

Alliant Energy Corporate Services Legal Department 319-786-4807 Telephone

Kent M. Ragsdale Managing Attorney - Regulatory

October 24, 2012

Dr. Burl Haar, Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101-2147

RE: Interstate Power and Light Company Docket No. E,G001/AI-12-1157

Petition for Approval of Affiliated Interest Agreement

Dear Dr. Haar:

Enclosed for e-Filing please find Interstate Power and Light Company's (IPL) Petition for Approval of Affiliated Interest Agreement in the above-referenced docket.

Copies of this filing have been served on the Minnesota Department of Commerce, Division of Energy Resources, the Minnesota Office of Attorney General - Residential and Small Business Utilities Division and the attached service list.

Respectfully submitted,

/s/ Kent M. Ragsdale

Kent M. Ragsdale Managing Attorney - Regulatory

KMR/tao Enclosures

cc: Service List

Interstate Power and Light Company An Alliant Energy Company

Alliant Tower 200 First Street SE P.O. Box 351 Cedar Rapids, IA 52406-0351

Office: 1.800.822.4348 www.alliantenergy.com

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger David C. Boyd Phyllis A. Reha J. Dennis O'Brien Betsy Wergin Chair Commissioner Commissioner Commissioner Commissioner

IN THE MATTER OF INTERSTATE POWER AND LIGHT COMPANY'S PETITION FOR APPROVAL OF AN AFFILIATED INTEREST AGREEMENT

DOCKET NO. E,G001/AI-12-1157

AFFIDAVIT OF SERVICE

STATE OF IOWA)
) ss
COUNTY OF LINN)

Tonya A. O'Rourke, being first duly sworn on oath, deposes and states:

That on the 24th day of October, 2012, copies of the foregoing Affidavit of Service, together with Interstate Power and Light Company's Petition for Approval of Affiliated Interest Agreement, were served upon the parties on the attached service list, by e-filing, overnight delivery, electronic mail, facsimile and/or first-class mail, proper postage prepaid from Cedar Rapids, lowa.

<u>/s/ Tonya A. O'Rourke</u> Tonya A. O'Rourke

Subscribed and Sworn to Before Me this 24th day of October, 2012.

/s/ Kathleen J. Faine____

Kathleen J. Faine Notary Public My Commission Expires on February 20, 2015

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Bobby	Adam	bobby.adam@conagrafood s.com	ConAgra	Suite 5022 11 ConAgra Drive Omaha, NE 68102	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Julia	Anderson	Julia.Anderson@ag.state.m n.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
City	Attorney	N/A	City of Albert Lea	221 E Clark St Albert Lea, MN 56007	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
William A.	Blazar	bblazar@mnchamber.com	Minnesota Chamber Of Commerce	Suite 1500 400 Robert Street Nor St. Paul, MN 55101	Paper Service th	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Michael	Bradley	bradleym@moss- barnett.com	Moss & Barnett	4800 Wells Fargo Ctr 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Ronald	Giteck	ron.giteck@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
David	Grover	dgrover@itctransco.com	ITC Midwest	444 Cedar St Ste 1020 Saint Paul, MN 55101-2129	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Karen Finstad	Hammel	Karen.Hammel@ag.state. mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Annete	Henkel	mui@mnutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St.Paul, MN 55101	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Linda	Jensen	linda.s.jensen@ag.state.m n.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Jim	Krueger	jkrueger@fmcs.coop	Freeborn-Mower Cooperative Services	Box 611 Albert Lea, MN 56007	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Jenny L.	Myers	jmyers@iwla.org	Izaak Walton League of America	1619 Dayton Ave. Suite 202 St. Paul, MN 55104	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Carl	Nelson	cnelson@mncee.org	Center for Energy and Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Steven	Nyhus	swnyhus@flaherty- hood.com	Flaherty & Hood PA	525 Park St Ste 470 Saint Paul, MN 55103	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Kent	Ragsdale	kentragsdale@alliantenerg y.com	Alliant Energy-Interstate Power and Light Company	P.O. Box 351 200 First Street, SE Cedar Rapids, IA 524060351	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Richard	Savelkoul	rsavelkoul@martinsquires.c om	Martin & Squires, P.A.	444 Cedar St Ste 2050 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137 Minneapolis, MN 55402	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Matthew J.	Schuerger P.E.		Energy Systems Consulting Services, LLC	P.O. Box 16129 St. Paul, MN 55116	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Ron	Spangler, Jr.	rlspangler@otpco.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List
Robyn	Woeste	robynwoeste@alliantenerg y.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Paper Service	No	GEN_SL_Interstate Power and Light Company_Interstate Power and Light Comapnay General Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger David Boyd J. Dennis O'Brien Phyllis A. Reha Betsy Wergin Chair Commissioner Commissioner Commissioner

