

BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER THE PUBLIC UTILITY)	
COMMISSION OF OREGON)	CASE NO. UM 1610
Investigation Into Qualifying Facility)	
Contracting and Pricing)	CROSS EXAMINATION EXHIBIT
)	FILING OF THE COMMUNITY
)	RENEWABLE ENERGY ASSOCIATION
)	
_____)	

The Community Renewable Energy Association (“CREA”) hereby respectfully submits its Cross-Examination Exhibit List and Exhibits for the hearing scheduled for May 23, 2013.

- CREA/500 *Gas Transmission Northwest, LLC*, 142 FERC ¶ 61,186 (2013)
- CREA/501 Idaho Power Initial and Supplemental Response to CREA Data Request 3.3
- CREA/502 PacifiCorp’s Schedule 37 PPA Off-System PPA
- CREA/503 PacifiCorp Response to CREA Data Requests 4.1, 4.2, 4.3, 4.4, 4.5 and 4.7
- CREA/504 PacifiCorp Response to Three Mile Canyon Data Request 1.6
- CREA/505 UE 235 PacifiCorp Advice 11-011 Proposed Tariff
- CREA/506 *Farmers Irrigation District v. PacifiCorp*, OPUC Docket No. UM 1441, ALJ Ruling (Sept. 8, 2009)

RESPECTFULLY SUBMITTED this 21st day of May 2013.

RICHARDSON & O'LEARY, PLLC

/s/ Gregory M. Adams

Gregory M. Adams (OSB No. 101779)
Richardson & O'Leary PLLC
515 N. 27th Street
Boise, Idaho 83702
Telephone: (208) 938-2236
Fax: (208) 938-7904
peter@richardsonandoleary.com
greg@richardsonandoleary.com

Attorneys for the Community Renewable
Energy Association

142 FERC ¶ 61,186
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
Cheryl A. LaFleur, and Tony Clark.

Gas Transmission Northwest, LLC

Docket No. CP12-494-000

ORDER ISSUING CERTIFICATE

(Issued March 14, 2013)

1. On July 31, 2012, Gas Transmission Northwest, LLC (GTN) filed an application pursuant to section 7(c) of the Natural Gas Act (NGA)¹ and Part 157 of the Commission's Regulations² for authorization to construct and operate a lateral pipeline and other associated facilities in Morrow County, Oregon in order to provide up to 175,000 dekatherms (Dth) per day of firm transportation service to Portland General Electric Company's (PGE) Carty Generating Station (the Carty Lateral Project). For the reasons discussed below, the Commission grants GTN's requested certificate authorization subject to the conditions described below.

I. Background and Proposal

2. GTN is a natural gas company engaged in the transportation of natural gas in interstate commerce, subject to the Commission's jurisdiction. GTN's pipeline system extends for approximately 1,351 miles between the United States-Canada border at Kingsgate, British Columbia, and the Oregon-California border, providing open-access transportation service in Idaho, Washington, and Oregon.

3. PGE, which provides electric service to more than 800,000 customers in Oregon, plans to construct a combined cycle natural gas-fired power plant, known as the Carty Generating Station, in Morrow County. The plant will provide an incremental 300-500 megawatts (MW) of electric generation in order to meet PGE's forecasted growth.³

¹ 15 U.S.C. § 717f (2009).

² 18 C.F.R. § 157 (2012).

³ The Carty Generating Station is a non-jurisdictional facility, which in June 2012 received a final site certificate and final order from the Oregon Energy Facility Siting Council.

Docket No. CP12-494-000

3

4. GTN proposes to construct and operate approximately 24.3 miles of 20-inch diameter pipeline between GTN's Ione Compressor Station and PGE's planned Carty Generating Station. GTN also proposes to construct and operate a tap assembly and pig launcher within the Ione Compressor Station yard or within GTN's adjacent right-of-way and a meter station and pig receiver at the Carty Generating Station. The Carty Lateral Project will enable GTN to provide up to 175,000 Dth per day of firm transportation service to the Carty Generating Station. GTN estimates the project cost to be \$54,353,000.

5. PGE specifically requested that GTN construct a lateral to its Carty Generating Station, and held an open season from February 13 through March 14, 2012 to ascertain whether there was any additional market demand. No other potential shipper expressed interest. On July 20, 2012, GTN and PGE entered into a precedent agreement, wherein PGE agreed to contract for the entire design capacity on the Carty Lateral Project for a term of 30 years.⁴

6. GTN proposes incremental recourse rates under its existing Rate Schedule FTS-1 for service on the Carty Lateral Project. GTN states that it has negotiated a long-term adjustable negotiated rate with PGE for service on the proposed facilities.

II. Notice and Interventions

7. Public notice of GTN's application was published in the *Federal Register* on August 13, 2012.⁵ No motions to intervene, protests or adverse comments were filed.

III. Discussion

8. Since the proposed facilities will be used to transport natural gas in interstate commerce subject to the jurisdiction of the Commission, the construction and operation of the facilities are subject to the requirements of subsections (c) and (e) of section 7 of the NGA.⁶

⁴ GTN Application at Exhibit I.

⁵ 77 Fed. Reg. 48,132 (2012).

⁶ 15 U.S.C. §§ 717f (c) and 717f (e) (2006).

A. The Certificate Policy Statement

9. The Certificate Policy Statement provides guidance for evaluating proposals to certificate new construction.⁷ The Certificate Policy Statement established criteria for determining whether there is a need for a proposed project and whether the proposed project will serve the public interest. The Certificate Policy Statement explained that in deciding whether to authorize the construction of major new pipeline facilities, the Commission balances the public benefits against the potential adverse consequences. The Commission's goal is to give appropriate consideration to the enhancement of competitive transportation alternatives, the possibility of overbuilding, subsidization by existing customers, the applicant's responsibility for unsubscribed capacity, the avoidance of unnecessary disruptions of the environment, and the unneeded exercise of eminent domain in evaluating new pipeline construction.

10. Under this policy, the threshold requirement for pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from its existing customers. The next step is to determine whether the applicant has made efforts to eliminate or minimize any adverse effects the project might have on the applicant's existing customers, existing pipelines in the market and their captive customers, or landowners and communities affected by the route of the new pipeline. If residual adverse effects on these interest groups are identified after efforts have been made to minimize them, the Commission will evaluate the project by balancing the evidence of public benefits to be achieved against the residual adverse effects. This is essentially an economic test. Only when the benefits outweigh the adverse effects on economic interests will the Commission proceed to complete the environmental analysis where other interests are considered.

11. As discussed above, the threshold requirement for pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from its existing customers. We find that the proposed Carty Lateral Project will not result in subsidization by existing customers. As described in more detail below, GTN has proposed incremental recourse rates under its existing Rate Schedule FTS-1 calculated to recover all construction, installation, operation and maintenance costs associated with the project from project shippers.

12. We find that the proposed project will have no adverse impacts on GTN's existing shippers. In addition, the project will not replace firm transportation service on any other pipeline. Further, no pipeline company in the market area has protested the application.

⁷ *Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227(1999), *order on clarification*, 90 FERC ¶ 61,128, *order on clarification*, 92 FERC ¶ 61,094 (2000) (Certificate Policy Statement).

Docket No. CP12-494-000

5

Thus, we find that there will be no adverse impact on other pipelines or their captive customers.

13. GTN will construct the Carty Lateral Project almost entirely on land used for agricultural purposes. GTN has contacted landowners along the proposed project route and no landowner has commented on the project. GTN expects limited, if any, use of eminent domain. Thus, we find that GTN has designed the project to minimize impacts on landowners and surrounding communities.

14. On balance, we find that the economic benefits of GTN's proposal outweigh any potential adverse impacts on the interests discussed. The Carty Lateral Project will provide PGE with access to the natural gas necessary to meet electricity demand in its service territory. Based on the benefits the project will provide and the minimal adverse effect on existing shippers, other pipelines and their captive customers, and landowners and surrounding communities, we find, consistent with the criteria discussed in the Certificate Policy Statement and section 7 of the NGA, that the public convenience and necessity requires approval of GTN's Carty Lateral Project, subject to the conditions discussed below.

B. Rates

15. GTN estimates a total cost of service for the Carty Lateral Project of \$11,014,000. Based on this, GTN calculated a recourse firm transportation Daily FTS-1 Reservation Rate of \$0.172430 per Dth, and a recourse rate for interruptible transportation service (ITS-1) of \$0.172430 per Dth, which is a non-mileage volumetric rate equal to the 100 percent load factor equivalent for firm transportation service.

16. GTN calculated its incremental cost of service using the estimated cost of facilities, engineering estimates for operation and maintenance expenses based on estimates for similar facilities, and other costs factors, including a rate of return of 9.55 percent.⁸ GTN designed its incremental reservation rates using the straight fixed-variable rate design methodology. Since there is no compression on the Carty Lateral, GTN proposes a fuel rate of 0.00 percent.

17. We have reviewed GTN's proposed cost-of-service, allocation, and rate design for its initial recourse rates and find that the calculations generally reflect current Commission policy. GTN used a 30-year depreciation period based on the economic life of the facilities as determined by the contract term with PGE, to calculate the recourse rates for the proposed incremental services. Although Commission policy generally requires that the depreciable life of facilities be based on the estimated useful life of the facilities, we have deviated from this policy and have allowed the depreciation rate to be

⁹ GTN Application at Exhibit P.

Docket No. CP12-494-000

6

based on the life of the contract with respect to delivery laterals built on behalf of specific customers.⁹

18. GTN has used a return on equity (ROE) of 13 percent to calculate its proposed recourse rates, which differs from the ROE approved in its most recent rate settlement.¹⁰ We find that GTN has not supported its use of an ROE component different from its currently-approved system-wide ROE. Therefore, we will deny GTN's proposal to use the higher rate of return and direct GTN to make a filing no later than 60 days before the in-service date of the project to revise the recourse rates to reflect its currently-authorized ROE.

19. GTN states that it intends to enter into a negotiated rate agreement under Rate Schedule FTS-1 with PGE. GTN must file its negotiated rate agreement or a tariff record describing the negotiated rate agreements associated with this project in accordance with the Alternative Rate Policy Statement¹¹ and the Commission's negotiated rate policies.¹²

C. Environmental Review

20. Commission staff began its environmental review of the Carty Lateral Project following approval for GTN to use the pre-filing process on March 31, 2011, in Docket No. PF11-5-000. As part of the pre-filing review, the Commission issued a *Notice of Intent to Prepare an Environmental Assessment, Request for Comments on Environmental Issues and Notice of Public Scoping Meeting* (NOI) on June 14, 2011. The NOI was published in the Federal Register¹³ and mailed to interested parties including federal, state, and local officials, agency representatives, environmental and public interest groups, Native American tribes, local libraries and newspapers, and affected property owners. On June 28, 2011, Commission staff held a public scoping meeting

⁹See, e.g., *Algonquin Gas Transmission Co.*, 118 FERC ¶ 61,222, at P 35 (2007).

¹⁰The current system rate of return on equity is 12.2 percent, as provided for in GTN's settlement in Docket No. RP94-149-000.

¹¹*Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines; Regulation of Negotiated Transportation Services of Natural Gas Pipelines*, 74 FERC ¶ 61,076, order granting clarification, 74 FERC ¶ 61,194 (1996).

¹²*Natural Gas Pipelines Negotiated Rate Policies and Practices; Modification of Negotiated Rate Policy*, 104 FERC ¶ 61,134 (2003), order on reh'g and clarification, 114 FERC ¶ 61,042, dismissing reh'g and denying clarification, 114 FERC ¶ 61,304 (2006).

¹³76 Fed. Reg. 118 (2011).

Docket No. CP12-494-000

7

near the proposed facility in Ione, Oregon to provide the public with an opportunity to learn more about the project and to comment on environmental issues.

21. Commission staff received written and verbal comments during the public scoping process from the U.S. Fish and Wildlife Service (FWS), the Oregon Department of Fish and Wildlife (ODFW), the Oregon Department of Energy, the Oregon Parks and Recreation Department, the Morrow County Planning Department (MCPD), The Nature Conservancy (TNC), and two individuals.

22. The comments received during the public scoping period were primarily concerned with the proposed route alignment. Specifically, the comments advocated avoidance of: (1) habitat for the Washington ground squirrel; (2) native sagebrush-steppe and grassland habitats; and (3) the Boardman Conservation Area, which includes all three of these native habitats. Prior to filing its application on July 31, 2012, GTN modified its originally-proposed route to address these concerns. GTN's proposed route that Commission staff analyzed in the Environmental Assessment (EA) avoids the high-quality Washington ground squirrel habitats within the Boardman Conservation Area.

23. To satisfy the requirements of the National Environmental Policy Act of 1969,¹⁴ Commission staff prepared an EA for the project.¹⁵ The FWS and the MCPD participated in the preparation of the EA as cooperating agencies. The EA addresses geology, soils, water resources, wetlands, vegetation, fisheries, wildlife, threatened and endangered species, land use, recreation, visual resources, cultural resources, air quality, noise, safety, and alternatives.

