generated energy (kW) as recorded on the Metering Equipment and/or any other required energy measurements to adequately administer this Agreement. This document shall be the document to enable Idaho Power to begin the energy payment calculation and payment process. The meter readings on this report shall not be used to calculate the actual payment, but instead will be a check of the automated meter reading information that will be gathered as described in item A-2 below:

Idaho Power Company
Cogeneration and Small Power Production
MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

Project Name _____ Project Number: _____
 Address _____ Phone Number: _____
 City _____ State _____ Zip _____

	Facility Output	Station Usage	Station Usage	Metered Maximum Generation kW
Meter Number:	_____	_____	_____	
End of Month kWh Meter Reading:	_____	_____	_____	
Beginning of Month kWh Meter:	_____	_____	_____	
Difference:	_____	_____	_____	
Times Meter Constant:	_____	_____	_____	
kWh for the Month:	_____	-	_____	=
Metered Demand:	_____	_____	_____	Net Generation

Breaker Opening Record

Date	Time	Meter

Breaker Closing Record

Date	Time	Meter

- * **Breaker Opening Reason Codes**
- 1 Lack of Adequate Prime Mover
 - 2 Forced Outage of Facility
 - 3 Disturbance of IPCo System
 - 4 Scheduled Maintenance
 - 5 Testing of Protection Systems
 - 6 Cause Unknown
 - 7 Other (Explain)

I hereby certify that the above meter readings are true and correct as of Midnight on the last day of the above month and that the switching record is accurate and complete as required by the Firm Energy Sales Agreement to which I am a Party.

 Signature Date

A-2 AUTOMATED METER READING COLLECTION PROCESS

Monthly, Idaho Power will use the provided Metering and Telemetry equipment and processes to collect the meter reading information from the Idaho Power provided Metering Equipment that measures the Net Energy and energy delivered to supply Station Use for the Facility recorded at 12:00 AM (Midnight) of the last day of the month.

The meter information collected will include but not be limited to energy production, Station Use, the maximum generated power (kW) and any other required energy measurements to adequately administer this Agreement.

A-3 ROUTINE REPORTING

Once the Facility has achieved its Operation Date and has operated in a reliable and consistent manner for a reasonable period of time, the Parties may mutually agree to modify this Routine Reporting requirement.

Idaho Power Contact Information

Daily Energy Production Reporting

Call daily by 10 a.m., 1-800-356-4328 or 1-800-635-1093 and leave the following information:

- Project Identification - Project Name and Project Number
- Current Meter Reading
- Estimated Generation for the current day
- Estimated Generation for the next day

Planned and Unplanned Project outages

Call 1-800-345-1319 and leave the following information:

- Project Identification - Project Name and Project Number
- Approximate time outage occurred
- Estimated day and time of project coming back online

Seller's Contact Information

24-Hour Project Operational Contact

Name: Dennis Daugherty
Telephone Number: 208 722 6731
Cell Phone: 208 412 9815

Project On-site Contact information

Name: Dennis Daugherty
Telephone Number: 208 412 9815

APPENDIX B

FACILITY AND POINT OF DELIVERY

Project Name: Fargo Drop Hydroelectric

Project Number: 21615215

B-1 DESCRIPTION OF FACILITY

(Must include the Nameplate Capacity rating and VAR capability (both leading and lagging) of all generation units to be included in the Facility.)

Nameplate: 1.10 MW with 1.15 SF

Var Capability (Both leading and lagging) Leading is .90 Lagging is .90

B-2 LOCATION OF FACILITY

Near: Homedale, ID

Geographic Coordinates: GPS 43.624959,-116.899728 County: Canyon

Description of Interconnection Location: Located at Fargo Drop on Deer Flat Low Line Canal

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected July 20, 2012 as the Scheduled First Energy Date.

Seller has selected August 1, 2012 as the Scheduled Operation Date.

In making these selections, Seller recognizes that adequate testing of the Facility and completion of all requirements in paragraph 5.2 of this Agreement must be completed prior to the project being granted an Operation Date.

B-4 MAXIMUM CAPACITY AMOUNT:

This value will be 1.27 MW which is consistent with the value provided by the Seller to Idaho Power in accordance with Schedule 72. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

B-5 POINT OF DELIVERY

“Point of Delivery” means, unless otherwise agreed by both Parties, the point of where the Seller’s Facility energy is delivered to the Idaho Power electrical system. Schedule 72 will determine the specific Point of Delivery for this Facility. The Point of Delivery identified by Schedule 72 will become an integral part of this Agreement.

B-6 LOSSES

If the Idaho Power Metering equipment is capable of measuring the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power Metering Equipment is unable to measure the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, a Losses calculation will be established to measure the energy losses (kWh) between the Seller’s Facility and the Idaho Power Point of Delivery. This loss calculation will be initially set at 2% of the kWh energy production recorded on the Facility generation metering equipment. At such time as Seller provides Idaho Power with the electrical equipment specifications (transformer loss specifications, conductor sizes, etc.) of all of the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power will configure a revised loss calculation formula to be agreed to by both parties and used to calculate the kWh Losses for the remaining term of the Agreement. If at any time during the term of this Agreement, Idaho Power determines that the loss calculation does not correctly reflect the actual kWh losses attributed to the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous month’s kWh loss calculations.

B-7 METERING AND TELEMETRY

Schedule 72 will determine the specific metering and telemetry requirements for this Facility. At the minimum the Metering Equipment and Telemetry equipment must be able to provide and record hourly energy deliveries to the Point of Delivery and any other energy measurements required to administer this Agreement. These specifications will include but not be limited to

equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. Seller will arrange for and make available at Seller's cost communication circuit(s) compatible with Idaho Power's communications equipment and dedicated to Idaho Power's use, terminating at Idaho Power's facility capable of providing Idaho Power with continuous instantaneous information on the Facility's energy production. Idaho Power provided equipment will be owned and maintained by Idaho Power, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to Idaho Power by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total metering cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

B-8 NETWORK RESOURCE DESIGNATION

Idaho Power cannot accept or pay for generation from this Facility until a Network Resource Designation ("NRD") application has been accepted by Idaho Power's Delivery business unit. Federal Energy Regulatory Commission ("FERC") rules require Idaho Power to prepare and submit the NRD. Because much of the information Idaho Power needs to prepare the NRD is specific to the Seller's Facility, Idaho Power's ability to file the NRD in a timely manner is contingent upon timely receipt of the required information from the Seller. Prior to Idaho Power beginning the process to enable Idaho Power to submit a request for NRD status for this Facility, the Seller shall have completed all requirements as specified in Paragraph 5.7 of this Agreement. **Seller's failure to provide complete and accurate information in a timely manner can significantly impact Idaho Power's ability and cost to attain the NRD designation for the Seller's Facility and the Seller shall bear the costs of any of these delays that are a result of any action or inaction by the Seller.**

APPENDIX C

ENGINEER'S CERTIFICATION

OF

OPERATIONS & MAINTENANCE POLICY

The undersigned _____, on behalf of himself/herself and _____, hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter "Agreement," between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as Idaho Power Company Facility No. _____ and is hereinafter referred to as the "Project."
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a _____ year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has reviewed and/or supervised the review of the Policy for Operation and Maintenance ("O&M") for this Project and it is his professional opinion that, provided said Project has been designed and built to appropriate standards, adherence to said O&M Policy will result in the Project's producing at or near the design electrical output, efficiency and plant factor for a twenty (20) year period.

9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

10. That Engineer certifies that the above statements are complete, true and accurate to the best of his/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C
ENGINEER'S CERTIFICATION
OF
ONGOING OPERATIONS AND MAINTENANCE

The undersigned _____, on behalf of himself/herself and _____ hereinafter collectively referred to as "Engineer," hereby states and certifies to the Seller as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter "Agreement," between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as Idaho Power Company Facility No. _____ and hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.

8. That Engineer has made a physical inspection of said Project, its operations and maintenance records since the last previous certified inspection. It is Engineer's professional opinion, based on the Project's appearance, that its ongoing O&M has been substantially in accordance with said O&M Policy; that it is in reasonably good operating condition; and that if adherence to said O&M Policy continues, the Project will continue producing at or near its design electrical output, efficiency and plant factor for the remaining _____ years of the Agreement.

9. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, is relying on Engineer's representations and opinions contained in this Statement.

10. That Engineer certifies that the above statements are complete, true and accurate to the best of his/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX C

ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

The undersigned _____, on behalf of himself/herself and _____ hereinafter collectively referred to as "Engineer", hereby states and certifies to Idaho Power as follows:

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Idaho.
2. That Engineer has reviewed the Firm Energy Sales Agreement, hereinafter "Agreement", between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project, which is the subject of the Agreement and this Statement, is identified as Idaho Power Company Facility No _____ and is hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____ Project, is located in Section _____ Township _____ Range _____, Boise Meridian, _____ County, Idaho.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a twenty (20) year period.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project and has made the analysis of the plans and specifications independently.
8. That Engineer has reviewed the engineering design and construction of the Project, including the civil work, electrical work, generating equipment, prime mover conveyance system, Seller furnished Interconnection Facilities and other Project facilities and equipment.

9. That the Project has been constructed in accordance with said plans and specifications, all applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

10. That the design and construction of the Project is such that with reasonable and prudent operation and maintenance practices by Seller, the Project is capable of performing in accordance with the terms of the Agreement and with Prudent Electrical Practices for a _____ year period.

11. That Engineer recognizes that Idaho Power, in accordance with paragraph 5.2 of the Agreement, in interconnecting the Project with its system, is relying on Engineer's representations and opinions contained in this Statement.

12. That Engineer certifies that the above statements are complete, true and accurate to the best of his/her knowledge and therefore sets his/her hand and seal below.

By _____

(P.E. Stamp)

Date _____

APPENDIX D

FORMS OF LIQUID SECURITY

The Seller shall provide Idaho Power with commercially reasonable security instruments such as Cash Escrow Security, Guarantee or Letter of Credit as those terms are defined below or other forms of liquid financial security that would provide readily available cash to Idaho Power to satisfy the Delay Security requirement and any other security requirements within this Agreement.

For the purpose of this Appendix D, the term "Credit Requirements" shall mean acceptable financial creditworthiness of the entity providing the security instrument in relation to the term of the obligation in the reasonable judgment of Idaho Power, provided that any guarantee and/or Letter of Credit issued by any other entity with a short-term or long-term investment grade credit rating by Standard & Poor's Corporation or Moody's Investor Services, Inc. shall be deemed to have acceptable financial creditworthiness.

1. Cash Escrow Security – Seller shall deposit funds in an escrow account established by the Seller in a banking institution acceptable to both Parties equal to the Delay Security. The Seller shall be responsible for all costs, and receive any interest earned associated with establishing and maintaining the escrow account(s).
2. Guarantee or Letter of Credit Security – Seller shall post and maintain in an amount equal to the Delay Security: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power at its discretion, or (b) an irrevocable Letter of Credit in a form acceptable to Idaho Power, in favor of Idaho Power. The Letter of Credit will be issued by a financial institution acceptable to both parties. The Seller shall be responsible for all costs associated with establishing and maintaining the Guarantee(s) or Letter(s) of Credit.

Albert P. Barker, ISB No. 2867
BARKER ROSHOLT & SIMPSON LLP
1010 W. Jefferson, Suite 102
P.O. Box 2139
Boise, Idaho 83701-2139
Telephone: (208) 336-0700
Facsimile: (208) 344-6034

Attorneys for Exemption Holder, Boise Project Board of Control

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

BOISE PROJECT BOARD OF CONTROL	)	Project No. 5042 - Idaho
	)	APPLICATION FOR AMENDMENT
	)	OF EXEMPTION
	)	
	)	
	)	FARGO DROP NO. 1
	)	

Pursuant to 18 C.F.R. § 4.96, the Boise Project Board of Control files this request for amendment to the existing exemption for the Fargo Drop Project No. 1, FERC No. 5042.

INTRODUCTORY STATEMENT

**Before the Federal Energy Regulatory Commission Application for Amendment to
Exemption of Small Conduit Hydroelectric Facility**

The Boise Project Board of Control applies to the Federal Energy Regulatory Commission to amend the current exemption for the Fargo Drop No. 1 Hydroelectric Facility FERC No. 5042, a small conduit hydroelectric facility that meets the requirements of § 4.30(b)(28) of this subpart from certain provisions of Part I of the Federal Power Act.

The location of the facility is:

State of Idaho

County of Canyon

Closest nearby town: Homedale, Idaho

T3N R5W, Section 2, SWSENE & SWSWNE

The exact name and business address of the application of the exemption holder is: The Boise Project Board of Control, 2465 Overland Road, Boise, ID 83705-3155

The exact name and business address of each person authorized to act as agent for the exemption holder in this application is: Paul Deveau, Manager, Boise Project Board of Control, 2465 Overland Road, Boise, ID 83705-3155, and Albert P. Barker, Barker Rosholt & Simpson, 1010 W. Jefferson Street, Suite 102, Boise, ID 83701

The Boise Project Board of Control is a quasi-municipal entity organized under an agreement between U.S. Bureau of Reclamation and the five member quasi-municipal irrigation districts and existing under the laws of the State of Idaho.

The provisions of Part I of the Federal Power Act for which exemption is requested are all provisions of Part I as was included in the Order Granting Exemption from Licensing for Conduit Hydroelectric Project issued October 23, 1981.

Attached hereto are revised exhibits A, E, F and G.

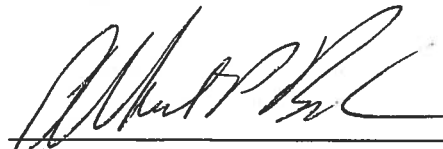
Attached hereto is an appendix containing a copy of the deed showing the applicant's real property interest under Section 4.31(b).

This Project is on a conduit operated and maintained by the Boise Project Board of Control to deliver water to landowners within the Wilder Irrigation District. No Indian tribes are affected by this Project.

DATED THIS 15th day of December, 2011.

BARKER ROSHOLT & SIMPSON LLP

By

A handwritten signature in black ink, appearing to read "Albert P. Barker", is written over a horizontal line.

Albert P. Barker

EXHIBIT "A"

EXHIBIT A

The Exemption for this Project was granted by the Commission on October 23, 1981. This Application for Amendment to the Exemption for Fargo Drop, No. 1, FERC Project No. 5042, does not require any changes from the original approval other than the output and configuration of the generating facilities. It is a non-capacity amendment, as it seeks to increase the capacity by less than 2 MW. 18 C.F.R. § 4.201(b). The original application sought and the Commission authorized a plant capacity of 650 KW. Under this amendment, the Boise Project Board of Control will use the same existing conduit, but with some engineering changes and re-evaluation of the water available seeks authorization for a plant with a name plate rating of 1100 KW and maximum output of 1265 KW.

(1) The conduit used to generate electricity is known as the Fargo Wasteway. It delivers water from the Deer Flat Lowline Canal to an equalizer located at the head of the Fargo Highline Canal. Attachment 1 provides a more complete description of the conduit, the intake facilities, powerhouse and other structures.

(2) The natural source of water that supplies water to the conduit originates in the Boise River. The water is diverted out of the Boise River at the Diversion Dam into New York Canal by the Boise Project Board of Control. Water is then delivered approximately 40 miles through the New York Canal to Lake Lowell, and thence from Lake Lowell through a series of canal systems to the Deer Flat Lowline Canal at the point where the Fargo Wasteway diverges from the Canal. Water is channeled from the Deer Flat Lowline Canal into the Fargo Wasteway, where it will generate electrical power at this canal drop in the wasteway. All of this water is used for irrigation purposes delivered by the Boise Project Board of Control to landowners. The water rights to this water are held in the names of the U.S. Bureau of Reclamation and the Boise

Project Board of Control on behalf of the irrigation districts and the landowners who use the water within the boundaries of the five member irrigation districts comprising the Boise Project Board of Control. This Fargo Drop #1 hydroelectric facility is located within the boundaries of the Boise Project Board of Control delivery system and surrounded by irrigated farm land.

(3) The conduit is used to deliver water from the Deer Flat Lowline Canal to an equalizer which serves the Fargo Highline Canal and the Watson Lateral. Water that is not delivered to the Highline Canal and the Watson Lateral will flow down the Fargo Wasteway to the Fargo Lowline Canal and other laterals further down gradient for delivery of irrigation water. Attachment 1 contains a schematic showing the water delivery system.

(4) The application for amendment of the exemption continues to propose two turbines and a single generator. The amendment seeks to increase the total plant capacity to a name plate rating on the generator of 1100 kW, with 1.15 service factor, to provide a 1265 kW maximum capacity.

(5) The turbines proposed for this Project are two horizontal Frances turbines.

(6) The Plant will be operated automatically. It will use only irrigation water that is delivered for irrigation purposes from the Deer Flat Lowline through the Fargo. The Plant cannot require the release of water solely for power purposes. The Plant will not operate during the non-irrigation season. The Plant will not be used for peaking.

(7) Average generation kilowatt hours is expected to be approximately 3167 MWhs annually. The average head of the Plant is 144 feet. The hydrologic capacity of the Plant is 115 cfs: 40 cfs in Turbine No. 1 75 cfs in Turbine No. 2. The average flow of the conduit at that Plant or point of diversion is between 80 and 115 cfs. The Plant is expected to utilize most of the flow available in the conduit for power generation, any excess flows over the hydraulic capacity

of the turbines will be diverted into the existing wasteway which shall be returned in its current capacity.

(8) The planned date for beginning construction of the facility is January 2012. See Schedule - Attachment 2.

(9) The hydroelectric facility does not discharge directly into a natural body of water, but discharges back to the laterals and canals of the Boise Project system.

(10) The hydroelectric facility is non-consumptive and discharges all the water back into the agricultural system.

(11) No dam is required and no impoundment is required for the operation of this power plant.

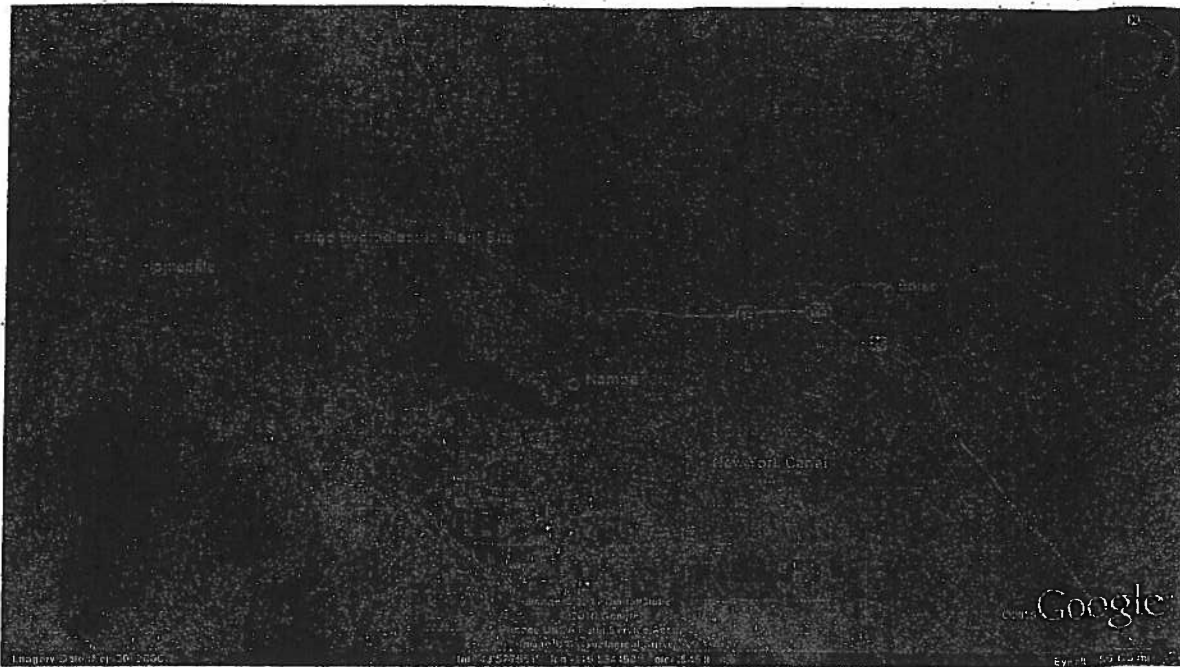
Attachment 1: Plant Description

Attachment 2: Schedule

Attachment 1 to Exhibit A

Background Data

Proximity Map



Boise Project Board of Control (BPBC)

The New York Canal and the irrigation system it feeds is operated by BPBC on behalf of 5 Irrigation Districts established in the early 20th century to serve irrigators with waters made possible by the development of the Arrowrock Division of the Boise Project by the United States Department of the Interior, Bureau of Reclamation (BOR). The five Districts are:

- Big Bend Irrigation District (Malheur County, OR)
- Boise-Kuna Irrigation District (Ada and Canyon Counties, ID)
- Nampa-Meridian Irrigation District (Ada and Canyon Counties, ID)
- New York Irrigation District (Ada County, ID)
- Wilder Irrigation District (Canyon County, ID)

BPBC delivers irrigation water to approximately 167,000 acres from both river rights and from reservoir storage rights in Anderson and Arrowrock Reservoirs held by the BOR in trust for the Districts. The delivery system comprises over 1400 miles of canals, laterals and sub-laterals, more than 10,000 individual structures including headgates and check structures, and is operated by a full time staff of approximately 100 dedicated employees.

Approximately 30,000 users are served by BPBC. Though the main canals and laterals are open channels, there is a diverse mixture of ditches, gravity irrigation pipelines, pressurized pipelines and pressurized sprinkler systems throughout the project.

BPBC was formed to operate and maintain federally financed and owned facilities built under the Reclamation Act of August 30, 1890 and would not exist apart from the efforts of the Federal Government. Its entire history is closely intertwined with the BOR. It was created by the forerunner of the BOR to operate and maintain the federal facilities constructed as part of the Boise Project on behalf of the 5 Districts established as part of the Project. Irrigation of the lands that BPBC serves would not be possible without the reservoir storage made possible by the Arrowrock and Anderson Ranch reclamation projects.

The irrigation districts served by BPBC are parties to repayment agreements pursuant to the Water Supply Act of 1958 and thus are obligated under Section 210 of the Reclamation Reform Act of 1982 to plan and implement water conservation measures.

As required by the Reclamation Reform Act of 1982, BPBC has prepared a Water Conservation Plan. It was most recently updated in 2010.

BPBC and Hydroelectric Power Development

The Fargo Hydroelectric Project represents BPBC's fifth hydropower development. Since the early 1980's, BPBC has pursued development of renewable hydroelectric energy resources related to its water rights and the topography of its irrigation system. The successful completion and operation of four hydroelectric power plants has not only benefited power consumers, by providing renewable, low cost and sustainable energy with negligible environmental impacts, but also benefitted BPBC's irrigation users through creation of an ongoing revenue stream that has substantially reduced their net cost of water.

The power plants now operating and generating revenue for BPBC, along with their date of initial operation and electrical generating capacity are:

- Lucky Peak Dam, 1988, 102 MW
- Mora Drop, 2008, 1.7 MW
- Arrowrock Dam, 2010, 17 MW
- Arena Drop, 2010, 0.5 MW

The three most recent projects were designed and built up by the same development team proposed for the Fargo Hydroelectric Project: Riverside Inc. and Sorenson Engineering.

Besides the Fargo Drop site, BPBC plans to investigate and pursue development of several additional low-head hydropower sites, including:

- Golden Gate Drop (FERC License Exemption has been obtained)
- Richards Point Wasteway
- New York Canal @ Gauge #10 (MC10)
- New York Canal @ Gauge #6 (MC6, below the head of the Mora Canal)
- Waldvogel Canal above the head of the Bluff Lateral
- Deer Flat Lowline Gauge #9

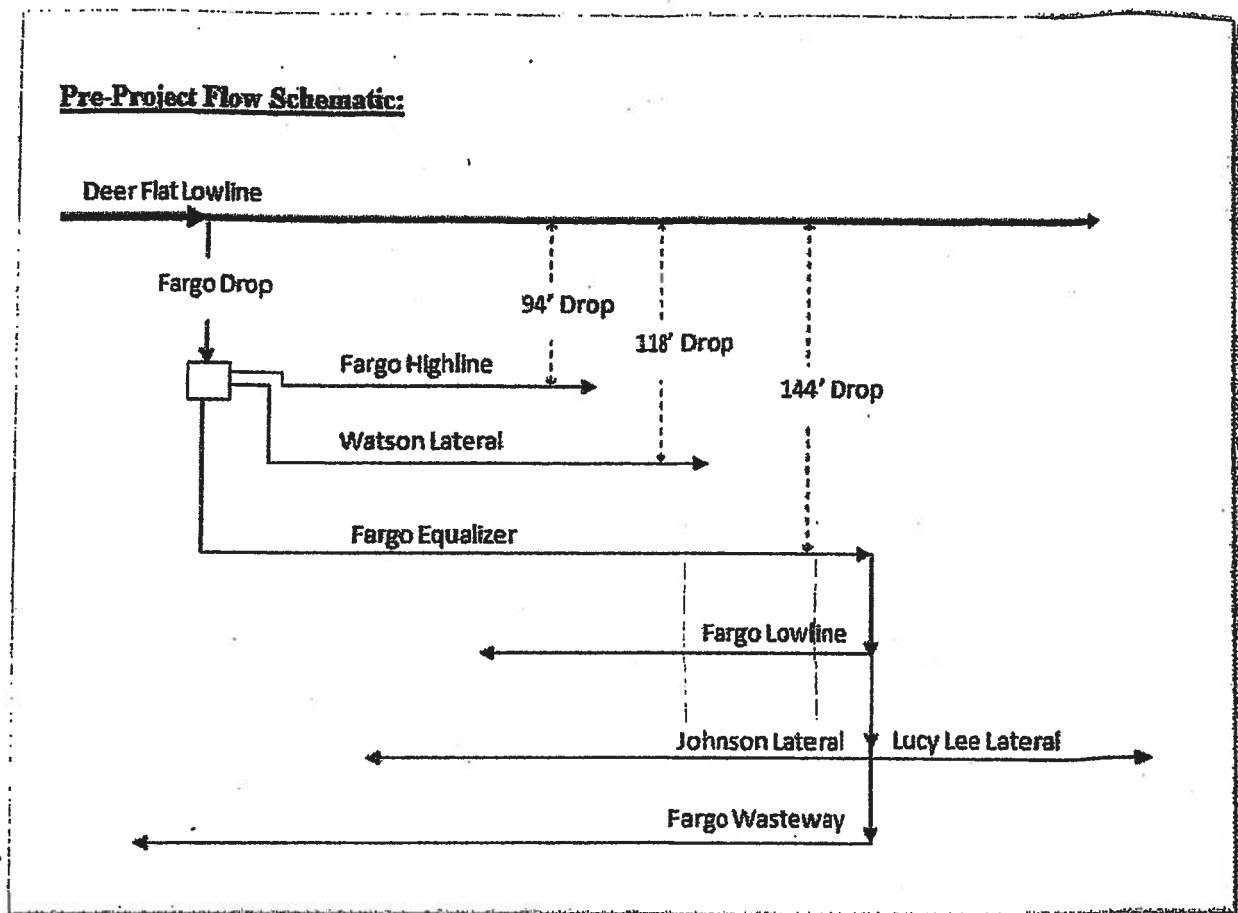
Fargo Drop Site and Development History



The proposed project site is 1.75 miles ENE of Homedale Idaho. (GPS Coordinates: 43.624959°, -116.899728°) It will take advantage of a complex set of existing BPBC facilities that enable irrigation of over 5,200 acres of bench land above the Snake River east of Homedale.

The source of water for this project is the Deer Flat Lowline (DFLL) Canal. On the image above, the DFLL flows in from the north (top right) then proceeds south and southeast, exiting the image midway on the lower right side. At a point corresponding to the area just below the "Deer Flat Lowline Canal" label on the image, water is diverted into a pipeline known as the Fargo Drop. It emerges from the pipeline after approximately 880 feet into an open distribution box that lies 88 feet below the inlet. This box contains the headworks of the Fargo Highline Canal as well as the Watson Lateral. Another pipeline runs an additional 340 feet from this box and discharges into the Fargo Equalizer Canal, which lies at an elevation 144 feet below the DFLL. The Fargo Equalizer subsequently supplies three more laterals (Fargo Lowline, Lucy Lee

and Johnson) and the Fargo Wasteway. The following flow schematic shows the relative configuration of these laterals:



The Fargo Drop site has been studied several times since the late 1970s. In 1981, J-U-B Engineers prepared a report that formed the basis for FERC License Exception for Project 5042, issued on October 23, 1981.

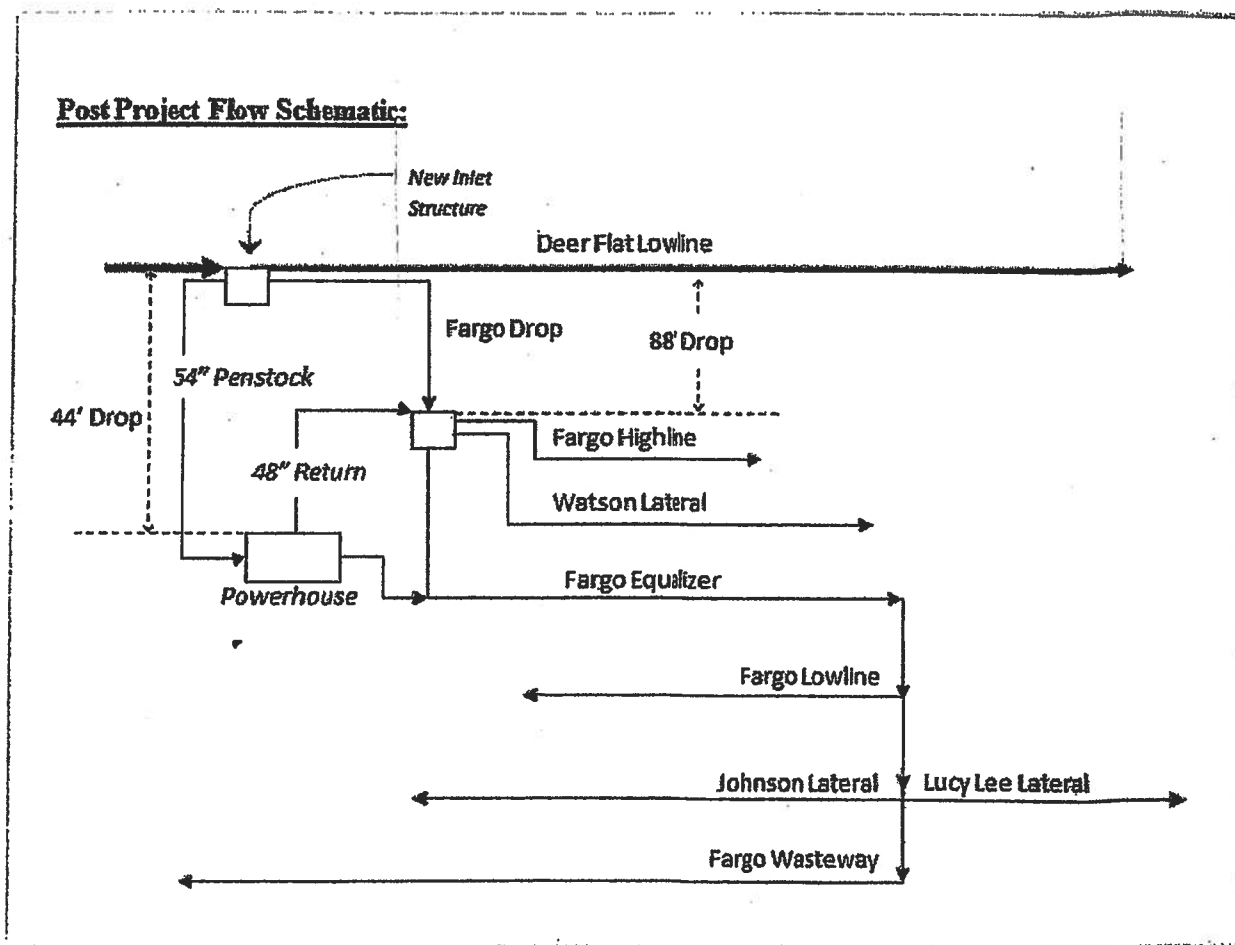
In 2001, BPBC issued a Request for Proposal (RFP) for Low Head Projects. Riverside, Inc. submitted a proposal to develop four (4) projects under the terms of the RFP. To date, Riverside has developed the Mora Drop site (which included construction of an automated wasteway at Richards Point on the Mora Canal to provide bypass capability and enhance the operation of the Mora Drop plant) and the Arena Drop site. The Fargo Drop and Golden Gate sites represent the balance of the projects that will tentatively be developed under the agreement with Riverside.

Power generated by the Fargo Hydroelectric Power Plant will be purchased by the Idaho Power Company (IPCo), pending successful completion of a Power Sales Agreement. Revenue from power generation will be based upon non-levelized rates as stipulated by the State of Idaho Public Utilities Commission under PUC Order 31025.

Technical Project Description

A conceptual design for the project has been completed. The scope of work for the proposed project includes the following work packages:

- Intake Works
- Penstock
- Distribution Box and Return Pipe
- Powerhouse
- Turbine Generator Equipment
- Mechanical Equipment
- Powerhouse Electrical Equipment
- Substation and Transmission Line



Work Package 1: Intake Complex

A new intake complex will be developed on the north side of the existing structure. New slide gates to automatically open and shut in sequence with power plant operation will be provided in the existing drop. If flows greater than power plant capacity need to be diverted, the slide gates will automatically open enough to pass the needed flows down the existing drop pipeline, while at the same time maintaining a canal level sufficient to feed the power intake. A wide forebay will be constructed to divert flows past the power intake. The forebay will be fitted with two automatic trip gates to pass flows into the existing drop structure if the new slide gates fail to open when the power plant shuts down.