IN THE MATTER OF INTERSTATE POWER AND LIGHT COMPANY'S PETITION FOR APPROVAL OF AN AFFILIATED INTEREST AGREEMENT

DOCKET NO. E,G001/AI-12-1157

SUMMARY FILING

Please take notice that on October 24, 2012, Interstate Power and Light Company (IPL) filed with the Minnesota Public Utilities Commission (Commission) its petition for approval of an affiliated interest agreement between IPL and Franklin County Wind, LLC, a wholly owned subsidiary of Alliant Energy Corporation.

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger Chair
David C. Boyd Commissioner
J. Dennis O'Brien Commissioner
Phyllis A. Reha Commissioner
Betsy Wergin Commissioner

IN THE MATTER OF INTERSTATE POWER AND LIGHT COMPANY'S PETITION FOR APPROVAL OF AN AFFILIATED INTEREST AGREEMENT

DOCKET NO. E,G001/AI-12-1157

PETITION FOR APPROVAL OF AN AFFILIATED INTEREST AGREEMENT BETWEEN INTERSTATE POWER AND LIGHT COMPANY AND FRANKLIN COUNTY WIND, LLC

Pursuant to Minnesota Statute §216B.48, Minnesota Rule 7825.2200, and Order Initiating Repeal of Rule, Granting Generic Variance, and Clarifying Internal Operating Procedures in Docket No. E,G-999/CI-98-651 (Sept. 14, 1998), Interstate Power and Light Company (IPL) respectfully submits to the Minnesota Public Utilities Commission (Commission) a petition for approval of an affiliated interest agreement between IPL and Franklin County Wind, LLC (FCW), a wholly owned subsidiary of Alliant Energy Corporation (AEC).

I. SUMMARY OF FILING

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary of the filing is attached.

II. SERVICE

Pursuant to Minn. R. 7829.1300, subp. 2, IPL has served a copy of this Petition on the Office of Attorney General – Residential Utilities Division, Department of Commerce, and IPL's general service list.

III. GENERAL FILING INFORMATION

Pursuant to Minnesota Rule 7829.1300, subp. 4, IPL provides the following required information:

A. Name, Address, And Telephone Number Of Utility:

Interstate Power and Light Company 200 First Street SE PO Box 351 Cedar Rapids, Iowa 52406-0351 (800) 822-4348

B. Name, Address, And Telephone Number Of The Attorney for The Utility:

Kent Ragsdale 200 First Street SE PO Box 351 Cedar Rapids, Iowa 52406-0351 319-786-7765

C. The Date of The Filing and Date Proposed Agreement will Take Effect

This Petition is being filed on October 23, 2012. IPL requests approval of the Affiliate Services Agreement (Services Agreement) effective as of its execution date of September 24, 2012.

D. Statute Controlling Schedule For Processing The Filing

This Petition is being submitted pursuant to Minn. Stat. § 216B.48, and Minn. Rule Part 7825.2200. These provisions do not establish an explicit time deadline for

Commission action. Under Minn. Rule 7829.1400, initial comments are due within 30 days of filing, with replies due 10 days thereafter.

E. Signature and Title of the Utility Employee(s) Responsible For The Filing

Robyn Woeste Manager, Regulatory Affairs 200 First Street SE PO Box 351 Cedar Rapids, Iowa 52406-0351 319-786-4384

IV. DESCRIPTION AND PURPOSE OF FILING

IPL is a utility held by AEC, a public utility holding company pursuant to 18 C.F.R. § 366.1 and FCW is a limited liability corporation that is wholly owned by AEC. IPL requests approval to enter into the Services Agreement with its affiliate, FCW, per the attached Agreement, Exhibit A. The need for this Agreement arises out of the fact that, FCW is developing a windfarm formerly known as Whispering Willow Windfarm-Central, now referred to as the Franklin County Windfarm (FCWF), which is adjacent to IPL's recently developed windfarm known as Whispering Willow Windfarm-East (WWE). The intent of the Services Agreement is to provide a back-stop for FCW to utilize IPL for "reactive" work on FCWF, if another third party contractor is unavailable to perform work in a timely manner. It is not the intent of either FCW or IPL that FCW would use the Services Agreement for regularly scheduled, or planned work for FCWF.