24. The EA was issued for a 30-day comment period and placed into the public record on December 10, 2012. The Commission received comments on the EA from the National Park Service (NPS), ODFW, TNC, and GTN. In general, the NPS and TNC agree with the conclusions of the EA on routing, and affirm their preference for GTN's proposed pipeline route. The NPS expressed concern about the potential impact that both the proposed route and the alternative route (GTN's original route) could have an impact on intact portions of the Oregon National Historic Trail (Oregon Trail).

25. GTN changed its route during pre-filing to avoid impacts on the Boardman Conservation Area and reduce impacts on the Washington ground squirrel. GTN's decision to change the route is in keeping with the stated goals of the pre-filing process of identifying and resolving environmental issues and staff supported the route change. The

¹⁴ 42 U.S.C. §§ 4321 *et seq.* (2006).

¹⁵ The FWS and the MCPD participated in the preparation of the EA as cooperating agencies.

Docket No. CP12-494-000

8

EA analyzes the original route as an alternative but concludes that this alternative offers no clear environmental advantage over the proposed route and does not recommend its use. The NPS stated that the alternative route crosses a segment of the Oregon Trail known as the Boardman High Potential Segment. The EA acknowledges that the alternative does impact this cultural resource; however, this was not a determining factor in discounting the alternative in the EA since the proposed route also crosses the Oregon Trail. Because GTN was denied survey access to the area along the proposed route, the cultural resource surveys are not complete. The EA recommends that GTN be required to complete the remaining cultural resource surveys prior to any construction for the project. We have included this recommendation as environmental condition 16 in this order. If any cultural sites are identified, the condition requires GTN to file avoidance and/or treatment plans for review and approval to ensure that its project does not result in any adverse impact on any cultural resource, including the Oregon Trail. Given the established process for avoiding or mitigating impacts on cultural resources, we believe the NPS concern has been addressed.

26. The ODFW provided comments regarding the project's permanent impact on the Washington ground squirrel habitat and compensatory mitigation. The EA states that although the 50-foot-wide operational easement would occupy 147.3 acres, the majority of this acreage consists of agricultural land (72 percent of the route) that would return to agricultural use during pipeline operation. The remainder of the permanent right-of-way, with the exception of the minor permanent aboveground facilities (a mainline valve and meter station), would be restored and monitored until revegetation is successful. As discussed in more detail below, GTN must develop and file a detailed Washington Ground Squirrel Mitigation Plan for review and approval prior to construction.

27. The EA also states that GTN has committed to avoiding habitat classified by the ODFW as Habitat Categories 1 or 2¹⁶ and to reducing the width of the right-of-way through the two grassland areas classified by ODFW as Habitat Category 3.¹⁷ In addition, the EA recommends the inclusion of environmental condition 14, which requires GTN to file its Washington Ground Squirrel Mitigation Plan for review and approval prior to construction. We have included this recommendation as an environmental condition to this order, and note that the required plan will be developed in

¹⁶ Habitat Category 1 is defined as “[i]rreplaceable, essential and limited habitat,” and Habitat Category 2 is defined as “[e]ssential and limited habitat.” Oregon Dep’t of Fish and Wildlife, Habitat Categories and Mitigation Strategies, http://www.dfw.state.or.us/lands/mitigation_policy.asp.

¹⁷ Habitat Category 3 is defined as “[e]ssential habitat, or important and limited habitat.” Oregon Dep’t of Fish and Wildlife, Habitat Categories and Mitigation Strategies, http://www.dfw.state.or.us/lands/mitigation_policy.asp.

coordination with the FWS and ODFW. We conclude that environmental condition 14 sufficiently addresses ODFW's stated concerns and recommendations.

28. The ODFW comments on a statement in the EA regarding GTN's decision to site the project outside of the 785-foot disturbance buffer from active Washington ground squirrel colonies wherever possible. ODFW recommends complete avoidance of these colonies, which are considered Habitat Category 1. As discussed in the EA, GTN will only impact areas within the 785-foot disturbance buffer if there is a break in habitat between the colony and the work area (e.g., road or cropland) and if the ODFW and FWS give site-specific approval. Currently, only one location has been identified where this situation would occur (milepost 0.0) and the ODFW gave its approval, along with providing additional mitigation measures. We conclude that GTN's proposal addresses the ODFW's concerns that the project should avoid areas designated as Habitat Category 1.

29. In addition, the ODFW seeks clarification of GTN's commitment to revegetate disturbed areas along the right-of-way. As stated in the EA, GTN would monitor the right-of-way annually for a minimum of three years as required by our *Upland Erosion Control, Revegetation and Maintenance Plan* (Plan), and would review the success of the revegetation five years after construction and again, if needed, ten years after construction. GTN's proposed measures and its compliance with our Plan will ensure successful revegetation of the disturbed right-of-way. Additionally, Commission staff will conduct periodic inspections of the right-of-way until restoration is complete.

30. TNC recommends that GTN develop a more comprehensive mitigation program for migratory birds and Washington ground squirrels, such as the one being developed for the Cascade Crossing Transmission Project (Cascade Project).¹⁸ However, the Commission finds that comparable mitigation is inappropriate because the Cascade Project is an electric transmission project, with primary impacts that are fundamentally different from those of a natural gas pipeline project, including the construction of permanent above-ground structures and roads. GTN has committed to developing a Migratory Bird Conservation Strategy in coordination with the FWS and a Washington Ground Squirrel Mitigation Plan in coordination with the ODFW and the FWS, which will both be reviewed and approved by the director of the Office of Energy Projects (OEP) prior to construction. Commission staff finds that GTN's proposed mitigation

¹⁸ The Cascade Project as discussed in the EA is an approximately 200-mile-long electrical transmission line. The project sponsor, Portland General Electric, revised the project as of January 2013, to a 122-mile-long transmission line with up to four new substations and would parallel existing electric transmission lines (<http://www.cascadecrossingproject.com/pge.aspx>). Due to the Cascade Project changes, its impacts on the Washington ground squirrel are uncertain at this time.

Docket No. CP12-494-000

10

plan is consistent with both the nature of the Carty Lateral Project and with similar pipeline projects. We conclude that TNC's concerns have thus been adequately addressed.

31. TNC also states that the Commission should consider the long-term impacts on the grasslands and sagebrush-steppe habitats in the project area. Section B.3.1 of the EA adequately discusses the long-term impacts on these habitats and describes the mitigation and monitoring that GTN proposes in order to minimize grassland and sagebrush-steppe habitat impacts to the maximum extent practical.

32. Finally, TNC raises concerns about potential project impacts on the existing Multi-Species Candidate Conservation Agreement with Assurances (MSCCAA) which covers a significant portion of the surrounding area.¹⁹ The GTN route does not cross land areas covered within the MSCCAA; neither will the route affect the 250-foot buffer zone around the MSCCAA. A portion of the route (milepost 12.3-14.0) is within 250 feet of the boundary of the Boardman Conservation Area, however, the landowners in that area are not parties to the MSCCAA.

33. GTN, in its comments on the EA, sought to clarify its two proposed modifications to the Commission's *Wetland and Waterbody Construction and Mitigation Procedures* (Procedures) relating to the proposed open-cut crossing of Willow Creek, a coolwater fishery. As discussed in the EA, GTN's proposed timing²⁰ and crossing methods are consistent with the Procedures, provided GTN receives final approvals from the ODFW and the Oregon Department of State Lands.²¹

34. GTN requests that the Commission revise the EA's recommended environmental condition 15 to remove the restriction limiting construction to daylight hours only. GTN clarified that although construction would primarily occur during daylight hours, some activities may require construction at night. GTN contends that for the majority of the

¹⁹ The MSCCAA is a 25-year agreement between TNC, PGE, ODFW, and Threemile Canyon Farms, under which the parties implement habitat management, operational modifications, and conservation measures for four species, including the Washington ground squirrel, over approximately 93,000 acres in northeast Oregon. See 68 Fed. Reg. 51,589 (2003).

²⁰ Oregon Guidelines for Timing of In-Water Work to Protect Fish and Wildlife Resources (June 2008), available at http://www.dfw.state.or.us/lands/inwater/Oregon_Guidelines_for_Timing_of_InWater_Work2008.pdf.

²¹ *Wetland and Waterbody Construction and Mitigation Procedures*, at Section V.B.1.

project route, any construction that would extend into the night would not affect residences due to the distance from residences, with the exception of one residence located near the construction right-of-way at milepost 0.9. This residence is currently unoccupied. We have revised environmental condition 15 to clarify that the requirements in this condition, including the limitation on nighttime construction, will only apply if the residence at milepost 0.9 is occupied at the time of construction.

35. We have reviewed the information and analysis contained in the record, including the EA, regarding the potential environmental effect of GTN's proposed project. Based on our consideration of this information, we agree with the conclusions presented in the EA and find that if constructed and operated in accordance with GTN's application and supplements, and the environmental conditions imposed herein, approval of this proposal would not constitute a major federal action significantly affecting the quality of the human environment.

36. Any state or local permits issued with respect to the jurisdictional facilities authorized herein must be consistent with the conditions of this certificate. We encourage cooperation between interstate pipelines and local authorities. However, this does not mean that state and local agencies, through application of state or local laws, may prohibit or unreasonably delay the construction or operation of facilities approved by this Commission.²²

37. The Commission on its own motion received and made a part of the record in this proceeding all evidence, including the application and exhibits thereto, submitted in support of the authorizations sought herein, and upon consideration of the record,

The Commission orders:

(A) A certificate of public convenience and necessity is issued to GTN, authorizing the construction of the proposed Carty Lateral Project, as described more fully in this order and in the application.

(B) The certificate issued herein is conditioned on GTN's compliance with all of the applicable regulations under the NGA including, but not limited to, Parts 154, 157, and 284, and paragraphs (a), (c), (e), and (f) of section 157.20 of the Commission's regulations.

²²See, e.g., *Schneidewind v. ANR Pipeline Co.*, 485 U.S. 293 (1988); *National Fuel Gas Supply v. Public Service Commission*, 894 F.2d 571 (2d Cir. 1990); and *Iroquois Gas Transmission System, L.P.*, 52 FERC ¶ 61,091 (1990), *order on reh'g*, 59 FERC ¶ 61,094 (1992).

(C) The facilities authorized herein shall be constructed and made available for service within two years of the date of the order in this proceeding, as required by section 157.20(b) of the Commission's regulations.

(D) The certificate issued in Ordering Paragraph (A) above is conditioned on GTN's compliance with the environmental conditions included in the Appendix to this order.

(E) GTN shall notify the Commission's environmental staff by telephone, e-mail, and/or facsimile of an environmental noncompliance identified by other federal, state, or local agencies on the same day that such agency notifies GTN. GTN shall file written confirmation of such notification with the Office of the Secretary (Secretary) within 24 hours.

(F) GTN's request for authority to charge incremental rates for the Carty Lateral Project is approved, subject to GTN filing the rates with a revised return on equity. GTN shall submit actual tariff records that comply with the requirements contained in the body of this order no less than 60 days prior to the in-service date of the Carty Lateral.

(G) GTN shall file either its negotiated rate agreement or tariff records describing the transaction for each shipper paying a negotiated rate at least 30 days, and not more than 60 days, prior to the commencement of service.

(H) Prior to the commencement of construction, GTN shall execute contracts for service at levels and under terms and conditions equivalent to those it represented was subscribed under its precedent agreement.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

Appendix

Environmental Conditions

1. GTN shall follow the construction procedures and mitigation measures described in its application and supplements and as identified in the EA, unless modified by the Order. GTN must:
 - a. request any modification to these procedures, measures, or conditions in a filing with the Secretary;
 - b. justify each modification relative to site-specific conditions;
 - c. explain how that modification provides an equal or greater level of environmental protection than the original measure; and
 - d. receive approval in writing from the Director of the Office of Energy Projects (OEP) before using that modification.
2. The Director of the OEP has delegated authority to take whatever steps are necessary to ensure the protection of all environmental resources during construction and operation of the project. This authority shall allow:
 - a. the modification of conditions of the Order; and
 - b. the design and implementation of any additional measures deemed necessary (including stop-work authority) to ensure continued compliance with the intent of the environmental conditions as well as the avoidance or mitigation of adverse environmental impact resulting from project construction and operation.
3. **Prior to any construction**, GTN shall file an affirmative statement with the Secretary, certified by a senior company official, that all company personnel, environmental inspectors, and contractor personnel would be informed of the environmental inspectors' authority and have been or would be trained on the implementation of the environmental mitigation measures appropriate to their jobs **before** becoming involved with construction and restoration activities.
4. The authorized facility locations shall be as shown in the EA. **As soon as they are available, and before the start of construction**, GTN shall file with the Secretary any revised detailed survey alignment maps/sheets at a scale not smaller than 1:6,000 with station positions for all facilities approved by the Order. All requests for modifications of environmental conditions of the Order or site-specific clearances must be written and must reference locations designated on these alignment maps/sheets. GTN's exercise of eminent domain authority granted under Natural Gas Act section 7(h) in any condemnation proceedings related to the Order must be consistent with these authorized facilities and locations. GTN's right of eminent domain granted under NGA section 7(h) does

not authorize it to increase the size of its natural gas pipeline to accommodate future needs or to acquire a right-of-way for a pipeline to transport a commodity other than natural gas.