The power intake will include a trash rack, automatic trash rack cleaner and a hydraulic hoist operated slide gate. Below the slide gate the structure will transition to the penstock.

Work Package 2: Penstock

A 54 inch buried steel penstock will convey water flows to the powerhouse.

Work Package 3: Distribution Box and Return Pipe

The existing structure containing the headworks of the Fargo Highline and Watson will be utilized and modified as follows. When the power plant is in operation, flow from Turbine No. 1 will be returned from the powerhouse to the distribution box through a 48" steel return pipe to supply the Fargo Highline Canal and Watson Lateral through the existing slide gates. A head level sensor that will communicate with the power plant programmable logic controller (PLC) will be placed in the structure below the skimmer walls in the structure.

Work Package 4: Powerhouse

The powerhouse will be a concrete substructure with an above ground, pre-manufactured metal building. It will be constructed on the north side of the existing outlet structure that releases water from the Fargo Drop pipeline to the Fargo Equalizer Canal.

Work Package 5: Turbine Generator Units

Two horizontal Francis turbines and one horizontal generator will be installed on a common shaft. Turbine No. 1 will be a Low Head Turbine that will discharge to the Distribution Box through the Return Pipe. Turbine No. 2 will be a High Head Turbine that will discharge into the Equalizer Canal.

The efficiency of the turbines is 88% (see manufacturer's drawings and data sheets in Appendix 1.) They will be of European design, built in China and imported by Far East Engineering of Boise, Idaho. The manufacturer will be CHEC, who is represented locally by Lianggio Liu, P.E. Several of these units have been installed in the United States and operated successfully since 2006. The Mora Drop and Arena Drop plants were supplied by the same firm. Similar 7.5 MW units have been installed at the Arrowrock Hydroelectric Project; all of the equipment mentioned is currently performing well.

Summary specifications for the turbines and generator are as follows:

Turbine No. 1: Low Head Turbine, Francis Type
 Rated Flow: 45.0 cfs
 Rated Head: 86.6 feet
 Speed: 720 RPM
 Rated Runway: 1250 RPM

Turbine No. 2: High Head Turbine, Francis Type
 Rated Flow: 65.0 cfs
 Rated Head: 144 feet
 Speed: 720 RPM
 Rated Runway: 1250 RPM

Generator: Synchronous
 Speed: 720 RPM
 Rated Output: 975 KW
 Service Factor: 1.15
 Exciter: Static
 Frequency: 60 Hertz
 Voltage: 480 Volts

Work Package 6: Mechanical Equipment

The turbine wicket gates will operate hydraulically. The hydraulic power unit will be of American manufacture, with accumulators for black shutdown. The governor will be digital. A DC battery and DC/AC inverter will be furnished. Head level sensors (differential pressure type) will be installed in the Deer Flat Lowline forebay and the Distribution Box to provide information to the powerhouse PLC enabling it to maintain constant head in those structures.

Work Package 7: Powerhouse Electrical Equipment

Powerhouse switchgear and electrical will be supplied by Batt Electric, who also supplied equipment for the Mora Drop, Arena Drop and Arrowrock projects. The plant will generate power at 480 volts, 3 phase, 60 Hertz and will meet all applicable codes.

Work Package 8: Substation and Transmission Line

Although an interconnection study is still under way by Idaho Power, it appears that there is a suitable Idaho Power line adjacent to the proposed location of the powerhouse. It would require installation of a re-conductor and possibly one or two new poles. The substation will be the same as was installed at Mora and Arena: a pad mount transformer owned by BPBC and metering on the high side at 12.6 KV.

Attachment 2 to Exhibit A

EXHIBIT "E"

EXHIBIT E
ENVIRONMENTAL REPORT

The facility is to be located in the same location as approved in the Exemption. Since the time of the Exemption, there have been no changes in the environmental setting in the vicinity of the facility. The Fargo Wasteway is located in areas surrounded entirely by irrigated agricultural lands. To the extent that there are any non-irrigated lands in the area, it is sagebrush. There are no fish and wildlife resources in the conduit. The Boise Project Board of Control has consulted with Idaho Fish and Game and the U.S. Fish and Wildlife Service and both concur that this Project will have no impacts to fish and wildlife resources and in fact will have beneficial impacts to downstream and down gradient water quality by virtue of the trash removal system that will be installed on the head works of the Fargo Wasteway to protect the hydroelectric facility. No threatened and endangered species exist in the area of the conduit and the conduit is not within critical habitat of any threatened or endangered species. There are no sites eligible for inclusion on the National Register of Historic Places in the vicinity of the facility.

This application for amendment is a non-capacity amendment under 18 C.F.R. § 4.201(b). The change does not modify the flow regime associated with the project. Therefore, the Boise Project has successfully consulted with the relevant fish & wildlife agencies, who have agreed that the amendment poses no impacts.

Attached are copies of consultation letters to and from the U.S. Fish and Wildlife Service and Idaho Fish and Game. Also attached is the Water Smart Grant Assistance Agreement with the U.S. Bureau of Reclamation demonstrating Reclamation involvement in and approval of the Plant.

Attachments:

Oct. 14, 2011 letter to FWS

Oct. 14, 2011 letter to Idaho F&G

Nov. 16, 2011 letter from FWS

Nov. 17, 2011 letter from Idaho F&G

Water Smart Agreement

ALBERT P. BARKER
JOHN A. ROSHOLT
JOHN K. SIMPSON
TRAVIS L. THOMPSON
SHELLEY M. DAVIS
PAUL L. ARRINGTON
SCOTT A. MAGNUSON
SARAH W. HIGER



1010 W. Jefferson, Suite 102
Post Office Box 2139
Boise, ID 83701-2139
(208) 336-0700 telephone
(208) 344-8034 facsimile
brs@idahowaters.com

113 Main Avenue West, Suite 303
Twin Falls, ID 83301-6167
(208) 733-0700 telephone
(208) 735-2444 facsimile
jar@idahowaters.com

Albert P. Barker
apb@idahowaters.com

October 14, 2011

Michael Morse
Idaho Fish and Wildlife Service
1387 S. Vinnell Way, Suite 368
Boise, ID 83709

Re: Conduit Exemption, Fargo Drop #1, FERC Project No. 5042

Dear Michael:

The Boise Project Board of Control holds an exemption from FERC for construction of a lowhead hydropower plant on the Fargo wasteway. Fargo wasteway is a constructed facility, part of the Boise Project delivery system. It connects two irrigation delivery canals, the Deer Flat Lowline Canal and the Fargo Highline Canal. The Fargo wasteway is a concrete chute located over 25 miles from the original diversion from the Boise River into the New York Canal. The original exemption was obtained many years ago, October 23, 1981.

The Fargo Drop project as originally conceived and approved by FERC involved piping the water from the Deer Flat Lowline Canal to the equalizer at the Fargo Highline Canal. The plan contemplated two generating units with a total capacity of 650 kW. Attached as Exhibit #1, is a copy of the original FERC Order granting the exemption for Fargo Drop #1, FERC Project No. 5042.

Idaho Fish & Game and the United States Department of Interior commented on the proposal in 1981 and requested measures to prevent water quality degradation during construction and raptor protection for any transmission lines. Otherwise, there was no objection to the construction of the project or piping the existing chute. Copies of both Idaho Fish & Game and the Department of Interior's comments on the Fargo project are attached as Exhibits #2 & #3.

For years, the Boise Project had been unable to find a way to construct hydroelectric projects on these canal drops even though the original exemptions demonstrated that the projects were technically achievable. There are many reasons, not the least of which is the fact that these canal drop projects only carry water during the irrigation season and only carry irrigation water and no natural flows of any kind. Consequently, these lowhead, canal drop projects can only

October 14, 2011

Page 2

generate during the irrigation season. This limitation makes the project economics very slim. However, the Boise Project has contracted with Riverside Electric of Parma to construct canal drop projects on its canal system under other FERC exemptions obtained in the early 1980s, similar to this Fargo exemption. Two of those projects, the Mora Drop and the Arena Drop projects were completed in the last few years and are in successful operation today.

The Fargo Drop project as proposed, posed some unique engineering difficulties. Riverside and its designers are now proposing to increase the capacity of the facility based upon a reevaluation of the total flows that actually have been measured at the Fargo wasteway, new and more efficient turbines and generating equipment, and a slight reconfiguration of the powerhouse. As with the original FERC exemption, the new plan still proposes to keep the existing chute at the Fargo Wasteway as an overflow and to pipe the flows from the Deer Flat Lowline to the Fargo Highline in a penstock for use in the power plant. After going through the power plant, water will be delivered into the Fargo Highline Canal or the Watson Lateral, the remainder of the water or will continue to flow down the Fargo wasteway to the Fargo Lowline Canal and into other laterals for delivery of irrigation water. Attached as Exhibit #4 are preliminary engineering data concerning the current design showing the increase in capacity at the Fargo Drop FERC No. 5042. This information is excerpted from the Water Smart grant application and provides some greater detail on the design. An aerial photo showing the project location is also attached as Exhibit #5.

The Boise Project has been in close consultation with the Bureau of Reclamation on this project, including the upgraded generation and has secured a Water Smart grant to help fund this project.

Under FERC regulations, this proposed change in output is described as a "non-capacity amendment" because it involves an increase in generation of less than 2 MWs. 18 C.F.R. § 4.201(c). FERC has advised us that, before the Boise Project files a "non-capacity amendment" with FERC, the Project must consult with the appropriate federal and state fish and wildlife agencies and solicit your comments to submit to FERC. See 18 C.F.R. § 4.96(b).

As required by FERC, Boise Project Board of Control is requesting approval of the Fish and Wildlife Service for the proposed increase in generation of approximately 0.5 MW. As shown in the attached design information developed by Riverside and its designers, there is no significant change in the location or the overall design of the project. The water will still be piped between the Deer Flat Lowline and the Fargo Highline Canals to a power plant and then discharged into the Fargo Highline and Fargo Lowline Canals. Under the Boise Project Board of Control's Agreement with Riverside, Riverside cannot perform any construction in a way that would interfere with delivery of water in the irrigation season. In addition, under this Agreement with Riverside, the power plant is only authorized to utilize water that has otherwise been released for irrigation purposes. The power plant cannot call on additional flows to be diverted from the Boise River or call on flows to be diverted in times when it is not necessary for the existing irrigation uses. The power plant also cannot require a change in flows within the Boise Project system. Accordingly, the upgraded Fargo Drop project will result in no change in the flows of water into or return flows out of the Boise Project irrigation system. All transmission

EXHIBIT 1

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Boise Project Board of Control) Project No. 5042-000

ORDER GRANTING EXEMPTION FROM LICENSING FOR
A CONDUIT HYDROELECTRIC PROJECT

(Issued October 23, 1981)

The Applicant 1/ filed an application for exemption from all or part of Part I of the Federal Power Act pursuant to 18 C.F.R. Part 4 SUBPART J (1980) implementing Section 30 of the Federal Power Act (Act) for a project as described in the attached public notice. 2/

Notice of the application was published and comments were requested from interested Federal and State agencies including the U.S. Fish and Wildlife Service and the State Fish and Wildlife Agency. All comments, protests and petitions to intervene that were filed have been considered. No agency has any objection relevant to issuance of this exemption.

Standard Article 2 included in this exemption, requires compliance with any conditions that Federal or State fish and wildlife agencies have determined appropriate to prevent loss of, or damage to, fish and wildlife resources. The terms and conditions referred to in Article 2 are contained in any letters of comment by these agencies which have been forwarded to the Applicant in conjunction with this exemption.

Should the Applicant contest any terms or conditions that were proposed by Federal or State agencies in their letters of comment as being outside the scope of Article 2, the Commission shall determine whether the disputed terms or conditions are outside the scope of Article 2.

It is ordered that:

(A) Fargo No. 1 Hydroelectric Project No. 5042 as described and designated in the Boise Project Board of Control's application filed on June 30, 1981, is exempted from all of the

1/ Boise Project of Control, Project No. 5042, filed June 30, 1981.

2/ Authority to act on this matter is delegated to the Deputy Director, Office of Electric Power Regulation under §375.308 of the Commission's regulations 45 Fed. Reg. 21210 (1980), as amended by Order No. 112 in Docket No. RM81-5, issued November 21, 1980, (45 Fed. Reg. 79024).

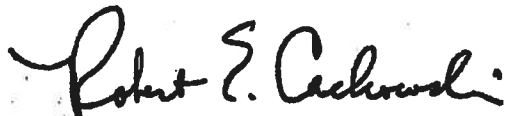
FEDERAL ENERGY REGULATORY COMMISSION
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- 2 -

requirements of Part I of the Federal Power Act, including licensing, subject to the standard articles in §4.94 of the Commission's regulations, 45 Fed. Reg. 28085 (1980) (to be codified in 18 C.F.R. §4.94) and the following special article:

Article 3. The design and construction of only those facilities that would be an integral part of or that could affect the integrity of the Deer Flat Low Line and Fargo High Line Canals shall be done in consultation with and subject to the review and approval of the Regional Director, Bureau of Reclamation, Boise, Idaho. The Commission reserves the right to resolve any disagreement between the Exemptee and the Regional Director. The Exemptee shall reimburse the Bureau of Reclamation for costs they incur in the review and approval of the design and construction of project works directly related to the integrity of the Deer Flat Low Line and Fargo High Line Canals.

(B) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 1.7(d) of the Commission's regulations, 18 C.F.R. 1.7(d)(1979), as amended, 44 Fed. Reg. 46449 (1979). The filing of a petition appealing this order to the Commission or an application for rehearing as provided in Section 313(a) of the Act does not operate as a stay of the effective date of this order, except as specifically ordered by the Commission.



Robert E. Cackowski
Deputy Director, Office of
Electric Power Regulation

EXHIBIT 2



STATE OF IDAHO

DEPARTMENT OF FISH AND GAME

600 SO. WALNUT ST. — P.O. BOX 25
BOISE, IDAHO 83707

September 16, 1981

Mr. Kenneth F. Plumb, Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, DC 20426

SEP 21 10 50 AM '81
FEDERAL ENERGY
REGULATORY
COMMISSION
OFFICE OF THE
SECRETARY

Re: Fargo No. 1 Hydroelectric
Project No. 5042 Dear
Flat Lowline Canal Diversion,
Idaho. Application for
Exemption of Small Conduit
Hydroelectric Facility,
Boise Project Board of
Control.

Dear Mr. Plumb:

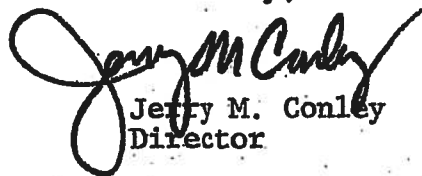
We have reviewed the referenced application and submit the following terms and conditions for the purposes set forth in Section 408 of the Energy Security Act of 1980.

Every reasonable care to be taken to minimize water quality degradation during construction and to prevent long-term erosion.

Transmission lines, if above ground, to be designed and constructed to prevent mortalities to raptors. Design for preventing raptor mortalities to be subject to approval by the IDFG.

Transmission line design criteria are available to applicant from the IDFG.

Sincerely,


Jerry M. Conley
Director

cc: USFWS (Buechler)
Region 3
Bur. Fisheries

FEDERAL ENERGY REGULATORY COMMISSION
DOCKETED

SEP 21 1981

DOCKET SECTION

EQUAL OPPORTUNITY EMPLOYER

EXHIBIT 3



United States Department of the Interior

OFFICE OF THE SECRETARY

PACIFIC NORTHWEST REGION

500 N.E. Multnomah Street, Suite 1692, Portland, Oregon 97232

OCT 13 10 50 AM '81
FEDERAL ENERGY REGULATORY COMMISSION

October 8, 1981

ER 81/1755 (FERC No. 5042)

Kenneth F. Plumb, Secretary
Federal Energy Regulatory Commission
825 N. Capitol Street, N.E.
Washington, D.C. 20426

Dear Mr. Plumb:

The Department of the Interior has reviewed the notice of application for exemption for the Small Conduit Hydroelectric Facility, Fargo No. 1 Hydro Project, FERC No. 5042, Canyon County, Idaho.

We have no objection to the exemption; however, the following comments are provided for your use and consideration.

Cultural Resources

The preservation of cultural resources should be considered by the applicant. For coordination of compliance with preservation legislation, the applicant should contact the National Park Service (NPS), Pacific Northwest Regional Office and the State Historic Preservation Office (SHPO). The SHPO for the State of Idaho is:

Dr. Merle W. Wells
Historic Preservation Coordinator
Idaho State Historical Society
610 North Julia Davis Drive
Boise, Idaho 83706

The Applicant should also be advised of the procedural guidelines to be followed in assessing cultural resources as found in 36 CFR 800 "Protection of Historic and Cultural Properties."

You should also inform the permittee that the NPS may be available to provide limited assistance and advice in evaluating any cultural and historic preservation aspects of the project area and assist in the coordination of cultural and historic proposals with Federal, State and local agencies.

FEDERAL ENERGY REGULATORY COMMISSION
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DOCKET SECTION

Recreational Resources

Recreational aspects of the project should be analyzed and if there is potential for recreation development, it should be considered. We do not feel the requirements of 18 CFR 2.7(c) respecting the determination of recreation needs as part of the licensing procedures are applicable to a project of this small size in this location.

Fish and Wildlife Resources

The Fish and Wildlife Service (FWS) does not foresee any major project related effects upon fish and wildlife resources directly dependent upon the canal system. However, FWS is concerned with potential effects on downstream riverine or reservoir fish and wildlife populations which could be harmed by water quality degradation or erosion caused by construction or operation of the proposed project. There is also concern that above ground transmission lines could cause raptor mortalities.

To protect fish and wildlife resources, the FWS provides the following conditions for incorporation in the exemption:

1. The proposed project shall include measures such as limiting instream work, to protect water quality and prevent erosion that might be caused by project construction or operation.
2. The proposed project transmission lines, if constructed above ground, shall be designed to prevent raptor mortalities.

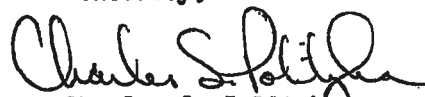
Water and Power Resources

The Bureau of Reclamation (BR) is not certain that the development should be exempted from a falling water charge. The policy of the Department of the Interior with respect to such a charge is undergoing reanalysis at this time.

This site is located on the Fargo Wasteway between Wilder and Homedale, Idaho. The BR made studies on this wasteway in both the Southwest Idaho Water Management Study and in the Boise Power and Modification Study. These studies involved diverting Boise River flood flows through the New York Canal to Lake Lowell to the Deer Flat Lowline Canal to the Fargo Wasteway and into the Snake River. This would reduce the flows in the Boise River and alleviate some flooding problems along the channel. This plan has economic feasibility, but is not being proposed at this time because a cost sharing entity has not been found. The applicant should be aware of the possibility of these additional flows that would be available for power generation.

We appreciate the opportunity to comment on these applications.

Sincerely,

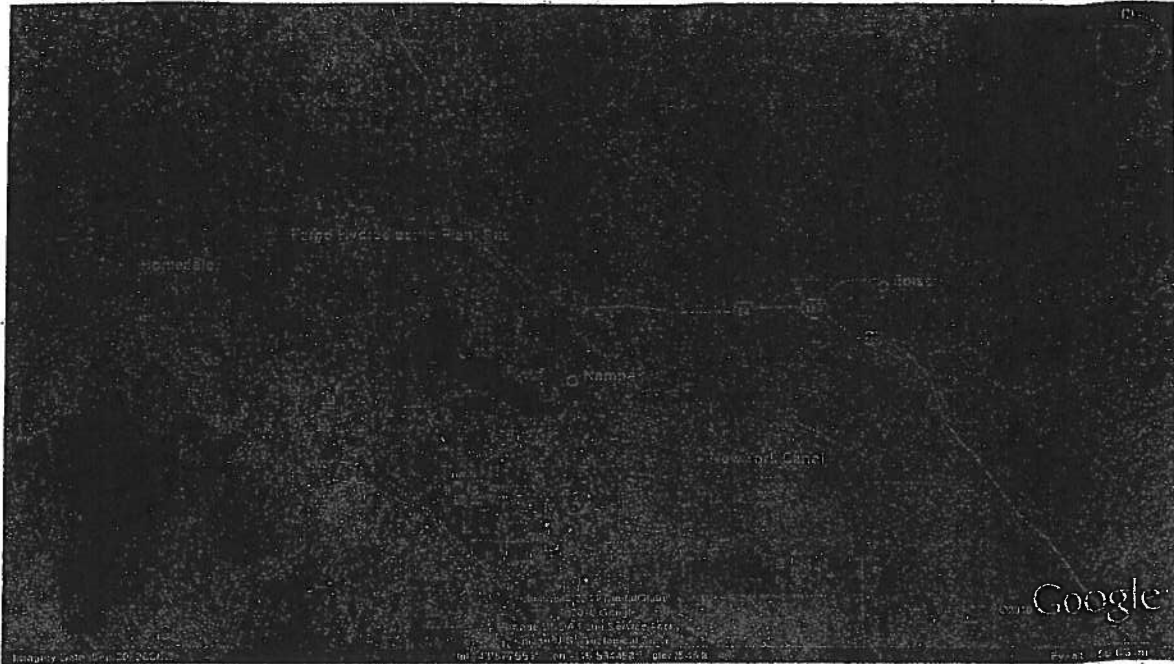


Charles S. Polityka
Regional Environmental Officer

EXHIBIT 4

Background Data

Proximity Map



Boise Project Board of Control (BPBC)

The New York Canal and the irrigation system it feeds is operated by BPBC on behalf of 5 Irrigation Districts established in the early 20th century to serve irrigators with waters made possible by the development of the Arrowrock Division of the Boise Project by the United States Department of the Interior, Bureau of Reclamation (BOR). The five Districts are:

- Big Bend Irrigation District (Malheur County, OR)
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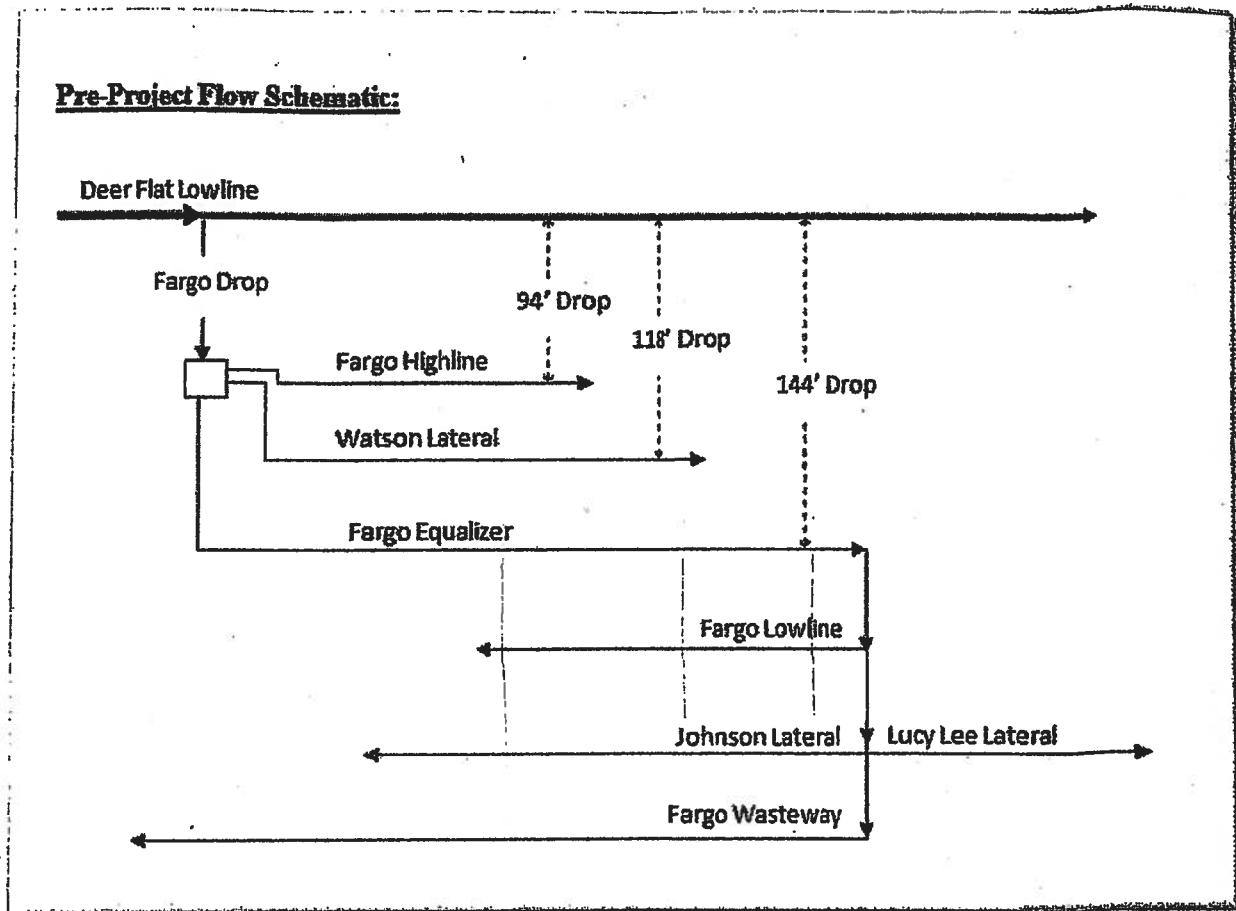
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The Fargo Drop site has been studied several times since the late 1970s. In 1981, J-U-B Engineers prepared a report that formed the basis for FERC License Exception for Project 5042, issued on October 23, 1981.

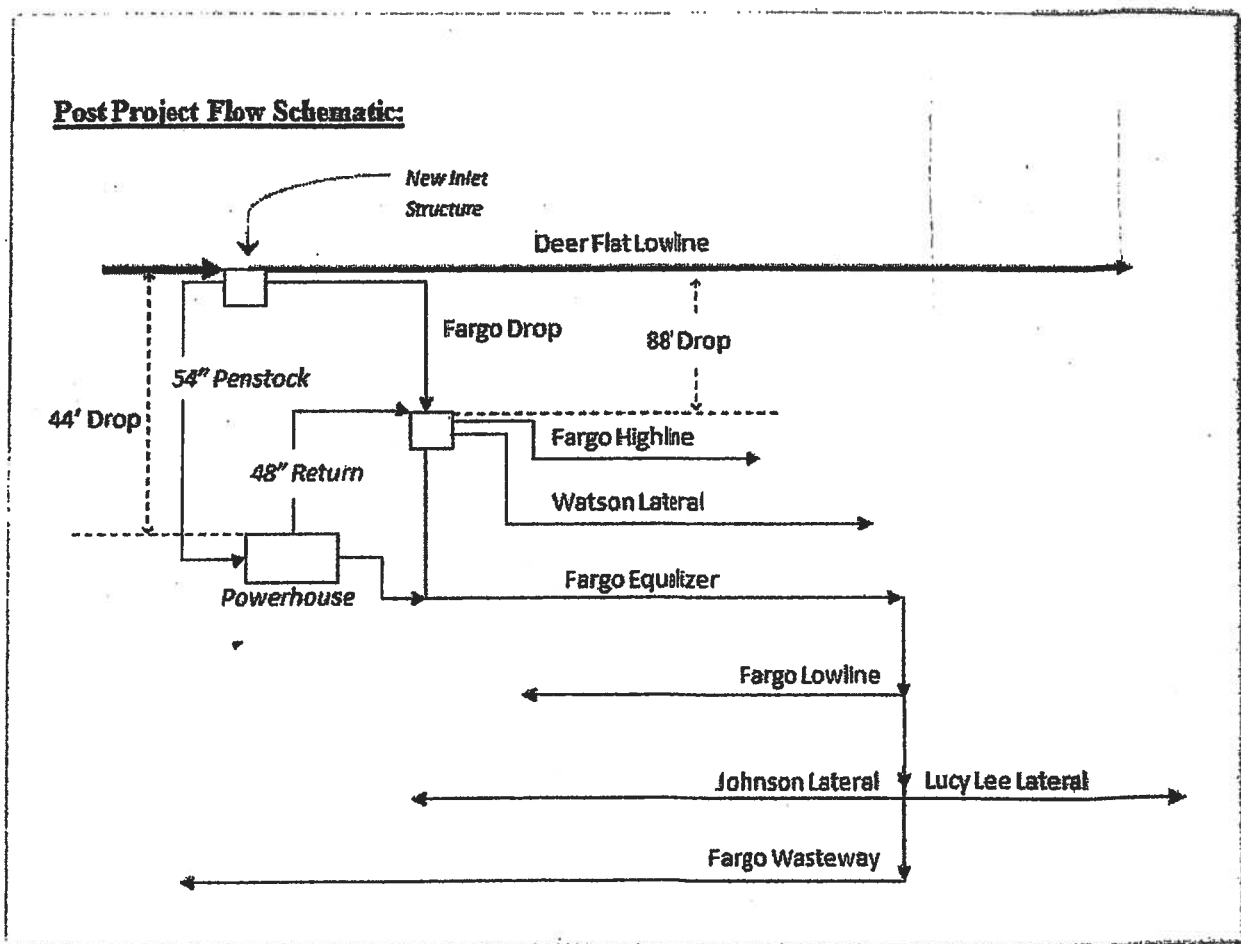
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Technical Project Description

A conceptual design for the project has been completed. The scope of work for the proposed project includes the following work packages:

- Intake Works
- Penstock
- Distribution Box and Return Pipe
- Powerhouse
- Turbine Generator Equipment
- Mechanical Equipment
- Powerhouse Electrical Equipment
- Substation and Transmission Line



Work Package 1: Intake Complex

A new intake complex will be developed on the north side of the existing structure. New slide gates to automatically open and shut in sequence with power plant operation will be provided in the existing drop. If flows greater than power plant capacity need to be diverted, the slide gates will automatically open enough to pass the needed flows down the existing drop pipeline, while at the same time maintaining a canal level sufficient to feed the power intake. A wide forebay will be constructed to divert flows past the power intake. The forebay will be fitted with two automatic trip gates to pass flows into the existing drop structure if the new slide gates fail to open when the power plant shuts down.

The power intake will include a trash rack, automatic trash rack cleaner and a hydraulic hoist operated slide gate. Below the slide gate the structure will transition to the penstock.

Work Package 2: Penstock

A 54 inch buried steel penstock will convey water flows to the powerhouse.

Work Package 3: Distribution Box and Return Pipe

The existing structure containing the headworks of the Fargo Highline and Watson will be utilized and modified as follows. When the power plant is in operation, flow from Turbine No. 1 will be returned from the powerhouse to the distribution box through a 48" steel return pipe to supply the Fargo Highline Canal and Watson Lateral through the existing slide gates. A head level sensor that will communicate with the power plant programmable logic controller (PLC) will be placed in the structure below the skimmer walls in the structure.

Work Package 4: Powerhouse

The powerhouse will be a concrete substructure with an above ground, pre-manufactured metal building. It will be constructed on the north side of the existing outlet structure that releases water from the Fargo Drop pipeline to the Fargo Equalizer Canal.

Work Package 5: Turbine Generator Units

Two horizontal Francis turbines and one horizontal generator will be installed on a common shaft. Turbine No. 1 will be a Low Head Turbine that will discharge to the Distribution Box through the Return Pipe. Turbine No. 2 will be a High Head Turbine that will discharge into the Equalizer Canal.

The efficiency of the turbines is 88% (see manufacturer's drawings and data sheets in Appendix 1.) They will be of European design, built in China and imported by Far East Engineering of Boise, Idaho. The manufacturer will be CHEC, who is represented locally by Lianggio Liu, P.E. Several of these units have been installed in the United States and operated successfully since 2006. The Mora Drop and Arena Drop plants were supplied by the same firm. Similar 7.5 MW units have been installed at the Arrowrock Hydroelectric Project; all of the equipment mentioned is currently performing well.

Summary specifications for the turbines and generator are as follows:

Turbine No. 1: Low Head Turbine, Francis Type
Rated Flow: 45.0 cfs
Rated Head: 86.6 feet
Speed: 720 RPM
Rated Runway: 1250 RPM

Turbine No. 2: High Head Turbine, Francis Type
Rated Flow: 65.0 cfs
Rated Head: 144 feet
Speed: 720 RPM
Rated Runway: 1250 RPM

Generator: Synchronous
Speed: 720 RPM
Rated Output: 975 KW
Service Factor: 1.15
Exciter: Static
Frequency: 60 Hertz
Voltage: 480 Volts

Work Package 6: Mechanical Equipment

The turbine wicket gates will operate hydraulically. The hydraulic power unit will be of American manufacture, with accumulators for black shutdown. The governor will be digital. A DC battery and DC/AC inverter will be furnished. Head level sensors (differential pressure type) will be installed in the Deer Flat Lowline forebay and the Distribution Box to provide information to the powerhouse PLC enabling it to maintain constant head in those structures.

Work Package 7: Powerhouse Electrical Equipment

Powerhouse switchgear and electrical will be supplied by Batt Electric, who also supplied equipment for the Mora Drop, Arena Drop and Arrowrock projects. The plant will generate power at 480 volts, 3 phase, 60 Hertz and will meet all applicable codes.

Work Package 8: Substation and Transmission Line

Although an interconnection study is still under way by Idaho Power, it appears that there is a suitable Idaho Power line adjacent to the proposed location of the powerhouse. It would require installation of a re-conductor and possibly one or two new poles. The substation will be the same as was installed at Mora and Arena: a pad mount transformer owned by BPBC and metering on the high side at 12.6 KV.

EXHIBIT 5



October 14 2011

Page 3

meet all current raptor protection requirements, including all requirements of Idaho Power Company.