The Services Agreement is reasonable and consistent with the public interest because it allows IPL ratepayers to benefit from any payments from FCW to IPL in the event FCW calls upon IPL to provide services on FCWF. As provided in the Services Agreement, IPL shall only be required to provide Services when available to serve FCWF without detriment to IPL's operations, and shall not incur any penalty or default in

the event IPL is required to discontinue Services to respond to IPL's operations or obligations.

V. AFFILIATED INTEREST FILING REQUIREMENTS

IPL respectfully provides the following information in support of its Petition and as required under Minn. Rules §7825.2200(B), and in compliance with the "Minimum Filing Requirements For All Affiliate Interest Filings" as set forth in the Commission's September 14, 1998, Order in Docket No. E,G-999/CI-98-651.

1. A heading that identifies the type of transaction.

Affiliate Services Agreement

2. The identity of the affiliated parties in the first sentence.

Interstate Power and Light Company and Franklin County Wind, LLC.

 A general description of the nature and terms of the agreement, including the effective date of the contract or arrangement and the length of the contract or arrangement

The intent of the Services Agreement is to provide a back-stop for FCW to utilize IPL for "reactive" work on FCWF, if another third party contractor is unavailable to perform work in a timely manner. It is not the intent of either FCW or IPL that FCW would use the Services Agreement for regularly scheduled, or planned work for FCWF.

The Agreement became effective on September 24, 2012 and shall be in effect for a period of one year and shall automatically renew for additional one-year periods. This Agreement may be terminated by either party on ten days written notice.

4. A list and the past history of all contracts or agreements outstanding between the petitioner and affiliated interest, the consideration received by the affiliated interest for such contracts or agreements, and a verified summary of the relevant cost records pertaining to the same.

i. <u>Transfer of Land Rights and Turbine Rights</u>

Past History

IPL transferred the land rights associated with Whispering Willow Windfarm-Central to FCW on June 29, 2011 at cost, which was determined to be equivalent to the current market price. Also on June 29, 2011, IPL transferred to FCW its right to purchase 60 Vestas wind turbine generators under the 2008 agreement between IPL, Vestas, IPL's sister utility Wisconsin Power and Light Company, and their service company, Alliant Energy Corporate Services, Inc. The cost associated for the right to the turbines was also evaluated and a determination was made that the market price was below cost, thus they were transferred at cost.

Consideration Received

The affiliated interest, FCW did not receive any consideration for these agreements or arrangements. The transfer of these non-utility assets were transferred to FCW, and FCW remitted to IPL the higher of cost or market. The market cost of the turbines was determined by analyzing confidential discussions with potential third party purchasers, market research, and industry reports, which led to the conclusion that the cost of the turbines surpassed the market value at the time of transfer. The market cost of the land and wind rights were

also analyzed using a series of quantitative and qualitative factors, and it was determined that the market value of the land and wind rights were equivalent to IPL's cost.

ii. Common Facilities Capacity Agreement (CFCA)

 Currently under review by the Commission in Docket No. E,G001/Al-12-32; executed on December 7, 2011.

iii. <u>IPL-FCW Land Lease Agreement</u>

 Currently under review by the Commission in Docket No. E,G001/Al-12-187; executed on February 1, 2012.

iv. <u>Telecommunications Sharing Agreement</u>

 Included as part of the past history section of the IPL – FCW Land Lease Agreement filing (Docket No. E,G001/AI-12-187) currently under review by the Commission.

v. <u>Local Balancing Authority Agreement</u>

- Currently under review by the Commission in Docket No. E,G001/Al-12-192; executed on February 7, 2012.
- 5. A descriptive summary of the pertinent facts and reasons why such contract or agreement is in the public interest.

• Public Interest

The Services Agreement is reasonable and consistent with the public interest because it allows IPL ratepayers allows IPL ratepayers to benefit from any payments from FCW to IPL in the event FCW calls upon IPL to provide services on FCWF.

Per the terms and conditions of Article 3 of the Services Agreement, IPL shall only be required to provide Services when available to serve FCWF without detriment to IPL's operations, and shall not incur any penalty or default in the event IPL is required to discontinue Services to respond to IPL's operations or obligations.