5. GTN shall file with the Secretary detailed alignment maps/sheets and aerial photographs at a scale not smaller than 1:6,000 identifying all route realignments or facility relocations, as well as staging areas, pipe storage yards, new access roads, and other areas that would be used or disturbed and have not been previously identified in filings with the Secretary. Approval for each of these areas must be explicitly requested in writing. For each area, the request must include a description of the existing land use/cover type, documentation of landowner approval, whether any cultural resources or federally listed threatened or endangered species would be affected, and whether any other environmentally sensitive areas are within or abutting the area. All areas shall be clearly identified on the maps/sheets/aerial photographs. Each area must be approved in writing by the Director of the OEP **before construction in or near that area.**

This requirement does not apply to extra workspace allowed by our *Upland Erosion Control, Revegetation, and Maintenance Plan* and/or minor field realignments per landowner needs and requirements that do not affect other landowners or sensitive environmental areas such as wetlands. Examples of alterations requiring approval include all route realignments and facility location changes resulting from:

- a. implementation of cultural resources mitigation measures;
 - b. implementation of endangered, threatened, or special concern species mitigation measures;
 - c. recommendations by state regulatory authorities; and
 - d. agreements with individual landowners that affect other landowners or could affect sensitive environmental areas.
6. **At least 60 days before construction begins,** GTN shall file an Implementation Plan with the Secretary for review and written approval by the Director of the OEP. GTN must file revisions to the plan as schedules change. The plan shall identify:
 - a. how GTN will implement the construction procedures and mitigation measures described in its application and supplements, identified in the EA, and required by the Order;
 - b. how GTN will incorporate these requirements into the contract bid documents, construction contracts (especially penalty clauses and specifications), and construction drawings so that the mitigation required at each site is clear to on-site construction and inspection personnel;
 - c. the number of environmental inspectors assigned and how the company

- will ensure that sufficient personnel are available to implement the environmental mitigation;
- d. company personnel, including environmental inspectors and contractors, who will receive copies of the appropriate material;
 - e. the location and dates of environmental compliance training and instructions GTN will give to all personnel involved with construction and restoration (initial and refresher training as the project progresses and personnel changes);
 - f. the company personnel (if known) and specific portion of GTN's organization having responsibility for compliance;
 - g. the procedures (including use of contract penalties) GTN will follow if noncompliance occurs; and
 - h. for each discrete facility, a Gantt or PERT chart (or similar project scheduling diagram), and dates for:
 - i. The completion of all required surveys and reports,
 - ii. The environmental compliance training of on-site personnel,
 - iii. The start of construction, and
 - iv. The start and completion of restoration.
7. Beginning with the filing of its Implementation Plan, GTN shall file updated status reports with the Secretary on a **biweekly basis until all construction and restoration activities are complete**. On request, these status reports will also be provided to other federal and state agencies with permitting responsibilities. Status reports shall include:
- a. an update on GTN's efforts to obtain the necessary federal authorizations;
 - b. the construction status of the project, work planned for the following reporting period, and any schedule changes for stream crossings or work in other environmentally sensitive areas;
 - c. a listing of all problems encountered and each instance of noncompliance observed by the environmental inspectors during the reporting period (both for the conditions imposed by FERC and any environmental conditions/permit requirements imposed by other federal, state, or local agencies);
 - d. a description of the corrective actions implemented in response to all instances of noncompliance, and their cost;
 - e. the effectiveness of all corrective actions implemented;
 - f. a description of any landowner/resident complaints that may relate to compliance with the requirements of the Order, and the measures taken to satisfy their concerns; and
 - g. copies of any correspondence received by GTN from other federal, state, or local permitting agencies concerning instances of noncompliance, and GTN's response.

Docket No. CP12-494-000

16

8. **Prior to receiving written authorization from the Director of the OEP to commence construction of any project facilities**, GTN shall file with the Secretary documentation that it has received all applicable authorizations required under federal law (or evidence of waiver thereof).
9. GTN must receive written authorization from the Director of the OEP **before placing its project into service**. Such authorization would only be granted following a determination that rehabilitation and restoration of the right-of-way and other areas affected by the project are proceeding satisfactorily.
10. **Within 30 days of placing the certificated facilities in service**, GTN shall file an affirmative statement with the Secretary, certified by a senior company official:
 - a. that the facilities have been constructed in compliance with all applicable conditions and that continuing activities will be consistent with all applicable conditions; or
 - b. identifying the certificate conditions GTN has complied with or will comply with. This statement shall also identify any areas affected by the project where compliance measures were not properly implemented, if not previously identified in filed status reports, and the reason for noncompliance.
11. **Prior to construction**, GTN shall file with the Secretary the results of its outstanding geologic investigations of the project route, along with any mitigation and/or monitoring measures it would implement to minimize the risk of a landslide during project construction and operation for the review and written approval of the Director of OEP.
12. **Prior to construction**, GTN shall revise and file with the Secretary for review and written approval of the Director of OEP, its Blasting Plan to specify the structure distance from the blasting zone that it would include in the pre-blast surveys. If no applicable regulations exist to determine this distance, GTN shall use at least 150 feet. The revised Blasting Plan shall also describe mitigation in the event that a structure or water supply well is damaged as a result of blasting activities.
13. **Prior to construction**, GTN shall file its Migratory Bird Conservation Strategy for review and written approval of the Director of OEP. In addition, GTN shall provide documentation of its consultation with the U.S. Fish and Wildlife Service regarding the Migratory Bird Conservation Strategy.
14. **Prior to construction**, GTN shall file with the Secretary its Washington Ground Squirrel Mitigation Plan for review and written approval of the Director of OEP along with documentation of its coordination with the U.S. Fish and Wildlife

Service. GTN shall not begin construction of the project until Commission staff completes any necessary Endangered Species Act section 7 conference or consultation with the FWS, and GTN receives written approval from the Director of OEP that construction and/or use of mitigation (including implementation of conservation measures) may begin.

15. **Prior to construction**, GTN shall file a plan to minimize impacts on the residence at approximate milepost 0.9. The plan shall include the following mitigation measures that GTN will implement if the residence is occupied during construction:
 - a. notifying the landowner at least 24 hours in advance of construction commencing on their property;
 - b. limiting construction activity, except for hydrostatic testing, to daylight hours;
 - c. maintaining access to and from the residence at all times, unless written authorization is obtained from the landowner;
 - d. ensuring a separation of the construction activity from the residence (e.g. installing safety fencing along the edge of the construction work area for a distance of 100 feet on either side of the residence); and
 - e. preserving mature trees and landscaping unless removal is necessary for the safe operation of construction equipment.

16. GTN shall **not begin construction** of facilities and/or use of all staging, storage, or temporary work areas and new or to-be-improved access roads **until**:
 - a. GTN files with the Secretary:
 - (1) remaining cultural resources survey reports and the results of ethnographic studies;
 - (2) site evaluation reports and avoidance/treatment plans, as required; and
 - (3) comments on the cultural resources reports and plans from the Oregon SHPO and interested Indian tribes;
 - b. the Advisory Council on Historic Preservation is afforded an opportunity to comment if historic properties will be adversely affected; and
 - c. Commission staff reviews and the Director of OEP approves the cultural resources reports and plans, and notifies GTN in writing that treatment measures (including archaeological data recovery) may be implemented and/or construction may proceed.

All materials filed with the Commission containing **location, character, and ownership** information about cultural resources must have the cover and any relevant pages therein clearly labeled in bold lettering: **“CONTAINS PRIVILEGED INFORMATION - DO NOT RELEASE.”**

17. **Prior to construction**, GTN shall file with the Secretary its final location for the mainline valve site for review and written approval by the Director of OEP. In addition, GTN shall provide any outstanding survey reports for the mainline valve site and documentation of its consultation with the landowner for acquisition of this site.

CREA'S DATA REQUEST NO. 3.3:

Reference Idaho Power/205, Stokes/14-15, stating the Company asked members of the technical review committee for "their specific comments upon release of the wind integration study report."

- a. Please provide all written comments (email or otherwise) provided by the members of the technical review committee.
- b. If Idaho Power did not solicit the review committee's comments prior to release of the final study contained in Idaho Power/205, please explain why Idaho Power considers the study final. Will the study be updated to incorporate additional analysis recommended by the review committee's comments?

IDAHO POWER COMPANY'S RESPONSE TO CREA'S DATA REQUEST NO. 3.3:

- a. As of March 4, no comments on the final study report have been received from members of the technical review committee.
- b. Idaho Power released the Wind Integration Study with the understanding that the committee's primary function is to provide a detailed review of the study methodology, and then comment on the methodology upon reviewing the final study report. This understanding of the committee's function is based on discussions held with the Public Utility Commission of Oregon Staff ("Staff") and the members of the review committee.

Although Idaho Power has yet to receive comments from the technical review committee on the final study report, the Company began working with the committee in early 2012 and has received input and comments from the members since that time leading up to the release of the final study report on February 14, 2013.



May 17, 2013

Subject: Docket No. UM 1610
Idaho Power Company's Supplemental Response to Community Renewable
Energy Association's ("CREA") Data Request 3.3(a).

CREA'S DATA REQUEST NO. 3.3:

Reference Idaho Power/205, Stokes/14-15, stating the Company asked members of the technical review committee for "their specific comments upon release of the wind integration study report."

- a. Please provide all written comments (email or otherwise) provided by the members of the technical review committee.
- b. If Idaho Power did not solicit the review committee's comments prior to release of the final study contained in Idaho Power/205, please explain why Idaho Power considers the study final. Will the study be updated to incorporate additional analysis recommended by the review committee's comments?

IDAHO POWER COMPANY'S SUPPLEMENTAL RESPONSE TO CREA'S DATA REQUEST NO. 3.3(a):

- a. Since the Company's initial response to CREA 3.3(a) on March 7, 2013, Idaho Power has received additional comments from members of the technical review committee. These comments are attached.

DeVol, Phillip

From: DeVol, Philip
Sent: Monday, March 11, 2013 9:43 AM
To: 'Ken Dragoon'
Subject: RE: IPC wind integration
Attachments: study report for Ken Dragoon.pdf

Thanks Ken, and your comments are not useless – please allow me some time to give them some thought and to talk with the team. As far as the pdf and your problems seeing some of the figures, we haven't heard of others having issues. I've attached the pdf to this email – perhaps that will work better.

Thanks again,

Phil

From: Ken Dragoon [<mailto:K.Dragoon@ecofys.com>]
Sent: Saturday, March 09, 2013 10:49 AM
To: DeVol, Phillip
Subject: Re: IPC wind integration

Phil,

I am sorry it has taken me this long to start looking at the paper, but I am getting around to it and I hope it is not completely useless at this point. When I look at the downloaded pdf file, a number of the figures don't appear. Do you know whether they were unavailable, or maybe it's just my machine/software?

Also, a spot check of Table 1 suggests that the balancing reserves needed are almost precisely a linear function of the installed wind. For example, a 25% increase in wind resulted in almost exactly 25% (sometimes more!) increase in reserve requirements. One way that could happen is if load variability doesn't exist and incremental wind is 100% correlated with existing wind. There are other possibilities-- for example, the incremental wind could be much more volatile than the existing wind fleet. But generally, this is very implausible and suggests something went awry in the synthetic wind data, or how that data was processed. I don't know of another study where reserve levels rise linearly. I don't remember any conversation about how the synthetic wind data was produced.

Needed balancing reserve levels should be computed from the combination of wind and load. In other words, some balancing reserve is needed even without wind. As the first few megawatts of wind are added to the system, the effect on total reserve requirements is very small because the variability added by the wind is small compared to that of load. However, even when wind introduces a large fraction of the variability, the relationship is not linear with installed wind because there is some level of diversity between the new wind and the existing wind.

Thanks,

Ken

On Feb 15, 2013, at 1:34 PM, DeVol, Phillip wrote:

Thanks for your patience on this. The study report is now posted to the IPC website. It can be found through the following link: <http://www.idahopower.com/pdfs/AboutUs/PlanningForFuture/irp/2013/windIntegrationStudy.pdf>. Thanks again for your help.

Phil

From: DeVol, Phillip
Sent: Wednesday, February 13, 2013 4:29 PM
To: 'Puyleart, Frank R (BPA) - TOT-DITT2'; 'Rick Sterling'; 'Kurt.Myers@inl.gov'
Cc: Stokes, Mark
Subject: IPC wind integration

Greetings,

First of all, I want to thank the group again for your participation in the wind integration study review sessions we held so long ago. The purpose of this email is to inform you that we have finished a report on the wind integration study, and are planning on filing the report with the Idaho PUC on Thursday, February 14. The report will also be available on the 14th through our website.

I know it's been awhile since our review sessions, and I'd be happy to answer any questions to help refresh your memory if needed, but we'd like to make a special request to the group to provide your comments on the study methodology. The report recognizes you as having participated in special in-depth review sessions of the study methodology, and indicates that comments on the methodology received from you are based in part on the information shared during these sessions.

As your time allows, we respectfully ask that you read the report, and provide your comments. Again, many thanks for your help with the study, and we look forward to hearing your thoughts and comments. Please don't hesitate to contact me if you have questions. I'll send the link to the report when it becomes available on the 14th.