Under FERC regulations, the applicant is required to allow the resource agencies at least 60 days to comment on the proposed amendment. Idaho Fish & Game did not object to the original project. The proposed amendment involves only minor configuration changes to the project. This increased generation will have no effect, as far as we are aware, on any fish and wildlife resources in the area. Indeed, there are no listed or sensitive species affected by this project. It is the type of low impact, carbon-free project that should be encouraged. Under these circumstances, we hope that the review would not be an inordinate burden on your agency. Our contractor would like to begin work as soon as possible so that he can accomplish as much work as possible this winter during the non-irrigation season. The proposed schedule is attached as Exhibit #6. I hope that you can find a way to provide us with a response much more quickly than the 60 allowed under the FERC regulations.

If you have any questions at all or need additional information concerning this application, please contact me at your earliest convenience. Thank you.

Very truly yours,

BARKER ROSHOLT & SIMPSON LLP



Albert P. Barker

APB/se
Enclosures

EXHIBIT 1

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Boise Project Board of Control) Project No. 5042-000

ORDER GRANTING EXEMPTION FROM LICENSING FOR A CONDUIT HYDROELECTRIC PROJECT

(Issued October 23, 1981)

The Applicant 1/ filed an application for exemption from all or part of Part I of the Federal Power Act pursuant to 18 C.F.R. Part 4 SUBPART J (1980) implementing Section 30 of the Federal Power Act (Act) for a project as described in the attached public notice. 2/

Notice of the application was published and comments were requested from interested Federal and State agencies including the U.S. Fish and Wildlife Service and the State Fish and Wildlife Agency. All comments, protests and petitions to intervene that were filed have been considered. No agency has any objection relevant to issuance of this exemption.

Standard Article 2 included in this exemption, requires compliance with any conditions that Federal or State fish and wildlife agencies have determined appropriate to prevent loss of, or damage to, fish and wildlife resources. The terms and conditions referred to in Article 2 are contained in any letters of comment by these agencies which have been forwarded to the Applicant in conjunction with this exemption.

Should the Applicant contest any terms or conditions that were proposed by Federal or State agencies in their letters of comment as being outside the scope of Article 2, the Commission shall determine whether the disputed terms or conditions are outside the scope of Article 2.

It is ordered that:

(A) Fargo No. 1 Hydroelectric Project No. 5042 as described and designated in the Boise Project Board of Control's application filed on June 30, 1981, is exempted from all of the

- 1/ Boise Project of Control, Project No. 5042, filed June 30, 1981.
- 2/ Authority to act on this matter is delegated to the Deputy Director, Office of Electric Power Regulation under §375.308 of the Commission's regulations 45 Fed. Reg. 21218 (1980), as amended by Order No. 112 in Docket No. RM81-5, issued November 21, 1980, (45 Fed. Reg. 79024).

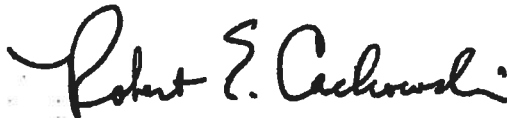
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C.T.
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- 2 -

requirements of Part I of the Federal Power Act, including licensing, subject to the standard articles in §4.94 of the Commission's regulations, 45 Fed. Reg. 28085 (1980) (to be codified in 18 C.F.R. §4.94) and the following special article:

Article 3. The design and construction of only those facilities that would be an integral part of or that could affect the integrity of the Deer Flat Low Line and Fargo High Line Canals shall be done in consultation with and subject to the review and approval of the Regional Director, Bureau of Reclamation, Boise, Idaho. The Commission reserves the right to resolve any disagreement between the Exemptee and the Regional Director. The Exemptee shall reimburse the Bureau of Reclamation for costs they incur in the review and approval of the design and construction of project works directly related to the integrity of the Deer Flat Low Line and Fargo High Line Canals.

(B) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 1.7(d) of the Commission's regulations, 18 C.F.R. 1.7(d)(1979), as amended, 44 Fed. Reg. 46449 (1979). The filing of a petition appealing this order to the Commission or an application for rehearing as provided in Section 313(a) of the Act does not operate as a stay of the effective date of this order, except as specifically ordered by the Commission.



Robert E. Cackowski
Deputy Director, Office of
Electric Power Regulation

-2-

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Boise Project Board of Control) Project No. 5042-000

NOTICE OF APPLICATION FOR EXEMPTION OF SMALL CONDUIT
HYDROELECTRIC FACILITY

(August 21, 1981)

Take notice that on June 30, 1981, Boise Project Board of Control (Applicant) filed an application under Section 30 of the Federal Power Act (Act) [16 U.S.C. Section 823(a)], for exemption of a proposed hydroelectric project from requirements of Part I of the Act. The proposed Fargo No. 1 Hydroelectric Project (FERC Project No. 5042) would be located on the Applicant's Irrigation Canal System, near the town of Wilder in Canyon County, Idaho. Correspondence with the Applicant should be directed to: Mr. William Bienapfel, Chairman, Boise Project Board of Control, 214 Broadway, Boise, Idaho 83702.

Purpose of Project - Project energy would be sold to Idaho Power Company.

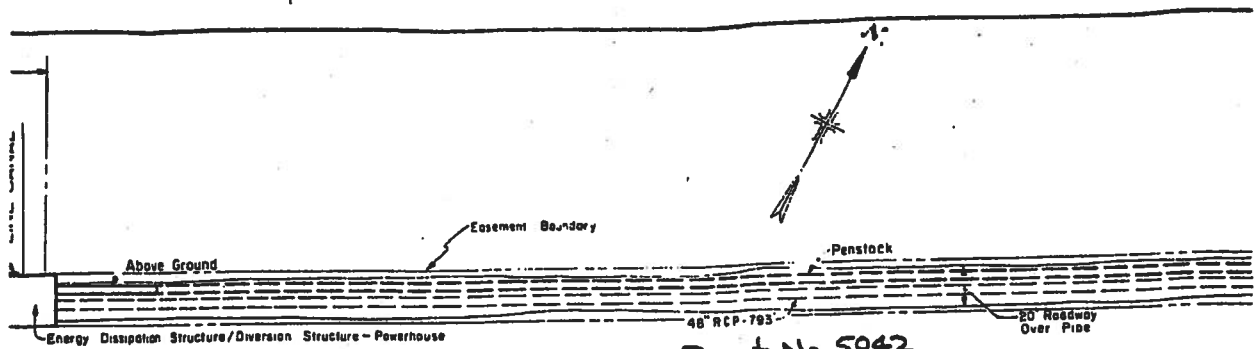
Project Description - The proposed project would consist of: (1) an inlet structure within the western bank of the Deer Flat Low Line Canal; (2) a 42-inch diameter, 900-foot long penstock; (3) a powerhouse to contain two generating units with a combined rated capacity of 650 kW; and (4) a tailrace discharging directly into the Fargo High Line Canal. The estimated average annual energy output is 2.4 million kWh.

Agency Comments - The U.S. Fish and Wildlife Service and the Idaho Department of Fish and Game are requested, pursuant to Section 30 of the Federal Power Act, to submit within 45 days from the date of issuance of this notice appropriate terms and conditions to protect any fish and wildlife resources or otherwise carry out the provisions of the Fish and Wildlife Coordination Act. If no comments are filed within this time period, an agency will be presumed to have determined that no terms or conditions to the exemption are necessary. Other Federal, State, and local agencies that receive this notice through direct mailing from the Commission are requested to provide any comments they may have in accordance with their duties and responsibilities. Comments are due within 45 days from the date of issuance of this notice. No other formal requests for comments will be made. Comments should be confined to substantive issues relevant to the granting of an exemption.

DC-A-28

Comments, Protests, or Petitions to Intervene - Anyone desiring to be heard or to make any protests about this application should file a petition to intervene or a protest with the Commission, in accordance with the requirements of its Rules of Practice and Procedure, 18 C.F.R. § 18 or § 1.10 (1980). Comments not in the nature of a protest may also be submitted by conforming to the procedures specified in § 1.10 for protests. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but a person who merely files a protest or comments does not become a party to the proceeding. To become a party, or to participate in any hearing, a person must file a petition to intervene in accordance with the Commission's Rules. Any comments, protests, or petitions to intervene must be received on or before October 2, 1981. The Commission's address is: 825 North Capitol Street, N.E., Washington, D.C. 20426. The application is on file with the Commission and is available for public inspection.

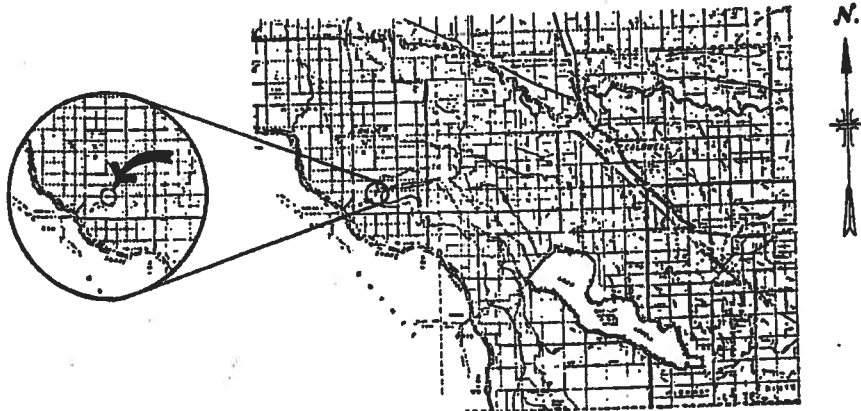
Kenneth P. Plumb
Secretary



FERC Project No. 5042

FARGO #1 DROP
1" = 50'

NOTE:
Project Boundary is
also Easement Boundary



VICINITY MAP
1" = 0.5 Miles (Approx)

EXHIBIT 2



STATE OF IDAHO

DEPARTMENT OF FISH AND GAME

600 SO. WALNUT ST. — P.O. BOX 25
BOISE, IDAHO 83707

September 16, 1981

Mr. Kenneth F. Plumb, Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, DC 20426

SEP 21 10 50 AM '81
FEDERAL ENERGY
REGULATORY
COMMISSION
OFFICE OF THE
SECRETARY

Re: Fargo No. 1 Hydroelectric
Project No. 5042 ~~Dear~~
Flat Lowline Canal Diversion,
Idaho. Application for
Exemption of Small Conduit
Hydroelectric Facility,
Boise Project Board of
Control.

Dear Mr. Plumb:

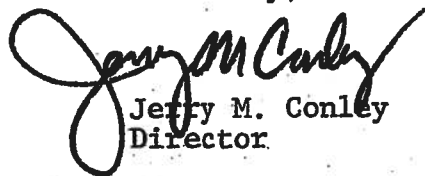
We have reviewed the referenced application and submit the following terms and conditions for the purposes set forth in Section 408 of the Energy Security Act of 1980.

Every reasonable care to be taken to minimize water quality degradation during construction and to prevent long-term erosion.

Transmission lines, if above ground, to be designed and constructed to prevent mortalities to raptors. Design for preventing raptor mortalities to be subject to approval by the IDFG.

Transmission line design criteria are available to applicant from the IDFG.

Sincerely,


Jerry M. Conley
Director

cc: USFWS (Buechler)
Region 3
Bur. Fisheries

FEDERAL ENERGY REGULATORY COMMISSION
DOCKETED

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EQUAL OPPORTUNITY EMPLOYER

EXHIBIT 3



United States Department of the Interior

OFFICE OF THE SECRETARY

PACIFIC NORTHWEST REGION

500 N.E. Multnomah Street, Suite 1692, Portland, Oregon 97232

OCT 13 10 50 AM '81
FEDERAL ENERGY REGULATORY COMMISSION

October 8, 1981

ER 81/1755 (FERC No. 5042)

Kenneth F. Plumb, Secretary
Federal Energy Regulatory Commission
825 N. Capitol Street, N.E.
Washington, D.C. 20426

Dear Mr. Plumb:

The Department of the Interior has reviewed the notice of application for exemption for the Small Conduit Hydroelectric Facility, Fargo No. 1 Hydro Project, FERC No. 5042, Canyon County, Idaho.

We have no objection to the exemption; however, the following comments, are provided for your use and consideration.

Cultural Resources

The preservation of cultural resources should be considered by the applicant. For coordination of compliance with preservation legislation, the applicant should contact the National Park Service (NPS), Pacific Northwest Regional Office and the State Historic Preservation Office (SHPO). The SHPO for the State of Idaho is:

Dr. Merle W. Wells
Historic Preservation Coordinator
Idaho State Historical Society
610 North Julia Davis Drive
Boise, Idaho 83706

The Applicant should also be advised of the procedural guidelines to be followed in assessing cultural resources as found in 36 CFR 800 "Protection of Historic and Cultural Properties."

You should also inform the permittee that the NPS may be available to provide limited assistance and advice in evaluating any cultural and historic preservation aspects of the project area and assist in the coordination of cultural and historic proposals with Federal, State and local agencies.

FEDERAL ENERGY REGULATORY COMMISSION
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Recreational Resources

Recreational aspects of the project should be analyzed and if there is potential for recreation development, it should be considered. We do not feel the requirements of 18 CFR 2.7(c) respecting the determination of recreation needs as part of the licensing procedures are applicable to a project of this small size in this location.

Fish and Wildlife Resources

The Fish and Wildlife Service (FWS) does not foresee any major project related effects upon fish and wildlife resources directly dependent upon the canal system. However, FWS is concerned with potential effects on downstream riverine or reservoir fish and wildlife populations which could be harmed by water quality degradation or erosion caused by construction or operation of the proposed project. There is also concern that above ground transmission lines could cause raptor mortalities.

To protect fish and wildlife resources, the FWS provides the following conditions for incorporation in the exemption:

1. The proposed project shall include measures such as limiting instream work, to protect water quality and prevent erosion that might be caused by project construction or operation.
2. The proposed project transmission lines, if constructed above ground, shall be designed to prevent raptor mortalities.

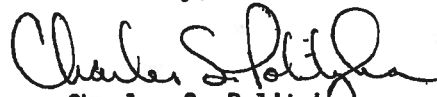
Water and Power Resources

The Bureau of Reclamation (BR) is not certain that the development should be exempted from a falling water charge. The policy of the Department of the Interior with respect to such a charge is undergoing reanalysis at this time.

This site is located on the Fargo Wasteway between Wilder and Homedale, Idaho. The BR made studies on this wasteway in both the Southwest Idaho Water Management Study and in the Boise Power and Modification Study. These studies involved diverting Boise River flood flows through the New York Canal to Lake Lowell to the Deer Flat Lowline Canal to the Fargo Wasteway and into the Snake River. This would reduce the flows in the Boise River and alleviate some flooding problems along the channel. This plan has economic feasibility, but is not being proposed at this time because a cost sharing entity has not been found. The applicant should be aware of the possibility of these additional flows that would be available for power generation.

We appreciate the opportunity to comment on these applications.

Sincerely,

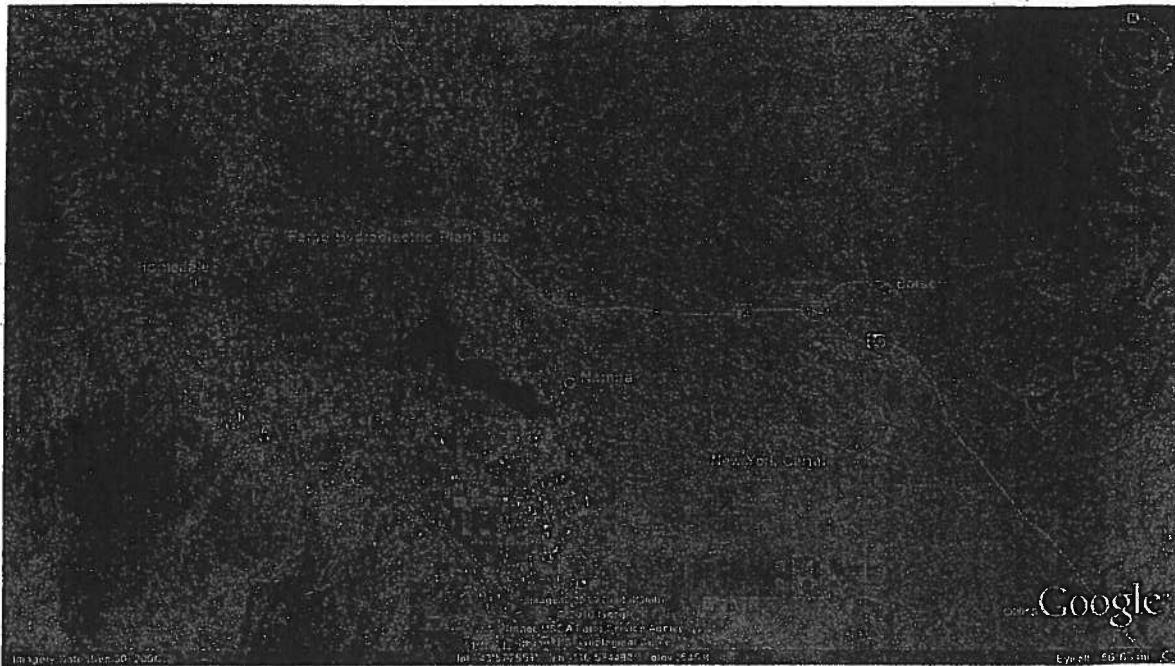


Charles S. Polityka
Regional Environmental Officer

EXHIBIT 4

Background Data

Proximity Map



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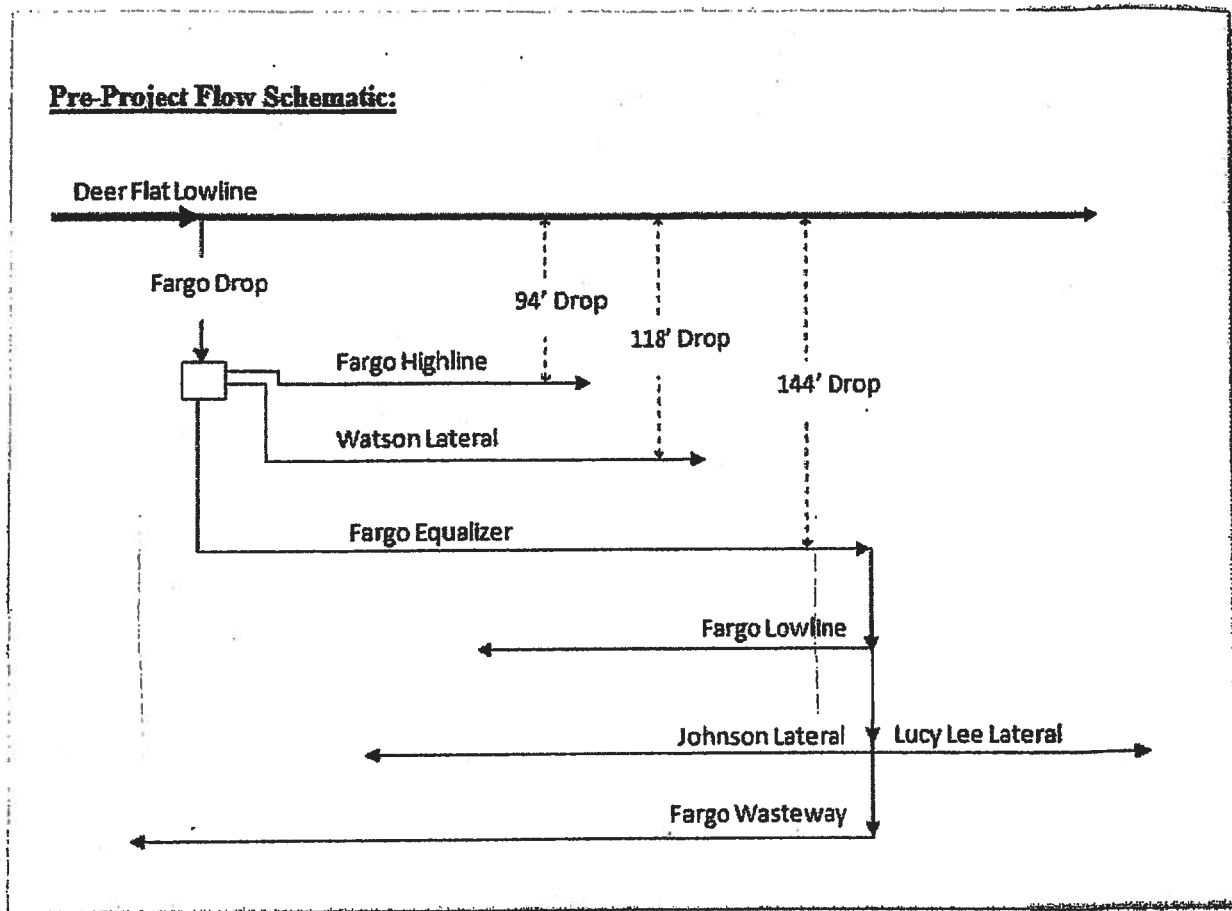
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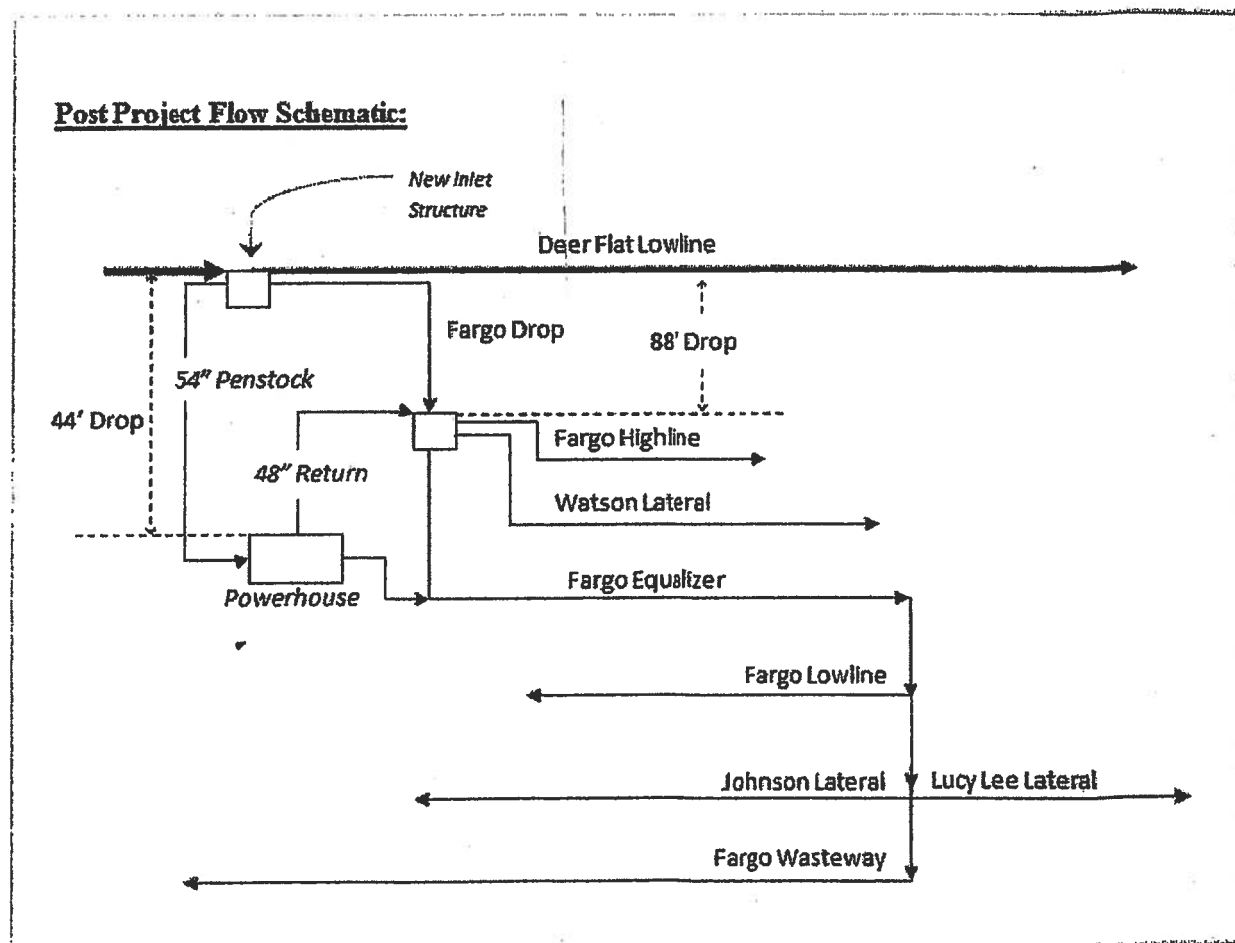
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- Substation and Transmission Line



Work Package 1: Intake Complex

A new intake complex will be developed on the north side of the existing structure. New slide gates to automatically open and shut in sequence with power plant operation will be provided in the existing drop. If flows greater than power plant capacity need to be diverted, the slide gates will automatically open enough to pass the needed flows down the existing drop pipeline, while at the same time maintaining a canal level sufficient to feed the power intake. A wide forebay will be constructed to divert flows past the power intake. The forebay will be fitted with two automatic trip gates to pass flows into the existing drop structure if the new slide gates fail to open when the power plant shuts down.

The power intake will include a trash rack, automatic trash rack cleaner and a hydraulic hoist operated slide gate. Below the slide gate the structure will transition to the penstock.

Work Package 2: Penstock

A 54 inch buried steel penstock will convey water flows to the powerhouse.

Work Package 3: Distribution Box and Return Pipe

The existing structure containing the headworks of the Fargo Highline and Watson will be utilized and modified as follows. When the power plant is in operation, flow from Turbine No. 1 will be returned from the powerhouse to the distribution box through a 48" steel return pipe to supply the Fargo Highline Canal and Watson Lateral through the existing slide gates. A head level sensor that will communicate with the power plant programmable logic controller (PLC) will be placed in the structure below the skimmer walls in the structure.

Work Package 4: Powerhouse

The powerhouse will be a concrete substructure with an above ground, pre-manufactured metal building. It will be constructed on the north side of the existing outlet structure that releases water from the Fargo Drop pipeline to the Fargo Equalizer Canal.

Work Package 5: Turbine Generator Units

Two horizontal Francis turbines and one horizontal generator will be installed on a common shaft. Turbine No. 1 will be a Low Head Turbine that will discharge to the Distribution Box through the Return Pipe. Turbine No. 2 will be a High Head Turbine that will discharge into the Equalizer Canal.

The efficiency of the turbines is 88% (see manufacturer's drawings and data sheets in Appendix 1.) They will be of European design, built in China and imported by Far East Engineering of Boise, Idaho. The manufacturer will be CHEC, who is represented locally by Lianggio Liu, P.E. Several of these units have been installed in the United States and operated successfully since 2006. The Mora Drop and Arena Drop plants were supplied by the same firm. Similar 7.5 MW units have been installed at the Arrowrock Hydroelectric Project; all of the equipment mentioned is currently performing well.

Summary specifications for the turbines and generator are as follows:

Turbine No. 1: Low Head Turbine, Francis Type
 Rated Flow: 45.0 cfs
 Rated Head: 86.6 feet
 Speed: 720 RPM
 Rated Runway: 1250 RPM

Turbine No. 2: High Head Turbine, Francis Type
 Rated Flow: 65.0 cfs
 Rated Head: 144 feet
 Speed: 720 RPM
 Rated Runway: 1250 RPM

Generator: Synchronous
 Speed: 720 RPM
 Rated Output: 975 KW
 Service Factor: 1.15
 Exciter: Static
 Frequency: 60 Hertz
 Voltage: 480 Volts

Work Package 6: Mechanical Equipment

The turbine wicket gates will operate hydraulically. The hydraulic power unit will be of American manufacture, with accumulators for black shutdown. The governor will be digital. A DC battery and DC/AC inverter will be furnished. Head level sensors (differential pressure type) will be installed in the Deer Flat Lowline forebay and the Distribution Box to provide information to the powerhouse PLC enabling it to maintain constant head in those structures.

Work Package 7: Powerhouse Electrical Equipment

Powerhouse switchgear and electrical will be supplied by Batt Electric, who also supplied equipment for the Mora Drop, Arena Drop and Arrowrock projects. The plant will generate power at 480 volts, 3 phase, 60 Hertz and will meet all applicable codes.

Work Package 8: Substation and Transmission Line

Although an interconnection study is still under way by Idaho Power, it appears that there is a suitable Idaho Power line adjacent to the proposed location of the powerhouse. It would require installation of a re-conductor and possibly one or two new poles. The substation will be the same as was installed at Mora and Arena: a pad mount transformer owned by BPBC and metering on the high side at 12.6 KV.

EXHIBIT 5



EXHIBIT 6



United States Department of the Interior
Fish and Wildlife Service
Idaho Fish And Wildlife Office

1387 S. Vinnell Way, Room 368
Boise, Idaho 83709
Telephone (208) 378-5243
<http://www.fws.gov/idaho>



NOV 16 2011

Albert P. Barker
Barker, Rosholt and Simpson LLP
1010 W. Jefferson, Suite 102
Boise, Idaho 83701

NOV 21 2011

Subject: Fargo Drop #1, FERC Project No. 5042, Conduit Exemption—Canyon
County—Comments
In Reply Refer To: 01EIFW00-2012-CPA-0013 Internal Use: CONS 400

Dear Mr. Barker:

The Fish and Wildlife Service (Service) is writing in response to your letter dated October 14, 2011, and received by the Service on October 17, 2011, to review the proposed amendment to Fargo Drop #1, FERC Project No. 5042, Conduit Exemption. On November 2, 2011, you met with the Service at the site of the project to discuss the proposed amendment. The proposal includes a buried penstock and construction of a powerhouse that will connect to an existing powerline owned by Idaho Power Company. The powerhouse will be connected through installation of two new poles with lines that connect to the existing line. It is our understanding that the project will operate only during the irrigation season (April 15 to October 15) and only on existing water within the Fargo Drop for irrigation purposes.

Our concerns with the original proposal were: 1) that water quality degradation is minimized during construction of the project, 2) that long-term erosion is prevented, and 3) that transmission lines are constructed to prevent raptor mortalities. Construction of the proposed project will occur within a highly altered landscape consisting of irrigated agricultural land and homes. The project will also include installation of a rotary screen on the diversion into the penstock. The rotary screen is designed to capture all trash and debris, excluding sediment, more efficiently than the current trash racks.

Based on the installation of the rotary screen and the agreement that construction of all poles and line will be in compliance with guidelines in the Suggested Practices for Avian Protection on Power Lines: The State of the Art in 2006 (Avian Power Line Interaction Committee (APLIC) 2006), we have determined that the project is not likely to result in direct or indirect negative impacts to fish and wildlife resources. The installation of a rotary screen will have a beneficial effect on water quality for the Snake River by removing up to 160 yards of trash and debris per year.

Albert P. Barker
Barker, Rosholt and Simpson LLP
Fargo Drop #1, FERC Project No. 5042

01EIFW00-2012-CPA-0013

Thank you for your continued interest in the conservation of fish and wildlife resources.
Please contact Michael Morse at (208) 378-5261 if you have any questions or concerns.

Sincerely,


- FOR -

Brian T. Kelly
State Supervisor

cc: FERC, Washington, D.C. (Bose)
IDFG, Boise (Ward)



IDAHO DEPARTMENT OF FISH AND GAME

600 S Walnut / P.O. Box 25
Boise, Idaho 83707

C.L. "Butch" Otter / Governor
Virgil Moore / Director

November 17, 2011

Mr. Albert Barker
Barker, Rosholt, and Simpson, LLP
P. O. Box 2139
Boise, ID 83701-2139

NOV 21 2011

RE: Fargo Drop #1, FERC Project No. 5042 (2011 amendment to increase capacity)

Dear Mr. ^{Al}~~Barker~~:

Idaho Department of Fish and Game (Department) staff reviewed your letter dated October 14, 2011, describing an amendment to the 1981 Conduit Exemption (Fargo Drop #1, FERC Project No. 5042) for a low-head hydropower plant on the Fargo wasteway. Staff also attended a site visit with you, the project contractor, Boise Project Board of Control staff, and Fish and Wildlife Service staff on November 1, 2011. Finally, we reviewed supplemental information you provided via email on November 4, 2011 regarding proposed trash screens to be installed on the project. Based upon our review, we submit the following comments on the application.

Project Description

The project is located approximately 1.75 miles from ENE of Homedale, Idaho. The Fargo wasteway is a constructed facility which connects two irrigation delivery canals, the Deer Flat Lowline Canal and the Fargo Highline Canal. Our understanding is that the water for the project will be delivered to the project through the Deer Flat Lowline Canal and the Fargo Highline Canal, and then delivered via a proposed penstock to the power plant. From the power plant the some water will be discharged in the Fargo Highline or the Watson Lateral, with the remainder of the water continuing to flow down the wasteway to the Fargo Lowline Canal and other laterals.

The Fargo Drop project was originally to generate 650 kW, but has been redesigned to increase the capacity of the project to 2MW by using more efficient turbines and generating equipment and reconfiguring the powerhouse. The applicants do not propose any change in the volume of water currently diverted for irrigation and will generate power using only water released for irrigation purposes. Per your letter dated October 14, 2011, we understand the operator cannot call on additional flows to be diverted from the Boise River or call on flows to be diverted at times outside the irrigation season, which we understand to be April 15 through October 15. Thus the upgraded project is not expected to result in any changes in the flows of water into or return flows out of the Boise Project irrigation system.

Keeping Idaho's Wildlife Heritage

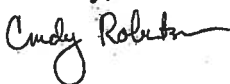
Recommended Mitigation Measures

The Department's comments on the original exemption application in 1981 required the applicant to apply appropriate management practices to prevent water quality degradation during construction and to prevent long-term erosion at the site. We also required the transmission lines be designed and constructed to prevent raptor mortalities. The Department believes these measures are still appropriate. The applicant should use current best management practices to prevent water quality degradation during construction and raptor protection measures should be consistent with current standards (APLIC 2006).