Competitive bidding

Competitive bidding was not sought before the Services Agreement was negotiated, however, the specific terms of the agreement provide that market prices will be sought before IPL receives compensation for any services provided. FCW has bargained for the opportunity to request IPL to supply reactive services for FCWF is third party vendors are not available. Per the terms and conditions of Article 4 of the Services Agreement, FCWF shall pay to IPL the higher of (a) the fair market value of the Services rendered or (b) IPL's fully loaded costs. This article of the Services Agreement also provides that fair market value shall be determined by comparison to regularly scheduled maintenance work provided to FCWF by other third party Contractors. Thus, the higher of market or cost standard is met.

6. The amount of compensation and, if applicable, a brief description of the cost allocation methodology or market information used to determine cost or price.

The affiliated interest, FCW, is not receiving compensation from IPL. IPL is receiving compensation from FCW. For the cost allocation methodology see section V.5.i above.

7. If the service or good acquired from an affiliate is competitively available, an explanation must be included stating whether competitive bidding was used and, if it was used, a copy of the proposal or a summary must be included. If it is not competitively bid, an explanation must be included stating why bidding was not used.

No good or service is being acquired from the affiliate, FCW. FCW is acquiring a good or service from IPL. Competitive bidding was not used, as described in section V above.

- 8. If the arrangement is in writing, a copy of that document must be attached.

 See Exhibit A.
- 9. Whether, as a result of the affiliate transaction, the affiliate would have access to customer information, such as customer name, address, usage or demographic information.

The affiliate, FCW, will not have access to IPL's customer information.

10. The filing must be verified.

See Exhibit B.

WHEREFORE, IPL respectfully requests that the Commission approve the Affiliate Services Agreement with an effective date of September 24, 2012.

Dated this 24th day of October 2012.

Respectfully submitted,

INTERSTATE POWER AND LIGHT COMPANY

By: /s/Kent M. Ragsdale

Kent M. Ragsdale
Managing Attorney – Regulatory
Alliant Energy Corporate Services, Inc.
200 First Street SE
PO Box 351
Cedar Rapids, Iowa 52406-0351
kentragsdale@alliantenergy.com
319-786-7765

AFFILIATE SERVICES AGREEMENT

This Affiliate Services Agreement ("Agreement"), dated as of September 24, 2012, by and between Franklin County Wind, LLC ("Company"), with offices at 4902 N. Biltmore Lane, Madison, WI 53718 and Interstate Power and Light Company, ("Contractor"), a corporation having its principal place of business at 200 First Street Southeast, Cedar Rapids, Iowa 52401.

STATEMENT OF FACTS

Company desires Labor Services as further described in the Statement of Work and Company Purchase Orders issued pursuant to this Agreement ("Services"), and Contractor is willing and able to provide such Services to Company in accordance with the terms and conditions set forth in this Agreement for an initial period commencing as of the date set forth above ("Effective date").

Contractor is a public utility subject to state and federal statutes and rules on affiliate transactions.

Company is an affiliate of the Contractor.

Contractor and Company propose to enter into transactions whose costs will be governed by applicable state and federal statutes and rules related to affiliate transactions.

NOW THEREFORE, in consideration of the conditions and mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Contractor agree as follows:

- 1. **Definitions.** As used herein, the following terms have the following meanings and all other capitalized terms used in this Agreement shall have the meaning given herein:
 - a. "Agreement" means the terms and conditions set out herein including all schedules and addenda attached hereto and incorporated as part of the total agreement between the parties, and items specifically incorporated therein including Company's Purchase Order(s) referencing this Agreement.
 - b. "Company" means the entity identified as such in the introductory paragraph, as well as its successors and assigns.
 - c. "Contractor" means the entity identified as such in the introductory paragraph, as well as its successors and assigns.
 - d. "Emergency" means a sudden unforeseen crisis or event that requires immediate action by Company.
 - e. "Services" shall have the meaning set forth in Exhibit A and the applicable Purchase Order.
 - f. "Purchase Order(s)" means the document developed by Company and Contractor in accordance with this Agreement. The terms and conditions of this Agreement shall supersede the terms and conditions on the reverse side of the Purchase Order. Company

may add additional terms, including relevant Iowa sales tax information on the front of the Purchase Order(s).

g. "Site" shall mean the Franklin County Wind Farm as more particularly described in Exhibit A.