Best regards,

Phil DeVol
Power Supply Planning Leader
Idaho Power Company
Ph.: 208-388-5365



This transmission may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

DeVol, Philip

From: Myers, Kurt S [kurt.myers@inl.gov]
Sent: Wednesday, March 13, 2013 3:11 PM
To: DeVol, Philip
Cc: Jake P Gentle; Thomas L Baldwin; Jason W Bush
Subject: Re: IPC wind integration
Attachments: wind integration study report FINAL 2_04_2013.pdf;
k_myers_IPCO_wind_integration_study_review_comments.docx

Phil,

Took me a while to get to this and read through it, but I've put together some informal comments on the study. Mostly just food for thought, but thought I should get something to you to start with. I would like to see if this fits in with what you are looking for, and if we need to formalize it with INL management reviews and letterhead at some point, if I can get agreement for that from our management and legal groups.

If there is interest from Idaho Power and a level of comfort after we go through some review, I would be interested in connecting some of our other DOE folks into the loop if you think there could be some value moving forward. I spoke briefly about it with Michael Milligan and our DOE EERE tech lead for grid integration (Charlton Clark) a couple of weeks ago. There are many federal government efforts going on in the areas of grid integration, tech teams and other studies that could bring some value to utilities. Anyway, I look forward to more discussion. I'll be at the IRP meeting tomorrow if you're around. Thanks!

Kurt

On Fri, Feb 15, 2013 at 2:34 PM, DeVol, Philip <PDeVol@idahopower.com> wrote:
Thanks for your patience on this. The study report is now posted to the IPC website. It can be found through the following link:
<http://www.idahopower.com/pdfs/AboutUs/PlanningForFuture/irp/2013/windIntegrationStudy.pdf>. Thanks again for your help.

Phil

From: DeVol, Philip
Sent: Wednesday, February 13, 2013 4:29 PM
To: 'Puyleart, Frank R (BPA) - TOT-DITT2'; 'Rick Sterling'; 'Kurt.Myers@inl.gov'
Cc: Stokes, Mark
Subject: IPC wind integration

Greetings,

First of all, I want to thank the group again for your participation in the wind integration study review sessions we held so long ago. The purpose of this email is to inform you that we have finished a report on the wind integration study, and are planning on filing the report with the Idaho PUC on Thursday, February 14. The report will also be available on the 14th through our website.

I know it's been awhile since our review sessions, and I'd be happy to answer any questions to help refresh your memory if needed, but we'd like to make a special request to the group to provide your comments on the study methodology. The report recognizes you as having participated in special in-depth review sessions of the study methodology, and indicates that comments on the methodology received from you are based in part on the information shared during these sessions.

As your time allows, we respectfully ask that you read the report, and provide your comments. Again, many thanks for your help with the study, and we look forward to hearing your thoughts and comments. Please don't hesitate to contact me if you have questions. I'll send the link to the report when it becomes available on the 14th.

Best regards,

Phil DeVol
Power Supply Planning Leader
Idaho Power Company
Ph.: 208-388-5365

This transmission may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

K. Myers comments on the Idaho Power 2012 wind integration study:

1. Overall study methodology was well planned and took significant internal model development efforts and expertise, for which Idaho Power should be complemented.

2. In potential follow-on studies, would like to see more sensitivity analysis performed (to estimate cost ranges/implications), adjusting some of the assumptions in the model and for potential changes to future market interactions. For example:

a. The Energy Imbalance Market studies and efforts starting to happen in the WECC

b. Better transmission links into more complementary markets (such as into southern NV and CA, instead of into WA/OR that has high wind and water power production with higher correlation to ID resources during certain portions of the year)

c. What if non-firm imports were assessed a different penalty than \$50/MWh?

d. What if the wholesale or neighboring power market at some point becomes able to provide some balancing reserves?

e. During review of the dispatch model, it appeared that the day ahead and hour ahead setups of the system drive a fairly high need for balancing reserves. This appears in other wind integration studies as well, and if shorter time frames are used (i.e. hour ahead and 15 min.) the reserve requirements are greatly reduced. A sensitivity analysis of potential future market changes of this nature might be helpful to quantify the potential for cost savings.

d. During our review sessions, we talked about the potential savings on the integration charges by reducing reg down requirements and covering this need with wind curtailment. It didn't show up in the final report what this cost could be versus the amount of energy and related revenue percentage reductions in wind farm output related to this potential curtailment, based on the simulated wind data used for the study.

e. A related topic to (d) above, is that wind plants can be operated at times below maximum energy capture to allow for reg up and down capability, but this comes with a cost of letting some wind energy pass by some/all of the turbines instead of capturing all that is available. A future study could look at the value of regulation services versus reduced energy capture to see at what point this concept makes economic sense.

f. Might be nice to show what the cost implications could be if reserves were all shifted over to gas turbines versus the optimal configurations you were shooting for in the models. That way you can show some sensitivity ranges to the different resources or combinations of choice versus what might be less optimal.

3. There seems to be an implication that integration services costs would be applied the same to all potential future projects. However, if better/actual wind data is used in future models in addition to

simulated/modeled data, it may become apparent that projects located in certain areas provide more resource distribution value than others. How do we incentivize projects to locate in areas that provide more value to the power system as a whole (maybe pricing structures based on resource planning efforts)?

4. Would like to see future studies utilize more real-time data, real wind plant output data and simulated wind farm output data (based on wind/weather data close to the simulated wind farms), with coordinated time stamps for better dispatch, economic and dynamic system modeling efforts. Use of simulated data from wide-area weather service data (i.e. airports, etc), modeled to wind farm locations using mesoscale models, instead of using/combining with microscale CFD models using data local to potential wind farm areas, potentially hinders the ability to have the desired resolution in the other modeling efforts. This may result in reduced ability to recognize important patterns in the overall system that could lead to system improvements in the future.

DeVol, Philip

From: Ken Dragoon [K.Dragoon@ecofys.com]
Sent: Saturday, March 09, 2013 10:49 AM
To: DeVol, Philip
Subject: Re: IPC wind Integration

Phil,

I am sorry it has taken me this long to start looking at the paper, but I am getting around to it and I hope it is not completely useless at this point. When I look at the downloaded pdf file, a number of the figures don't appear. Do you know whether they were unavailable, or maybe it's just my machine/software?

Also, a spot check of Table 1 suggests that the balancing reserves needed are almost precisely a linear function of the installed wind. For example, a 25% increase in wind resulted in almost exactly 25% (sometimes more!) increase in reserve requirements. One way that could happen is if load variability doesn't exist and incremental wind is 100% correlated with existing wind. There are other possibilities-- for example, the incremental wind could be much more volatile than the existing wind fleet. But generally, this is very implausible and suggests something went awry in the synthetic wind data, or how that data was processed. I don't know of another study where reserve levels rise linearly. I don't remember any conversation about how the synthetic wind data was produced.

Needed balancing reserve levels should be computed from the combination of wind and load. In other words, some balancing reserve is needed even without wind. As the first few megawatts of wind are added to the system, the effect on total reserve requirements is very small because the variability added by the wind is small compared to that of load. However, even when wind introduces a large fraction of the variability, the relationship is not linear with installed wind because there is some level of diversity between the new wind and the existing wind.

Thanks,

Ken

On Feb 15, 2013, at 1:34 PM, DeVol, Philip wrote:

Thanks for your patience on this. The study report is now posted to the IPC website. It can be found through the following link: <http://www.idahopower.com/pdfs/AboutUs/PlanningForFuture/irp/2013/windIntegrationStudy.pdf>. Thanks again for your help.

Phil

From: DeVol, Philip
Sent: Wednesday, February 13, 2013 4:29 PM
To: 'Puyleart, Frank R (BPA) - TOT-DITT2'; 'Rick Sterling'; 'Kurt.Myers@inl.gov'
Cc: Stokes, Mark
Subject: IPC wind integration

Greetings,

ATTACHMENT - SUPPLEMENTAL RESPONSE TO CREA'S DR 3.3(a)

Page 8 of 8

First of all, I want to thank the group again for your participation in the wind integration study review sessions we held so long ago. The purpose of this email is to inform you that we have finished a report on the wind integration study, and are planning on filing the report with the Idaho PUC on Thursday, February 14. The report will also be available on the 14th through our website.

I know it's been awhile since our review sessions, and I'd be happy to answer any questions to help refresh your memory if needed, but we'd like to make a special request to the group to provide your comments on the study methodology. The report recognizes you as having participated in special in-depth review sessions of the study methodology, and indicates that comments on the methodology received from you are based in part on the information shared during these sessions.

As your time allows, we respectfully ask that you read the report, and provide your comments. Again, many thanks for your help with the study, and we look forward to hearing your thoughts and comments. Please don't hesitate to contact me if you have questions. I'll send the link to the report when it becomes available on the 14th.

Best regards,

Phil DeVol
Power Supply Planning Leader
Idaho Power Company
Ph.: 208-388-5365



This transmission may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

POWER PURCHASE AGREEMENT

BETWEEN

[Firm Qualifying Facility (new or existing) located in non-PacifiCorp Control Area, interconnecting to non-PacifiCorp system, with 10,000 kW Facility Capacity Rating, or Less, and uninterruptible transmission to the Point of Delivery]

AND

PACIFICORP

Section 1: Definitions	2	
Section 2: Term; Commercial Operation Date	6	
Section 3: Representations and Warranties	7	Deleted:
Section 4: Delivery of Power	10	Deleted:
Section 5: Purchase Prices	10	
Section 6: Operation and Control	11	
Section 7: Fuel/Motive Force	12	
Section 8: Metering at the point of interconnection	13	Deleted:
Section 9: Billings, Computations, and Payments	13	
Section 10: Security	13	Deleted:
Section 11: Defaults and Remedies	13	Deleted:
Section 12: Indemnification and Liability	13	Deleted:
Section 13: Insurance (<i>Facilities over 200kW only</i>)	13	Deleted:
Section 14: Force Majeure	13	Deleted:
Section 15: Several Obligations	13	Deleted:
Section 16: Choice of Law	13	Deleted:
Section 17: Partial Invalidity	13	Deleted:
Section 18: Waiver	13	Deleted:
Section 19: Governmental Jurisdictions and Authorizations	13	Deleted:
Section 20: Repeal of PURPA	13	Deleted:
Section 21: Successors and Assigns	13	Deleted:
Section 22: Entire Agreement	13	Deleted:
Section 23: Notices	13	Deleted:

POWER PURCHASE AGREEMENT

THIS POWER PURCHASE AGREEMENT ("**Agreement**"), entered into this ____ day of _____, 20____, is between _____, "**Seller**" and PacifiCorp (d/b/a Pacific Power & Light Company), an Oregon corporation acting in its regulated utility capacity, "**PacifiCorp**." (Seller and PacifiCorp are referred to individually as a "**Party**" or collectively as the "**Parties**").

RECITALS

A. **[New QFs Only:]** Seller intends to construct, own, operate and maintain a _____ [state type of facility] facility for the generation of electric power, including interconnection facilities, located in _____ [City, County, State] with a Facility Capacity Rating of _____ -kilowatts (kW) as further described in **Exhibit A** and **Exhibit B** ("**Facility**"); and

A. **[Existing QFs Only:]** Seller owns, operates, and maintains a _____ [state type of facility] facility for the generation of electric power, including interconnection facilities, located in _____ [City, County, State] with a Facility Capacity Rating of _____ kilowatts (kW) as further described in **Exhibit A** and **Exhibit B** ("**Facility**"); and

B. Seller intends to commence delivery of Net Output under this Power Purchase Agreement, for the purpose of Start-up Testing, on _____, 20____ ("**Scheduled Initial Delivery Date**"); and

C. Seller intends to operate the Facility as a Qualifying Facility, commencing commercial operations on _____, 20____ ("**Scheduled Commercial Operation Date**"); and

D. Seller estimates that the average annual Net Energy to be delivered by the Facility to PacifiCorp is _____ kilowatt-hours (kWh), which amount of energy PacifiCorp will include in its resource planning; and

E. Seller shall sell and PacifiCorp shall purchase all Net Output from the Facility in accordance with the terms and conditions of this Agreement; and

F. This Agreement is a "New QF Contract" under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol.

G. Seller intends to transmit Net Output to PacifiCorp via transmission facilities operated by a third party, and PacifiCorp intends to accept scheduled firm delivery of Seller's Net Output, under the terms of this Agreement, including the Generation Scheduling Addendum attached as **Addendum W** and incorporated contemporaneously herewith.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 **"As-built Supplement"** shall be a supplement to **Exhibit A** and **Exhibit B**, provided by Seller following completion of construction of the Facility, describing the Facility as actually built.

1.2 **"Average Annual Generation"** shall have the meaning set forth in Section 4.2.

1.3 **"Billing Period"** means calendar months.