During the site visit, the applicant stated they intend to install trash screens on the diversion to the penstock and you provided more detail in your subsequent email. The proposed automated rotary screens are expected to provide positive benefits for the project and the affected environment. The existing system of canals that deliver water to the proposed project are not screened and it is unknown what species or how many individual fish are currently entrained into the irrigation canal systems. The screens will prevent any fish that are currently entrained in the canals from being further entrained into the project turbines. Additionally, the screens will remove vegetation and debris that currently enters the Fargo drop pipeline which would end up in the power plant or continue to be diverted down the drop or through the wasteway and other canals and ultimately the Snake River. Based on the function of similar screens at Arena Drop Project, the screens are expected to capture an average of approximately 12-16 ten-yard dump truck loads of debris annually. The debris will be hauled away from the site thereby reducing the amount of vegetative material that would otherwise be delivered the Snake River. This reduction in material is expected to somewhat reduce the Biological Oxygen Demand and nutrient loading in the river and aid in water quality improvement.

Thank you for the opportunity to visit the project site and to comment on the proposed changes to the project. If you or your clients have any questions regarding our comments, please contact me at 208-287-2715 or via email at cindy.robertson@idfg.idaho.gov.

Sincerely,



Cindy Robertson
Natural Resources Program Coordinator

cc: Rick Ward, Southwest Region
Art Butts, Southwest Region
Michael Morse, Fish and Wildlife Service
Dwayne Winslow, Fish and Wildlife Service
Harriet Hensley, Office of the Attorney General

Keeping Idaho's Wildlife Heritage

7-2279 (04-2011)
Bureau of Reclamation

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT

Page 1 of 38

1A. AGREEMENT NUMBER R12AP11072		1B. MOD NUMBER		2. TYPE OF AGREEMENT ☒ GRANT ☐ COOPERATIVE AGREEMENT		3. CLASS OF RECIPIENT Special District Government									
4. ISSUING OFFICE Bureau of Reclamation Snake River Area Office 230 Collins Rd. Boise, ID 83702-4520				5. RECIPIENT Boise Project Board of Control 2465 Overland Road Boise, ID 83705 Phone 208-344-1141											
								EIN #		82-0265919		County		Ada	
								DUNS #		085321768		Congressional District		ID-1	
6. ADMINISTRATIVE POINT OF CONTACT Lisa Strong Grants Management Specialist, PN-3711 Bureau of Reclamation – Snake River Area Office 230 Collins Rd Boise, ID 83702-4520 Phone 208-383-2204 Fax 208-383-2237 lstrong@usbr.gov				7. RECIPIENT PROJECT MANAGER Paul Deveau Project Manager Boise Project Board of Control 2465 Overland Road Boise, ID 83705 Phone 208-344-1141 pdeveau@boiseproject.org											
8. GRANTS OFFICER TECHNICAL REPRESENTATIVE Robert W. Ross Electric Engineer, PN-6132 Bureau of Reclamation 1150 N. Curtis Road Boise, ID 83706-1234 Phone 208-378-5332 Fax 208-378-5205 rross@usbr.gov				9A. INITIAL AGREEMENT EFFECTIVE DATE: Date of Reclamation's Signature in Box 17a Below		9B. MODIFICATION EFFECTIVE DATE:									
				10. COMPLETION DATE June 30, 2012											
11A. PROGRAM STATUTORY AUTHORITY Omnibus Public Land Management Act of 2009, Sec. 9504 (a), P. L. No. 111-11, dated March 30, 2009						11B. CFDA Number 15.507									
12. FUNDING INFORMATION		RECIPIENT/OTHER		RECLAMATION		13. REQUISITION NUMBER 111S2300007									
Total Estimated Amount of Agreement		\$1,152,507		\$578,938		14A. ACCOUNTING AND APPROPRIATION DATA C/A: A10-1968-0006-BPB-ID-10 (8DIRFR1) 1S23000 411G									
This Obligation		\$1,152,507		\$568,938*											
Previous Obligation		0		0											
Total Obligation *See Provision 10, Regulatory Compliance, Paragraph 3		\$1,152,507		\$568,938*		14B. TREASURY ACCOUNT FUNDING SYMBOL 14X0680									
Cost-Share %		50% or More		No More Than 50%											
15. PROJECT TITLE AND BRIEF SUMMARY OF PURPOSE AND OBJECTIVES OF PROJECT Fargo Drop Hydroelectric Project – Financial assistance to develop a hydroelectric power plant at a site known as “Fargo Drop Hydroelectric”, FERC project 5042, approximately 1.75 miles ENE of Homedale, Idaho. This project will carry out the public purpose of funding improvements that will conserve water and improve energy efficiency. The hydroelectric plant will be rated to generate 975 KW of hydroelectric power, and BPBOC estimates approximately 3,218 acre-feet of water will be conserved as of a result of this project.															
16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient BY: _____ DATE: _____				17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation BY: _____ DATE: _____											
16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER Lee Cisco Chairman, Boise Project Board of Control 208-344-1141 ☐ Additional signatures are attached				17b. NAME OF GRANTS OFFICER Lisa M. Strong Grants Management Specialist											

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**Grant Agreement
Between
Department of the Interior, Bureau of Reclamation
Pacific Northwest Region, Snake River Area Office
And
Boise Project Board of Control
For The
Fargo Drop Hydroelectric Project**

I. OVERVIEW AND SCHEDULE

1. AUTHORITY

This Grant Agreement hereinafter referred to as "Agreement" or "Grant" or "Award" is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, Pacific Northwest Region, Snake River Area Office, hereinafter referred to as "Reclamation," or "Awarding Agency", and the Boise Project Board of Control, hereinafter referred to as "Recipient" or "Grantee" or "BPBOC", pursuant to the Omnibus Public Land Management Act of 2009, Sec. 9504(a), P. L. No. 111-11, dated March 30, 2009. The following section of 9504(a) provided in full text, authorizes Reclamation to award this financial assistance agreement:

SEC 9504. WATER MANAGEMENT IMPROVEMENT

(a) Authorization of Grants and Cooperative Agreements-

- (1) AUTHORITY OF SECRETARY-** The Secretary may provide any grant to, or enter into an agreement with, any eligible applicant to assist the eligible applicant in planning, designing, or constructing any improvement--
- (A) to conserve water;
 - (B) to increase water use efficiency;
 - (C) to facilitate water markets;
 - (D) to enhance water management, including increasing the use of renewable energy in the management and delivery of water;
 - (E) to accelerate the adoption and use of advanced water treatment technologies to increase water supply;
 - (F) to prevent the decline of species that the United States Fish and Wildlife Service and National Marine Fisheries Service have proposed for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) (or candidate species that are being considered by those agencies for such listing but are not yet the subject of a proposed rule);
 - (G) to accelerate the recovery of threatened species, endangered species, and designated critical habitats that are adversely affected by Federal reclamation projects or are subject to a recovery plan or conservation plan under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) under which the Commissioner of Reclamation has implementation responsibilities; or
 - (H) to carry out any other activity—
 - (i) to address any climate-related impact to the water supply of the United States that increases ecological resiliency to the impacts of climate change; or
 - (ii) to prevent any water-related crisis or conflict at any watershed that has a nexus to a Federal reclamation project located in a service area.

2. PUBLIC PURPOSE

Pursuant to Sec. 9504(a) and the Department of the Interior's WaterSMART (*Sustain and Manage America's Resources for Tomorrow*) Program, Reclamation is authorized to provide financial assistance to entities with water or power delivery authority located within the States and areas referred to in the first section of the Act of June 17, 1902, to fund up to 50 percent of the cost of planning, designing, and constructing improvements that will conserve water, improve energy efficiency, address endangered species and other environmental issues, and facilitate transfers to new uses. With leveraged water and energy efficiency grants, an important step will be taken towards increasing conservation for a more efficient use of water in the West.

BPBOC is a Special District Government irrigation water district formed to distribute natural flows and stored water from Reclamation's Boise Project lands located in the states of Idaho and Oregon. Financial assistance for this hydroelectric project will carry out the public purpose of funding improvements that will conserve water and improve energy efficiency. The hydroelectric plant will be rated to generate 975 KW of hydroelectric power, and BPBOC estimates approximately 3,218 acre-feet of water will be conserved as a result of this project.

3. BACKGROUND AND OBJECTIVES

The WaterSMART Program is designed to work with States, Tribes, local governments, and non-governmental organizations to pursue a sustainable water supply for the Nation, establishing a framework to provide federal leadership and assistance on the efficient use of water, integrating water and energy policies to support the sustainable use of all natural resources.

The New York Canal and the irrigation system it feeds is operated by BPBOC on behalf of the following five irrigation districts:

- Big Bend Irrigation District (Malheur County, OR)
- Boise-Kuna Irrigation District (Ada and Canyon Counties, ID)
- Nampa-Meridian Irrigation District (Ada and Canyon Counties, ID)
- New York Irrigation District (Ada County, ID)
- Wilder Irrigation District (Canyon County, ID)

BPBOC delivers irrigation water to approximately 167,000 acres from both river rights and from reservoir storage rights in Anderson and Arrowrock Reservoirs held by Reclamation in trust for the districts. The delivery system comprises over 1,400 miles of canals, laterals and sub-laterals, and more than 10,000 individual structures including headgates and check structures. Approximately 30,000 users are served by BPBOC. Though the main canals and laterals are open channels, there is a diverse mixture of ditches, gravity irrigation pipelines, pressurized pipelines and pressurized sprinkler systems throughout the project.

Since the early 1980's BPBOC has pursued development of renewable hydroelectric energy resources related to its water rights and the topography of its irrigation system. The power plants now operating and generating revenue for BPBOC, along with their date of initial operation and electrical generating capacity are:

- Lucky Peak Dam, 1988, 102 MW
- Mora Drop, 2008, 1.7 MW
- Arrowrock Dam, 2010, 17 MW
- Area Drop, 2010, 0.5 MW

On October 23, 1981, BPBOC received an Order Granting Exemption for Licensing from the Federal Energy Regulatory Commission (FERC) for the Fargo Drop No. 1 Hydroelectric Project under FERC project 5042. The project has gone undeveloped for 30 years awaiting proper market conditions and possible financial assistance.

BPBOC requested financial assistance through the WaterSMART Program to develop the Fargo Drop hydroelectric power plant approximately 1.75 miles ENE of Homedale, Idaho. The source of water for this project is the Deer Flat Lowline Canal. In 2001, BPBOC issued a Request for Proposal (RFP) for Low Head Projects. Riverside, Inc. submitted a proposal to develop four projects under the terms of the RFP. To date, Riverside, Inc. has developed the Mora Drop site, and the Arena Drop site. The Fargo Drop site plus one other (the Golden Gate site) represent the balance of the projects that will tentatively be developed under the agreement with Riverside, Inc. Once complete, the plant will be rated to generate 975 KW of hydroelectric power. Power generated from the Fargo Drop site will be purchased by the Idaho Power Company.

4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY

This Agreement becomes effective on the date shown in Block 17a of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The Agreement shall remain in effect until the date shown in Block 10 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The period of performance for this Agreement may only be modified through written modification of the Agreement by a Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of this agreement is \$1,731,441 of which the initial amount of Federal funds available is limited to \$578,928 as indicated by "this obligation" within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for payment through written modifications to this agreement by a Reclamation Grants Officer.

5. SCOPE OF WORK AND MILESTONES

Scope of Work:

Under this Agreement BPBOC will develop a hydroelectric power plant on the Deer Flat Lowline Canal approximately 1.75 miles ENE of Homedale, Idaho. Tasks to complete this project are as follows:

- Surveying and land acquisition. Reclamation currently holds a 55' wide irrigation easement covering all of the current Reclamation project features. Surveys are underway to expand this easement to approximately 115' wide to accommodate additional structures and pipelines required complete the powerplant. Approximately 2.5 acres will be acquired from a private individual for the powerhouse construction. Acquisition of lands, while critical to the project, is being performed by BPBOC outside the terms of this Agreement.

- Negotiation and completion of the power sales agreement with Idaho Power. A draft power sales agreement has been submitted to Idaho Power Company. A contract commitment is expected by end of September 2011. While critical to the project, this task is being performed by BPBOC outside the terms of this Agreement.
- Engineering and design. Sorenson Engineering has been retained to design the project. Design is expected to be complete by end of November 2011.
- Design review and approval by Reclamation. Sixty days are allowed in the project schedule for Reclamation to perform project review and design approval. Design approval is expected by end of December 2011.
- Excavation for the intake structure, pipelines and powerhouse. Excavation will proceed during the months of January and February 2011. Excavation is a concurrent activity with other project activity. When excavation is complete in the powerhouse area the equipment will move to the intake area and then to the penstocks and pipeline installation. Upon complete of concrete installation, the facilities will be backfilled, compacted and graded. Excavation is schedule to be ongoing for two months with expected substantial completion at the end of February 2012. Finish grading may occur up to the end of the project.
- Powerhouse concrete. This portion of the work will be construction of the powerhouse concrete substructure and steel metal building superstructure. Approximately 450 cubic yards of concrete will be used for the power house substructure. Floor area of the powerhouse is planned to be 1,600 square feet which will enclose the turbine generator, electrical switchgear and control system and power house hydraulics and auxiliary equipment. Above ground will be a pre-manufactured metal building. It will be constructed on the north side of the existing outlet structure that releases water from the Fargo Drop pipeline to the Fargo Equalizer Canal. The powerhouse construction is expected to take two months and be complete by end of March 2012.
- Intake area. A new intake complex will be developed on the north side of the existing structure. New slide gates will be provided in the existing drop. A wide forebay will be constructed to divert flows past the power intake. The forbay will be fitted with two automatic trip gates to pass flows into the existing drop structure. Approximate 150 cubic yards of concrete will be placed to create a new intake structure that will transition flow for power generation to a 900 feet long, 54" diameter steel penstock. Pipe installation includes welding sections of pipe together, coating, bedding and backfill. The power intake will include a trash rack, automatic trash rack cleaner, and hydraulic hoist operated slide gate. Completion expected by end of March 2012.
- Penstock installation. A 54-inch buried steel penstock will convey water flows to the powerhouse. This section of the work involves installing both the main penstock between the intake structure and powerhouse and installation of a 48-inch return flow pipeline between the powerhouse and the midpoint distribution box that supplies the Watson Lateral and Fargo Highline Canal. Pipe installation includes welding sections of pipe together, coating, bedding and backfill. The penstock will bifurcate near the powerhouse and turbine shutoff isolation valve installed on the penstock. A head level sensor that can communicate with the power plant programmable logic controller will be placed in the structure below the skimmer walls in the structure. Completion expected by end of March 2012.
- Turbine generator installation. A single 950 kilowatt horizontal generator with two horizontal Francis type turbines mated to either end of the turbine will be installed in the powerhouse. Work

tasks will include piping each turbine to the penstock, installing, mounting and leveling the turbines and installing the draft tube. Additionally the other turbine will be mated to a 48" return flow pipeline that conveys a portion of the water to the intermediate distribution box. Turbine generator installation is expected to require 45 days and be completed. Completion expected by end of May 2012.

- **Miscellaneous mechanical systems installation.** Installation of miscellaneous mechanical system is a concurrent activity with installation of other equipment in the powerhouse. Equipment installed under this activity will be the hydraulic power unit with accumulator for black shutdown, digital governor, DC battery and DC/AC inverter, head level sensors, and valve and general piping. Powerhouse fans and cooling will also be installed as well. The activity is expected to require 2 months. Completion expected by end of May 2012.
- **Electrical and Control system installation and integration.** Installation of electrical and control systems will include installation of the switchgear and circuit breaker, computer control programmable logic controller (PLC) and powerhouse auxiliary electrical systems. A one megawatt (MVA) pad mount transformer will be installed outside of the powerhouse. This transformer will step up the generation voltage of 3 phase 480 volts (AC) to the utility distribution voltage of 12.5 kilovolts. This is a concurrent function that will require approximately 7 weeks to complete. Completion expected by end of May 2012.
- **Transmission line, interconnection and protection package installation.** Upgrading of approximately ½ mile of 12.5 kilovolts distribution line and installation of the electrical protection package will be subcontracted to Idaho Power Company. This is a concurrent activity that is expected to require 8 weeks to complete. Completion expected by end of May 2012.
- **Commissioning and Testing.** During this phase of the project all installed equipment will be tested for proper functioning, mechanical systems will be operated, control software tested and adjusted for optimum plant operation. The turbine and pipelines will be filled and test run leading a commercial on line date of June 30, 2012.

Milestones:

Task	Dec 2010 to July 2011	Aug 2011	Sept 2011	Oct 2011	Nov 2011	Dec 2011	Jan 2012	Feb 2012	Mar 2012	Apr 2012	May-June 2012
Feasibility Study, Analysis, Stakeout	■										
WatersSMART Approval	■										
Land Acquisition	■	■									
Idaho Power Contract	■	■									
Engineering/Design (detailed)	■	■	■	■	■						
Reclamation/FERC Review					■	■					
Excavation							■	■	■		
Powerhouse Concrete								■	■	■	
Intake Concrete								■	■	■	

[illegible]

Once complete, the plant will be rated to generate 975 KW of hydroelectric power, and approximately 3,218 acre-feet of water will be conserved as of a result of this project.

6. RESPONSIBILITY OF THE PARTIES

6.1 Recipient Responsibilities

6.1.1 The Recipient shall be responsible for carrying out the Scope of Work indicated above in section 5, in accordance with the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the Scope of Work contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

6.2 Reclamation Responsibilities

6.2.1 Reclamation is responsible for federal monitoring and oversight of activities performed under this Agreement. Such responsibilities include review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the Scope of Work in section 5 above. Additional monitoring activities may include site visits, conference calls, and other on-site and off-site monitoring activities. At the Recipient's request, Reclamation may also provide technical assistance to the Recipient in support of the Scope of Work as outlined in this Agreement.

6.2.2 Reclamation will ensure that all other requirements, such as any necessary easements, land use authorizations or special permits, will be approved consistent with the requirements of 43 CFR §429, and that the infrastructure improvement will not impact or impair Reclamation Project operations or efficiency.

7. BUDGET

7.1 Budget Estimate. The following is the estimated budget for this Agreement. As federal financial assistance agreements are cost-reimbursable, the budget provided is for estimation purposes only. Final costs incurred under the budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the Recipient under this agreement must be in accordance with any pre-award clarifications conducted between the Recipient and Reclamation, as well as with the terms and conditions of this agreement. Final determination of the allowability, allocability, or reasonableness of costs incurred under this agreement is the responsibility of the Grants Officer. Recipients are encouraged to

direct any questions regarding allowability, allocability or reasonableness of costs to the Grants Officer for review prior to incurrence of the costs in question.

BUDGET ITEM DESCRIPTION	COMPUTATION		TOTAL COST
	\$/Unit and Unit	Quantity	
Salary and Wages:			
Program Management/Engineering/Oversight	33.00/hr.	303	9,999
Reporting	33.00/hr.	70	2,310
Fringe Benefits	28%		3,442
Salary and Wages and Fringe Benefits Total			15,751
Mileage:	.51/mi.	3509	1,790
Mileage Total			1,790
Sub-Contracts:			
Riverside, Inc.	1,703,900/ls	1	1,703,900
Sub-Contract Total			1,703,900
Other:			
Environmental Compliance (Reclamation to Complete)	\$10,000/LS	1	10,000
Other Total			10,000
Estimated Total Project Costs			18,254,941

7.2 Cost Sharing Requirement

At least 50 % non-federal cost-share is required for costs incurred under this Agreement. If pre-award costs are authorized, reimbursement of these costs is limited to federal cost share percentage identified in this agreement.

7.3 Pre-Award Incurrence of Costs

The Recipient shall be entitled to reimbursement for costs incurred on or after **December 1, 2010**, which if had been incurred after this Agreement was entered into, would have been allowable, allocable, and reasonable under the terms and conditions of this Agreement.

7.4 Allowable Costs (2 CFR Part §225)

Costs incurred for the performance of this Agreement must be allowable, allocable to the project, and reasonable. The following Office of Management and Budget (OMB) Circular, codified within the Code of Federal Regulations (CFR), governs the allowability of costs for Federal financial assistance:

2 CFR Part 225 (OMB Circular A-87), "Cost Principles for State, Local, and Indian Tribal Governments"

Expenditures for the performance of this Agreement must conform to the requirements within this Circular. The Recipient must maintain sufficient documentation to support these expenditures. Questions on the allowability of costs should be directed to the GO responsible for this Agreement.

The Recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the Agreement. The only costs which are authorized for a period of up to 90 days following the project performance period are those strictly associated with closeout activities for preparation of the final report.

7.5 Changes (43 CFR §12.70).

(a) *General.* Grantees and subgrantees are permitted to rebudget within the approved direct cost budget to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency.

(b) *Relation to cost principles.* The applicable cost principles (see 43 §12.62) contain requirements for prior approval of certain types of costs. Except where waived, those requirements apply to all grants and subgrants even if paragraphs (c) through (f) of this section do not.

(c) Budget changes.

(1) *Nonconstruction projects.* Except as stated in other regulations or an award document, grantees or subgrantees shall obtain the prior approval of the awarding agency whenever any of the following changes is anticipated under a nonconstruction award:

(i) Any revision which would result in the need for additional funding.

(ii) Unless waived by the awarding agency, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed ten percent of the current total approved budget, whenever the awarding agency's share exceeds \$100,000.

(iii) Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

(2) *Construction projects.* Grantees and subgrantees shall obtain prior written approval for any budget revision which would result in the need for additional funds.

(3) *Combined construction and nonconstruction projects.* When a grant or subgrant provides funding for both construction and nonconstruction activities, the grantee or subgrantee must obtain prior written approval from the awarding agency before making any fund or budget transfer from nonconstruction to construction or vice versa.

(d) *Programmatic changes.* Grantees or subgrantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated:

(1) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).

(2) Need to extend the period of availability of funds.

(3) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.

(4) Under nonconstruction projects, contracting out, subgranting (if authorized by law) or otherwise obtaining the services of a third party to perform activities which are central to the purposes of the award, *unless included in the initial funding proposal*. This approval requirement is in addition to the approval requirements of 43 §12.76 but does not apply to the procurement of equipment, supplies, and general support services.

(e) *Additional prior approval requirements.* The awarding agency may not require prior approval for any budget revision which is not described in paragraph (c) of this section.

(f) *Requesting prior approval.*

(1) A request for prior approval of any budget revision will be in the same budget format the grantee used in its application and shall be accompanied by a narrative justification for the proposed revision.

(2) A request for a prior approval under the applicable Federal cost principles (see §12.62) may be made by letter.

(3) A request by a subgrantee for prior approval will be addressed in writing to the grantee. The grantee will promptly review such request and shall approve or disapprove the request in writing. A grantee will not approve any budget or project revision which is inconsistent with the purpose or terms and conditions of the Federal grant to the grantee. If the revision, requested by the subgrantee would result in a change to the grantee's approved project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before approving the subgrantee's request.

7.6 Modifications

Any changes to this Agreement shall be made by means of a written modification. Reclamation may make changes to the Agreement by means of a unilateral modification to address administrative matters, such as changes in address, no-cost time extensions, or the addition of previously agreed upon funding. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the Agreement in accordance with 43 CFR 12.83.

All other changes shall be made by means of a bilateral modification to the Agreement. No oral statement made by any person, or written statement by any person other than the GO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GO. Any request for project extension shall be made at least 45 days prior to the expiration date of the Agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

8. KEY PERSONNEL

8.1 Recipient's Key Personnel

The Recipient's Project Manager for this Agreement shall be:

Paul Deveau
Project Manager
Boise Project Board of Control
2465 Overland Road
Boise, ID 83705
Phone: 208-344-1141
Email: pdeveau@boiseproject.org

Changes to Key Personnel require compliance with 43 CFR 12.70(d)(3).

8.2 Reclamation's Key Personnel

8.2.1 Grants Officer (GO):

Ms. Lisa Strong
Grants Management Specialist
Snake River Area Office
230 Collins Road
Boise, ID 83702-4520
Phone: 208-383-2204
Email: lstrong@usbr.gov

The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:

- (a) The GO is the only official with legal delegated authority to represent Reclamation. The GO's responsibilities include, but are not limited to, the following:
- (1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;
 - (2) Approve through formal modification changes in the scope of work and/or budget;
 - (3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;
 - (4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;
 - (5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;
 - (6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

8.2.2 Grants Officer Technical Representative (GOTR):

Mr. Bob Ross

Electric Engineer, PN-6132
Bureau of Reclamation
1150 N. Curtis Road
Boise, ID 83706-1234
Phone: 208-378-5332
ross@usbr.gov

- (a) The GOTR's authority is limited to technical and programmatic aspects of the Agreement. The GOTR's responsibilities include, but are not limited to, the following:
 - (1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;
 - (2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;
 - (3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;
 - (4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;
- (b) The GOTR does not have the authority to and may not issue any technical assistance which:
 - (1) Constitutes an assignment of additional work outside the scope of work of the Agreement;
 - (2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or
 - (3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

9. REPORTING REQUIREMENTS AND DISTRIBUTION

9.1 Noncompliance. Failure to comply with the reporting requirements contained in this Agreement may be considered a material non-compliance with the terms and conditions of the award. Non compliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with 43 CFR §12.83.

9.2 Financial Reports. Financial Status Reports shall be submitted by means of the SF-425 and shall be submitted according to the Report Frequency and Distribution schedule below. All financial reports shall be signed by an Authorized Certifying Official for the Recipient's organization.

9.3 Monitoring and reporting program performance (43 CFR §12.80)

(a) *Monitoring by grantees.* Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

(b) *Nonconstruction performance reports.* The Federal agency may, if it decides that performance information available from subsequent applications contains sufficient information to meet its programmatic needs, require the grantee to submit a performance report only upon expiration or termination of grant support. Unless waived by the Federal agency this report will be due on the same date as the final Financial Status Report.

(1) Grantees shall submit annual performance reports unless the awarding agency requires quarterly or semi-annual reports. However, performance reports will not be required more frequently than quarterly. Annual reports shall be due 90 days after the grant year, quarterly or semi-annual reports shall be due 30 days after the reporting period. The final performance report will be due 90 days after the expiration or termination of grant support. If a justified request is submitted by a grantee, the Federal agency may extend the due date for any performance report. Additionally, requirements for unnecessary performance reports may be waived by the Federal agency.

(2) Performance reports will contain, for each grant, brief information on the following:

(i) A comparison of actual accomplishments to the objectives established for the period. Where the output of the project can be quantified, a computation of the cost per unit of output may be required if that information will be useful.

(ii) The reasons for slippage if established objectives were not met.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(3) Grantees will not be required to submit more than the original and two copies of performance reports.

(4) Grantees will adhere to the standards in this section in prescribing performance reporting requirements for subgrantees.

(c) *Construction performance reports.* For the most part, on-site technical inspections and certified percentage-of-completion data are relied on heavily by Federal agencies to monitor progress under construction grants and subgrants. The Federal agency will require additional formal performance reports only when considered necessary, and never more frequently than quarterly.

(d) *Significant developments.* Events may occur between the scheduled performance reporting dates which have significant impact upon the grant or subgrant supported activity. In such cases, the grantee must inform the Federal agency as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned.

(e) Federal agencies may make site visits as warranted by program needs.

(f) *Waivers, extensions.*

(1) Federal agencies may waive any performance report required by this part if not needed.

(2) The grantee may waive any performance report from a subgrantee when not needed. The grantee may extend the due date for any performance report from a subgrantee if the grantee will still be able to meet its performance reporting obligations to the Federal agency.

9.4 Report Frequency and Distribution. The following table sets forth the reporting requirements for this Agreement. Please note the first report due date listed for each type of report.

REQUIRED REPORTS	Interim Reports	Final Report
Performance Report		
Format	No specific format required. See content requirements within Section 9.3 (43 CFR 12.80) above.	Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (43 CFR 12.80) above.
Reporting Frequency	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	For Semi-Annual Reporting: October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	Within 30 days after the end of the Reporting Period	Within 90 days after the completion date of the Agreement
First Report Due Date	The first performance report is due for reporting period ending: March 31, 2012	N/A
Submit to:	GO	GO
Financial Report		
Format	SF-425 (all sections must be completed)	SF-425(all sections must be completed)
Reporting Frequency	Semi-Annual	Final Report due upon completion of Agreement's period of performance
Reporting Period	For Semi-Annual Reporting: October 1 through March 31 and April 1 through September 30.	Entire period of performance
Due Date*	Within 30 days after the end of the Reporting Period	Within 90 days after the completion date of the Agreement
First Report Due Date	The first Federal financial report is due for reporting period ending: March 31, 2012	N/A
Submit to:	GO	GO

* If the completion date is prior to the end of the next reporting period, then no interim report is due for that period. Instead, the Recipient is required only to submit the final financial and performance reports, which will cover the entire period of performance including the last abbreviated reporting period.

10. REGULATORY COMPLIANCE

The Recipient agrees to comply or assist Reclamation with all regulatory compliance requirements and all applicable State, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to this project. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

Certain environmental and other associated compliance are Federal responsibilities, and will occur as appropriate. Reclamation will identify the need for and will complete any appropriate environmental compliance requirements, as identified above, pertinent to Reclamation pursuant to activities specific to this assisted activity. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, Reclamation shall not provide any funds to the Recipient for Agreement purposes, and the Recipient shall not begin implementation of the assisted activity described in this Agreement, until Reclamation provides written notice to the Recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed and that the Recipient may begin implementation of the assisted activity. If the Recipient begins project activities that require environmental and other regulatory compliance approval, such as construction activities, prior to receipt of written notice from Reclamation that all such clearances have been obtained, then Reclamation reserves the right to unilaterally terminate this agreement for cause.

The Recipient requests technical assistance from Reclamation to complete all NEPA and cultural resource compliance requirements necessary for this project; therefore, the Recipient is responsible for Reclamation costs associated with these activities. Reclamation estimates the cost of performing these activities is \$10,000. Funds for Reclamation costs are being withheld from the initial obligation of funds (see Block 12, 7-2279, page 1). After all environmental, cultural and historical compliance issues have been completed, the balance of any unspent, withheld funds will be returned to the Recipient.

11. AGRICULTURAL OPERATION [Public Law 111-11, Section 9504(a)(3)(B)]

The Recipient shall not use any associated water savings to increase the total irrigated acreage of the district or otherwise increase the consumptive use of water in the operation of the district as determined pursuant to the law of the State in which the operation of the District is located.

12. OPERATION AND MAINTENANCE COSTS [Public Law 111-11, Section 9504(a)(3)(E)(iv.)]

The non-Federal share of the cost of operating and maintaining any infrastructure improvement funded through this Agreement shall be 100 percent.

13. LIABILITY [Public Law 111-11, Section 9504(a)(3)(F)]

- (a) **IN GENERAL.**—Except as provided under chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”), the United States shall not be liable for monetary damages of any kind for any injury arising out of an act, omission, or occurrence that arises in relation to any facility created or improved under this Agreement, the title of which is not held by the United States.

(b) **TORT CLAIMS ACT.**—Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28, United States Code (commonly known as the “Federal Tort Claims Act”).

14. TITLE TO IMPROVEMENTS [Public Law 111-11, Section 9504(a)(3)(D)]

If the activities funded under this Agreement result in an infrastructure improvement to a federally owned facility, the Federal Government shall continue to hold title to the facility and improvements to the facility. An infrastructure improvement to a Federal facility is any segment of a project that results in a modification to a portion of a Federal facility that is integral to the existing operations of that facility.

The Recipient shall hold title to improvements that are not integral to the existing operations of the facility. For this Agreement, the following capital improvements are not considered infrastructure improvements to a Federal facility:

- **Powerhouse Improvements:** generator, high head turbine, low head turbine, generator switch gear, transformer, house power and lighting, HPU (hydraulic power unit), HVAC and security systems, building with hatch, draft tubes and battery backup system.
- **Intake Structure Improvements:** automatic trash cleaner, safety gates, electrical and lighting, safety rails, intake reducer, air vent on penstock, and bell mouth for penstock intake.
- **Penstock Improvements:** main penstock to power house, bifurcation just outside powerhouse, and return penstock to distribution box.

The Federal Government will continue to hold title to all other improvements that are considered integral to the existing operations of the facility. This includes, but is not limited to, the powerhouse tailrace, and the intake structure forebay, penstock roller gate and safety gate.

II. RECLAMATION STANDARD TERMS AND CONDITIONS - STATES, LOCAL GOVERNMENTS, AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS

1. REGULATIONS

The regulations at 43 CFR, Part 12, Subparts A, C, E, and F, are hereby incorporated by reference as though set forth in full text. The following Office of Management and Budget (OMB) Circulars, as applicable, and as implemented by 43 CFR Part 12, are also incorporated by reference and made a part of this Agreement. Failure of a Recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the Recipient and/or for termination of support.

1.1 Colleges and Universities that are Recipients or sub-recipients shall use the following:

2 CFR Parts 215 and 220 (Circular A 21), "Cost Principles for Educational Institutions"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.2 State, Local and Tribal Governments that are Recipients or sub-recipients shall use the following:

2 CFR Part 225 (Circular A 87), "Cost Principles for State, Local, and Indian Tribal Governments"

Circular A 102, as amended August 29, 1997, "Grants and Cooperative Agreements with State and Local Governments" (Grants Management Common Rule, Codification by Department of Interior, 43 CFR 12, Subpart C)

Circular A-133, revised June 27, 2003, Audits of States, Local Governments, and Non-Profit Organizations"

1.3 Nonprofit Organizations that are Recipients or sub-recipients shall use the following:

2 CFR Part 230 (Circular A 122), "Cost Principles for Non-Profit Organizations"

Circular A 110, as amended September 30, 1999, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (Codification by Department of Interior, 43 CFR 12, Subpart F)

Circular A-133, revised June 27, 2003, "Audits of States, Local Governments, and Non-Profit Organizations"

1.4 Organizations other than those indicated above that are Recipients or sub-recipients shall use the basic principles of OMB Circular A-110 (Codification by Department of Interior, 43 CFR 12, Subpart F), and cost principles shall be in accordance with 48 CFR Subpart 31.2.

