

CERTIFICATE OF LIMITED PARTNERSHIP

THIS CERTIFICATE has been filed on behalf of the HBH LIMITED PARTNERSHIP as required by Idaho Code Section 53-208, and pursuant to this section, the HBH Limited Partnership hereby declares as follows:

1. Name. The name of the limited partnership is the HBH Limited Partnership, with any variations thereof which may be necessary to comply with the requirements of any law or of regulatory bodies in any state in which the partnership may do business.

2. Principal Business. The principal business of the partnership is generally to engage in all aspects of the small hydroelectric power-generating business. The business of the partnership shall be conducted in the continental United States.

3. Registered Agent. The name and address of the registered agent of the partnership for purposes of service of process is:

CT Corporation System
300 North Sixth Street
Boise, Idaho 83702

4. Partners. The name and business address of the sole general partner is:

Horseshoe Bend Hydroelectric Company
P.O. Box 50
Boise, Idaho 83728

The name and business address of the sole limited partner is:

Idaho First National Bank
Trust Department
P.O. Box 7928
Boise, Idaho 83707

5. Contributions. The contributions of the partners are as follows:

(a) The contributions of the limited partner are an easement valued at \$500,000 and cash in the amount of \$37,000.

(b) The contributions of the general partner are the license application for the project which is the subject of the partnership (the "Project"), including all work done to date on the Project, and an easement valued at \$500,000. The value of the work completed to date is \$574,838.

6. Future Contributions. The general partner may make such further cash contributions as are necessary to complete construction and start-up of the Project. Further, all costs and other expenses incurred by the general partner in connection with the conduct of the affairs of the limited partnership prior to the first commercial sale of electricity from the Project will be deemed capital contributions by the general partner.

7. Limited Partner's Power to Convey Interest. The limited partner has the power to convey its entire, undivided limited partnership interest, but not the power to convey any lesser portion of its interest. This power is subject to the following conditions:

(a) Upon receiving an offer to purchase or prior to making an offer to sell its interest, the limited partner must send written notice to the general partner setting forth the

terms and provisions of any such offer and the name of the proposed buyer, if any.

(b) Upon receipt of such notice, the general partner has the right and option, for a period of 30 days after the effective date of such notice, in which to elect to purchase the limited partner's interest upon the same terms and conditions as set forth in the notice by giving written notice of its election to purchase within said 30-day period to the limited partner.

(c) Should the general partner elect not to purchase in full the limited partner's interest, the limited partner is free to sell its interest on terms not less favorable than that contained in the notice to the general partner; provided, further, that the entire purchase price for the partnership interest is payable in cash either at closing or over a specified period of time at a specific interest rate.

(d) Any sale of the limited partner's interest to a third party must be conditioned upon the agreement by the buyer to assume and agree to perform each and every obligation of the limited partner, including, without limitation, bearing the costs of preparing and filing an amended Certificate of Limited Partnership and of any legal fees incurred by the partnership as deemed necessary by the general partner in order to effect such assumption of obligations.

8. Termination and Distribution. The partners may terminate their membership in the limited partnership as follows:

(a) The limited partner may terminate its membership in the limited partnership solely through (i) sale of its interest as outlined in Section 7 hereof; (ii) exercise of its option to sell its interest to the general partner after the limited partnership's obtaining 100% project financing; (iii) purchase of its interest by a third party in conjunction with the sale by the general partner of its interest in the limited partnership; or (iv) termination and winding up of the limited partnership as provided in Section 11 hereof.

(b) The general partner may terminate its membership in the limited partnership solely through (i) sale of its interest or (ii) termination and winding up of the limited partnership as provided in Section 11 hereof.

Upon termination of the limited partnership, all items of income, expense, deduction, credit and loss of the limited partnership shall be allocated as follows:

General Partner: 87.5%

Limited Partner: 12.5%

9. Income Distributions. The limited partnership shall distribute quarterly, or at such other intervals as may be determined by the general partner in its sole discretion, to both the general partner and the limited partner, in proportion to their respective interests, such cash distributions which are not necessary for the conduct of the partnership business as follows:

General Partner: 87.5%

Limited Partner: 12.5%

From and after the date of the first commercial sale of electricity from the project, the general partner shall be entitled to charge to and receive from the limited partnership reasonable costs of all goods and other services provided by the general partner to the partnership, including, without limitation, compensation and benefit costs of employees of the general partner.

10. Distributions to Recover Capital Contributions.

Upon the limited partnership's obtaining 100% financing of the project, the partners may be entitled to recover the cash portion of their respective capital contributions as follows:

General Partner: \$574,838

Limited Partner: \$ 37,000

11. Events Causing Dissolution. The limited partnership shall be dissolved and its affairs wound up upon occurrence of any one of the following:

(a) The occurrence of any event which causes the dissolution of a limited partnership under the laws of the state of Idaho, including the dissolution, withdrawal, expulsion or bankruptcy of the general partner.

(b) The expiration of the term of the limited partnership.

(c) The general partner's written election to dissolve and wind up the affairs of the limited partnership on not less than 90 days' prior written notice to the limited partner.

(d) The election of the limited partner, at any time after the first commercial sale of electricity from the project, to receive an amount equal to 15% per year of its interest in the limited partnership. However, upon such election, all assets of the limited partnership shall be distributed to the general partner, and the general partner shall also assume all debts, liabilities and obligations of the partnership.

12. Ability of Other General Partners to Carry on Business.

It is presently contemplated that there will never be more than one general partner.

EXECUTED this 16TH day of January, 1985.

GENERAL PARTNER
HORSESHOE BEND HYDROELECTRIC
COMPANY

By *Sam G. Kinosh*
Title VICE PRESIDENT

LIMITED PARTNER
IDAHO FIRST NATIONAL BANK

By *Michael W. Gien*
Title SENIOR TRUST OFFICER

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