1.4 **"Commercial Operation Date"** means the date that the Facility is deemed by PacifiCorp to be fully operational and reliable, which shall require, among other things, that all of the following events have occurred:

1.4.1 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating (a) the Facility Capacity Rating of the Facility at the anticipated Commercial Operation Date; and (b) that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement;

1.4.2 The Facility has completed Start-Up Testing (applies to new Facilities and new upgrades only);

1.4.3 PacifiCorp has received a certificate addressed to PacifiCorp from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents (Facilities over 200 kW only) and, if requested by PacifiCorp, in writing, has provided copies of any or all such requested Required Facility Documents.

1.4.4 Seller has complied with the security requirements of Section 10.

1.4.5 PacifiCorp has received an executed copy of **Exhibit F** - Seller's Interconnection Request.

1.5 **"Commission"** means the Oregon Public Utilities Commission.

1.6 **"Contract Price"** means the applicable price for Net Output stated in Sections 5.1 and 5.2.

1.7 **"Contract Year"** means a twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time ("PPT") on January 1 and ending on 24:00 hours PPT on

December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Termination Date.

1.8 “**Credit Requirements**” means a long-term credit rating (corporate or long-term senior unsecured debt) of (1) “Baa3” or greater by Moody’s, or (2) “BBB-” or greater by S&P, or such other indicia of creditworthiness acceptable to PacifiCorp in its reasonable judgment.

1.9 “**Default Security**”, unless otherwise agreed to by the Parties in writing, means the amount of either a Letter of Credit or cash placed in an escrow account sufficient to replace twelve (12) average months of replacement power costs over the term of this Agreement, and shall be calculated by taking the average, over the term of this Agreement, of the positive difference between (a) the monthly forward power prices at _____ [specify POD] (as determined by PacifiCorp in good faith using information from a commercially reasonable independent source), multiplied by 110%, minus (b) the average of the Fixed Avoided Cost Prices specified in Schedule 37, and multiplying such difference by (c) the Minimum Annual Delivery; provided, however, the amount of Default Security shall in no event be less than the amount equal to the payments PacifiCorp would make for three (3) average months based on Seller’s average monthly volume over the term of this Agreement and utilizing the average Fixed Avoided Cost Prices specified in Schedule 37. Such amount shall be fixed at the Effective Date of this Agreement.

1.10 “**Effective Date**” shall have the meaning set forth in Section 2.1.

1.11 “**Energy Delivery Schedule**” shall have the meaning set forth in Section 4.5.

1.12 “**Environmental Attributes**” shall have the meaning set forth in Section 5.5.

1.13 “**Excess Output**” shall mean any increment of Net Output produced at a rate, on an hourly basis, exceeding the Facility Capacity Rating.

1.14 “**Facility**” shall have the meaning set forth in Recital A.

1.15 “**Facility Capacity Rating**” means the sum of the Nameplate Capacity Ratings for all generators comprising the Facility.

1.16 “**FERC**” means the Federal Energy Regulatory Commission, or its successor.

1.17 “**Generation Scheduling Addendum**” means **Addendum W**, the portion of this Agreement providing for the measurement, scheduling, and delivery of Net Output from the Facility to the Point of Delivery via a non-PacifiCorp transmission provider.

1.18 “**Interconnected Utility**” means _____, the operator of the electric utility system at the Point of Interconnection.

1.19 “**Interconnection Agreement**” means the agreement (or contemporaneous agreements) between Seller and the Interconnected Utility governing interconnection of

Seller's Facility at the Point of Interconnection and associated use of the Interconnected Utility's system.

1.20 "**Letter of Credit**" means an irrevocable standby letter of credit, from an institution that has a long-term senior unsecured debt rating of "A" or greater from S&P or "A2" or greater from Moody's, in a form reasonably acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests thereunder.

1.21 "**Licensed Professional Engineer**" means a person acceptable to PacifiCorp in its reasonable judgment who is licensed to practice engineering in the state of Oregon, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made.

1.22 "**Material Adverse Change**" means the occurrence of any event of default under any material agreement to which Seller is a party and of any other development, financial or otherwise, which would have a material adverse effect on Seller, the Facility or Seller's ability to develop, construct, operate, maintain or own the Facility as provided in this Agreement

1.23 "**Maximum Annual Delivery**" shall have the meaning set forth in Section 4.3.

1.24 "**Minimum Annual Delivery**" shall have the meaning set forth in Section 4.3.

1.25 "**Nameplate Capacity Rating**" means 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, kilovoltamperes, kilowatts, volts, or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

1.26 "**Net Energy**" means the energy component, in kWh, of Net Output.

1.27 "**Net Output**" means all energy and capacity produced by the Facility, less station use and less transformation and transmission losses and other adjustments (e.g., Seller's load other than station use), if any, up to and including the Point of Interconnection. For purposes of calculating payment under this Agreement, Net Output of energy shall be the amount of energy flowing through the Point of Interconnection, less any station use not provided by the Facility.

1.28 "**Net Replacement Power Costs**" shall have the meaning set forth in Section 11.4.1.

1.29 "**Off-Peak Hours**" means all hours of the week that are not On-Peak Hours.

1.30 “**On-Peak Hours**” means the hours between 6 a.m. Pacific Prevailing Time (“**PPT**”) and 10 p.m. PPT, Mondays through Saturdays, excluding all hours occurring on holidays as provided in Schedule 37.

1.31 “**Point of Delivery**” means the location in PacifiCorp’s system where PacifiCorp has agreed to receive Seller’s Net Energy, as specified in **Exhibit B**.

1.32 “**Point of Interconnection**” means the point of interconnection between Seller’s Facility and the Transmitting Entity’s system, if applicable, as specified in **Exhibit B**.

1.33 “**Prime Rate**” means the publicly announced prime rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, New York, selected by the Party to whom interest based on the Prime Rate is being paid.

1.34 “**Prudent Electrical Practices**” means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry or any of the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time a decision is made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Electrical Practices is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts.

1.35 “**QF**” means “**Qualifying Facility**,” as that term is defined in the FERC regulations (codified at 18 CFR Part 292) in effect on the Effective Date.

1.36 “**Replacement Price**” means the price at which PacifiCorp, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PacifiCorp in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PacifiCorp in causing replacement energy to be delivered to the Point of Delivery. If PacifiCorp elects not to make such a purchase, the Replacement Price shall be the market price at the Mid-Columbia trading hub for such energy not delivered, plus any additional cost or expense incurred as a result of Seller’s failure to deliver, as determined by PacifiCorp in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.37 “**Required Facility Documents**” means all licenses, permits, authorizations, and agreements, including an Interconnection Agreement and Transmission Agreement(s), necessary for construction, operation and maintenance of the Facility, and delivery of Facility output, consistent with the terms of this Agreement. The Required Facility Documents are set forth in **Exhibit C**.

1.38 “**Schedule 37**” means the Schedule 37 of Pacific Power & Light Company’s Commission-approved tariffs, providing pricing options for Qualifying Facilities of 10,000 kW

or less, which is in effect on the Effective Date of this Agreement. A copy of that Schedule 37 is attached as **Exhibit G**.

1.39 “**Scheduled Commercial Operation Date**” shall have the meaning set forth in Recital C.

1.40 “**Scheduled Initial Delivery Date**” shall have the meaning set forth in Recital B.

1.41 “**Start-Up Testing**” means the completion of required factory and start-up tests as set forth in **Exhibit E** hereto.

1.42 “**Termination Date**” shall have the meaning set forth in Section 2.4.

1.43 “**Transmission Agreement**” means the agreement (or contemporaneous agreements) between Seller and the Transmitting Entity providing for Seller’s uninterrupted right to transmit Net Output to the Point of Delivery.

1.44 “**Transmitting Entity(s)**” means _____, the (non-PacifiCorp) operator of the transmission system at the Point of Delivery.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties (“**Effective Date**”).

2.2 **Time is of the essence for this Agreement**, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to deliver Net Output by the Scheduled Commercial Operation Date is critically important. Therefore,

2.2.1 By _____, Seller shall provide PacifiCorp with a copy of an executed Interconnection Agreement and an executed Transmission Agreement, which shall be consistent with all material terms and requirements of this Agreement.

2.2.2 Upon completion of construction, Seller, in accordance with Section 6.1, shall provide PacifiCorp with an As-built Supplement acceptable to PacifiCorp;

2.2.3 By the date thirty (30) days after the Effective Date, Seller shall provide Default Security required under Sections 10.1 or 10.2, as applicable.

2.3 Seller shall cause the Facility to achieve Commercial Operation on or before the Scheduled Commercial Operation Date. If Commercial Operation occurs after the Scheduled Commercial Operation Date, Seller shall be in default, and liable for delay damages specified in Section 11.

2.4 Except as otherwise provided herein, this Agreement shall terminate on _____ [enter Date that is no later than 20 years after the Scheduled Initial Delivery Date] (“Termination Date”).

SECTION 3: REPRESENTATIONS AND WARRANTIES

- 3.1 PacifiCorp represents, covenants, and warrants to Seller that:
- 3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.
 - 3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.
 - 3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.
 - 3.1.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on PacifiCorp or any valid order of any court, or any regulatory agency or other body having authority to which PacifiCorp is subject.
 - 3.1.5 This Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).
- 3.2 Seller represents, covenants, and warrants to PacifiCorp that:
- 3.2.1 Seller is a [corporation, partnership, or limited liability company] duly organized and validly existing under the laws of _____.
 - 3.2.2 Seller has the requisite power and authority to enter into this Agreement and to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.
 - 3.2.3 Seller has taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

- 3.2.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.
- 3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).
- 3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF, and Seller will operate the Facility in a manner consistent with its FERC QF certification. Seller has provided to PacifiCorp the appropriate QF certification (which may include a FERC self-certification) prior to PacifiCorp's execution of this Agreement. At any time during the term of this Agreement, PacifiCorp may require Seller to provide PacifiCorp with evidence satisfactory to PacifiCorp in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements and, if PacifiCorp is not satisfied that the Facility qualifies for such status, a written legal opinion from an attorney who is (a) in good standing in the state of Oregon, and (b) who has no economic relationship, association or nexus with the Seller or the Facility, stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained and will continue to maintain the Facility as a QF.
- 3.2.7 Compliance with Partial Stipulation in Commission Proceeding No. UM-1129. Seller will not make any changes in its ownership, control, or management during the term of this Agreement that would cause it to not be in compliance with the definition of a Small Cogeneration Facility or Small Power Production Facility provided in PacifiCorp's Schedule 37 tariff approved by the Commission at the time this Agreement is executed. Seller will provide, upon request by PacifiCorp not more frequently than every 36 months, such documentation and information as reasonably may be required to establish Seller's continued compliance with such Definition. PacifiCorp agrees to take reasonable steps to maintain the confidentiality of any portion of the above-described documentation and information that the Seller identifies as confidential except PacifiCorp will provide all such confidential information the Public Utility Commission of Oregon upon the Commission's request.

3.2.8 Additional Seller Creditworthiness Warranties. Seller need not post security under Section 10 for PacifiCorp's benefit in the event of Seller default, provided that Seller warrants all of the following:

- (a) Neither the Seller nor any of its principal equity owners is or has within the past two (2) years been the debtor in any bankruptcy proceeding, is unable to pay its bills in the ordinary course of its business, or is the subject of any legal or regulatory action, the result of which could reasonably be expected to impair Seller's ability to own and operate the Facility in accordance with the terms of this Agreement.
- (b) Seller has not at any time defaulted in any of its payment obligations for electricity purchased from PacifiCorp.
- (c) Seller is not in default under any of its other agreements and is current on all of its financial obligations, including construction related financial obligations.
- (d) Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility.
- (e) **[Applicable only to Sellers with a Facility having a Facility Capacity Rating greater than 3,000 kW]** Seller meets the Credit Requirements.

Seller hereby declares (Seller initial one only):

_____ Seller affirms and adopts all warranties of this Section 3.2.8, and therefore is not required to post security under Section 10; or

_____ Seller does not affirm and adopt all warranties of this Section 3.2.8, and therefore Seller elects to post the security specified in Section 10.

3.3 Notice. If at any time during this Agreement, any Party obtains actual knowledge of any event or information which would have caused any of the representations and warranties in this Section 3 to have been materially untrue or misleading when made, such Party shall provide the other Party with written notice of the event or information, the representations and warranties affected, and the action, if any, which such Party intends to take to make the representations and warranties true and correct. The notice required pursuant to this Section shall be given as soon as practicable after the occurrence of each such event.

SECTION 4: DELIVERY OF POWER

4.1 Commencing on the Commercial Operation Date, unless otherwise provided herein, Seller will sell and PacifiCorp will purchase all Net Output from the Facility delivered to the Point of Delivery.

4.2 Average Annual Generation. Seller estimates that the Facility will generate, on average, _____ kWh per Contract Year (“**Average Annual Generation**”). Seller may, upon at least six months prior written notice, modify the Average Annual Generation every other Contract Year.

4.3 Minimum and Maximum Delivery. Seller shall deliver (or cause to be delivered) from the Facility a minimum of _____ kWh of Net Output during each Contract Year, provided that such minimum for the first Contract Year shall be reduced *pro rata* to reflect the Commercial Operation Date, and further provided that such minimum delivered Net Output shall be reduced on a *pro rata* basis for any periods during a Contract Year that the Facility was prevented from generating or delivering electricity for reasons of Force Majeure (“**Minimum Annual Delivery**”). Seller estimates, for informational purposes, that it will deliver from the Facility a maximum of _____ kWh of Net Output during each Contract Year (“**Maximum Annual Delivery**”). Seller’s basis for determining the Minimum and Maximum Annual Delivery amounts is set forth in **Exhibit D**.