1.5 43 CFR 12.77 sets forth further regulations that govern the award and administration of subawards by State governments.

2. PAYMENT

2.1 Payment Standards. (43 CFR §12.61)

(a) *Scope.* This section prescribes the basic standard and the methods under which a Federal agency will make payments to grantees, and grantees will make payments to subgrantees and contractors.

(b) *Basic standard.* Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR part 205.

(c) *Advances.* Grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.

(d) *Reimbursement.* Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement.

(e) *Working capital advances.* If a grantee cannot meet the criteria for advance payments described in paragraph (c) of this section, and the Federal agency has determined that reimbursement is not feasible because the grantee lacks sufficient working capital, the awarding agency may provide cash or a working capital advance basis. Under this procedure the awarding agency shall advance cash to the grantee to cover its estimated disbursement needs for an initial period generally geared to the grantee's disbursing cycle. Thereafter, the awarding agency shall reimburse the grantee for its actual cash disbursements. The working capital advance method of payment shall not be used by grantees or subgrantees if the reason for using such method is the unwillingness or inability of the grantee to provide timely advances to the subgrantee to meet the subgrantee's actual cash disbursements.

(f) *Effect of program income, refunds, and audit recoveries on payment.*

(1) Grantees and subgrantees shall disburse repayments to and interest earned on a revolving fund before requesting additional cash payments for the same activity.

(2) Except as provided in paragraph (f)(1) of this section, grantees and subgrantees shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

(g) *Withholding payments.*

(1) Unless otherwise required by Federal statute, awarding agencies shall not withhold payments for proper charges incurred by grantees or subgrantees unless—

(i) The grantee or subgrantee has failed to comply with grant award conditions, or

(ii) The grantee or subgrantee is indebted to the United States.

(2) Cash withheld for failure to comply with grant award condition, but without suspension of the grant, shall be released to the grantee upon subsequent compliance. When a grant is suspended, payment adjustments will be made in accordance with §12.83(c).

(3) A Federal agency shall not make payment to grantees for amounts that are withheld by grantees or subgrantees from payment to contractors to assure satisfactory completion of work. Payments shall be made by the Federal agency when the grantees or subgrantees actually disburse the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(h) *Cash depositories.*

(1) Consistent with the national goal of expanding the opportunities for minority business enterprises, grantees and subgrantees are encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members). A list of minority owned banks can be obtained from the Minority Business Development Agency, Department of Commerce, Washington, DC 20230.

(2) A grantee or subgrantee shall maintain a separate bank account only when required by Federal-State Agreement.

(i) *Interest earned on advances.* Except for interest earned on advances of funds exempt under the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.) and the Indian Self-Determination Act (23 U.S.C. 450), grantees and subgrantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or subgrantee may keep interest amounts up to \$100 per year for administrative expenses.

2.2 Payment Method

Requesting Payments -- Requests for advance or reimbursement may be made by the following methods:

(1) **SF-270, Request for Advance or Reimbursement** - Recipients may submit an original and properly certified SF-270 form to the GO. Requests for reimbursement may be submitted on a monthly basis or more frequently if authorized by the (GO). Recipients may not request advance payments for anticipated expenses that are greater than one month in advance of the request.

(2) **SF-271, Outlay Report and Request for Reimbursement for Construction Programs** - The SF-271 shall be used for construction Agreements paid by the reimbursement method, letter of credit, electronic funds transfer, or Treasury check advance, except where the advance is based on periodic requests from the Recipient, in which case the SF-270 shall be used. This request may be submitted on a quarterly basis, but no less frequently than on an annual basis. Recipients may submit an original, properly certified SF-271 form to the GO.

(3) **Automated Standard Application for Payments (ASAP)** - Recipients may utilize the Department of Treasury ASAP payment system to request advances or reimbursements. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. Recipient procedures must minimize the time elapsing between the drawdown of federal funds and the disbursement for agreement purposes.

Recipients interested in enrolling in the ASAP system, please contact Dee Devillier at 303-445-3461 or Sheri Oren at 303-445-3448.

3. PROCUREMENT STANDARDS (43 CFR §12.76)

(a) *States.* When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) *Procurement standards.*

(1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) Grantee and subgrantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will

be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) Grantees and subgrantees will use time and material type contracts only—

(i) After a determination that no other contract is suitable, and

(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or subgrantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) Grantees and subgrantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and subgrantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

(i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and

(ii) Violations of the grantee's or subgrantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or subgrantee.

(c) Competition.

(1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of §12.76. Some of the situations considered to be restrictive of competition include but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business,

(ii) Requiring unnecessary experience and excessive bonding,

(iii) Noncompetitive pricing practices between firms or between affiliated companies,

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest,

(vi) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement, and

(vii) Any arbitrary action in the procurement process.

(2) Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

(i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and subgrantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and subgrantees will not preclude potential bidders from qualifying during the solicitation period.

(d) *Methods of procurement to be followed*—(1) *Procurement by small purchase procedures.* Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$150,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) *Procurement by sealed bids* (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in §12.76(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by *competitive proposals*. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by *noncompetitive proposals* is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) *Contracting with small and minority firms, women's business enterprise and labor surplus area firms.*

(1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) *Contract cost and price.*

(1) Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must

make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see §12.62). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) Awarding agency review.

(1) Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) *Bonding requirements.* For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) *A bid guarantee from each bidder equivalent to five percent of the bid price.* The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) *A performance bond on the part of the contractor for 100 percent of the contract price.* A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) *A payment bond on the part of the contractor for 100 percent of the contract price.* A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) *Contract provisions.* A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

(2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees)

(4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3). (All contracts and subgrants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000)

(13) Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

4. EQUIPMENT (43 CFR §12.72)

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.

(b) *States.* A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and subgrantees will follow paragraphs (c) through (e) of this section.

(c) *Use.*

(1) Equipment shall be used by the grantee or subgrantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.

(2) The grantee or subgrantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in §12.65(a) to earn program income, the grantee or subgrantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.

(4) When acquiring replacement equipment, the grantee or subgrantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions.

(f) *Federal equipment.* In the event a grantee or subgrantee is provided Federally-owned equipment:

(1) Title will remain vested in the Federal Government.

(2) Grantees or subgrantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.

(3) When the equipment is no longer needed, the grantee or subgrantee will request disposition instructions from the Federal agency.

(g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third part named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:

(1) The property shall be identified in the grant or otherwise made known to the grantee in writing.

(2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow 12.72(e).

(3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

5. SUPPLIES (43 CFR §12.73)

(a) *Title.* Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or subgrantee respectively.

(b) *Disposition.* If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other Federally sponsored programs or projects, the grantee or subgrantee shall compensate the awarding agency for its share.

6. INSPECTION

Reclamation has the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of

the Recipient or a sub-Recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

7. AUDIT (31 U.S.C. 7501-7507)

Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133. Federal awards are defined as Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. They do not include procurement contracts, under grants or contracts, used to buy goods or services from vendors. Non-Federal entities that expend less than \$500,000 a year in Federal awards are exempt from Federal audit requirements for that year, except as noted in A-133, § 215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

8. ENFORCEMENT (43 CFR §12.83)

(a) *Remedies for noncompliance.* If a grantee or subgrantee materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of award, or elsewhere, the awarding agency may take one or more of the following actions, as appropriate in the circumstances:

- (1) Temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee or more severe enforcement action by the awarding agency,
- (2) Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance,
- (3) Wholly or partly suspend or terminate the current award for the grantee's or subgrantee's program,
- (4) Withhold further awards for the program, or
- (5) Take other remedies that may be legally available.

(b) *Hearings, appeals.* In taking an enforcement action, the awarding agency will provide the grantee or subgrantee an opportunity for such hearing, appeal, or other administrative proceeding to which the grantee or subgrantee is entitled under any statute or regulation applicable to the action involved.

(c) *Effects of suspension and termination.* Costs of grantee or subgrantee resulting from obligations incurred by the grantee or subgrantee during a suspension or after termination of an award are not allowable unless the awarding agency expressly authorizes them in the notice of suspension or termination or subsequently. Other grantee or subgrantee costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:

- (1) The costs result from obligations which were properly incurred by the grantee or subgrantee before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are noncancellable, and,

(2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

(d) *Relationship to Debarment and Suspension.* The enforcement remedies identified in this section, including suspension and termination, do not preclude grantee or subgrantee from being subject to "Debarment and Suspension" under E.O. 12549 ((2 CFR 29.5.12 and 2 CFR 1400, Subpart C).

9. TERMINATION FOR CONVENIENCE (43 CFR §12.84)

Except as provided in 43 CFR §12.83 awards may be terminated in whole or in part only as follows:

(a) By the awarding agency with the consent of the grantee or subgrantee in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated, or

(b) By the grantee or subgrantee upon written notification to the awarding agency, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if, in the case of a partial termination, the awarding agency determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the awarding agency may terminate the award in its entirety under either §12.83 or paragraph (a) of this section.

10. DEBARMENT AND SUSPENSION (2 CFR §1400)

The Department of the Interior regulations at 2 CFR 1400—Governmentwide Debarment and Suspension (Nonprocurement), which adopt the common rule for the governmentwide system of debarment and suspension for nonprocurement activities, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 1400, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at <http://www.gpoaccess.gov/ecfr/>.

11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401)

The Department of the Interior regulations at 2 CFR 1401—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative agreements, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 182.

12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil Rights Act of 1964, Title IX

of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

Such Assurances also include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards; Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.

13. COVENANT AGAINST CONTINGENT FEES

The Recipient warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the Recipient for the purpose of securing Agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee

14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15)

Trafficking in persons.

(a) Provisions applicable to a recipient that is a private entity.

(1) You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not

(i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(ii) Procure a commercial sex act during the period of time that the award is in effect; or

(iii) Use forced labor in the performance of the award or subawards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either

(A) Associated with performance under this award; or

(B) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 1400.

(b) *Provision applicable to a recipient other than a private entity.* We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

(1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

(2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either

(i) Associated with performance under this award; or

(ii) Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 1400.

(c) *Provisions applicable to any recipient.*

(1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

(2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

(i) Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

(ii) Is in addition to all other remedies for noncompliance that are available to us under this award.

(3) You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

(d) *Definitions.* For purposes of this award term:

(1) "Employee" means either:

(i) An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

(ii) Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

(2) "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) "Private entity":

(i) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(ii) Includes:

(A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

(B) A for-profit organization.

(4) "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18)

The Recipient agrees to comply with 43 CFR 18, New Restrictions on Lobbying, including the following certification:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

(c) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 *et seq.*)

- (a) The Uniform Relocation Assistance Act (URA), 42 U.S.C. § 4601 *et seq.*, as amended, requires certain assurances for Reclamation funded land acquisition projects conducted by a Recipient that cause the displacement of persons, businesses, or farm operations. Because Reclamation funds only support acquisition of property or interests in property from willing sellers, it is not anticipated that Reclamation funds will result in any "displaced persons," as defined under the URA.
- (b) However, if Reclamation funds are used for the acquisition of real property that results in displacement, the URA requires Recipients to ensure that reasonable relocation payments and other remedies will be provided to any displaced person. Further, when acquiring real property, Recipients must be guided, to the greatest extent practicable, by the land acquisition policies in 42 U.S.C. § 4651.
- (c) **Exemptions to the URA and 49 CFR Part 24**
 - (1) The URA provides for an exemption to the appraisal, review and certification rules for those land acquisitions classified as "voluntary transactions." Such "voluntary transactions" are classified as those that do not involve an exercise of eminent domain authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR § 24.101(b)(1)(i)-(iv).
 - (2) For any land acquisition undertaken by a Recipient that receives Reclamation funds, but does not have authority to acquire the real property by eminent domain, to be exempt from the requirements of 49 CFR Part 24 the Recipient must:
 - (i) provide written notification to the owner that it will not acquire the property in the event negotiations fail to result in an amicable agreement, and;
 - (ii) inform the owner in writing of what it believes to be the market value of the property
- (d) **Review of Land Acquisition Appraisals.** Reclamation reserves the right to review any land appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such reviews may be conducted by the Department of Interior's Appraisal Services Directorate or a Reclamation authorized designee. When Reclamation determines that a review of the original appraisal is necessary, Reclamation will notify the Recipient and provide an estimated completion date of the initial appraisal review.

17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A)

A. Requirement for Central Contractor Registration (CCR)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the

information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions

For purposes of this award term:

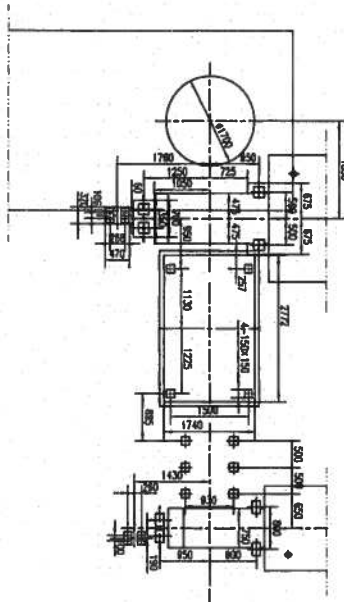
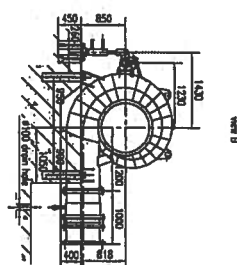
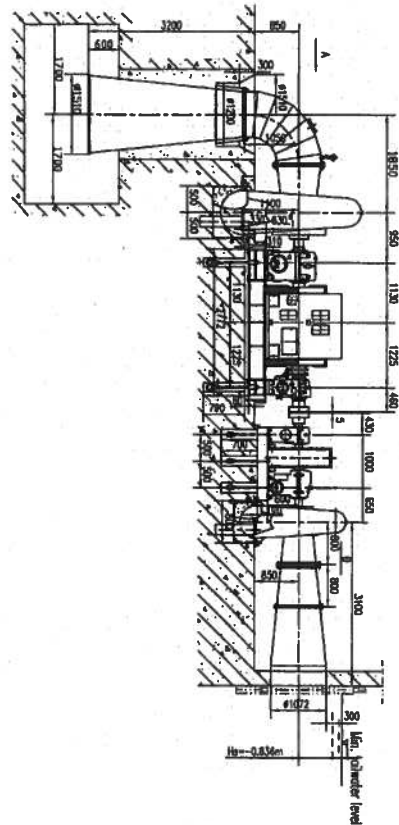
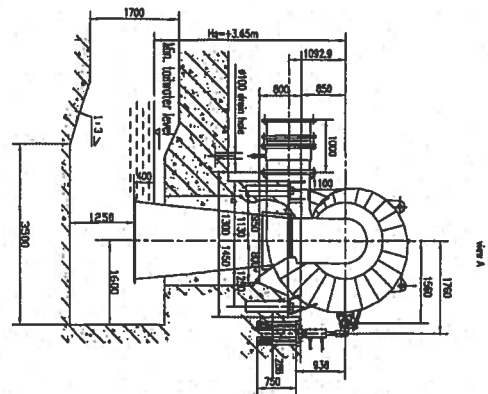
1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).
2. *Data Universal Numbering System (DUNS) number* means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
3. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. *Subaward*:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. II.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. *Subrecipient* means an entity that:
 - a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING

Executive Order 13513, *Federal Leadership On Reducing Text Messaging While Driving*, was signed by President Barack Obama on October 1, 2009 (ref: <http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf>). This Executive Order introduces a Federal Government-wide prohibition on the use of text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or rented vehicles, government-owned or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

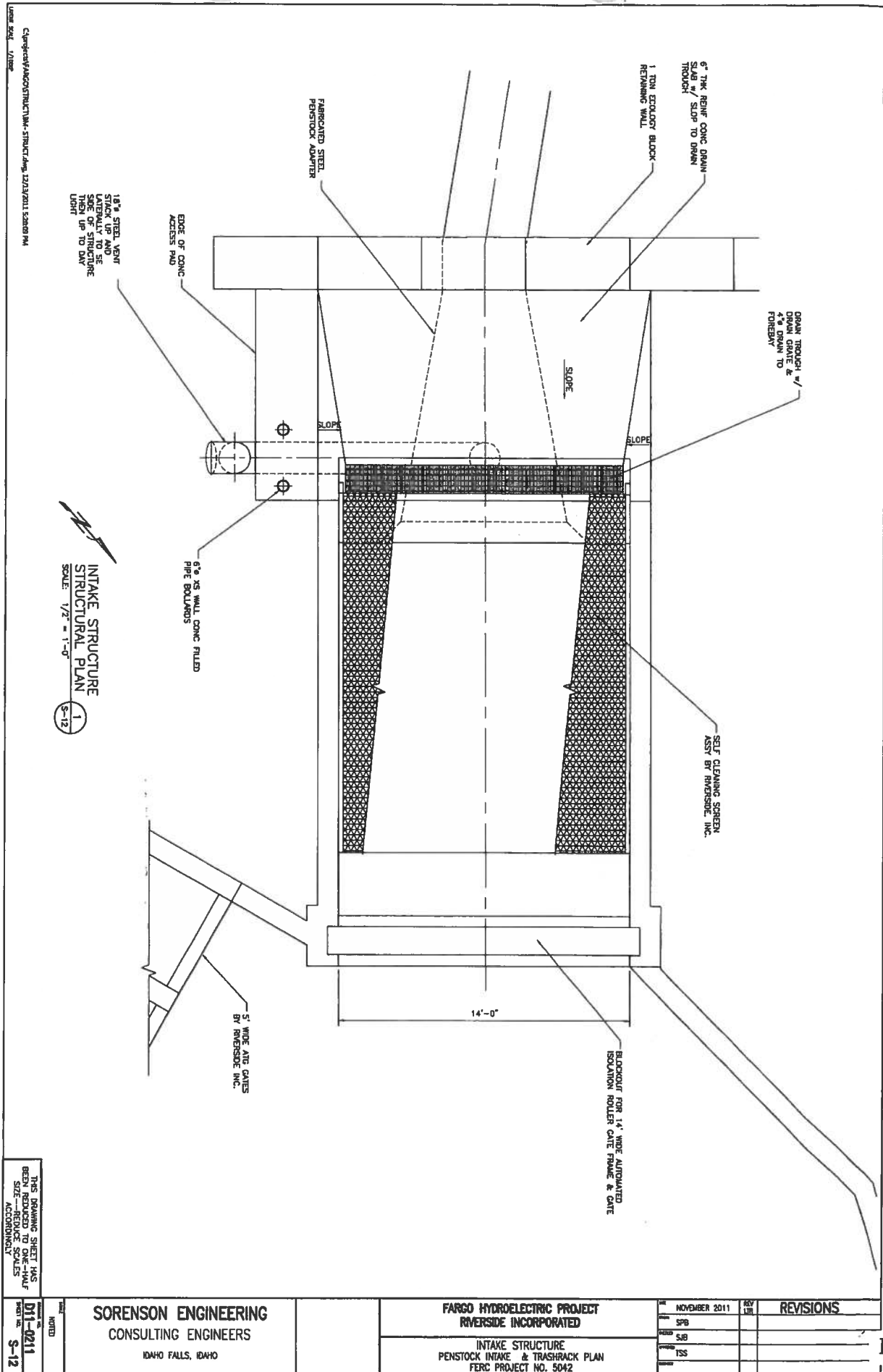
EXHIBIT "F"

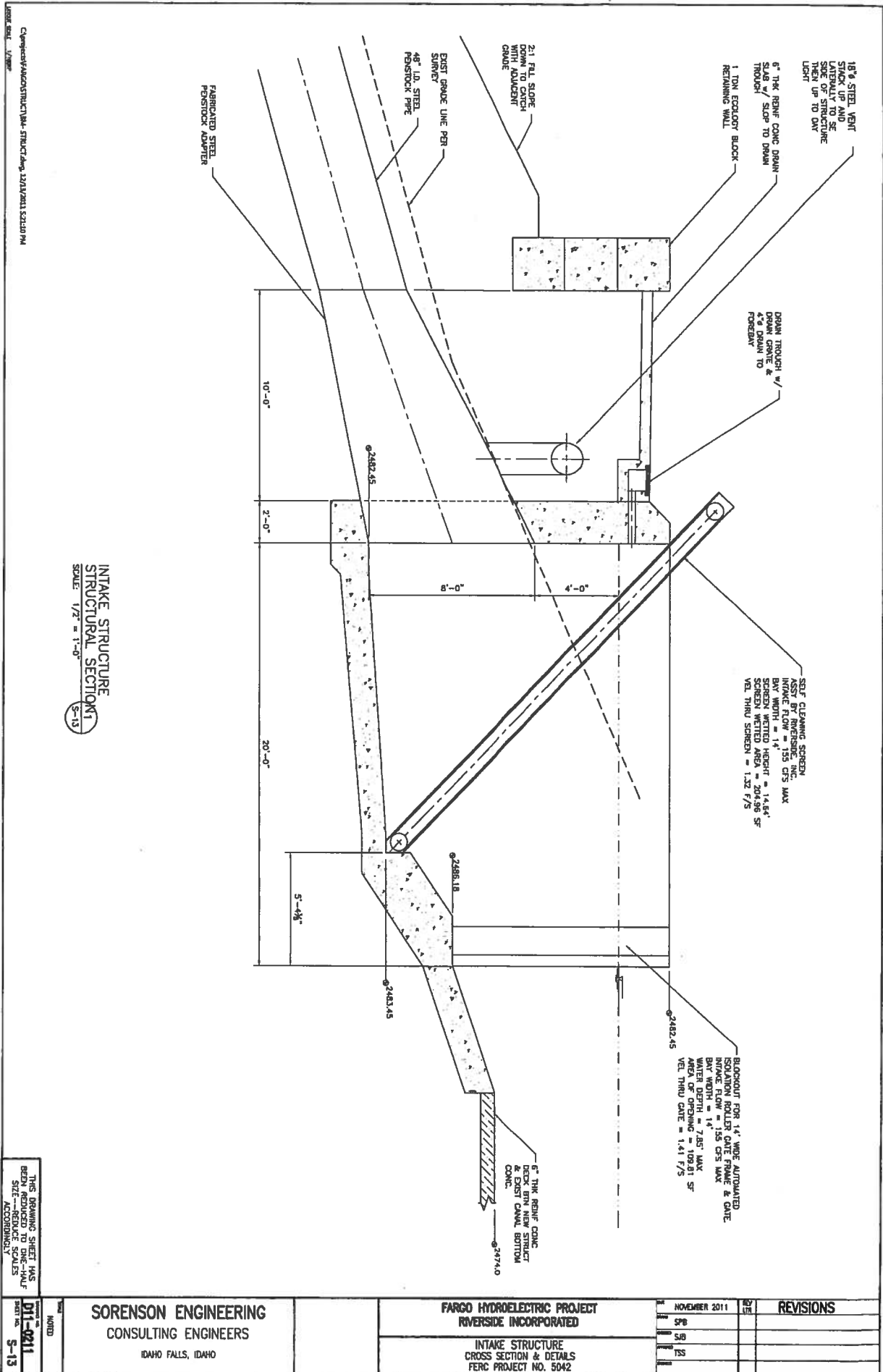
HES/111114



- Technical Requirements
1. The sizes related to generator, governor and valve are referred to the corresponding drawings.
 2. Rotation direction of turbine is clockwise viewed from generator to HES/111114-65 turbine.
 3. All open holes are all connected to turbine or water-collecting well.
 4. And layout of water-collecting well can be decided by customer according to actual condition.
 4. Installation Suction Head (H_s) is subject to corresponding contract.

Installation Drawing		HES/111114	
1	2	3	4
5	6	7	8
9	10	11	12
13	14	15	16
17	18	19	20
21	22	23	24
25	26	27	28
29	30	31	32
33	34	35	36
37	38	39	40
41	42	43	44
45	46	47	48
49	50	51	52
53	54	55	56
57	58	59	60
61	62	63	64
65	66	67	68
69	70	71	72
73	74	75	76
77	78	79	80
81	82	83	84
85	86	87	88
89	90	91	92
93	94	95	96
97	98	99	100



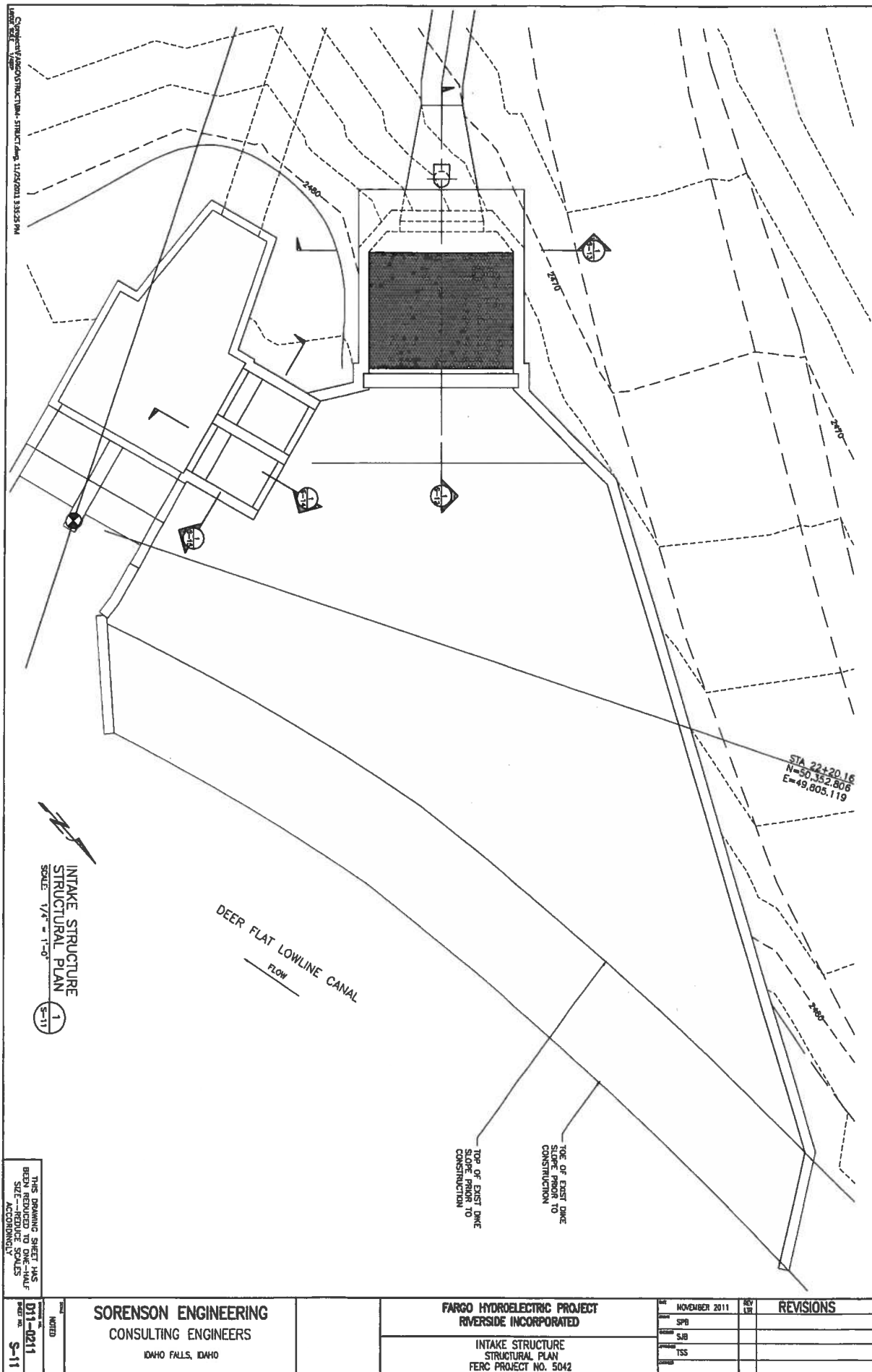


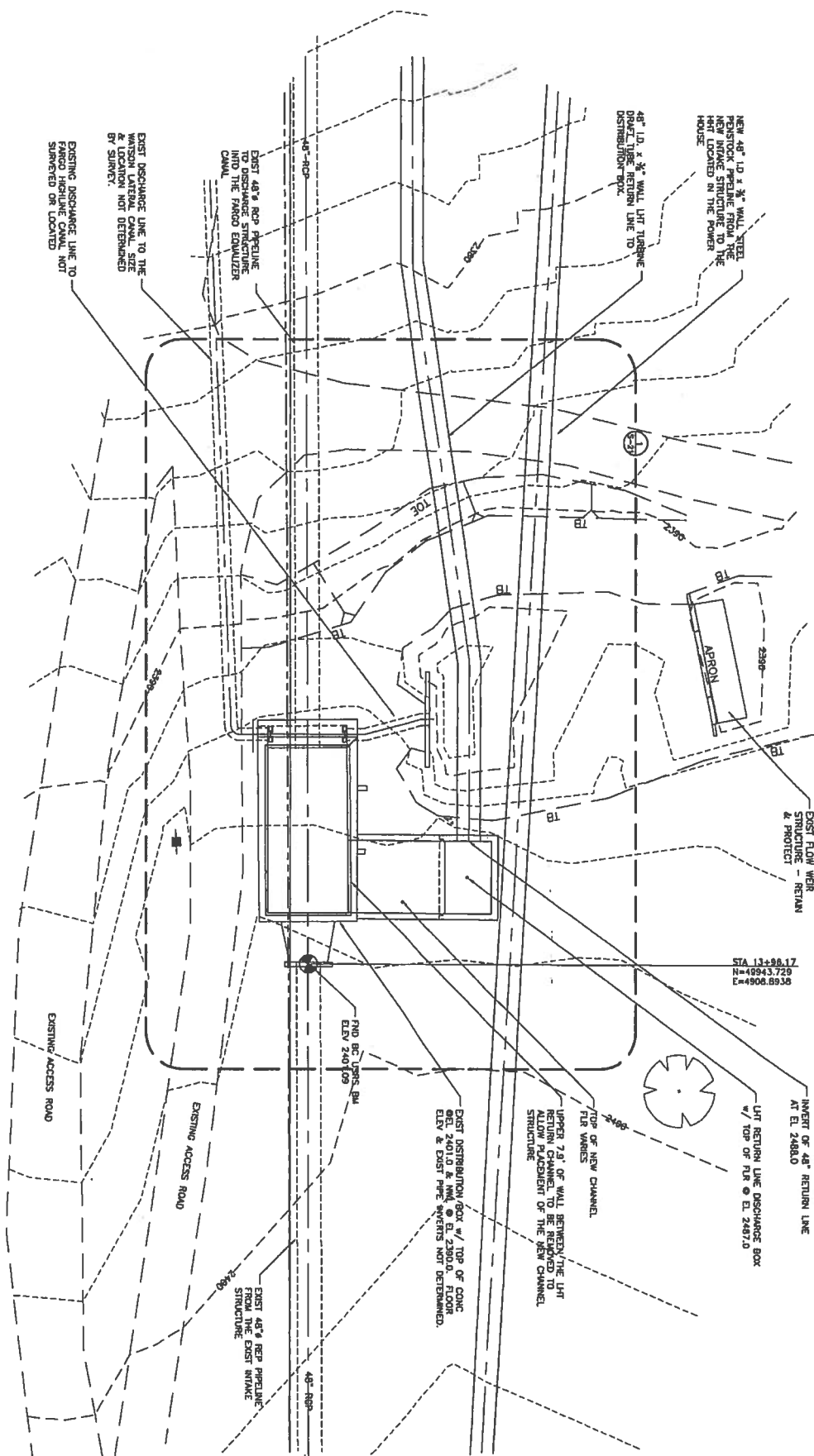
SORENSEN ENGINEERING
CONSULTING ENGINEERS
IDAHO FALLS, IDAHO

FARGO HYDROELECTRIC PROJECT
RIVERSIDE INCORPORATED
INTAKE STRUCTURE
CROSS SECTION & DETAILS
FERC PROJECT NO. 5042

NOVEMBER 2011		REVISIONS
DATE	BY	
SPB		
SUB		
TSS		

DATE: 11/15/11
SHEET NO. S-13





THIS DRAWING SHEET HAS
BEEN REDUCED TO ONE-HALF
SIZE---REDUCE SCALES
ACCORDINGLY

D11-0211
SHEET NO. **S-20**

SORENSEN ENGINEERING
CONSULTING ENGINEERS
IDAHO FALLS, IDAHO

**FARGO HYDROELECTRIC PROJECT
RIVERSIDE INCORPORATED**

**DISTRIBUTION BOX MODIFICATIONS
STRUCTURAL SITE PLAN
FERC PROJECT NO. 5042**

DATE	NOVEMBER 2011	REV	1	REVISIONS
BY	SPB			
CHECKED	SJB			
APPROVED	TSS			
REVISION				



IDAHO FALLS, IDAHO

POWERHOUSE, BIFURCATION & TAILRACE
STRUCTURAL SITE PLAN
FERC PROJECT NO. 5042

755

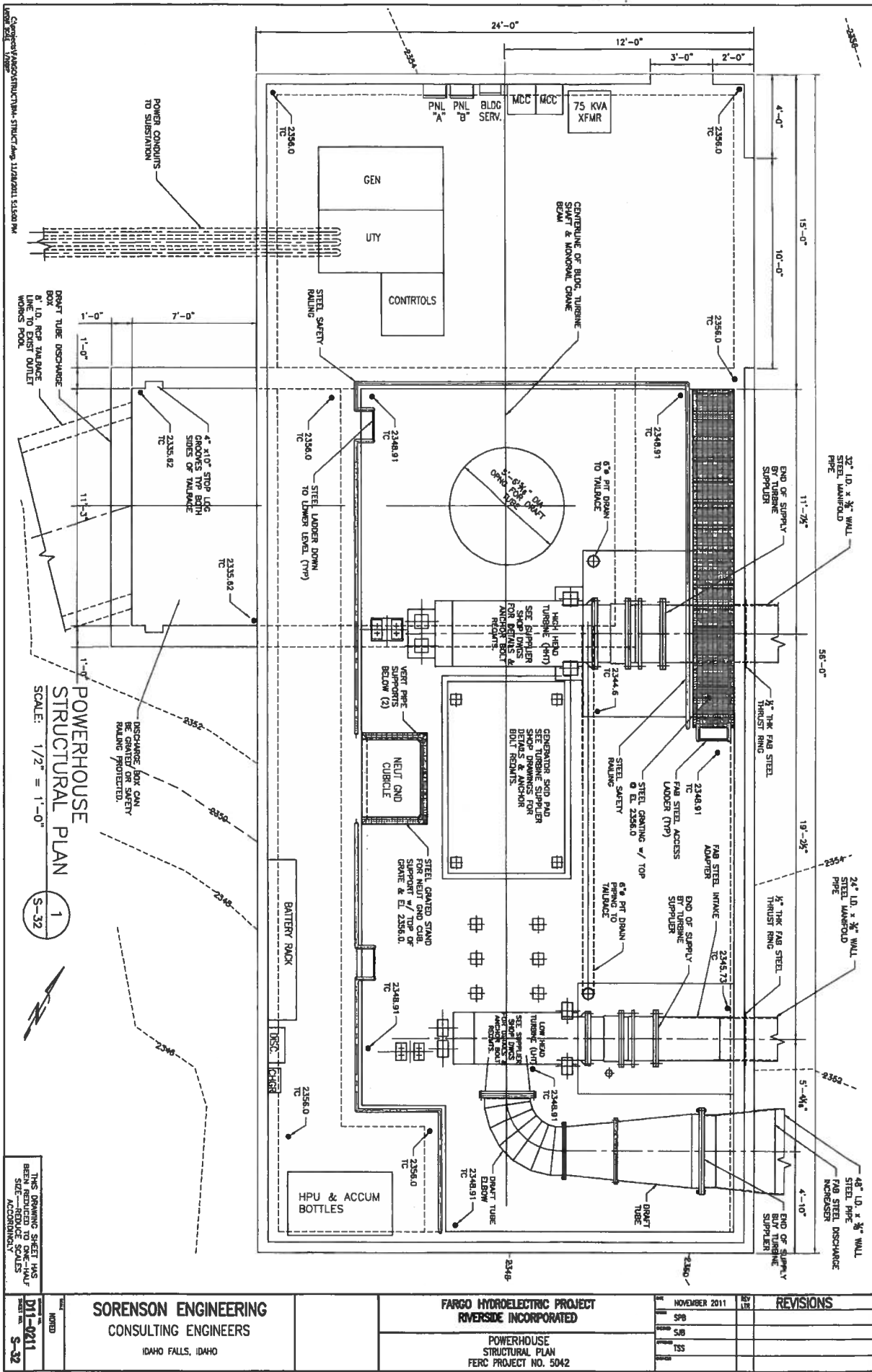


EXHIBIT "G"



Document Content(s)

Application for Amendment of Exemption.PDF.....1-126

Albert P. Barker, ISB No. 2867
BARKER ROSHOLT & SIMPSON LLP
1010 W. Jefferson, Suite 102
P.O. Box 2139
Boise, Idaho 83701-2139
Telephone: (208) 336-0700
Facsimile: (208) 344-6034

Attorneys for Exemption Holder, Boise Project Board of Control

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

BOISE PROJECT BOARD OF CONTROL	)	Project No. 5042 - Idaho
	)	SUPPLEMENT TO APPLICATION
	)	FOR AMENDMENT OF EXEMPTION
	)	
	)	FARGO DROP NO. 1
	)	

This filing supplements Exemption Holder's Application for Amendment of Exemption filed on December 15, 2011.