2. SCOPE OF SERVICES

Contractor shall perform the Services as describe in Exhibit A and in Purchase Orders issued pursuant to this Agreement. Nothing contained herein shall be deemed to create any partnership, joint venture, or relationship of principal and agent between the parties hereto, or to provide either party with any right, power, or authority, whether express or implied, to create any such duty or obligation on behalf of the other party.

3. LIMITATION ON SCOPE OF SERVICES

At all times pertinent to this Agreement, Contractor shall only be required to provide Services when available to serve Company without detriment to Contractor's operations, and shall not incur any penalty or default in the event Contractor is required to discontinue Services to respond to Contractor's operations or obligations.

4. COMPENSATION FOR EXPENSES AND SERVICES

In consideration of the Services performed, Company shall pay to Contractor the higher of (a) the fair market value of the Services rendered or (b) Contractor's fully loaded costs. The fair market value shall be determined by comparison to regularly scheduled maintenance work provided to Company by other third party Contractors. Contractor shall invoice Company monthly for all Services rendered during the prior month, and payment terms will be net thirty (30) days from receipt of invoice.

5. TERM OF AGREEMENT

Unless otherwise terminated as provided herein, this Agreement shall be in effect for a period of one year and shall automatically renew for additional one-year periods. This Agreement may be terminated by either party on ten (10) days written notice. If Company terminates the Services, it shall pay Contractor for the Services actually performed and all expenses incurred or that it becomes obligated to pay prior to the effective termination date.

6. INDEPENDENT CONTRACTOR

Contractor agrees that it is an independent Contractor and shall be at all times solely responsible for itself, as well as its employees, agents, and sub-contractors as all Services performed, including wages, benefits, expenses, all applicable withholdings for federal state, and local taxes, and all business licenses and permits which may be required in the performance of such Services under this Agreement. This Agreement may not be altered in any manner so as to change the relationship of Contractor from that of an independent Contractor or to alter Contractor's responsibilities.

7. PROTECTION OF EMPLOYEES AND PUBLIC

a. All Services:

Aware of Services. Contractor shall take precautions and remedies necessary to monitor and warn the Company regarding conditions created by the progress of the services which may involve risk of bodily harm or property damage to all persons of which Contractor is aware, including employees or property of both parties and third parties.

Compliance with Laws. Contractor will ensure that it is in full compliance with all requirements of federal, state and local laws, standards, codes and regulations applicable to the services ("Laws"), including those Laws applicable to the protection of Company and Contractor's employees and members of the public. Said Laws include, but are not limited to: safety laws, Laws prohibiting discrimination against any employee or applicant for employment because of race, creed, color, sex, national origin, age or disability; unemployment insurance Laws and federal social security Laws; workers' compensation Laws; and environmental Laws.

<u>Compliance with Company Policies</u>. Contractor shall comply with all rules, policies and procedures of the Company related to security, safety, environmental requirements, or conduct while on or at any Site.

8. PROPRIETARY INFORMATION

Contractor recognizes and acknowledges that certain information considered to be proprietary or confidential by the Company, including but not limited to contractual information, trade secrets, computer codes, formulas, methods, inventions and devices that are or in the future may be developed, used by or in the possession of Company, constitute a valuable, special, and unique asset of Company. Contractor, its officers, employees, sub-contractors, and agents, will not, during or after the term of this Agreement, without permission of Company, disclose any such data, formula, method, procedure or information (including information developed by Contractor's employees or sub-contractors in performance of Contractor's obligations hereunder), to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, unless required by law to do so. In the event of a breach or threatened breach of the provisions of this Section, Company shall be entitled to injunctive relief and to any such other and further relief as may be necessary or appropriate and may terminate this Agreement without notice.

9. REPRESENTATIONS AND WARRANTIES

<u>Warranty and Remedy</u>. Contractor represents, warrants and covenants to Company that the Services provided shall be performed by qualified and competent personnel in accordance with industry practice and the high standards of care and practice appropriate to the nature of the Services rendered.

If Company discovers any breach of the warranties made in this Section with respect to any portion of the Services, within one (1) year of the completion of performance of the Services, Company shall promptly notify Contractor, and Contractor shall promptly re-perform such portion of the Services in conformity with said warranties. The remedy provided in this Section shall be Company's exclusive remedy for breach of warranty claims.