4.4 Deliveries in Deficit of Delivery Obligation. Seller’s failure to deliver the Minimum Annual Delivery in any Contract Year (prorated if necessary) shall be a default, and Seller shall be liable for damages in accordance with Section 11.

4.5 Energy Delivery Schedule. Seller has provided a monthly schedule of Net Energy expected to be delivered by the Facility (“**Energy Delivery Schedule**”), incorporated into **Exhibit D**.

SECTION 5: PURCHASE PRICES

5.1 Seller shall have the option to select one of four pricing options: Fixed Avoided Cost Prices (“Fixed Price”), Firm Market Indexed Avoided Cost Prices (“Firm Electric Market”), Gas Market Indexed Avoided Cost Prices (“Gas Market”), or Banded Gas Market Indexed Avoided Cost Prices (“Banded Gas Market”), as published in Schedule 37. Once an option is selected the option will remain in effect for the duration of the Facility’s contract. Seller has selected the following (Seller to initial one):

- _____ Fixed Price
- _____ Firm Electric Market
- _____ Gas Market
- _____ Banded Gas Market

A copy of Schedule 37, and a table summarizing the purchase prices under the pricing option selected by Seller, is attached as **Exhibit G**.

5.2 (Applies only to "Fixed Price" Contracts Greater than 15 Years). In the event Seller elects the Fixed Price payment method, PacifiCorp shall pay Seller the applicable On-Peak and Off-Peak rates specified in **Schedule 37** during the first fifteen (15) years after the Scheduled Initial Delivery Date. Thereafter, PacifiCorp shall pay Seller market-based rates, using the following pricing option (Seller to initial one):

- _____ Firm Electric Market
- _____ Gas Market
- _____ Banded Gas Market

5.3 If the Seller elects a gas market indexed price option, the index shall be the Opal Gas Market Index as provided in Schedule 37. In the event that Platt ceases to publish the Opal Gas Market Index, the Company shall replace the index with a similar gas index.

5.4 For all Excess Output and for all Net Output delivered prior to the Commercial Operation Date, PacifiCorp shall pay Seller a blended market index price for day-ahead non-firm energy at Mid-Columbia, California Oregon Border (COB), Four Corners and Palo Verde market indices as reported by Dow Jones, for the On-Peak and Off-Peak periods. PacifiCorp shall document its calculation of the blended rate, upon request, to Seller. Such payment will be accomplished by adjustments pursuant to Section 9.2.

5.5 Environmental Attributes. PacifiCorp waives any claim to Seller's ownership of Environmental Attributes under this Agreement. Environmental Attributes include, but are not limited to, Green Tags, Green Certificates, Renewable Energy Credits (RECs) and Tradable Renewable Certificates (TRCs) (as those terms are commonly used in the regional electric utility industry) directly associated with the production of energy from the Seller's Facility.

SECTION 6: OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of initial (and any subsequent) construction affecting the Facility, Seller shall provide PacifiCorp an As-built Supplement to specify the actual Facility as built. The As-built Supplement must be reviewed and approved by PacifiCorp, which approval shall not unreasonably be withheld, conditioned or delayed.

6.2 Incremental Utility Upgrades. At start-up (and at any other time upon at least six month's prior written notice), Seller may increase Net Output, if such increase is due to normal variances in estimated versus actual performance, changed Facility operations, or improvements in Facility efficiency. Seller may not increase Net Output under this Agreement by installing additional generating units. In the case of substantial upgrades, PacifiCorp may require Seller to comply with Section 3.2.8(e) (in the event that the Facility upgrade causes the Facility Capacity Rating to exceed 3,000 kW) and increase its Minimum Annual Delivery obligation in Section 4.3 (if appropriate). PacifiCorp may also update Seller's security obligation (if applicable). So long as the Facility Capacity Rating after the upgrade is 10,000

kW or less, Seller will continue to receive the Contract Price for the Net Output, as set forth in Sections 5.1 and 5.2 of this Agreement. If Seller increases the Facility Capacity Rating above 10,000 kW, then (on a going forward basis) PacifiCorp shall pay Seller the Contract Price for the fraction of total Net Output equal to 10,000 kW divided by the Facility Capacity Rating of the upgraded Facility. For the remaining fraction of Net Output, PacifiCorp and Seller shall agree to a new negotiated rate. Seller shall be responsible for ensuring that any planned increase in the Facility Capacity Rating or the maximum instantaneous capacity of the Facility complies with Seller's Interconnection Agreement, Transmission Agreement and any other relevant agreements.

6.3 Seller shall operate and maintain the Facility in a safe manner in accordance with this Agreement, the Interconnection Agreement, Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. PacifiCorp shall have no obligation to purchase Net Output from the Facility to the extent the interconnection between the Facility and the Point of Delivery is disconnected, suspended or interrupted, in whole or in part, pursuant to the Interconnection Agreement or Transmission Agreement(s), or to the extent generation curtailment is required as a result of Seller's non-compliance with the Interconnection Agreement or Transmission Agreement(s). PacifiCorp shall have the right to inspect the Facility to confirm that Seller is operating the Facility in accordance with the provisions of this Section 6.3 upon reasonable notice to Seller. Seller is solely responsible for the operation and maintenance of the Facility. PacifiCorp shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

6.4 Scheduled Outages. Seller may cease operation of the entire Facility or individual units, if applicable, for maintenance or other purposes. Seller shall exercise its best efforts to notify PacifiCorp of planned outages at least ninety (90) days prior, and shall reasonably accommodate PacifiCorp's request, if any, to reschedule such planned outage in order to accommodate PacifiCorp's need for Facility operation.

6.5 Unplanned Outages. In the event of an unscheduled outage or curtailment exceeding twenty-five (25) percent of the Facility Capacity Rating (other than curtailments due to lack of motive force), Seller immediately shall notify PacifiCorp of the necessity of such unscheduled outage or curtailment, the time when such has occurred or will occur and the anticipated duration. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled outage or curtailment, to limit the duration of such, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 7: FUEL/MOTIVE FORCE

Prior to the Effective Date of this Agreement, Seller provided to PacifiCorp a fuel or motive force plan acceptable to PacifiCorp in its reasonable discretion and attached hereto as **Exhibit D-1**, together with a certification from a Licensed Professional Engineer to PacifiCorp attached hereto as **Exhibit D-2**, certifying that the implementation of the fuel or motive force plan can

reasonably be expected to provide fuel or motive force to the Facility for the duration of this Agreement adequate to generate power and energy in quantities necessary to deliver the Minimum Annual Delivery set forth by Seller in Section 4.

SECTION 8: METERING AT THE POINT OF INTERCONNECTION

8.1 Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PacifiCorp metered Facility Net Output in hourly increments, and any other energy measurements required to administer this Agreement. If the Transmitting Entity requires Seller to telemeter data, PacifiCorp shall be entitled to receive the same data Seller provides to the Transmitting Entity, if such data is useful to PacifiCorp's administration of this Agreement. All quantities of energy purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Interconnection. The loss adjustment shall be ___% of the kWh energy production recorded on the Facility output meter.

8.2 Seller shall pay for the installation, testing, and maintenance of any metering required by Section 8.1, and shall provide reasonable access to such meters. PacifiCorp shall have reasonable access to inspection, testing, repair and replacement of the metering equipment. If any of the inspections or tests discloses a measurement error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) Billing Periods, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered following the repair of the meter.

SECTION 9: BILLINGS, COMPUTATIONS, AND PAYMENTS

9.1 On or before the thirtieth (30th) day following the end of each Billing Period, PacifiCorp shall send to Seller payment for Seller's deliveries of Net Output to PacifiCorp, together with computations supporting such payment. PacifiCorp may offset any such payment to reflect amounts owing from Seller to PacifiCorp pursuant to this Agreement or any other agreement between the Parties.

9.2 Corrections. PacifiCorp shall have up to eighteen months to adjust any payment made pursuant to Section 9.1. In the event PacifiCorp determines it has overpaid Seller (for Excess Output or otherwise), PacifiCorp may adjust Seller's future payment accordingly in order to recapture any overpayment in a reasonable time.

9.3 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; *provided, however*, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 10: SECURITY

Unless Seller has adopted the creditworthiness warranties contained in Section 3.2.8, Seller must provide security (if requested by PacifiCorp) in the form of a cash escrow, letter of credit, senior lien, or step-in rights. Seller hereby elects to provide, in accordance with the applicable terms of this Section 10, the following security (Seller to initial one selection only):

- Cash Escrow
- Letter of Credit
- Senior Lien
- Step-in Rights
- Seller has adopted the Creditworthiness Warranties of Section 3.2.8.

In the event Seller's obligation to post default security (under Section 10 or Section 11.1.4) arises solely from Seller's delinquent performance of construction-related financial obligations, upon Seller's request, PacifiCorp will excuse Seller from such obligation in the event Seller has negotiated financial arrangements with its construction lenders that mitigate Seller's financial risks to PacifiCorp's reasonable satisfaction.

[SKIP THIS SECTION 10.1 UNLESS SELLER SELECTED CASH ESCROW ALTERNATIVE]

10.1 Cash Escrow Security. Seller shall deposit in an escrow account established by PacifiCorp in a banking institution acceptable to both Parties, the Default Security. Such sum shall earn interest at the rate applicable to money market deposits at such banking institution from time to time. To the extent PacifiCorp receives payment from the Default Security, Seller shall, within fifteen (15) days, restore the Default Security as if no such deduction had occurred.

[SKIP THIS SECTION 10.2 UNLESS SELLER SELECTED LETTER OF CREDIT ALTERNATIVE]

10.2 Letter of Credit Security. Seller shall post and maintain in an amount equal to the Default Security: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to PacifiCorp in its discretion, or (b) a Letter of Credit in favor of PacifiCorp. To the extent PacifiCorp receives payment from the Default Security, Seller shall, within fifteen (15) days, restore the Default Security as if no such deduction had occurred.

[SKIP THIS SECTION 10.3 UNLESS SELLER SELECTED SENIOR LIEN ALTERNATIVE]

10.3 Senior Lien. Before the Scheduled Commercial Operation Date, Seller shall grant PacifiCorp a senior, unsubordinated lien on the Facility and its assets as security for performance of this Agreement by executing, acknowledging and delivering a security agreement and a deed of trust or a mortgage, in a recordable form (each in a form satisfactory to PacifiCorp in the reasonable exercise of its discretion). Pending delivery of the senior lien to PacifiCorp, Seller shall not cause or permit the Facility or its assets to be burdened by liens or other encumbrances that would be superior to PacifiCorp's, other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

[SKIP THIS SECTION 10.4 UNLESS SELLER SELECTED STEP-IN RIGHTS ALTERNATIVE]

10.4 Step-in Rights (Operation by PacifiCorp Following Event of Default of Seller).

- 10.4.1 Prior to any termination of this Agreement due to an Event of Default of Seller, as identified in Section 11, PacifiCorp shall have the right, but not the obligation, to possess, assume control of, and operate the Facility as agent for Seller (in accordance with Seller's rights, obligations, and interest under this Agreement) during the period provided for herein. Seller shall not grant any person, other than the lending institution providing financing to the Seller for construction of the Facility ("Facility Lender"), a right to possess, assume control of, and operate the Facility that is equal to or superior to PacifiCorp's right under this Section 10.4.
- 10.4.2 PacifiCorp shall give Seller ten (10) calendar days notice in advance of the contemplated exercise of PacifiCorp's rights under this Section 10.4. Upon such notice, Seller shall collect and have available at a convenient, central location at the Facility all documents, contracts, books, manuals, reports, and records required to construct, operate, and maintain the Facility in accordance with Prudent Electrical Practices. Upon such notice, PacifiCorp, its employees, contractors, or designated third parties shall have the unrestricted right to enter the Facility for the purpose of constructing and/or operating the Facility. Seller hereby irrevocably appoints PacifiCorp as Seller's attorney-in-fact for the exclusive purpose of executing such documents and taking such other actions as PacifiCorp may reasonably deem necessary or appropriate to exercise PacifiCorp's step-in rights under this Section 10.4.
- 10.4.3 During any period that PacifiCorp is in possession of and constructing and/or operating the Facility, no proceeds or other monies attributed to operation of the Facility shall be remitted to or otherwise provided to the account of Seller until all Events of Default of Seller have been cured.
- 10.4.4 During any period that PacifiCorp is in possession of and operating the Facility, Seller shall retain legal title to and ownership of the Facility and

PacifiCorp shall assume possession, operation, and control solely as agent for Seller.