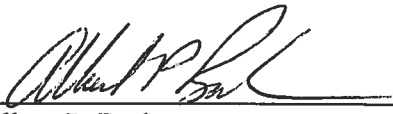
Attached as a Supplement to Exhibit E (Environmental Report) is a Section 106 Evaluation by the Idaho SHPO provided to Reclamation, dated December 22, 2011, concluding that the Project can proceed as planned and will have no adverse affect on historic properties.

Also attached is a copy of the deed showing the applicant's real property interest under Section 4.31(b) which was referenced in, but inadvertently omitted from, the Application for Amendment of Exemption filed on December 15, 2011.

///

DATED THIS 3rd day of January, 2012.

BARKER ROSHOLT & SIMPSON LLP

By 
Albert P. Barker



C.L. "Butch" Otter
Governor of Idaho

Janet Gallimore
Executive Director

Administration
2205 Old Penitentiary Road
Boise, Idaho 83712-8250
Office: (208) 334-2682
Fax: (208) 334-2774

Membership and Fund
Development
2205 Old Penitentiary Road
Boise, Idaho 83712-8250
Office: (208) 514-2310
Fax: (208) 334-2774

Historical Museum and
Education Programs
610 North Julia Davis Drive
Boise, Idaho 83702-7895
Office: (208) 334-2120
Fax: (208) 334-4059

State Historic Preservation
Office and Historic Sites
Archaeological Survey of Idaho
210 Main Street
Boise, Idaho 83702-7264
Office: (208) 334-3861
Fax: (208) 334-2775

Statewide Sites:
• Franklin Historic Site
• Pierce Courthouse
• Rock Creek Station and
• Stricker Homesite

Old Penitentiary
2445 Old Penitentiary Road
Boise, Idaho 83712-8254
Office: (208) 334-2844
Fax: (208) 334-3225

Idaho State Archives
2205 Old Penitentiary Road
Boise, Idaho 83712-8250
Office: (208) 334-2620
Fax: (208) 334-2626

North Idaho Office
112 West 4th Street, Suite #7
Moscow, Idaho 83843
Office: (208) 882-1540
Fax: (208) 882-1763



Historical Society is an
Equal Opportunity Employer.

DATE: December 22, 2011

TO: Christopher Beardsley, Bureau of Reclamation

FEDERAL AGENCY: USBR

PROJECT NAME: Fargo Drop Hydroelectric Project, Deer Flat Low Line Canal, Homedale, Idaho

Section 106 Evaluation

The field work and documentation presented in this report meet the Secretary of the Interior's Standards

X No additional investigations are recommended. Project can proceed as planned.

Additional information is required to complete the project review. (See comments below.)

Additional investigations are recommended. (See comments below.)

Identification of Historic Properties (36 CFR 900.4):

No historic properties were identified within the project area.

Properties are not eligible. Reason: Loss of integrity.

X Property is eligible for listing in the National Register of Historic Places.

Criterion: **X** **A** **B** **C** **D** Context for Evaluation: Early water management in SW Idaho.

No historic properties will be affected within the project area.

Assessment of Adverse Effects (36 CFR 800.5):

X Project will have *no adverse effect* on historic properties.

Property will have an *adverse effect* on historic properties. Additional consultation is required.

Comments:

Your archaeologist should be notified immediately if archaeological remains are discovered during construction.

Susan Pengilly

**Susan Pengilly, Deputy SHPO
State Historic Preservation Office**

December 22, 2011

Date



610 South Kimball Avenue / Caldwell, Idaho
83605 / (208) 459-1651

201107406

WARRANTY DEED

For Value Received **Delbert B. Klein and Debra J. Klein, husband and wife, now and**
the date of acquiring title

hereinafter referred to as Grantor, does hereby grant, bargain, sell, warrant and convey unto

The Boise Project Board of Control

hereinafter referred to as Grantee, whose current address

is the following described premises, to-wit:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF

**SUBJECT TO THE FOLLOWING RESERVATIONS
AND CONDITIONS:**

1. Grantors reserve an easement for a right of way crossing over and across the West 30 feet of Parcel 3 to provide access to the remainder of the Grantors property for no more than two single family dwellings. The Grantor shall be responsible all future maintenance of the crossing and shall by deeds to subsequent purchasers convey the maintenance obligations to future landowners who utilize the crossing. Grantor will execute a standard crossing agreement with the Boise Project Board Control and Bureau of Reclamation. Grantor shall obtain any permits necessary from Canyon County or other government entities for the crossing. This 30 foot right of way is appurtenant to the Grantor's remaining real property.
2. If Grantors adjacent property requires an alternative means of access, as determined by Canyon County or other Governmental entity, the Grantee shall not be required to furnish any other means of access across Grantee's Property or easement including that Property being conveyed herein. Alternative access shall be provided by Grantor to Grantor's adjoining property.
3. Grantor shall provide all easements and construct approach roads leading to and from the crossing. Any such easements shall not cover any of the Property conveyed and shall not cover any of the road or other access easements of the Boise Project. Grantor acknowledges that the easements of the Boise Project are 40 feet to the East and 60 feet of the West of the center line of the Fargo Canal.

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), and Grantee(s) heirs and assigns forever. And the said Grantor(s) does (do) hereby covenant to and with the said Grantee(s), the Grantor(s) is/are the owner(s) in fee simple of said premises; that said premises are free from all encumbrances EXCEPT those to which this conveyance is expressly made subject and those made,



suffered or done by the Grantee(s); and subject to U.S. Patent reservations, restrictions, dedications, easements, rights of way and agreements, (if any) of record, and current years taxes, levies, and assessments, including irrigation and utility assessments, (if any) which are not yet due and payable, and that Grantor(s) will warrant and defend the same from all lawful claims whatsoever.

Dated: November 22, 2011

Delbert B. Klein

Debra J. Klein

EXHIBIT A

Parcel 1:

A parcel of land in the Northeast Quarter of Section 2, Township 3 North, Range 5 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

COMMENCING at a 5/8 inch diameter iron pin marking the southwesterly corner of said Northeast Quarter from which a 5/8 inch diameter iron pin marking the southeasterly corner of said Northeast Quarter bears North 89°33'40" East a distance of 2636.67 feet; thence North 89°33'40" East along the southerly boundary of said Northeast Quarter a distance 322.17 feet to the POINT OF BEGINNING; thence continuing North 89°33'40" East a distance of 92.05 feet to a point on the centerline of the Fargo Wasteway Canal; thence North 59°45'46" East along said centerline a distance of 396.36 feet to a point; thence leaving said centerline North 38°16'24" West a distance of 80.79 feet to a point; thence South 59°45'46" West a distance of 364.95 feet to a point; thence South 30°14'14" East a distance of 34.26 feet to the POINT OF BEGINNING.

Parcel 2:

A parcel of land in the Northeast Quarter of Section 2, Township 3 North, Range 5 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

COMMENCING at a 5/8 inch diameter iron pin marking the southwesterly corner of said Northeast Quarter from which a 5/8 inch diameter iron pin marking the southeasterly corner of said Northeast Quarter bears North 89°33'40" East a distance of 2636.67 feet; thence North 89°33'40" East along the southerly boundary of said Northeast Quarter a distance 414.22 feet to a point on the centerline of the Fargo Wasteway Canal; thence leaving said Southerly boundary North 59°45'46" East along said centerline a distance of 396.36 feet to the POINT OF BEGINNING; thence continuing North 59°45'46" East a distance of 311.94 feet to a point; thence leaving said centerline North 1°40'04" West a distance of 91.09 feet to a point; thence South 59°45'46" West a distance of 366.80 feet to a point; thence South 38°16'24" East a distance of 80.79 feet to the POINT OF BEGINNING.

Parcel 3:

A parcel of land in the Northeast Quarter of Section 2, Township 3 North, Range 5 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

COMMENCING at a 5/8 inch diameter iron pin marking the southwesterly corner of said Northeast Quarter from which a 5/8 inch diameter iron pin marking the southeasterly corner of said Northeast Quarter bears North 89°33'40" East a distance of 2636.67 feet;
North 89°33'40" East along the southerly boundary of said Northeast Quarter a distance 414.22 feet to a point on the centerline of the Fargo Wasteway Canal; thence leaving said Southerly boundary
North 59°45'46" East along said centerline a distance of 708.30 feet to the POINT OF BEGINNING; thence continuing
North 59°45'46" East a distance of 582.20 feet to a point on the centerline of the Deer Flat Low Line Canal; thence along last said centerline a distance of 146.06 feet along the arc of a 612.91 foot radius non-tangent curve right, said curve having a radius bearing North 79°47'15" East, a central angle of 13°39'13" and a long chord bearing North 3°23'09" West a distance of 145.71 feet to a point; thence leaving said centerline
South 59°45'46" West a distance of 100.27 feet to a point; thence
South 9°36'17" West a distance of 65.12 feet to a point; thence
South 59°45'46" West a distance of 462.46 feet to a point; thence
South 1°40'04" East a distance of 91.09 feet to the POINT OF BEGINNING.

Document Content(s)

Supplement to Appl for Amndt of Exemption.PDF.....1-7



STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL
LAWRENCE G. WASDEN

February 16, 2012

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE Rm 1A
Washington, D.C. 20426

Re: In the Matter of Application for Non-Capacity Amendment of a Conduit
Exemption for the Fargo Drop No. 1 Hydroelectric Project
FERC Project No. 5042-001

STATE OF IDAHO'S NOTICE OF INTERVENTION

Dear Secretary Bose:

In accordance with 18 C.F.R. § 385.2001(a)(1)(iii), attached for your files in the above-named matter is the original of the STATE OF IDAHO'S NOTICE OF INTERVENTION.

Thank you for your assistance in this matter.

Sincerely,

/s/ Harriet A. Hensley

HARRIET A. HENSLEY
Deputy Attorney General
Natural Resources Division

HH/pb
Attachment **1 Original**

cc: The official Service List compiled by the Secretary in Project No. 5042-001.

Natural Resources Division
P.O. Box 83720, Boise, Idaho 83720-0010
Telephone: (208) 334-2400, FAX: (208) 334-2690
Located at 700 W. Jefferson Street, Suite 210

LAWRENCE G. WASDEN
Attorney General
State of Idaho

CLIVE J. STRONG
Deputy Attorney General
Chief, Natural Resources Division

HARRIET A. HENSLEY
Deputy Attorney General
Natural Resources Division
J.R. Williams Bldg., 2nd floor
700 W. State Street
P. O. Box 83720
Boise, Idaho 83720-0010
Telephone: (208) 334-2400
Facsimile: (208) 854-8072
Idaho State Bar #5235 (Hensley)

Attorneys for State of Idaho

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

In the Matter of Application for Non-	) Project No. 5042-001
Capacity Amendment of a Conduit	)
Exemption for the Fargo Drop No. 1	) STATE OF IDAHO'S NOTICE OF
Hydroelectric Project	) INTERVENTION
	)
_____	)

TO: KIMBERLY D. BOSE, SECRETARY, FEDERAL ENERGY REGULATORY
COMMISSION.

On December 15, 2011, Boise Project Board of Control ("applicant") filed an application with the Federal Energy Regulatory Commission ("Commission") for a Non-Capacity Amendment of a Conduit Exemption for the Fargo Drop No. 1 Hydroelectric Project ("project") to be located on the Exemptee's Wilder Irrigation District water supply system, near the town of Wilder, in Canyon County, Idaho. By notice dated

January 19, 2011, the Commission solicited comments, motions to intervene, and protests.

The State of Idaho, *ex rel.*, the Idaho Department of Fish and Game ("IDFG"), Idaho Water Resource Board ("Water Board"), and Idaho Department of Environmental Quality ("IDEQ"), by and through the State's undersigned counsel, Harriet A. Hensley, Deputy Attorney General, hereby provides notice of its intervention in this proceeding pursuant to 18 C.F.R. § 385.214(a)(2). Pursuant to 18 C.F.R. § 385.2001(a)(1)(iii), this document has been filed electronically with the Commission this date and thus all requirements for file copies have been met.

I. STATEMENTS OF INTEREST AND AGENCY POSITIONS

A. The Attorney General is a duly established executive officer of the State of Idaho and is authorized to represent the State in all legal proceedings. Idaho Code § 67-1401. The names and addresses of the persons designated for service of documents in connection with this notice and all further proceedings are as follows:

Harriet A. Hensley, (ISB #5235)
Deputy Attorney General
Natural Resources Division
Office of the Attorney General
J.R. Williams Bldg., 2nd floor
700 W. State Street
P. O. Box 83720
Boise, ID 83720-0010
(208) 334-2400
Harriet.hensley@ag.idaho.gov

Cindy Robertson
Natural Resources Program Coordinator
Director's Office
Idaho Department of Fish and Game
P.O. Box 25
Boise, ID 83707
(208) 287-2715
Cindy.robertson@idfg.idaho.gov

Douglas Conde
Deputy Attorney General
Idaho Department of Environmental Quality
1410 N. Hilton
Boise, ID 83706-1255
(208) 373-0453
Douglas.conde@deq.idaho.gov

Garrick Baxter
Deputy Attorney General
Idaho Department of Water Resources
PO Box 83720
Boise, ID 83720-0098
(208) 287-4811
Garrick.baxter@idwr.idaho.gov

B. The IDFG is a duly established executive department of the State of Idaho. Idaho Code §§ 36-101 and 67-2402(1). The statutory policy of the State of Idaho is to preserve, protect, perpetuate, and manage all fish and wildlife. Idaho Code § 36-103(a). The IDFG, acting under the supervision of the Idaho Fish and Game Commission, has the responsibility to carry out that policy. Idaho Code §§ 36-102(a) and -103(b). The IDFG works with the hydroelectric industry and the Commission to ensure that hydroelectric development will have benign impacts on fish, wildlife, and plant resources in Idaho.

On November 17, 2011, IDFG provided comments on the proposed amendment to the applicant after attending a site visit on November 1, 2011 and reviewing supplemental information provided by the applicant on November 4, 2011. The November 17, 2011 comment letter stated, in pertinent part:

Project Description

The project is located approximately 1.75 miles from ENE of Homedale, Idaho. The Fargo wasteway is a constructed facility which connects two irrigation delivery canals, the Deer Flat Lowline Canal and the Fargo Highline Canal. Our understanding is that the water for the project will be delivered to the project through the Deer Flat Lowline Canal and the Fargo Highline Canal, and then delivered via a proposed penstock to the power plant. From the power plant the some water will be discharged in the Fargo Highline or the Watson Lateral, with the remainder of the water continuing to flow down the wasteway to the Fargo Lowline Canal and other laterals.

The Fargo Drop project was originally to generate 650 kW, but has been redesigned to increase the capacity of the project to 2MW by using more efficient turbines and generating equipment and reconfiguring the powerhouse. The applicants do not propose any change in the volume of water currently diverted for irrigation and will generate power using only water released for irrigation purposes. Per your letter dated October 14, 2011, we understand the operator cannot call on additional flows to be diverted from the Boise River or call on flows to be diverted at times outside the irrigation season, which we understand to be April 15 through October 15. Thus the upgraded project is not expected to result in any

changes in the flows of water into or return flows out of the Boise Project irrigation system.

Recommended Mitigation Measures

The Department's comments on the original exemption application in 1981 required the applicant to apply appropriate management practices to prevent water quality degradation during construction and to prevent long-term erosion at the site. We also required the transmission lines be designed and constructed to prevent raptor mortalities. The Department believes these measures are still appropriate. The applicant should use current best management practices to prevent water quality degradation during construction and raptor protection measures should be consistent with current standards (APLIC 2006).

During the site visit, the applicant stated they intend to install trash screens on the diversion to the penstock and you provided more detail in your subsequent email. The proposed automated rotary screens are expected to provide positive benefits for the project and the affected environment. The existing system of canals that deliver water to the proposed project are not screened and it is unknown what species or how many individual fish are currently entrained into the irrigation canal systems. The screens will prevent any fish that are currently entrained in the canals from being further entrained into the project turbines. Additionally, the screens will remove vegetation and debris that currently enters the Fargo drop pipeline which would end up in the power plant or continue to be diverted down the drop or through the wasteway and other canals and ultimately the Snake River. Based on the function of similar screens at Arena Drop Project, the screens are expected to capture an average of approximately 12-16 ten-yard dump truck loads of debris annually. The debris will be hauled away from the site thereby reducing the amount of vegetative material that would otherwise be delivered the Snake River. This reduction in material is expected to somewhat reduce the Biological Oxygen Demand and nutrient loading in the river and aid in water quality improvement.

The IDFG has no additional comments on the proposed amendment.

C. The Water Board is a constitutionally established water agency within the Idaho Department of Water Resources and consists of eight members appointed by the Governor. Idaho Const. art. XV, § 7; Idaho Code § 42-1732. Among the Water Board's duties is "to formulate, adopt and implement a comprehensive state water plan for

conservation, development, management and optimum use of all unappropriated water resources and waterways of this state in the public interest.” Idaho Code § 42-1734A. The Water Board has adopted the Comprehensive State Water Plan Part A, which is the statewide water policy document. This plan contains policies in the areas of water quality, species of concern, instream flow, energy development and conservation. It is the policy of the State of Idaho that hydroelectric development be in conformance with all parts of the State Water Plan.

D. The IDEQ is a duly established executive department of the State of Idaho. Idaho Code § 39-104. The statutory policy of the State of Idaho is to provide for the protection of human health and the environment. Idaho Code § 39-102 and -102A. The IDEQ implements these policies of the State of Idaho. Idaho Code § 39-104. The IDEQ is the state agency responsible for developing and implementing water quality standards and providing certification regarding federal licenses and permits pursuant to Sections 303 and 401 of the Clean Water Act and Idaho Code §§ 39-101 to -130 and 39-3601 to -3639. Consistent with these authorities, IDEQ must seek reasonable assurance that hydroelectric project operations will meet Idaho water quality standards.

PRAYER FOR RELIEF

For the reasons given above, the State of Idaho respectfully submits this Notice of Intervention in this proceeding for the IDFG, the Water Board, and the IDEQ. Please send a copy of all pleadings filed with the Commission in this matter to the State of Idaho at the addresses stated on page 2.

DATED this 16th day of February 2012.

LAWRENCE G. WASDEN
Attorney General
State of Idaho

/s/ *Harriet A. Hensley*

HARRIET A. HENSLEY
Deputy Attorney General
Natural Resources Division

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have on this 16th day of February 2012, served the foregoing document, STATE OF IDAHO'S NOTICE OF INTERVENTION, upon each person designated on the official service list compiled by the Secretary in this proceeding by U.S. Mail, postage prepaid.

WILLIAM BIENAPFL
RAYMOND GIVENS
GIVENS, PURSLEY & HUNTLEY
PO BOX 2720
BOISE, IDAHO 83701-2720

CARL PADOUR, PROJ. MGR.
BOISE PROJECT BOARD OF CONTROL
214 BROADWAY AVE
BOISE, IDAHO 83702

ALBERT P. BARKER
BARKER ROSHOLT & SIMPSON
1010 W. JEFFERSON STREET, STE 102
BOISE ID 83701

PAUL DEVEAU, MANAGER
BOISE PROJECT BOARD OF CONTROL
2465 OVERLAND ROAD
BOISE ID 83705-3155

/s/ Harriet A. Hensley

HARRIET A. HENSLEY
Deputy Attorney General
Natural Resources Division

Document Content(s)

Idaho_Notice_Intervention_Fargo_Drop_Proj_5042.PDF.....1-8

W. P. BIENAPFL
CHAIRMAN OF THE BOARD
WARREN TOLMIE
VICE CHAIRMAN OF THE BOARD
ROYSE VAN CUREN
PROJECT MANAGER
CARL PADOUR
ASSISTANT PROJECT MANAGER
NORLYN F. POPE
SECRETARY-TREASURER
PHEBE HILDEBRANDT
ASSISTANT SECRETARY-TREASURER

BOISE PROJECT BOARD OF CONTROL

(FORMERLY BOISE U. S. RECLAMATION PROJECT)

214 BROADWAY
BOISE, IDAHO 83702

OPERATING AGENCY FOR 167,000
ACRES FOR THE FOLLOWING
IRRIGATION DISTRICTS:

JANPA-MERIDIAN DISTRICT
BOISE-KUNA DISTRICT
WILDER DISTRICT
NEW YORK DISTRICT
BIG BEND DISTRICT

OFFICIAL FILE COPY

June 18, 1981

TO	INIT.	DATE
DOCKET		
CENTRAL FILES		

Honorable Kenneth F. Plumb
Secretary
Federal Energy Regulatory Commission
825 North Capital Street, N.E.
Washington, D.C. 20426

Subject: Fargo No. 1 Hydroelectric Project

Dear Mr. Plumb:

The Boise Project Board of Control, an entity composed of five irrigation districts, hereby transmits our "Application for Exemption-Small Conduit Hydroelectric Facility".

In addition to requesting a conduit exemption for the Fargo No. 1 Hydroelectric Project, the Boise Board of Control would also like to request an exemption from the provisions of Section 10(e) of the Federal Power Act which impose annual charges for the use of Federal facilities.

We base this request on the provisions of Section 30 and cite the following points in support of our request that the Fargo No. 1 Hydroelectric Plant be exempted from user fees under the provisions of Section 30:

(a) The Fargo No. 1 Hydroelectric project is located on "non-Federal lands"--land to which the United States does not hold fee title.

(b) The five irrigation districts comprising the Boise Project Board of Control have been repaying the various construction costs obligated to them for irrigation for over 50 years so that at this time the construction outstanding is only 7 percent of the total. The annual repayment to the Federal treasury has always been on schedule and in good faith.

The actual repayment schedule for the Arrowrock Division of the Boise Project has been composed of two parts. The first was the obligation for Arrowrock, Boise River Diversion, Deer Flat Dams and the full project distribution system, built at a cost of \$11,981,000 with a full cost allocation to irrigation for repayment. The five districts comprising the

JUN 30 4 27 PM '81
FEDERAL ENERGY REGULATORY COMMISSION

P-5042-000

JUN 30 1981
DOCKET SECTION

Boise Project Board of Control have completely paid off this obligation except for the Big Bend Irrigation District which still owes \$5,641. This amount should be retired in the near future. The second part was the obligation for the balance of the Anderson Ranch Dam in the amount of \$4,628,000 with \$1,098,043 still outstanding which will be retired about 1990. The Boise Project Board of Control has also paid and continues to pay the irrigation allocation of the "reserved works" cost assessed annually for operation and maintenance of Anderson, Arrowrock and Boise River Diversion Dams.

We are enclosing an original and 14 copies of the application for exemption and believe the contents sufficiently demonstrate that the Boise Project Board of Control qualifies for the granting of a small conduit hydroelectric facility exemption decree pursuant to Section 30 of the Federal Power Act under the final rule of Section 213 of the Public Utilities Regulatory Act of 1978.

Very truly yours,



Royse Van Curen
Project Manager
Boise Project Board of Control

RVC:ph

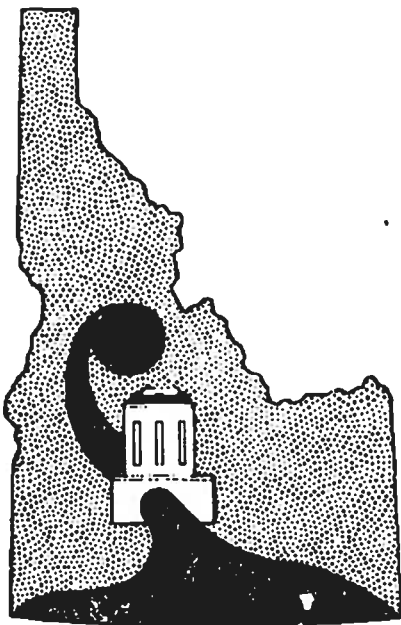
Enclosure:

ORIGINAL

**BEFORE THE ORIGINAL
DOCKETED
FEDERAL ENERGY REGULATORY COMMISSION
APPLICATION FOR EXEMPTION
SMALL CONDUIT HYDROELECTRIC FACILITY
AT THE
FARGO No. 1
HYDROELECTRIC PROJECT**

JUN 30 4 27 PM '81
FEDERAL ENERGY
REGULATORY
COMMISSION

P-5042-000



**SUBMITTED BY
BOISE PROJECT BOARD OF CONTROL**

JUNE , 1981



Prepared By

J-U-B ENGINEERS, INC.
Engineers Surveyors Planners
250 So. Beechwood Ave. Suite I
Boise, Idaho 83709

FEDERAL ENERGY REGULATORY COMMISSION
DOCKETED
JUN 30 1981
DOCKET SECTION

BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION
APPLICATION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

AT THE
PROPOSED FARGO DROP #1 HYDROELECTRIC FACILITY

SUBMITTED BY
BOISE PROJECT BOARD OF CONTROL

APPLICANTS
BOISE-KUNA IRRIGATION DISTRICT
NANPA & MERIDIAN IRRIGATION DISTRICT
NEW YORK IRRIGATION DISTRICT
WILDER IRRIGATION DISTRICT
BIG BEND IRRIGATION DISTRICT

Prepared By:
J-U-B ENGINEERS, Inc.
Boise, Idaho

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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

APPLICATION FOR EXEMPTION FOR
SMALL CONDUIT HYDROELECTRIC FACILITY

JUN 30 4 27 PM '81
FEDERAL ENERGY
REGULATORY
COMMISSION

The Boise-Kuna Irrigation District, Nampa and Meridian Irrigation District, New York Irrigation District, Wilder Irrigation District and Big Bend Irrigation District comprise the Arrowrock Division of the Boise Project. The contracts between the Districts and the United States Department of Interior provide for the creation of the Boise Project Board of Control as the fiscal and management agent of the Districts. The Boise Project Board of Control makes this application for, and on behalf of, the five Irrigation Districts for an exemption at the proposed Fargo Drop #1 Hydroelectric Facility, which meets the requirements of Section 4.91(f) of this subpart, from all of Part I of the Federal Power Act.

The location of the facility is:

State or territory: Idaho
County: Canyon
Township or nearby town: 3.5 miles south of Wilder

The exact name of each of the applicants is:

Boise-Kuna Irrigation District
Nampa and Meridian Irrigation District
New York Irrigation District
Wilder Irrigation District
Big Bend Irrigation District

and the address of each of the applicants for purposes of this matter is:

c/o Boise Project Board of Control
214 Broadway Avenue
Boise, Idaho 83702 (208) 344-1141

The exact name and business address of the person authorized to act as agent for the Applicant in this application is:

Mr. William Bienapfl, Chairman
Mr. Royse Van Curen, Project Manager
Boise Project Board of Control
214 Broadway
Boise, Idaho 83702
(208) 344-1141

JUN 30 4 27 PM '81
FEDERAL
ENERGY
COMMISSION

and

Mr. Raymond D. Givens, Atty.
Givens, McDevitt, Pursley and Webb
802 West Bannock
Boise, Idaho 83702
(208) 342-6571

Technical assistance in the preparation of this document is provided by:

J-U-B ENGINEERS, Inc.
250 South Beechwood
Boise, Idaho 83709
Attention: Marc A. Auth (208) 376-8480

Applicants are public agencies and are operating under Title 43, Irrigation Districts Acts of the State of Idaho Code, Irrigation Districts and Chapter 545 Oregon Revised Statutes, Irrigation Districts. The Boise Project Board of Control is formed by contract and wholly controlled by the following Districts:

Boise-Kuna Irrigation District - Kuna, Idaho
Nampa and Meridian Irrigation District - Nampa, Idaho
New York Irrigation District - Boise, Idaho
Wilder Irrigation District - Caldwell, Idaho
Big Bend Irrigation District - Nyssa, Oregon

Exhibits A, B, E and G are included herein.

Exemption from all of Part I of the Federal Power Act pursuant to Section 30 of the Federal Power Act is hereby requested.

BOISE-KUNA IRRIGATION DISTRICT
KUNA, IDAHO

RESOLUTION
AUTHORIZING EXECUTION OF AN APPLICATION TO THE
FEDERAL ENERGY REGULATORY COMMISSION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

JUN 30 4 27 PM '81
RECEIVED
FEDERAL ENERGY
REGULATORY
COMMISSION

At a regular meeting of the BOISE-KUNA IRRIGATION DISTRICT held at the office of said District on the 5th day of May, 1981 the following resolution was approved and adopted:

BE AND IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF BOISE-KUNA IRRIGATION DISTRICT that said District join with the other Districts comprising the Arrowrock division of the Boise Project in executing an application to the Federal Energy Regulatory Commission for an exemption for the Fargo #1 Hydro-electric Facility from certain provisions of the Federal Power Act.

BE IT FURTHER RESOLVED BY BOISE-KUNA IRRIGATION DISTRICT that upon the concurrence of the other Districts comprising the Boise Project, that the Chairman and Secretary of the BOISE PROJECT BOARD OF CONTROL be, and they hereby are, authorized and directed to execute such an application on behalf of BOISE-KUNA IRRIGATION DISTRICT.

PASSED AND ADOPTED at a regular meeting of the BOISE-KUNA IRRIGATION DISTRICT on the 5th day of May, 1981 by the following vote:

AYES: 2
NOES: 0
ABSENT: 0

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the BOISE-KUNA IRRIGATION DISTRICT at a regular meeting of said District held May 5, 1981.

Emilia M. Allen
Secretary of the
BOISE-KUNA IRRIGATION DISTRICT

NAMPA AND MERIDIAN IRRIGATION DISTRICT

NAMPA, IDAHO

RESOLUTION

AUTHORIZING EXECUTION OF AN APPLICATION TO THE
FEDERAL ENERGY REGULATORY COMMISSION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

JUN 30 4 27 PM '81
RECEIVED
COMMISSION

At a regular meeting of the NAMPA AND MERIDIAN IRRIGATION DISTRICT held at the office of said District on the 21 day of April, 1981 the following resolution was approved and adopted:

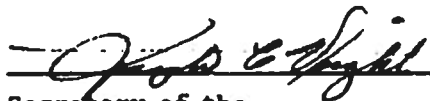
BE AND IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF NAMPA AND MERIDIAN IRRIGATION DISTRICT that said District join with the other Districts comprising the Arrowrock division of the Boise Project in executing an application to the Federal Energy Regulatory Commission for an exemption for the Fargo #1 Hydroelectric Facility from certain provisions of the Federal Power Act.