CONTRACTOR MAKES NO OTHER WARRANTY WITH RESPECT TO THE SERVICES, WHETHER STATUTORY, ORAL, WRITTEN, EXPRESS OR IMPLIED. COMPANY ACKNOWLEDGES THAT THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

10. INSURANCE

Contractor agrees to maintain, at its own cost and expense, general and automobile liability, workers' compensation, and other forms of insurance relating to their operations for the life of the Agreement in the manner, and amounts, as are usual and customary for similarly situated companies in their respective industries. Contractor reserves the right to self-insure its obligations under this agreement.

11. LIMITATION OF LIABILITY.

- a. Contractor's liability with respect to direct damage claims, whether as a result of breach of contract, breach of warranty, tort (including negligence), strict liability or otherwise, for all losses or damages arising out of, or in connection with the Services provided under this Agreement, shall in no case exceed amount paid for the Services provided. Said limitation of liability applies solely to direct property damage claims and shall not be construed as a limitation on death, bodily injury, or third party claims.
- b. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR THE PAYMENT OF DOWNTIME, PURCHASE OF REPLACEMENT POWER, LOSS OF CAPITAL, LOST PROFITS OR ANY SIMILAR CONSEQUENTIAL DAMAGE.

12. ASSIGNMENTS

Neither party may assign any of its rights, obligations and responsibilities under this Agreement without the prior written consent of the other party.

13. CORPORATE AUTHORITY/FURTHER ASSURANCES

Each party represents that it has taken all necessary corporate action to authorize the execution and consummation of this Agreement and will furnish the other party with satisfactory evidence of same upon request. Each party agrees to negotiate in good faith the execution of such other documents or agreements as may be necessary or desirable for the implementation of this Agreement and the effective execution of the transactions contemplated hereby, and will continue to do so during the term of this Agreement.

14. FORCE MAJEURE

Neither party shall be liable for any delay nor for any failure in the performance of its obligations of this Agreement if and to the extent that such delay, failure, or deficiency is occasioned by any uncontrollable force or forces. The term "uncontrollable force" as used herein shall be defined solely as and be entirely limited to acts of nature, fire, flood, explosion, strike, sabotage, war, riot, lawful order or mandate of regulatory bodies or commission having the force and effect of law, including injunctive relief. Both parties shall in good faith use such effort as is reasonable under all the circumstances known to that party at the time to remove or remedy the cause(s) and mitigate the damages.

15. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Iowa, with venue lying in Linn County, Iowa.

16. SUBCONTRACTORS

Contractor may not retain any subcontractors without approval of Company to perform any number of Services on behalf of the Company; provided that the Contractor shall ensure that each subcontractor shall be subject to and comply with the terms and conditions of this Agreement.

17. REGULATORY

Company agrees that the Contractor's applicable regulators shall have the right to examine the servicing relationship between Contractor and Company pursuant to this Agreement, along with Contractor's records of the Services.

18. COMMUNICATION BETWEEN THE PARTIES

All communications related to this Agreement shall be to the persons listed below or to such other persons as the parties may specify in writing:

COMPANY

FRANKLIN COUNTY WIND, LLC

John Kratchmer

Franklin County Wind, LLC 4902 N. Biltmore Lane Madison, WI 53718

CONTRACTOR:

INTERSTATE POWER AND LIGHT COMPANY

Vern Gebhart

Interstate Power and Light Company

200 1st ST Southeast Cedar Rapids, IA 52401

19. BOOKS, RECORDS. AUDIT

Contractor agrees to maintain books and records relating to the Services for a period of seven (7) years from the termination date of this Agreement and, if requested, to make such books and records available to Company at a reasonable time and place for inspection.

20. CONTRACT DOCUMENTS.

This Agreement represents the complete understanding of the parties and shall govern over all other documents and oral representations making all other representations of the parties null and void. The terms and conditions of this Agreement shall govern the following documents, and shall control over any conflicting term or condition found therein. The following documents are part of this Agreement:

COMPANY's Purchase Order referencing this Agreement Schedule A - Specifications of Work (attached)

21. SEVERABLITY.

If any provision of this Agreement is deemed to be illegal, invalid or unenforceable for any reason, the remaining provisions of this Agreement shall be unaffected, and this Agreement shall continue in full force and effect.