- (a) In the event PacifiCorp is in possession and control of the Facility for an interim period, Seller shall resume operation and PacifiCorp shall relinquish its right to operate when Seller demonstrates to PacifiCorp's reasonable satisfaction that it will remove those grounds that originally gave rise to PacifiCorp's right to operate the Facility, as provided above, in that Seller (i) will resume operation of the Facility in accordance with the provisions of this Agreement, and (ii) has cured any Events of Default of Seller which allowed PacifiCorp to exercise its rights under this Section 10.4.
- (b) In the event that PacifiCorp is in possession and control of the Facility for an interim period, the Facility Lender, or any nominee or transferee thereof, may foreclose and take possession of and operate the Facility and PacifiCorp shall relinquish its right to operate when the Facility Lender or any nominee or transferee thereof, requests such relinquishment.

10.4.5 PacifiCorp's exercise of its rights hereunder to possess and operate the Facility shall not be deemed an assumption by PacifiCorp of any liability attributable to Seller. If at any time after exercising its rights to take possession of and operate the Facility PacifiCorp elects to return such possession and operation to Seller, PacifiCorp shall provide Seller with at least fifteen (15) calendar days advance notice of the date PacifiCorp intends to return such possession and operation, and upon receipt of such notice Seller shall take all measures necessary to resume possession and operation of the Facility on such date.

SECTION 11: DEFAULTS AND REMEDIES

11.1 Events of Default. The following events shall constitute defaults under this Agreement:

- 11.1.1 Breach of Material Term. Failure of a Party to perform any material obligation imposed upon that Party by this Agreement (including but not limited to failure by Seller to meet any deadline set forth in Section 2) or breach by a Party of a representation or warranty set forth in this Agreement.
- 11.1.2 Default on Other Agreements. Seller's failure to cure any default under any commercial or financing agreements or instrument (including the Interconnection Agreement and any Transmission Agreement) within the time allowed for a cure under such agreement or instrument.

- 11.1.3 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.
- 11.1.4 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller and Seller fails to provide such performance assurances as are reasonably requested by PacifiCorp, including without limitation the posting of additional Default Security, within thirty (30) days from the date of such request;
- 11.1.5 Delayed Commercial Operations. Seller's failure to achieve the Commercial Operation Date by the Scheduled Commercial Operation Date.
- 11.1.6 Underdelivery. If Seller's Facility has a Facility Capacity Rating of 100 kW or less, Seller's failure to satisfy the minimum delivery obligation of Section 4.3 for two (2) consecutive years; else Seller's failure to satisfy the minimum delivery obligation of Section 4.3 for one year.
- 11.2 Notice; Opportunity to Cure.
- 11.2.1 Notice. In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default.
- 11.2.2 Opportunity to Cure. A Party defaulting under Section 11.1.1 or 11.1.5 shall have thirty (30) days to cure after receipt of proper notice from the non-defaulting Party. This thirty (30) day period shall be extended by an additional ninety (90) days if (a) the failure cannot reasonably be cured within the thirty (30) day period despite diligent efforts, (b) the default is capable of being cured within the additional ninety (90) day period, and (c) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently and continuously proceeding to cure the failure.
- 11.2.3 Seller Default Under Other Agreements. Seller shall cause any notices of default under any of its commercial or financing agreements or instruments to be sent by the other party to such agreements or instruments, or immediately forwarded, to PacifiCorp as a notice in accordance with Section 23.
- 11.2.4 Seller Delinquent on Construction-related Financial Obligations. Seller promptly shall notify PacifiCorp (or cause PacifiCorp to be notified) anytime it becomes delinquent under any construction related financing

agreement or instrument related to the Facility. Such delinquency may constitute a Material Adverse Change, subject to Section 11.1.4.

11.3 Termination.

11.3.1 Notice of Termination. If a default described herein has not been cured within the prescribed time, above, the non-defaulting Party may terminate this Agreement at its sole discretion by delivering written notice to the other Party and may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement; *provided, however* that PacifiCorp shall not terminate: (a) for a default under Section 11.1.5 unless PacifiCorp is in a resource deficient state during the period Commercial Operation is delayed; or (b) for a default under Section 11.1.6, unless such default is material. The rights provided in Section 10 and this Section 11 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights. Further, the Parties may by mutual written agreement amend this Agreement in lieu of a Party's exercise of its right to terminate.

11.3.2 In the event this Agreement is terminated because of Seller's default and Seller wishes to again sell Net Output to PacifiCorp following such termination, PacifiCorp in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price, until the Termination Date (as set forth in Section 2.4). At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement.

11.3.3 Damages. If this Agreement is terminated as a result of Seller's default, Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Replacement Price for the Minimum Annual Delivery that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination plus any cost incurred for transmission purchased to deliver the replacement power to the Point of Delivery, and the estimated administrative cost to the utility to acquire replacement power. Amounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PacifiCorp for the same.

11.3.4 If this Agreement is terminated because of Seller's default, PacifiCorp may foreclose upon any security provided pursuant to Section 10 to satisfy any amounts that Seller owes PacifiCorp arising from such default.

11.4 Damages.

11.4.1 Failure to Deliver Net Output. In the event of Seller default under Subsection 11.1.5 or Subsection 11.1.6, then Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price from the Replacement Price for any energy and capacity that Seller was

otherwise obligated (under Section 4.3) to provide during the period of default (“**Net Replacement Power Costs**”); *provided, however*, that the positive difference obtained by subtracting the Contract Price from the Replacement Price shall not exceed the Contract Price, and the period of default under this Section 11.4.1 shall not exceed one Contract Year.

11.4.2 Recoupment of Damages.

- (a) Default Security Available. If Seller has posted Default Security, PacifiCorp may draw upon that security to satisfy any damages, above.
- (b) Default Security Unavailable. If Seller has not posted Default Security, or if PacifiCorp has exhausted the Default Security, PacifiCorp may collect any remaining amount owing by partially withholding future payments to Seller over a reasonable period of time, which period shall not be less than the period over which the default occurred. PacifiCorp and Seller shall work together in good faith to establish the period, and monthly amounts, of such withholding so as to avoid Seller’s default on its commercial or financing agreements necessary for its continued operation of the Facility.

SECTION 12: INDEMNIFICATION AND LIABILITY

12.1 Indemnities.

12.1.1 Indemnity by Seller. Seller shall release, indemnify and hold harmless PacifiCorp, its directors, officers, agents, and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney’s fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with (a) the energy delivered by Seller under this Agreement to and at the Point of Delivery, (b) any facilities on Seller’s side of the Point of Delivery, (c) Seller’s operation and/or maintenance of the Facility, or (d) arising from this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PacifiCorp, Seller or others, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of PacifiCorp, its directors, officers, employees, agents or representatives.

12.1.2 Indemnity by PacifiCorp. PacifiCorp shall release, indemnify and hold harmless Seller, its directors, officers, agents, Lenders and representatives against and from any and all loss, fines, penalties, claims, actions or suits, including costs and attorney’s fees, both at trial and on appeal, resulting

from, or arising out of or in any way connected with the energy delivered by Seller under this Agreement after the Point of Delivery, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of Seller, its directors, officers, employees, agents, Lenders or representatives.

12.2 No Dedication. 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. 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 other Party or to the public, nor affect the status of PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

12.3 No Consequential Damages. EXCEPT TO THE EXTENT SUCH DAMAGES ARE INCLUDED IN THE LIQUIDATED DAMAGES, DELAY DAMAGES, COST TO COVER DAMAGES OR OTHER SPECIFIED MEASURE OF DAMAGES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

SECTION 13: INSURANCE (FACILITIES OVER 200KW ONLY)

13.1 Certificates. Prior to connection of the Facility to PacifiCorp's electric system, or another utility's electric system, Seller shall secure and continuously carry insurance in compliance with the requirements of this Section. Seller shall provide PacifiCorp insurance certificate(s) (of "ACORD Form" or the equivalent) certifying Seller's compliance with the insurance requirements hereunder. Commercial General Liability coverage written on a "claims-made" basis, if any, shall be specifically identified on the certificate. If requested by PacifiCorp, a copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company, shall be furnished to PacifiCorp.

13.2 Required Policies and Coverages. Without limiting any liabilities or any other obligations of Seller under this Agreement, Seller shall secure and continuously carry with an insurance company or companies rated not lower than "B+" by the A.M. Best Company the insurance coverage specified below:

13.2.1 Commercial General Liability insurance, to include contractual liability, with a minimum single limit of \$1,000,000 to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement.

13.2.2 All Risk Property insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities.

13.3 The Commercial General Liability policy required herein shall include i) provisions or endorsements naming PacifiCorp, its Board of Directors, Officers and employees as additional insureds, and ii) cross liability coverage so that the insurance applies separately to each insured against whom claim is made or suit is brought, even in instances where one insured claims against or sues another insured.

13.4 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interests of PacifiCorp and that any other insurance maintained by PacifiCorp is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without 1) ten (10) days prior written notice to PacifiCorp if canceled for nonpayment of premium, or 2) thirty (30) days prior written notice to PacifiCorp if canceled for any other reason.

13.5 Insurance coverage provided on a "claims-made" basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such other length of time necessary to cover liabilities arising out of the activities under this Agreement.

SECTION 14: FORCE MAJEURE

14.1 As used in this Agreement, "**Force Majeure**" or "**an event of Force Majeure**" means any cause beyond the reasonable control of the Seller or of PacifiCorp which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include 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, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority 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, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of fuel or motive force resources to operate the Facility or changes in market conditions that affect the price of energy or transmission. If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that:

- 14.1.1 the non-performing Party, shall, within two (2) weeks after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and
- 14.1.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure; and
- 14.1.3 the non-performing Party uses its best efforts to remedy its inability to perform.

14.2 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the event of Force Majeure.

14.3 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

14.4 PacifiCorp may terminate the Agreement if Seller fails to remedy Seller's inability to perform, due to an event of Force Majeure, within six months after the occurrence of the event.

SECTION 15: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 16: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the State of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 17: PARTIAL INVALIDITY

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

SECTION 18: WAIVER

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 must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 19: GOVERNMENTAL JURISDICTIONS AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PacifiCorp.

SECTION 20: REPEAL OF PURPA

This Agreement shall not terminate upon the repeal of the PURPA, unless such termination is mandated by federal or state law.

SECTION 21: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent to a lender as part of a financing transaction or as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 22: ENTIRE AGREEMENT

22.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PacifiCorp's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

22.2 By executing this Agreement, Seller releases PacifiCorp from any claims, known or unknown, that may have arisen prior to the Effective Date.

SECTION 23: NOTICES

23.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested.

Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone: (503) 813 - 5952 Facsimile: (503) 813 - 6291 Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	
All Invoices:	(same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 - 5580	
Scheduling:	(same as street address above) Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813 - 6265	
Payments:	(same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 - 5580	
Wire Transfer:	Bank One N.A. ABA: ACCT: NAME: PacifiCorp Wholesale	
Credit and Collections:	(same as street address above) Attn: Credit Manager, Suite 1900 Phone: (503) 813 - 5684 Facsimile: (503) 813 - 5609	
With Additional Notices of an Event of Default or Potential Event of Default to:	(same as street address above) Attn: PacifiCorp General Counsel Phone: (503) 813-5029 Facsimile: (503) 813-7252	

23.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 23.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the date first above written.

PacifiCorp

Seller

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY**

[Seller to Complete]

Seller's Facility consists of _____ generators manufactured by _____ . More specifically, each generator at the Facility is described as:

A. Manufacturer's Nameplate Data:

Type (synchronous or inductive):

Model:

Number of Phases:

Rated Output (kW):

Rated Output (kVA):

Rated Voltage (line to line):

Rated Current (A): Stator: _____ A; Rotor: _____ A

Power factor requirements:

Rated Power Factor (PF) or reactive load (kVAR):

B. Seller's Estimate of Facility Output Under Ideal (Maximum) or Worst (Minimum) Conditions

Maximum kW Output: _____ kW **Maximum kVA Output:** _____ kVA

Minimum kW Output: _____ kW

Manufacturer's Guaranteed Cut-in Wind Speed [if applicable]:

Facility Capacity Rating: _____ kW at _____

Identify the maximum output of the generator(s) and describe any differences between that output and the Nameplate Capacity Rating:

Station service requirements, and other loads served by the Facility, if any, are described as follows:

C: Location of the Facility: The Facility is to be constructed in the vicinity of _____ in _____ County, _____. The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES

[Seller to provide its own diagram and description]

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

Instructions to Seller:

1. Describe the point(s) of metering, including the type of meter(s), and the owner of the meter(s).
2. Provide single line diagram of Facility including station use meter, Facility output meter(s), Interconnection Facilities, Point of Interconnection,
3. Specify the Point of Delivery, and any transmission facilities on Seller's side of the Point of Delivery used to deliver Net Output.

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

REQUIRED OF ALL FACILITIES:

- QF Certification
- Interconnection Agreement
- Fuel Supply Agreement, if applicable

REQUIRED IF SELLER ELECTS TO GRANT SENIOR LIEN OR STEP-IN RIGHTS:

- Deed or Lease to Facility Premises
- Preliminary Title Report of Premises
- Proof of ownership of Facility
- Off-take sale agreements, e.g. surplus heat sale contract, if applicable

Depending upon the type of Facility and its specific characteristics, additional Required Facility Documents may be requested.