BE IT FURTHER RESOLVED BY NAMPA AND MERIDIAN IRRIGATION DISTRICT that upon the concurrence of the other Districts comprising the Boise Project, that the Chairman and Secretary of the BOISE PROJECT BOARD OF CONTROL be, and they hereby are, authorized and directed to execute such an application on behalf of NAMPA AND MERIDIAN IRRIGATION DISTRICT.

PASSED AND ADOPTED at a regular meeting of the NAMPA AND MERIDIAN IRRIGATION DISTRICT on the 21 day of April, 1981 by the following vote:

AYES: 3
NOES: 0
ABSENT: 0

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the NAMPA AND MERIDIAN IRRIGATION DISTRICT at a regular meeting of said District held 21 April, 1981.


Secretary of the

NAMPA AND MERIDIAN IRRIGATION DISTRICT

NEW YORK IRRIGATION DISTRICT
BOISE, IDAHO

RESOLUTION
AUTHORIZING EXECUTION OF AN APPLICATION TO THE
FEDERAL ENERGY REGULATORY COMMISSION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

At a regular meeting of the NEW YORK IRRIGATION DISTRICT held at the office of said District on the 5th day of May, 1981 the following resolution was approved and adopted:

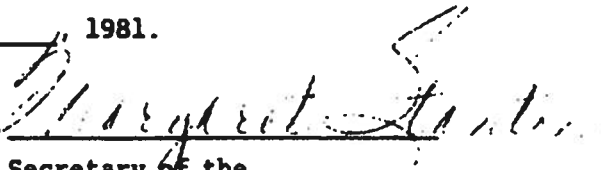
BE AND IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF NEW YORK IRRIGATION DISTRICT that said District join with the other Districts comprising the Arrowrock division of the Boise Project in executing an application to the Federal Energy Regulatory Commission for an exemption for the Fargo #1 Hydroelectric Facility from certain provisions of the Federal Power Act.

BE IT FURTHER RESOLVED BY NEW YORK IRRIGATION DISTRICT that upon the concurrence of the other Districts comprising the Boise Project, that the Chairman and Secretary of the BOISE PROJECT BOARD OF CONTROL be, and they hereby are, authorized and directed to execute such an application on behalf of NEW YORK IRRIGATION DISTRICT.

PASSED AND ADOPTED at a regular meeting of the NEW YORK IRRIGATION DISTRICT on the 5th day of May, 1981 by the following vote:

AYES: 3
NOES: 0
ABSENT: 0

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the NEW YORK IRRIGATION DISTRICT at a regular meeting of said District held May 5th 1981.


Secretary of the
NEW YORK IRRIGATION DISTRICT

WILDER IRRIGATION DISTRICT
CALDWELL, IDAHO

RESOLUTION
AUTHORIZING EXECUTION OF AN APPLICATION TO THE
FEDERAL ENERGY REGULATORY COMMISSION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

At a regular meeting of the WILDER IRRIGATION DISTRICT held at the office of said District on the 5th day of May, 1981 the following resolution was approved and adopted:

BE AND IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF WILDER IRRIGATION DISTRICT that said District join with the other Districts comprising the Arrowrock division of the Boise Project in executing an application to the Federal Energy Regulatory Commission for an exemption for the Fargo #1 Hydroelectric Facility from certain provisions of the Federal Power Act.

BE IT FURTHER RESOLVED BY WILDER IRRIGATION DISTRICT that upon the concurrence of the other Districts comprising the Boise Project, that the Chairman and Secretary of the BOISE PROJECT BOARD OF CONTROL be, and they hereby are, authorized and directed to execute such an application on behalf of WILDER IRRIGATION DISTRICT.

PASSED AND ADOPTED at a regular meeting of the WILDER IRRIGATION DISTRICT on the 5th day of May, 1981 by the following vote:

AYES: 6
NOES: 0
ABSENT: 0

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the WILDER IRRIGATION DISTRICT at a regular meeting of said District held May 5, 1981.

Dale L. Sargent
Secretary of the
WILDER IRRIGATION DISTRICT

BIG BEND IRRIGATION DISTRICT
NYSSA, OREGON

RESOLUTION
AUTHORIZING EXECUTION OF AN APPLICATION TO THE
FEDERAL ENERGY REGULATORY COMMISSION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

At a regular meeting of the BIG BEND IRRIGATION DISTRICT held at the office of said District on the 5th day of may, 1981 the following resolution was approved and adopted:

BE AND IT IS HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF BIG BEND IRRIGATION DISTRICT that said District join with the other Districts comprising the Arrowrock division of the Boise Project in executing an application to the Federal Energy Regulatory Commission for an exemption for the Fargo #1 Hydroelectric Facility from certain provisions of the Federal Power Act.

BE IT FURTHER RESOLVED BY BIG BEND IRRIGATION DISTRICT that upon the concurrence of the other Districts comprising the Boise Project, that the Chairman and Secretary of the BOISE PROJECT BOARD OF CONTROL be, and they hereby are, authorized and directed to execute such an application on behalf of BIG BEND IRRIGATION DISTRICT.

PASSED AND ADOPTED at a regular meeting of the BIG BEND IRRIGATION DISTRICT on the 5th day of may, 1981 by the following vote:

AYES: 1

NOES:

ABSENT:

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the BIG BEND IRRIGATION DISTRICT at a regular meeting of said District held may 5th, 1981.


Secretary of the
BIG BEND IRRIGATION DISTRICT

BOISE PROJECT BOARD OF CONTROL

RESOLUTION

AUTHORIZING EXECUTION OF AN APPLICATION TO THE
FEDERAL ENERGY REGULATORY COMMISSION FOR EXEMPTION
FOR SMALL CONDUIT HYDROELECTRIC FACILITY

May 30 4 29 PM '81
RECEIVED
SECRETARY

At a regular meeting of the Boise Project Board of Control held at the office of said Board of Control on the 6TH day of May, 1981 the following resolution was approved and adopted:

BE AND IT IS HEREBY RESOLVED that the Chairman and Secretary are authorized and directed, on behalf of the five irrigation districts comprising the Boise Project Board of Control, and in accordance with the individual resolutions passed by the Districts, to execute an application to the Federal Energy Regulatory Commission for an exemption for the Fargo #1 Hydroelectric Facility from certain provisions of Part I of the Federal Power Act.

PASSED AND ADOPTED at a regular meeting of the Boise Project Board of Control on the 6TH day of May, 1981 by the following vote:

AYES: 8
NOES: 0
ABSENT: 0

ATTEST: I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the Boise Project Board of Control at a regular meeting of said Board held May 6TH, 1981.


Secretary of the
Boise Project
Board of Control

VERIFICATION

State of Idaho)_{ss}
County of Ada)

JUN 30 4 25 PM '81
FEDERAL
RECORDING
COMMISSION

Mr. William Bienapfl, being first duly sworn, deposes and says:

That he is Chairman of the Boise Project Board of Control, and is Agent for the Applicants of the Small Conduit Hydroelectric Facility Exemption Application; that he has read the foregoing Application and knows the contents thereof; and that the same are true to the best of his knowledge and belief.

W.P. Bienapfl
Chairman
Boise Project Board of Control

Subscribed and sworn to before me this 18 day of June, 1981.

Margaret Stanton
Notary Public
Residing at Boise, Idaho

(SEAL)

Jun 30 4 28 PM '81
FEDERAL ENERGY
COMMISSION

EXHIBIT A

**BOISE PROJECT
FARGO DROP #1
HYDROELECTRIC PROJECT**

JUN 25 4 25 PM '81
FEDERAL ENERGY
COMMISSION
WASHINGTON, D.C.

Legal Description

Diversion and Powerhouse: SW 1/4 of NE 1/4 Section 2, T.3N., R.5W.

Project Description

Fargo Drop #1 is located approximately 3-1/2 miles south of Wilder, Idaho, and is a diversion from the Deer Flat Low Line Canal to the Fargo High Line Canal (see Exhibit B Drawing). Existing facilities consist of a check structure and diversion structure in the Deer Flat Low Line Canal, a 48" diameter concrete underground pipe and a concrete energy dissipation structure which forms the headworks for the Fargo High Line Canal. Approximately 90 feet of hydraulic head is developed at this drop which is planned to be used to power hydroelectric turbines. Development plans provide for a 42" diameter penstock to be constructed adjacent to the existing underground conduit and within the existing irrigation easement. Approximately 100 cfs will flow through the penstock to a powerhouse structure located immediately adjacent to the existing energy dissipation structure. The turbine-generators would include two 325 kW units, giving an average annual energy production of 2,427,352 kWh, based on 6-month operation. The headwork structure for the penstock will be constructed just upstream of the existing headworks to the underground pipe. It is planned that the 900 foot penstock be buried so as to minimize its visual impact and further reduce any maintenance or vandalism on this power installation. The powerhouse is to be a reinforced concrete foundation with either a wood or metal superstructure and roof.

All existing canal and diversion structures and the underground pipe will be retained to facilitate irrigation water flow when the penstock and powerhouse are not in use.

No environmental problems are foreseen on this project due to geographical location and absence of fishery. However, affected State and Federal agencies

will be contacted for any comments, terms and conditions necessary for development. An assessment performed by J-U-B ENGINEERS, Inc., Boise, Idaho, has indicated the project appears to be technically feasible, economically attractive and environmentally sound. The project is of particular significance because it develops a renewable resource to replace energy which, in the future, would be generated by less environmentally acceptable means.

The following Table 1 summarizes the necessary statistics.

TABLE 1
FARGO DROP #1 HYDRO PROJECT

EXISTING CONDUIT - Deer Flat Low Line Canal into Fargo High Line Canal

PRESENT USE - Consumptive, agricultural

EXISTING FACILITIES

Diversion structure

Pipe - concrete, underground, 48" diameter.

Dissipation structure with headgates to the Fargo High Line Canal

PROPOSED FACILITIES

Inlet Structure to penstock with automatic control gates

Penstock - Single 42", 900 ft. long, buried, steel, bifurcated at powerhouse

Powerhouse - concrete slab on existing supports, steel-clad superstructure atop existing dissipation structure

Tailrace - existing dissipating structure with discharge directed into Fargo High Line Canal and into existing glory hole.

CONDITIONS OF SERVICE

Operating Head - 90 ft.

Flow - 100 cfs (see flow data, Appendix)

TURBINE UNITS

Quantity - 2

Hydraulic Capacity - 50 cfs

Type - vertical, fixed hydraulic geometry

Manufacture - to be determined pending bid

GENERATOR UNITS

Quantity - 2

Rating - 325 kW each

Type - asynchronous

Manufacture - to be determined pending bid

MODE OF OPERATION - Automatic Control

DURATION OF OPERATION - 6 months/yr. (Irrigation Season)

ENERGY PRODUCTION - 2,427,352 kWh/yr. (estimated)

GENERATION AND TRANSMISSION

Generate at - 480 V (3 phase)

Step up to - 20 kV (3 phase)

Utility line voltage - 34.5 kV (20 kV line to neutral)

Intertie point location - 1/4 mile north of site

Nearest substation - Homedale Substation

JUN 30 4 23 PM '81
FEDERAL
REGISTRATION
COMMISSION

EXHIBIT B

EXHIBIT B

OWNERSHIP OF LAND WITHIN THE PROPOSED BOUNDARY
FOR THE SMALL CONDUIT HYDROELECTRIC FACILITY

JUN 30 4 26 PM '81
FEDERAL
REGULATORY
COMMISSION

The parcels of land which are within the proposed boundary of the Fargo Drop #1 Hydroelectric Facility are located entirely on "non-Federal lands" as defined in Section 4.91(e) of Subpart J, Part 4, Subchapter B, Chapter 1 of Title 18, Code of Federal Regulations.

The Water and Power Resources Service of the United States Department of Interior has stated in their May 14, 1981, letter that the Fargo Drop #1 and related right-of-ways and facilities "are reserved from the land as an easement under the Act of August 30, 1980." The letter and "Act" are provided herein as Exhibits B-1 and B-2. Therefore, the Fargo Drop #1 is located on an easement only and the fee title for land under the canal resides with the adjoining landowners.

Refer to Exhibit B for the map of the proposed project boundaries.



United States Department of the Interior

WATER AND POWER RESOURCES SERVICE
CENTRAL SNAKE PROJECTS OFFICE
214 BROADWAY AVENUE
BOISE, IDAHO 83702

IN REPLY
REFER TO
320
770.

May 14, 1981

JUN 30 4 28 PM '81
FEDERAL
REGULATORY
COMMISSION

Mr. Marc Auth, Project Coordinator
J.U.B. Engineers, Inc.
250 South Beechwood Avenue, Suite #1
Boise, Idaho 83709

Dear Mr. Auth:

Please refer to your letter No. 25029 dated March 27, 1981, concerning interest held by the United States in the Fargo Drop #1 within the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of section 2, T.3N., R. 5W., B.M.

All of the Fargo Drop #1 and related right-of-way and facilities as they exist within the above mentioned 40 acre-tract are owned by the United States and are reserved from the land as an easement under the Act of August 30, 1890, with the exception of that portion of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ of section 2, T.3N., R.5W., B.M., marked in yellow on the attached plat. This parcel was acquired as a donated easement in 1910.

A copy of the annotated Act of August 30, 1890, and a plat showing right-of-way widths are enclosed for your reference.

Sincerely,

Bob Brown
Project Superintendent

Enclosures

October 2, 1888

August 30, 1890

17

IRRIGATION SURVEYS; RESERVOIR SITES

16

or selected shall remain segregated and reserved from entry or settlement as provided by said act, until otherwise provided by law, and reservoir sites hereafter located or selected on public lands shall in like manner be reserved from the date of the location or selection thereof."

1891 Supplementary Provision. Section 17 of the Act of March 3, 1891, 26 Stat. 1101, provides in part: "SEC. 17. That reservoir sites located or selected and to be located and selected under the provisions of [the Act of October 2, 1888], and amendments thereto, shall be restricted to and shall contain only so much land as is actually necessary for the construction and maintenance of reservoirs; excluding so far as practicable lands occupied by actual settlers at the date of the location of said reservoirs. * * *"

Codification. An interpretation of the 1888 law, as amended by the 1890 and 1891 Acts, appears as 43 U.S.C. §§ 662, 663.

Legislative History, 1890 Amendment. Congressional debate on the question of repeal of the 1888 provision can be found at 21 Cong. Rec. 7269-7987, 8270-9156 (1890).

1897 Supplementary Provision. The Act of February 26, 1897, 29 Stat. 599, provides: "All reservoir sites reserved or to be reserved shall be open to use and occupation under the right-of-way Act of March third,

eighteen hundred and ninety-one. And any State is hereby authorized to improve and occupy such reservoir sites to the same extent as an individual or private corporation, under such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That the charges for water coming in whole or part from reservoir sites used or occupied under the provisions of this Act shall always be subject to the control and regulation of the respective States and Territories in which such reservoirs are in whole or part situate." (43 U.S.C. § 664)

1899 Supplementary Provision. The Act of March 3, 1899, 30 Stat. 1214, 1239, provides in part: "That in the form provided by existing law the Secretary of the Interior may file and approve surveys and plats of any right of way for a wagon road, railroad, or other highway over and across any forest reservation or reservoir site when in his judgment the public interests will not be injuriously affected thereby." (43 U.S.C. § 665, 43 U.S.C. § 958, and 16 U.S.C. § 525)

Prior Authorization. The surveys for which this act appropriated funds were authorized by the Joint Resolution of March 20, 1888, No. 7, 25 Stat. 618.

Editor's Note, Annotations. Annotations of opinions are included only to the extent deemed relevant to activities of the Bureau of Reclamation under this statute.

NOTES OF OPINIONS

Construction with other laws 2

Effect of 1888 Act 1

1. Effect of 1888 Act

The provision reserving from sale or entry lands designated or selected for reservoirs, ditches, or canals for irrigation purposes, and also lands made susceptible of irrigation by such reservoirs, ditches, or canals, operates as an immediate withdrawal of the lands thus described from entry and settlement. 19 Op. Atty. Gen. 564 (May 24, 1890).

2. Construction with other laws

The provisions of section 18 of the Act of March 3, 1891, 26 Stat. 1101, granting a right-of-way through the public lands and reservations of the United States to canal and ditch companies, do not contemplate the allowance of such rights over lands reserved by the Government for reservoir sites under the Acts of October 2, 1888, and August 30, 1890. *Blue Water Land and Irrigation Co.*, 23 I.D. 275 (1896).

RIGHTS OF WAY RESERVED TO UNITED STATES FOR CANALS AND DITCHES

[Extract from] An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1891, and for other purposes. (Act of August 30, 1890, ch. 837, 26 Stat. 371)

* * * * *

[Land patents shall reserve right of way for Government canals and ditches.]—* * * In all patents for lands hereafter taken up under any of the land laws of the United States or on entries or claims validated by this act, west of the one hundredth meridian, it shall be expressed that there is reserved from the lands in said patent described, a right of way thereon for ditches or canals constructed by the authority of the United States. (26 Stat. 391; 43 U.S.C. § 945)

EXPLANATORY NOTES

1964 and 1966 Modifications. The 1890 Act reservation of rights-of-way for canals and ditches was substantially modified insofar as the Department of the Interior is concerned by the Act of September 2, 1964, 78 Stat. 808, which directs the Secretary of the Interior to pay just compensation for private land utilized for canals or ditches in connection with any reclamation project if the construction of the ditches or canals began after January 1, 1961. The Act of October 4, 1966, extended the same remedy to rights-of-way reserved under State statute, and gave district courts jurisdiction in suits for compensation. Both the 1964

and 1966 Acts appear herein in chronological order.

Popular Name. This provision is sometimes referred to as the Canal Act.

Editor's Note, Annotations. Annotations of opinions are included only to the extent deemed relevant to activities of the Bureau of Reclamation under this statute.

Legislative History. Debate in Congress as to right-of-way provision of Act of August 30, 1890: 21 Congressional Record, 51st Congress, 1st Sess., pages 7774, 7877, 7930, 8275, 8323, 8329, 9139, 9151, 9152, 9154, 9155. Executive Document No. 136, Senate, 51st Cong., 1st Sess.

NOTES OF OPINIONS

Compensation 9
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General 5
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Purpose of canals and ditches 3
Railroad lands 7
Subsurface estate excluded 8
Time of construction of canals and ditches 2

1. Purpose of Act

By a series of acts and resolutions beginning as early as 1888, Congress unmistakably declared a purpose to reclaim arid lands. *United States v. Van Horn*, 197 Fed. 611 (D. Colo. 1912).

This provision must be construed in the light of the known purpose of the Govern-

ment to reclaim its arid lands by conducting water upon them, and it is not void for indefiniteness because the right of way reserved is not specifically described, but is within the undoubted powers of Congress and valid. *Ibid.*

Under the provisions of the Act of August 30, 1890, it was the evident intention of Congress to reserve perpetually to the Government an easement and right of way through and over any and all lands west of the one hundredth meridian that the Government might grant to settlers and purchasers subsequent to the passage of the act, and to thereby reserve the easement and right of way for the construction, maintenance, and operation of any ditches and canals the Government may construct at any time in the future for the irrigation and reclamation of arid lands. *Green v. White*, 14 Idaho 238, 93 Pac. 971 (1908).

A contract for sale of land subject to a

August 30, 1890

canal right-of-way to the United States under the 1890 Act may be rescinded where the purchaser had neither actual nor constructive notice of the reservation, *Cosby v. Dansiger*, 38 Cal. App. 204, 175 Pac. 809 (1918), but may not be rescinded where the original patent containing the reservation was placed in record in the county long before the contract was entered into. *Dopps v. Alderman*, 12 Wash. 2d 290, 121 P. 2d 388 (1942).

2. Time of construction of canals and ditches

The Act of August 30, 1890, 26 Stat. 391, in providing that, in all patents issued under the public land laws for lands west of the one hundredth meridian, there should be expressly reserved rights of way "for ditches or canals constructed by the authority of the United States," is to be construed, in the light of the circumstances that prompted it, as including canals and ditches constructed after issuance of patent as well as those constructed before. *Ida v. United States*, 263 U.S. 497 (1924), *affirming United States v. Ida*, 277 Fed. 373 (C.C.A. Wyo. 1921).

The word "constructed," as used in the Act of August 30, 1890, has a general reference and application to ditches or canals constructed by authority of the United States, without reference to the time of such construction. *Green v. Wilhite*, 14 Idaho 238, 93 Pac. 971 (1908).

The word "constructed" as so used does not limit the reservation to a right of way for ditches already constructed, but extends as well to those "to be constructed" by the Government in furtherance of its irrigation scheme for the reclamation of arid lands. *Green v. Wilhite*, 160 Fed. 755 (C.C. Ida. 1906).

3. Purpose of canals and ditches

So long as the Reclamation Service can apply surplus water appropriated for a project to a beneficial use, although on lands outside the project, and thus lessen the cost to lands within the project, it is within the scope of its authority and the service may acquire rights of way under the Act of August 30, 1890, 26 Stat. 391. *Griffiths v. Cole*, 264 Fed. 369 (D. Idaho 1919).

A right-of-way reserved under the Canal Act may be used by the National Park Service for the construction of a pipe line to convey water for domestic purposes. Acting Solicitor Cohen Opinion, 58 I.D. 490 (1943).

4. Drainage ditches and wells

The expression "ditches or canals constructed by the authority of the United

States" as used in the right of way Act of August 30, 1890, 26 Stat. 391, includes the necessary waste and drainage ditches upon a Federal reclamation project. Opinion Chief Counsel, June 10, 1918, Grand Valley project. See *Reclamation Record*, July, 1918, p. 328.

The 1890 Act makes sites for drainage wells available. Teletype of Associate Solicitor Fisher to Regional Solicitor, Los Angeles, October 8, 1959, in re Wellton-Mohawk division, Gila project.

Although a right-of-way reserved to the United States under the 1890 Act would not extend to the drilling of a well to develop a new supply of underground water, it would permit the drilling of a well to prevent seepage loss from the canal. Memorandum of Deputy Solicitor Fisher to Regional Solicitor, Los Angeles, May 24, 1961.

5. Lands affected—General

This provision applies only to entries under the public or general land laws. Instructions, 32 L.D. 147 (1903).

All subsequent entrymen take their land subject to the right of the United States to construct ditches and canals over it whenever and wherever required in carrying out any of its reclamation projects. *United States v. Van Horn*, 197 Fed. 611 (D. Colo. 1912).

Under this provision the Government has full authority to construct canals or ditches over any such lands in connection with reclamation projects. Instructions, 36 L.D. 482 (1908).

If the actual disposition occurred after the passage of the act, the land was undoubtedly "taken up" within the meaning of those words as used in the act, and this would be so whether the disposition occurred through allotment, sale, homestead, or other manner of disposition. *Clement Ironshields*, 40 L.D. 28 (1911).

6. —Indian lands

Where, however, in certain reservations set apart for Indian occupancy, particular tracts have been set apart, actually occupied, or improved under some usage or custom, with a view to ultimate allotment to an Indian prior to the passage of the act, the tracts being afterwards allotted, such tracts must be considered as having been "taken up" prior to the passage of the act. *Clement Ironshields*, 40 L.D. 28 (1911).

The Act of June 15, 1880, ch. 223, sec. 3, 21 Stat. 203, providing for allotment in severalty of lands of the Ute Indian Reservation in Colorado, further provides that "all lands not so allotted shall be held and

August 30, 1890

deemed to be public lands of the United States and subject to disposal under the laws providing for the disposal of the public lands at the same price and on the same terms as other lands of like character, *** provided that *** said lands *** shall be subject to cash entry only in accordance with existing law." Held, that it was competent for Congress to change the manner of disposition of such lands insofar as third parties were concerned, and that persons taking preemptions thereon after the passage of the Act of August 30, 1890, ch. 837, sec. 1, 26 Stat. 391, reserving from all public lands thereafter taken up right of way for ditches and canals constructed by the authority of the United States, took them subject to such provision. *United States v. Van Horn*, 197 Fed. 611 (D. Colo. 1912).

The provisions of this act do not operate to reserve a right-of-way across the tribal lands of the Flathead Indians since the lands were by statute in tribal status in 1890 and such lands do not become subject to such right-of-way by being allotted; however, a contrary past administrative interpretation of this statute does not give rise to a redressible claim against the Government. Solicitor Gardner Opinion, 58 I.D. 319 (1943).

The Canal Act does not apply to tribal lands of Indian reservations established by treaty prior to August 30, 1890, because such lands were not subject to disposal under the land laws; and although past practice has reserved rights-of-way in lands from such reservations allotted to individual Indians after 1890, under revised concepts of Indian rights, compensation should be paid to such allottees in the future when rights-of-way are taken. Solicitor Gardner Opinion, 58 I.D. 319 (1943).

The Department is not required as a matter of law to reserve a right-of-way for ditches or canals in patenting to an individual Indian or his successor an allotment out of an Indian reservation created from the public domain after August 30, 1890. Solicitor White Opinion, 59 I.D. 461 (1947).

The allottees of the Yuma Reservation are entitled to compensation for interceptor drains across their lands in connection with the All-American Canal even though construction was completed in 1941. An exception will be recognized in this case from the conclusion in Solicitor's Opinion M-31156, 58 I.D. 319 (1943) that allowance of compensation should not be applied retroactively because final settlement with the Yuma Indians had been expressly held in abeyance pending a decision by the Department. Solicitor White Opinion, M-34842 (January 22, 1947).

7. —Railroad lands

This act does not apply to railroad rights-of-way acquired under the provisions of the Act of March 3, 1875, ch. 152, 18 Stat. 462. *Minidoka and S.W.R. Co. v. Weymouth*, 19 Idaho 234, 113 Pac. 455 (1911).

In referring to lands "taken up" and land "entries" and lands "patented" it does not refer to or include easements and rights of way granted for specific purposes where the fee does not pass and where no patents are issued, and where the amount of land covered by the easement is not limited in area or extent. *Minidoka and S.W.R. Co. v. Weymouth*, 19 Idaho 234, 113 Pac. 455 (1911).

The United States may in the future reasonably acquire rights of way for ditches in furthering a reclamation project, in addition to those now occupied by existing canals, and that it may be entitled to reserve land therefor under this act, does not prevent a railroad company from occupying lands in *praesenti* legally conveyed to it within a reclamation reservation by a homestead entryman. *United States v. Minidoka & S.W.R. Co.* 176 Fed. 762 (C.C. Idaho 1910); *reversed* 190 Fed. 491 (1911); *affirmed* 235 U.S. 211 (1914).

The reservation of rights-of-way for canals and ditches required by this act to be inserted in patents for public lands west of the one hundredth meridian need not be inserted in patents issued for lands granted to railroad companies to which the grant of right of the company attached prior to the date of said act, but should be inserted in patents for lands covered by indemnity selections made by railroad companies, and in selections made by the Northern Pacific Railway Co., under the provisions of the Act of July 1, 1898, in all cases where such indemnity or other selections are approved subsequent to August 30, 1890. Instructions, 42 L.D. 396 (1912).

The Southern Pacific Company in 1916 filed a general map of the station grounds at Mohawk, Ariz., adjoining its rights-of-way and in 1936 filed for approval a map giving the exact location points. In 1929 the Bureau withdrew the land under a first form reclamation withdrawal for the Gila project. The General Land Office as a condition precedent to approval of the map, requested that a stipulation be signed making certain reservations to the United States. The First Assistant Secretary in decision A-20886 (July 24, 1937) held that the execution of the stipulation could not lawfully be required since the station grounds were private property at the time of the reclamation withdrawal and were not affected thereby. The station grounds were

held to be subject to the provisions of the Act of August 30, 1890, 26 Stat. 391, making reservations for ditch and canal rights-of-way.

Certain lands in the primary lists and limits of the grant of July 1, 1862, 12 Stat. 489, as amended July 2, 1864, 13 Stat. 356, to the Central Pacific Railroad Company and patented to the Company September 6, 1896, under said grant without reservation of rights-of-way for canals and ditches under the provisions of the proviso in the Act of August 30, 1890, may not be taken under authority of said proviso for a right-of-way for the Hyrum-Mendon canal, Utah, but must be acquired by purchase. Solicitor's Opinion, M-27671 (February 2, 1935).

8. Subsurface estate excluded

The Act of August 30, 1890, concerns itself solely and exclusively with easements or surface rights-of-way for ditches and canals constructed by the United States, and such easement or surface right does not include title to the oil and gas underlying the land constituting the right-of-way. *Northern Pac. Ry. v. United States*, 277 F. 2d 615 (10th Cir. 1960), reversing 169 F. Supp. 735 (D. Wyo. 1959).

9. Compensation

[Editor's Note. Compensation is now payable for canals and ditches constructed after January 1, 1961, as provided by the Act of September 2, 1964, as amended.]

Compensation must be made for gravel taken from a right-of-way acquired under this section for use off the right-of-way where found. Reclamation decision (July 26, 1913) in Belanger, Lower Yellowstone.

When the United States utilizes a right-of-way under this act, the landowner may be compensated for the actual value of his improvements on the right-of-way, but no allowance can be made for the resultant damages to the land. *Albert W. C. Smith*, 47 L.D. 158 (1919).

Where work under the Rio Grande canalization project on land entered or patented subject to canal right-of-way retained by the United States under the act of August 30, 1890, 26 Stat. 391, involves not only construction of irrigation ditches and canals, but also levees located several hundred feet on either side of the straightened channel of the river for the conveyance of floodwaters, payment of a reasonable price, not in excess of the appraised value, may be made for the additional area required for flood control purposes, but no payment may be made for the lands required purely for irrigation purposes, the right-of-way reserved under the act of

August 30, 1890

August 30, 1890, 26 Stat. 391, in the patents for the lands involved being with reference only to ditches and canals to convey water for the reclamation of arid lands by irrigation. Dec. Comp. Gen., A-95123 (May 31, 1938).

There is no authority for the assumption by the United States of one-half of the cost of removing and replacing a high-powered transmission line from across a right-of-way reserved to the United States, under the provisions of the Act of August 30, 1890, 26 Stat. 391, where such line interfered with the construction of a part of an irrigation system. 7 Comp. Gen. 217 (1927).

If the use by the government of a road sought to be condemned across defendant's land is reasonable and necessary for the construction, operation and maintenance of a government conduit constructed across the land, and such use will not increase the burden already imposed on the servient land by the government's right-of-way under the 1890 Act, then the owner has no compensable interest. *United States v. 5.61 Acres of Land, More or Less, in El Dorado County, California*, 148 F. Supp. 467 (N.D. Cal. 1957).

Where the United States utilizes a right-of-way under the 1890 Act, the landowner may be compensated for the actual value of improvements on the right-of-way, but no allowance can be made for severance or other resultant damages to the land itself. Consequently, there is no authority to construct a farm bridge over a canal that bisects a landowner's farm. Letter of Commissioner Dexheimer to Senator Mansfield, December 9, 1958.

It is the policy of the Bureau of Reclamation to compensate for crop damages occasioned by non-tortious activities of the Bureau during operation and maintenance under transmission line and pipe line easements no matter what the method of acquisition of the easement; and the fact that an easement for a tile drainage system was acquired under the 1890 Act poses no different problem. Memorandum of Associate Solicitor Hagan to Regional Solicitor, Los Angeles, May 19, 1964.

The Government in constructing the Cross Cut Canal on the Upper Snake River storage project, Idaho, lowered the water table, causing damage to the crops of Arthur Winters, the water level under whose land was held at the optimum level for subirrigation, partly by seepage from irrigated lands above, and partly by the use of an irrigation water supply. The United States had canal right-of-way under the Act of August 30, 1890. He made a claim for his crop loss. The Department held that the canal right-of-way belonging to the United

August 30, 1890

States could not be used in such a way as to injure the rights or property of the claimant, unless the claimant is compensated by the repayment of damages. Assistant Secretary decision, A-21167 (January 31, 1938).

10. Injunction suits

An injunction issued by a State court in a suit brought against the engineer in charge of a Government irrigation project and his foreman, as individuals, restraining the defendants and all persons under their control from entering upon certain lands and constructing a Government canal across the same, is not a bar to a suit in a Federal court by the United States to establish its right to construct such canal under the res-

ervation of right-of-way therefor contained in the Act of August 30, 1890, 26 Stat. 391, ch. 837, sec. 1, and to enjoin the owners of said lands, which were acquired under the public land laws after the passage of said act, from interfering with such construction. *United States v. Van Horn*, 197 Fed. 611 (D. Colo. 1912).

Equity has jurisdiction of a suit by the United States against the owners of lands acquired under the public land laws after the passage of this act to enjoin them from interfering with its construction of an irrigation canal over such lands under the reservation of right-of-way therefor contained in said act. *United States v. Van Horn*, 197 Fed. 611 (D. Colo. 1912).