22. COMPLETE AGREEMENT

This Agreement is the sole agreement between the parties with respect to the subject matter of the Services, and supersedes all prior oral or written agreement for the Services. This Agreement may not be altered, amended or modified except in a writing incorporated hereto, and signed by the parties. A waiver of any portion of this Agreement shall not be deemed a waiver or renunciation of other portions. There are no other agreements, either express or implied, with regard to the subject matter. This Agreement may become null and void if Contractor fails to receive an order from the Minnesota Public Utilities Commission approving this Agreement (as determined in Contractors's sole discretion).

Agreed,

Franklin County Wind, LLC

Name: John Kratchmer

Title: Treasurer

Interstate Power and Light Company

By: /s/ Name: Vern Gebhart

Title: Vice President, Energy Delivery Operations

Affiliate Services Agreement

EXHIBIT A

Franklin County Wind LLC

Exhibit A- Project Scope

August 12th, 2012

Revision 0.0

1) Overview

The Franklin County Wind Farm ("Site") is comprised of sixty V82 1.65 MW turbines. Each turbine has a step up pad-mount-transformer. The pad-mount transformer steps the voltage up from 480v to 34.5kv. Each pad-mount transformer is interconnected to an underground 34.5 kv power system. There are four underground collector system feeders, terminating in the collector substation. At the collector substation the power is summed up on the 34.5kv bus and then converted from 34.5kv to 161kv. The power is then delivered to the transmission provider at 161kv.

2) Purpose

The purpose of this document is to identify the scope needed as part of the Affiliate Services Agreement ("Agreement") between Interstate Power and Light Company ("Contractor") and Franklin County Wind, LLC ("Company"). Services are defined as the provision of all labor, tools, and equipment by Contractor to Company as described more fully in section 3 or in applicable Purchase Orders issued under the Agreement. Contractor personnel providing Services are responsible to establish safe work zones via appropriate grounding and other safety tools as may be reasonably deemed appropriate. Material may be provided by wind farm dependent on the situation. The intent of the Agreement is to support reactive work only at the Site.

3) Reactive Work

Reactive work is defined as a condition or event that has not been planned. All Services shall be coordinated thru the Company site manager or operations manager to coordinate response times. The following are examples of equipment upon which Services may be provided, as well as conditions on the Services being requested. This is not intended to be a complete list of equipment, conditions or Services.

- 1) Turbine
 - a) Always establish safe work zone
 - b) Equipment Alarms
 - c) Fluid leak

- 2) Pad mount transformer
 - a) Always establish safe work zone
 - b) Oil Leak
 - c) Tipping transformer
 - d) Failed transformer
 - e) Failed power cable
 - f) Bushing failure
 - g) Elbow Failure
 - h) Lightning damage
 - i) 480v power cable into turbine
 - j) Exposed energized equipment
- 3) Collector System
 - a) Establish Safe work Zone
 - b) Tipping junction box
 - c) Elbow failures
 - d) Locating location of failure
 - e) Isolating failure and return remaining system
 - f) Repair of failure via splice or replacement of cable
 - g) Arrester failure
 - h) Replacement of junction box
 - i) Exposed energized Cables
- 4) Substation
 - a) Only qualified personnel shall enter substation with proper FR clothing.
 - b) Perimeter fence washout
 - c) Gate issues
 - d) Oil Spill
 - e) Critical Alarm
 - f) Loss of Power to substation
 - g) Loss of Voltage/Var control
 - h) Troubleshooting relay event

4) Communication and Documentation

Contractor shall have direct communication with Company site manager or operations manager prior to performing Services. Direct communication shall be either by phone or in person. An e-mail or text message does not constitute direct communication. Documentation of work shall be agreed upon by the site manager or operations manager. This documentation shall be provided in a pdf type formatted document when completed. It is anticipated the Contractor will have access to a share-point site to submit documents.

VERIFICATION

STATE OF IOWA)	
		SS.
COUNTY OF LINN	١	

I, Thomas L. Aller, being first duly sworn on oath, depose and say that I am President – Interstate Power and Light Company; that I have read the Petition; that I know the contents thereof; and that the facts therein stated are accurate and complete to the best of my knowledge, information and belief.

Thomas L. Aller

President – Interstate Power and Light Company

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Subscribed and sworn to before me this 24th day of October, 2012

Linda L. Kipp

Notary Public, State of Iowa My Commission expires on September 6, 2014.