OFFICE
JUN 30 4 28 PM '81
FEDERAL
REGULATORY
COMMISSION

EXHIBIT E

EXHIBIT E

JAN 30 4 45 PM '81
FEDERAL
ELECTRICITY
COMMISSION

I. DESCRIPTION OF ENVIRONMENTAL SETTING

- A) VEGETATIVE COVER Greasewood and similar shrubs, Sage grass and various annual forbs, bounded by farmland
- B) FISH & WILDLIFE RESOURCES none as indicated by Idaho Dept. of Fish & Game response through Idaho State clearinghouse notification, with exception (see letters of consultation, Appendix)
- C) LAND & WATER USES water use - irrigation (unaffected)
land use - Agricultural (unaffected)
- D) RECREATIONAL USES none as indicated by Idaho Department of Parks & Recreation
- E) HISTORICAL AND ARCHAEOLOGICAL RESOURCES None as indicated by Idaho State Historical Society (See Appendix).
- F) EFFECT ON WATER QUALITY none as indicated by Department of Health & Welfare Division of Environment
- G) ENDANGERED OR THREATENED PLANT OR ANIMAL SPECIES none as indicated by U.S. Fish & Wildlife Service, Ecological Services
- H) CRITICAL HABITATS none as indicated by U.S. Fish & Wildlife Service, Ecological Services

II. DESCRIPTION OF ENVIRONMENTAL IMPACT

- A) CONSTRUCTION & DEVELOPMENT Any disturbance to the land will be during construction only and confined within the project boundaries. Disturbed soil areas will gradually become covered with annual grasses. Following construction, no additional impacts on the area vegetation are expected. Little impact on area wildlife is anticipated, and only then during actual construction, expected to be in the off-irrigation season, which coincides with minimum wildlife activity. The power plant will be automatic in operation, with occasional maintenance visits; hence human activity at the site would be minimal. Other environmental impacts at the site would include water turbidity or siltation due to soil erosion. Erosion could be kept at a minimum, however, by means of hydroseeding the disturbed soil areas.

EXHIBIT E (Cont.)

- B) PROPOSED CHANGES TO EXISTING OPERATIONS none. Plant operation will be for six months, during irrigation flows. Discharge from the turbines will continue on for consumptive agricultural use.
- C) AGENCIES CONSULTED per Idaho State Clearinghouse Project Review Notification and U.S. Fish & Wildlife Service.
- D) DOCUMENTED CONSULTATION WITH PERTINENT AGENCIES (See Appendix)
TERMS & CONDITIONS (SPECIFY) provisions for preventing electrocution of raptors per U.S. Fish and Wildlife Service/Idaho Department of Fish & Game condition for approval (see Appendix for Idaho Power Company distribution standards relative to raptor-proofing transmission line poles.

OFFICE OF
JUN 30 4 28 PM '81
FEDERAL
REGULATORY
COMMISSION

EXHIBIT G

JUN 30 4 28 PM '81
FEDERAL ENERGY
REGULATORY
COMMISSION

APPENDIX

Letters of Consultation
Water Flow Data
Idaho Power Co. Standards



United States Department of the Interior

FISH AND WILDLIFE SERVICE
ECOLOGICAL SERVICES
4620 Overland Road, Room 209
Boise, Idaho 83705

May 5, 1981

Mr. Marc A. Auth
Project Coordinator
J-U-B Engineers, Inc.
250 South Beachwood Avenue, Suite 1
Boise, Idaho 83709

Dear Mr. Auth:

This responds to Mr. Robert Murphy's April 15, correspondence regarding our comments on the Boise Project Board of Control FERC Exemptions for 8 proposed hydropower projects. We regret any confusion that may have been caused by our letter of April 6. Also, we were not aware that Mr. Murphy's letter needed a response, or we would have replied sooner.

We understand that burying distribution lines may not always be economically feasible. While normally that would be our preference from an aesthetic and wildlife standpoint, we do not consistently object to the use of overhead distribution lines, especially if constructed in such a manner that electrocution of raptors will be precluded. Mr. Murphy's letter clearly indicated that such protection would be provided via use of the standards Idaho Power employs for this purpose. If implemented, we would have no objections to these projects.

Thank you for your cooperation. If we can be of further service, please let us know.

Sincerely yours,

Dennis G. Buechler
Field Supervisor

John V. Evans, Governor
Daniel T. Emborg, Administrator



State Capitol Building
Boise, Idaho 83720

DIVISION OF ECONOMIC AND COMMUNITY AFFAIRS

IDAHO STATE CLEARINGHOUSE

**PROJECT NOTIFICATION AND
REVIEW CLEARANCE**

APPLICANT: Boise Project Board of Control, Agent
214 Broadway
Boise, Idaho, 83702
Attn: Marc A. Auth 205 S. Beechwood Boise, Idaho 83709
(J U B Engineers)

TITLE Boise Project SAI# 00315670

FEDERAL AGENCY NA FCDA# NA

DATE PROCESSED March 27, 1981 DATE CLEARED April 27, 1981

This project was reviewed by the State Clearinghouse, Areawide Clearinghouse(s) and agencies listed below in accordance with OMB Circular A-95 requirements. Reviewer(s)' comments are attached.

Ida-Ore Regional Planning and Development Association
Department of Water Resources
Department of Fish and Game *Supportive - see comments attached.
Department of Health and Welfare/Division of Environment *Supportive - see comments attached.

State Clearinghouse findings:

 No comment XX Affirmative findings Needs attention

XX Remarks below/attached Negative findings/needs attention

STATE CLEARINGHOUSE COORDINATOR Maria M. Maltett (208) 334-3412





STATE OF IDAHO

DEPARTMENT OF FISH AND GAME

600 S. WALNUT ST. P.O. BOX 25
BOISE, IDAHO 83720

April 16, 1981

Ms. Gloria Mabbutt, Coordinator
Clearinghouse
Statehouse
Boise, ID 83720

Re: SAI#00315670

Dear Ms. Mabbutt:

Re: SAI#00315670, FERC Exemption Applications, Boise Project
Board of Control

- ✓ 1. Main Canal #6, (MC6), Hydroelectrical Project New York Canal - near Boise, Idaho.
- 2. Waldvogel Bluff Hydroelectric Project - two miles east of Melba, Idaho.
- 3. Main Canal #10 (MC10) Hydroelectrical Project - 1/8 mile south of Nampa, Idaho.
- 4. Low Line Drop #8, Hydroelectric Project - three miles east of Marsing, Idaho.
- 5. Fargo Drop #1, Hydroelectric Project - 3½ miles south of Wilder, Idaho.
- 6. Fargo Drop #2, Hydroelectric Project - 3½ miles south of Wilder, Idaho.
- 7. Golden Gate Drop, Hydroelectric Project - two miles south of Greenleaf, Idaho.
- 8. Arena Drop, Hydroelectric Project - three miles north and two miles west of Wilder, Idaho.

The referenced proposed project descriptions have been reviewed by our Department. Based on the descriptions supplied, we anticipate no significant impacts on fish and wildlife resources provided the transmission lines from the various projects are buried or, if above ground, are designed to prevent raptor mortalities.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jerry M. Conley".
Jerry M. Conley
Director

cc: USFWS (Buechler)
Region 3



STATE OF IDAHO

DEPARTMENT OF HEALTH
AND WELFARE

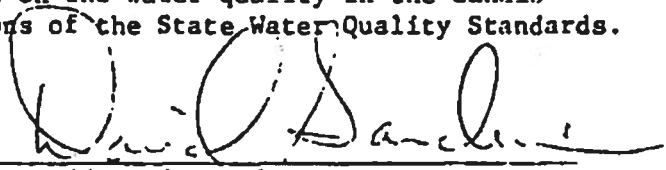
DIVISION OF ENVIRONMENT
Statehouse
Boise, Idaho 83720

801 Reserve Street
Boise, ID 83702

MEMORANDUM

TO: State Clearinghouse
FROM: David Sanders
DATE: March 31, 1981
SUBJECT: Boise Project Hydroelectric Facilities - SAI #00315670

These hydroelectric facilities are all located on canals. The facilities will not have any significant impact on the water quality in the canals and they will not cause any violations of the State Water Quality Standards.


H. David Sanders, P.E.
ENVIRONMENTAL SUPERVISOR

HDS/apk

IDAHO STATE HISTORICAL SOCIETY

610 NORTH JULIA DAVIS DRIVE BOISE, IDAHO 83706



STATE MUSEUM

May 15, 1981

Mr. Marc Auth
J-U-B Engineers
250 S. Beechwood
Boise, ID 83709

Dear Mr. Auth:

Thank you for sending information of the various hydroprojects proposed by the Boise Project Board of Control. Our comments are as follows:

✓ 1. Main Canal #6

The New York Canal is listed on the National Register of Historic Places. However, this project will have no effect on the qualities that make the canal eligible for the Register.

2. Waldvogel Bluff
3. Main Canal #10
4. Low Line Drop #8
5. Fargo Drop #1
6. Fargo Drop #2
7. Golden Gate Drop
8. Arena Drop

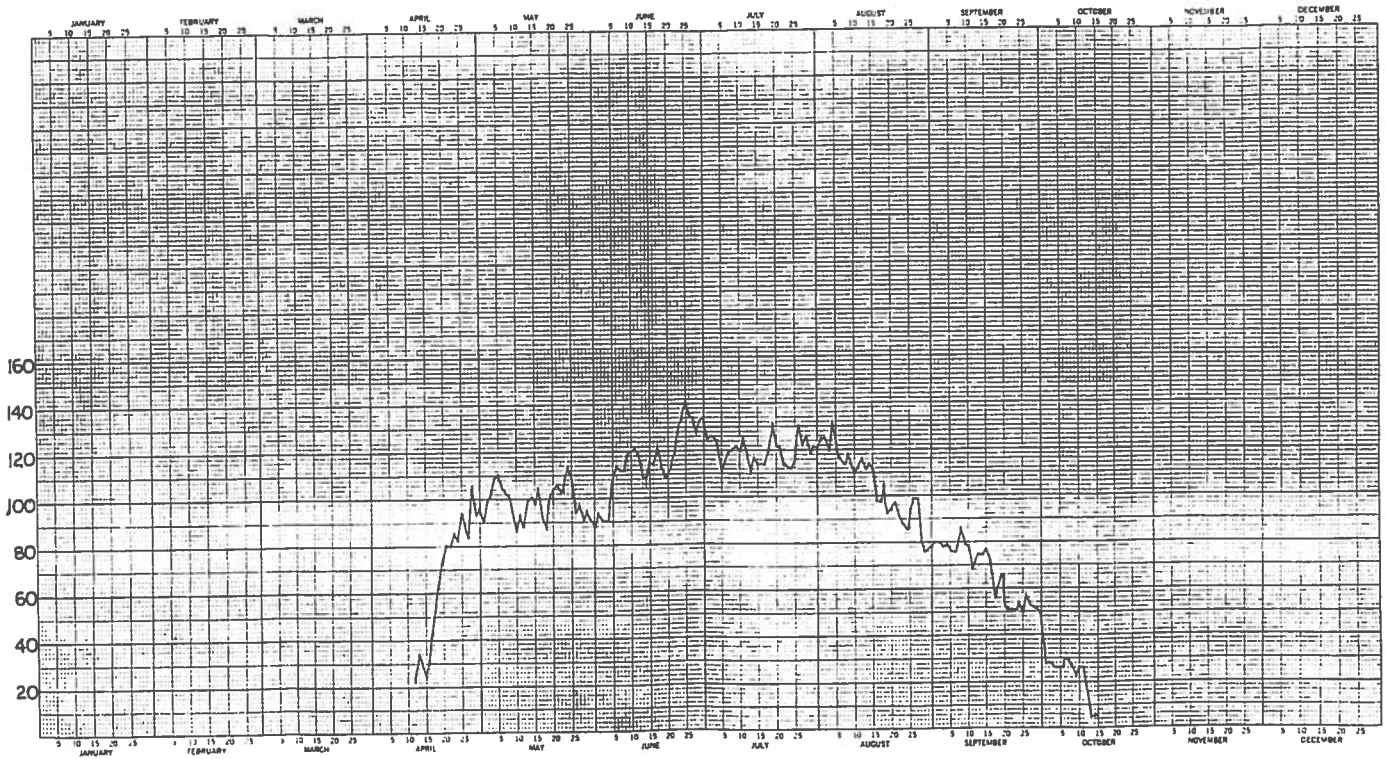
These projects will not affect archaeological or historic sites.

Sincerely,

Thomas J. Green
State Archaeologist
State Historic Preservation Office

TJG/kmh

FARGO DROP #1



0472813

ONE TEAM BY DAYS & THE DIVISIONS
CFS

04-09-20

Birds-of-Prey (Raptors) Protection

Recognizing that certain species of wildlife can be electrocuted through accidental contact with power lines and equipment, the Company has an active program to:

1. Identify the areas inhabited by raptors.
2. Investigate where electrocutions have occurred.
3. Recognize those areas where these birds have been shot, not electrocuted.
4. Modify existing structures for bird safety.
5. Design new structures to provide safe configurations.
6. Utilize the services of a nationally recognized authority on raptors.

Only a small percentage of the distribution structures in raptor areas are actually utilized by the birds for hunting and perching. These preferred structures are selected for reasons of height above terrain, availability of food, prevailing wind patterns, and other reasons. These preferred locations can be recognized by properly trained people, and it is these structures which should be modified, NOT all structures in an area.

One must also recognize that a substantial number of dead birds found near structures were killed by gunshot, rather than electrocution. Accordingly, in locations near rural roads or in hunting or target-practice areas, structures preferably should not provide convenient perches.

Eagles will seldom attempt to land on conductors or insulators. They prefer the more firm footing of a pole top or crossarm for a perch.

Conclusions following our detailed studies are that recently adopted "armless" configurations for new distribution structures do not present an electrocution hazard. Modification of selected existing structures practically eliminates chances of raptor electrocution. Several types of protective apparatus have been designed for installation on structures considered hazardous to these large birds.

Conductor arrangement must be such that a large bird cannot, at the same instant, contact two phases, or one phase and a neutral or a grounded object.

The following are recommended ways to provide protection with crossarm configurations:

1. Pole top pin (or bracket) and insulator supporting the center phase; crossarm mounted approximately 40 inches below the top of the pole; low neutral.
2. Pole top extension supporting the center phase approximately 40 inches above the top of the pole; crossarm mounted at its normal position; low neutral (details follow).
3. An attractive perch mounted at least 24 inches above any energized objects (details follow).
4. A conductor cover and insulator hood, placed on the center phase, extending about 6 feet each way from the insulator; low neutral (details follow).

Recommendation: Where wildlife electrocution problems exist, the General Office Distribution Engineering Department should be notified in order to assist and coordinate this protection program.

Revision:

Date: 10-73

Original: 10/73

IDAHO POWER COMPANY
DISTRIBUTION STANDARDS

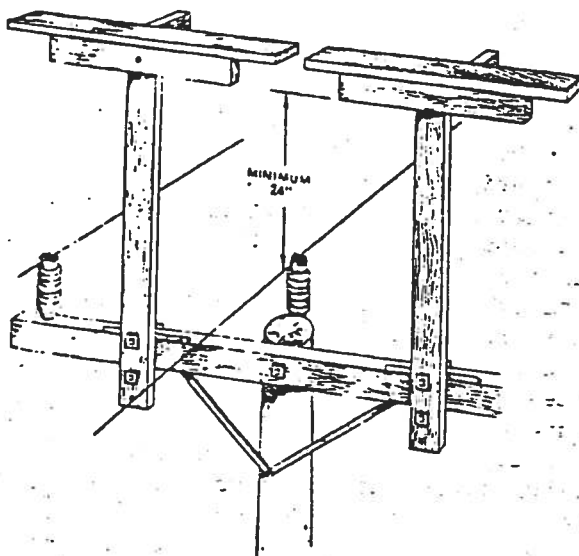
Miscellaneous
PRIMARY

04-09-21

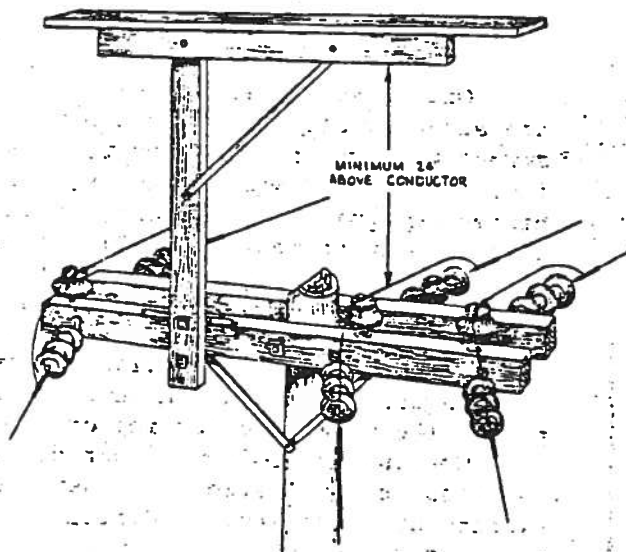
Birds-of-Prey (Raptors) Protection (continued)

Structure Modifications - Perches

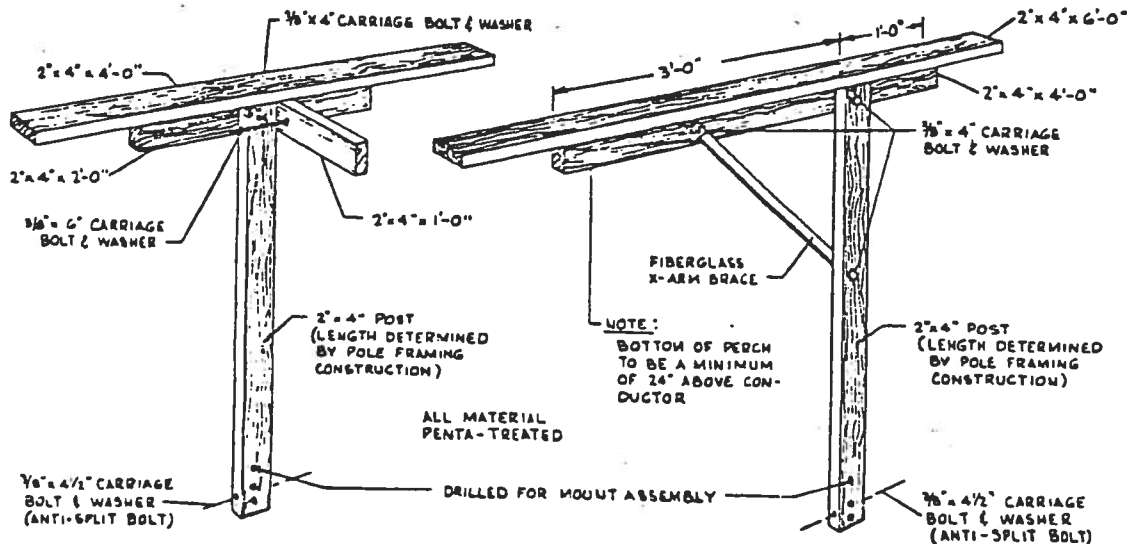
"T" Perch



Straight Perch



Typical Perch Applications



Perch Assembly Details

IDAHO POWER COMPANY
DISTRIBUTION STANDARDS

Miscellaneous
PRIMARY

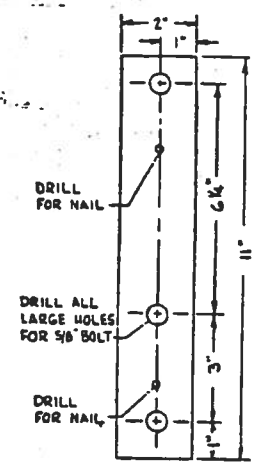
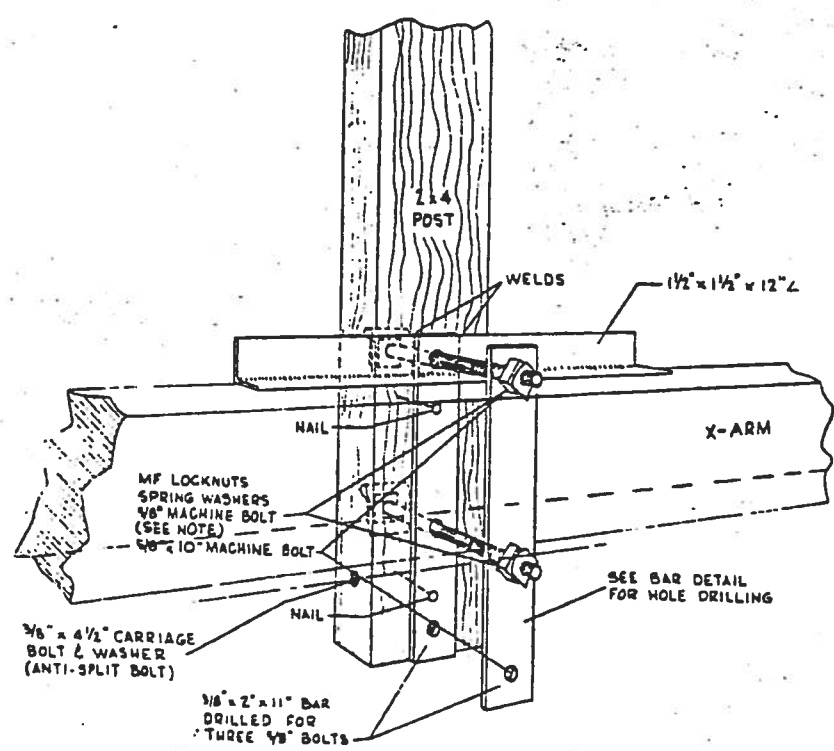
Revision:

Date: 10-73

Original: 5/83

04-09-22

Birds-of-Prey (Raptors) Protection
Structure Modifications - Perches (continued)



MOUNT BAR DETAIL

NOTE:
FOR LIGHT-DUTY X-ARM:
USE UPPER SET OF MOUNTING HOLES
USE 5/8" x 8" MACHINE BOLTS
FOR HEAVY-DUTY X-ARM:
USE LOWER SET OF MOUNTING HOLES
USE 5/8" x 10" MACHINE BOLTS

Crossarm Mount Assembly
For Straight and "T" Perches

Revision:

Date: 10-73

Original: 10-73

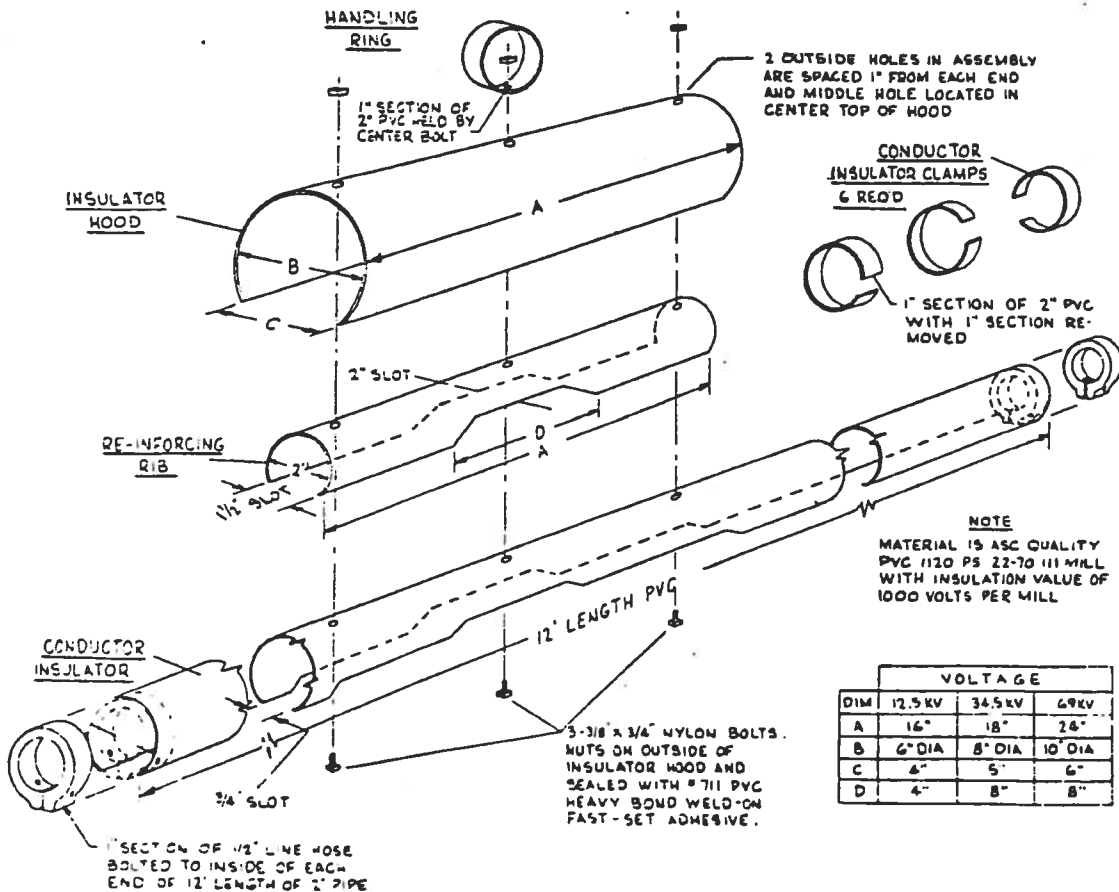
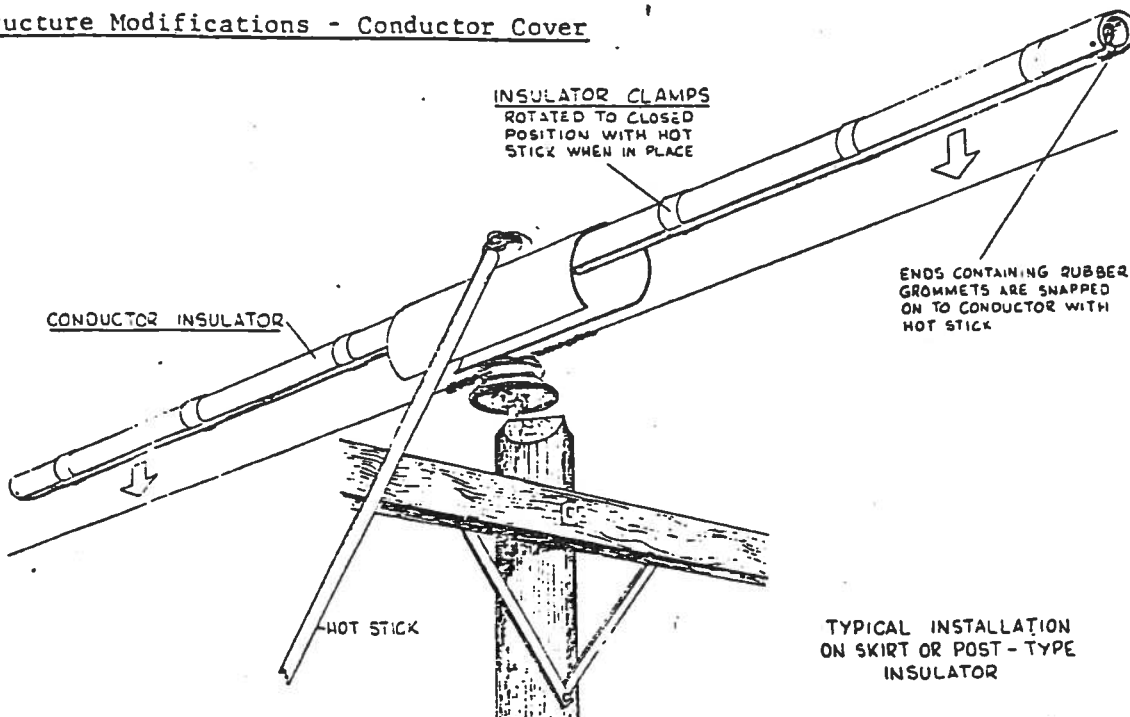
IDAHO POWER COMPANY
DISTRIBUTION STANDARDS

Miscellaneous
PRIMARY

Birds-of-Prey (Raptors) Protection (continued)

04-09-23

Structure Modifications - Conductor Cover



IDAHO POWER COMPANY
DISTRIBUTION STANDARDS

Miscellaneous
PRIMARY

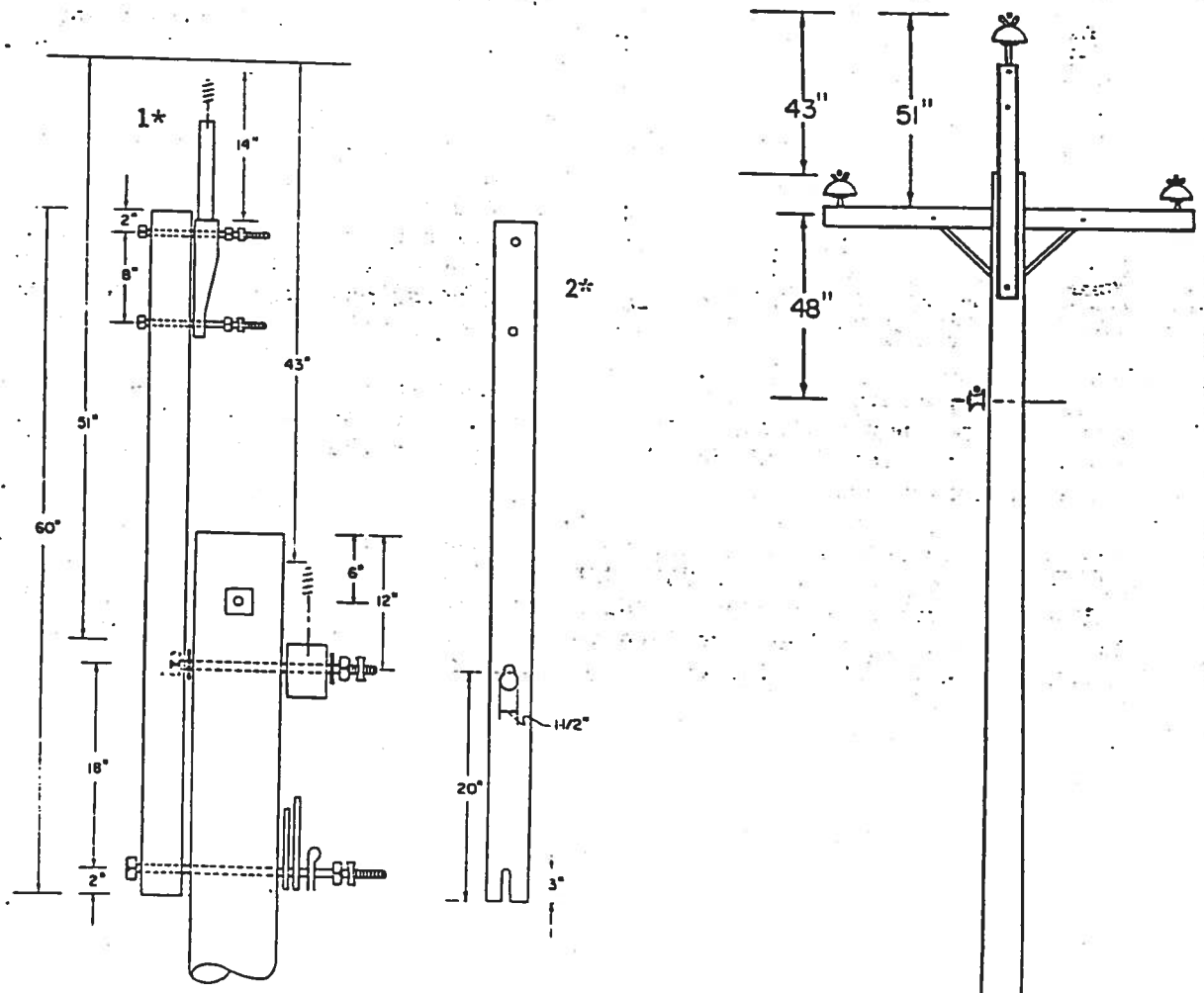
Revision:

Date: 10-73

Original

04-09-24

Birds-of-Prey (Raptors) Protection (continued)
Structure Modifications - Pole Top Extension



Assembly Detail

- * Notes:
1. Fiberglass pole top pin preferred.
 2. Fabricate from 3 inch galvanized steel pipe.

Revision: 9/75 *th*

Date: 10-73

Original *9/75*

IDAHO POWER COMPANY
DISTRIBUTION STANDARDS

Miscellaneous
PRIMARY

Mitigation Plan Evaluation Checklist

When the Department of Water Resources determines that the source of water is not sufficient to supply a proposed appropriation of water (Rule 45.01.b) or water right transfer, and approval would result in injury to other water rights, the applicant may mitigate to avoid denial of the proposed appropriation or transfer. A mitigation plan must offset the depletion of water associated with a new appropriation or transfer in quantity, time, location¹, and/or quality to protect senior water right holders. Use the following checklist to evaluate the mitigation plan. Attach additional pages if necessary.

- 1____ Why is mitigation required? Moratorium area? GWMA? CGWA? Fully appropriated source? Administrative hold? Other? (See the controlling order, policy memo, or management plan for guidance.)
- 2____ What water source is being protected by the mitigation requirement? _____
- 3____ What water source is proposed to be depleted by the applicant? _____
- 4____ How are the two water sources connected? _____
- 5____ Did the applicant provide an analysis estimating timing, quantity, and location, of the proposed depletion of the protected source? _____
- 6____ Is the source of mitigation water, including WR #s, identified? _____
- 7____ Does the applicant have authority or proper permission to use the mitigation rights? _____
- 8____ Are the mitigation rights valid, and are they sufficient for the required mitigation?
 - ____ historic use and availability of water: _____
 - ____ forfeiture has not occurred: _____
 - ____ overlapping rights: _____
 - ____ water quality: _____
 - ____ watermaster input: _____
- 9____ Does the mitigation plan call for replacement water or for non-use of water? Replacement water normally requires a separate filing, such as a transfer or Water Supply Bank rental, whereas non-use of water is normally addressed in the conditions of the new application or transfer approval. _____
- 10____ How will the new water diversion and the mitigation water both be measured and monitored for compliance to ensure that the enough mitigation water is provided at the correct location? _____
- 11____ Is the mitigation plan supported by a detailed hydrologic analysis, analytical model, or numerical model? (May need technical analysis or modeling from the Hydrology Section or reference to a prior similar plan.) _____

¹ The word "location" for ground water means both the ground-surface site and the aquifer from which the water is being withdrawn. The word "location" for surface water means within a reasonable distance of the point of diversion, taking into account other water right diversions and possible environmental concerns.