**EXHIBIT D-1
SELLER'S MOTIVE FORCE PLAN**

A. MONTHLY DELIVERY SCHEDULES AND SCHEDULED MAINTENANCE

Month	Average Energy (kWh)
January	
February	
March	
April	
May	
June	
July	
August	
September	
October	
November	
December	

Seller provide an estimate of the average monthly Net Output of the Facility, and explain the basis for the estimate.

B. MINIMUM ANNUAL DELIVERY CALCULATION

Seller specify the Minimum Annual Delivery of the Facility, and explain the basis for the estimate. NOTE: The Minimum Annual Delivery should be based on the most adverse natural motive force conditions reasonably expected and should take into account unscheduled repairs or maintenance and Seller's load (if any).

C. MAXIMUM ANNUAL DELIVERY CALCULATION

Seller specify the estimated Maximum Annual Delivery of the Facility, and explain the basis for the estimate.

**EXHIBIT D-2
ENGINEER'S CERTIFICATION
OF
MOTIVE FORCE PLAN**

Seller provide a written declaration from a Licensed Professional Engineer to PacifiCorp that the Facility is likely capable under average conditions foreseeable during the term of this Agreement of meeting Seller's estimated average, maximum, and minimum Net Output.

EXHIBIT E

START-UP TESTING

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable): **[Seller identify appropriate tests]**

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PacifiCorp.

Required start-up tests are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PacifiCorp's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT F
Seller Authorization to Release Generation Data to PacifiCorp
[Interconnection Customer Letterhead]

Transmission Services
Attn: Director, Transmission Services
825 NE Multnomah, Suite 1600
Portland, OR 97232

RE: _____ Interconnection Request

Dear Sir:

_____ hereby voluntarily authorizes PacifiCorp's Transmission business unit to share _____'s generator interconnection information and generator meter data with Marketing Affiliate employees of PacifiCorp Energy, including, but not limited to those in the Commercial and Trading group. _____ acknowledges that PacifiCorp did not provide it any preferences, either operational or rate-related, in exchange for this voluntary consent.

Name

Title

Date

EXHIBIT G
SCHEDULE 37 and PRICING SUMMARY TABLE

ADDENDUM W

GENERATION SCHEDULING ADDENDUM

WHEREAS, Seller's Facility is not located within the control area of PacifiCorp;

WHEREAS, Seller's Facility will not interconnect directly to PacifiCorp's System;

WHEREAS, Seller and PacifiCorp have not executed, and will not execute, a Generation Interconnection Agreement in conjunction with the Power Purchase Agreement;

WHEREAS, Seller has elected to exercise its right under PURPA to deliver Net Output from its QF Facility to PacifiCorp via one (or more) Transmitting Entities.

WHEREAS, PacifiCorp desires that Seller schedule delivery of Net Output on a firm, hourly basis;

WHEREAS, PacifiCorp does not intend to buy, and Seller does not intend to deliver, more or less than Net Output from the Facility (except as expressly provided, below);

THEREFORE, Seller and PacifiCorp do hereby agree to the following, which shall become part of their Power Purchase Agreement:

DEFINITIONS

The meaning of the terms defined in the Power Purchase Agreement and this **Addendum W** shall apply to this Generation Scheduling Addendum:

"Day" means midnight to midnight, prevailing local time at the Point of Delivery, or any other mutually agreeable 24-hour period.

"Energy Imbalance Accumulation," or **"EIA,"** means the accumulated difference between Seller's Net Output and the energy actually delivered at the Point of Delivery. A positive accumulated difference indicates Seller's net delivery of Supplemented Output to PacifiCorp.

"Firm Delivery" means uninterruptible transmission service that is reserved and/or scheduled between the Point of Interconnection and the Point of Delivery pursuant to Seller's Transmission Agreement.

"Settlement Period" means one month.

"Supplemented Output" means any increment of scheduled hourly energy or capacity delivered to the Point of Delivery in excess of the Facility's Net Output during that same hour.

"Surplus Delivery" means any energy delivered by the Facility in excess of hourly Net Output that is not offset by the delivery of energy in deficit of hourly Net Output during the Settlement Period. PacifiCorp shall accept Surplus Delivery, but shall not pay for it.

ADDENDUM W-ctd.

**SELLER'S OBLIGATIONS IN LIEU OF THOSE CONTAINED IN A
GENERATION INTERCONNECTION AGREEMENT.**

1. **Seller's Responsibility to Arrange for Delivery of Net Output to Point of Delivery.** Seller shall arrange for the Firm Delivery of Net Output to the Point of Delivery. Seller shall comply with the terms and conditions of the Transmission Agreement(s) between the Seller and the Transmitting Entity(s). Whenever Seller fails to provide for Firm Delivery of Net Output, all Net Output delivered via non-firm transmission rights shall be deemed Excess Output, and therefore subject to the payment provision in Section 5.4.

2. **Seller's Responsibility to Schedule Delivery.** Seller shall coordinate with the Transmitting Entity(s) to provide PacifiCorp with a schedule of the next Day's hourly scheduled Net Output deliveries at least 24 (twenty-four) hours prior to the beginning of the day being scheduled, and otherwise in accordance with the WECC Prescheduling Calendar (which is updated annually and may be downloaded at: <http://www.wecc.biz/>).

3. **Seller's Responsibility to Maintain Interconnection Facilities.** PacifiCorp shall have no obligation to install or maintain any interconnection facilities on Seller's side of the Point of Interconnection. PacifiCorp shall not pay any costs arising from Seller interconnecting its Facility with the Transmitting Entity(s).

4. **Seller's Responsibility to Pay Transmission Costs.** Seller shall make all arrangements for, and pay all costs associated with, transmitting Net Output to PacifiCorp, scheduling energy into the PacifiCorp system and any other costs associated with delivering the Seller's Net Output to the Point of Delivery.

5. **Energy Reserve Requirements.** The Transmitting Entity shall provide all generation reserves as required by the WECC and/or as required by any other governing agency or industry standard to deliver the Net Energy to the Point of Delivery, at no cost to PacifiCorp.

6. **Seller's Responsibility to Report Net Output.** On or before the tenth (10th) day following the end of each Billing Period, Seller shall send a report documenting hourly station service, Excess Output, and Net Output from the Facility during the previous Billing Period, in columnar format substantially similar to the attached **Example 1**. If requested, Seller shall provide an electronic copy of the data used to calculate Net Output, in a standard format specified by PacifiCorp. For each day Seller is late delivering the certified report, PacifiCorp shall be entitled to postpone its payment deadline in Section 9 of this Power Purchase Agreement by one day. Seller hereby grants PacifiCorp the right to audit its certified reports of hourly Net Output. In the event of discovery of a billing error resulting in underpayment or overpayment, the Parties agree to limit recovery to a period of three years from the date of discovery.

7. **Seller's Supplemental Representations and Warranties.** In addition to the Seller's representations and warranties contained in Section 3 of this Agreement, Seller warrants that:

- (a) Seller's Supplemented Output, if any, results from Seller's purchase of some form of energy imbalance ancillary service;

ADDENDUM W-ctd.

- (b) The Transmitting Entity(s) requires Seller to procure the service, above, as a condition of providing transmission service;
- (c) The Transmitting Entity requires Seller to schedule deliveries of Net Output in increments of no less than one (1) megawatt;
- (d) Seller is not attempting to sell PacifiCorp energy or capacity in excess of its Net Output; and
- (e) The energy imbalance service, above, is designed to correct a mismatch between energy scheduled by the QF and the actual real-time production by the QF.

8. **Seller's Right to Deliver Supplemented Output.** In reliance upon Seller's warranties in Section 5, above, PacifiCorp agrees to accept and pay for Supplemented Output; *provided, however, that* Seller agrees to achieve an EIA of zero (0) kilowatt-hours during On-Peak Hours and zero (0) kilowatt-hours during Off-Peak Hours at the end of each Settlement Period.

(a) **Remedy for Seller's Failure to Achieve zero EIA.** In the event Seller does not achieve zero EIA at the end of each Settlement Period, PacifiCorp will declare any positive balance to be Surplus Delivery, and Seller's EIA will be reset to zero. PacifiCorp will include an accounting of Surplus Delivery in each monthly statement provided to Seller pursuant to Section 9.1 of this Agreement.

(b) **Negative Energy Imbalance Accumulations.** Any negative EIA (indicating that the Transmitting Entity has delivered less than Seller's Net Output), will be reset to zero at the end of each Settlement Period without any corresponding compensation by PacifiCorp.

(c) **PacifiCorp's Option to Change EIA Settlement Period.** In the event PacifiCorp reasonably determines that doing so likely will have a *de minimis* net effect upon the cost of Seller's Net Output to PacifiCorp, it may elect to enlarge the Settlement Period, up to a maximum of one Contract Year. Conversely, if PacifiCorp reasonably determines, based on the QF's performance during the current year, that reducing the Settlement Period likely will significantly lower the net cost of Seller's Net Output to PacifiCorp, it shall have the right to shorten Seller's EIA settlement period beginning the first day of the following Contract Year. However, in no case shall the Settlement Period be less than one month.

ADDENDUM W—Example 1

Example of Seller's Output Reporting Requirement

		A	B	C	D	E
				(=A-B)		(=Max (0, C-D))
		Meter Reading ^ψ	Meter	Net	Facility	Excess Output
	Hour	at Point of	reading at	Output	Capacity	
	ending	Interconnectio	Station	(MWh)	Rating	(MWh)
Day	(HE)	n	Power		(MW)	
		(MWh)	Meter*			
1	7:00	0.50	0.01	0.49	1.50	
1	8:00	0.50	0.02	0.48	1.50	
1	9:00	0.50	0.01	0.49	1.50	
1	10:00	0.50	0.01	0.49	1.50	
1	11:00	0.50	0.01	0.49	1.50	
1	12:00	1.60	0.01	1.59	1.50	0.09
1	13:00	1.70	0.01	1.69	1.50	0.19
1	14:00	1.60	0.01	1.59	1.50	0.09
1	15:00	1.50	0.01	1.49	1.50	
1	16:00	1.50	0.01	1.50	1.50	
1	17:00	1.50	0.00	1.50	1.50	
1	18:00	1.50	0.01	1.49	1.50	
1	19:00	0.50	0.02	0.48	1.50	
1	20:00	0.50	0.01	0.49	1.50	

^ψ Seller shall show adjustment of Meter Reading for losses, if any, between point of metering and the Point of Interconnection, in accordance with Section 8.1.

* Does not apply if Station Service is provided from the gross output of the Facility.

UM 1610/PacifiCorp
May 17, 2013
CREA Data Request 4.1

CREA Data Request 4.1

Please reference Attachment A to this set of data requests. Admit or deny that this is an accurate copy of PacifiCorp Transmission's slide presentation in the Company's 2009 All Source RFP. If deny, please provide an accurate copy of the slide presentation.

Response to CREA Data Request 4.1

The Company agrees that the presentation provided as "Attachment A" to CREA Data Request Set 4 is an accurate copy of PacifiCorp Transmission's slide presentation in the Company's 2009 All Source request for proposal (RFP).

UM 1610/PacifiCorp
May 17, 2013
CREA Data Request 4.2

CREA Data Request 4.2

Please reference Attachment B to this set of data requests. Admit or deny that this is an accurate copy of PacifiCorp's 2016 RFP Attachment 20. If deny, please provide an accurate copy Attachment 20.

Response to CREA Data Request 4.2

The Company agrees that the document provided as "Attachment B" to CREA Data Request Set 4 is an accurate copy of PacifiCorp's 2016 request for proposal (RFP)_Attachment 20.

UM 1610/PacifiCorp
May 17, 2013
CREA Data Request 4.3

CREA Data Request 4.3

Reference PAC/300, Dickman/16:7-8, stating, “There is no support for the conclusion that adding 500 MW of QFs would require less transmission than adding 500 MW of market purchases or a CCCT.”

- (a) Please admit or deny PacifiCorp generally includes in its retail rates the incremental costs associated with transmission for market purchases or a 500 MW Company-owned CCCT. If deny, please fully explain the basis for the denial.
- (b) Please admit or deny that, under the OPUC’s administrative rules, PacifiCorp requires Schedule 37 QFs to pay for system upgrades that are “necessitated by the interconnection of a small generator facility” and “required to mitigate” any adverse system impacts “caused” by the interconnection. Reference OAR 860-0082-0035(4). If deny, please fully explain under what circumstances a Schedule 37 QF would not pay for transmission upgrades required to integrate QF power.
- (c) In light of the response to subparts a. and b., please explain why the standard avoided cost rates should not include full incremental costs for transmission at the avoided utility resource.

Response to CREA Data Request 4.3

- (a) PacifiCorp includes in its retail rates the transmission costs required to move power from where the power is purchased or generated to its customers. This applies to qualifying facility (QF) resources as well as non-QF resources.
- (b) The Company objects to this request because it calls for a legal conclusion. Without waiving its objection, the Company responds as follows: under OAR 860-082-0035(4), the interconnection customer must pay the reasonable costs of any system upgrades.
- (c) The Company objects to this request because it is vague and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving this objection, the Company responds as follows:
See PAC/300, Dickman/16, which provides discussion on why the standard avoided cost rates should not include transmission costs.

UM 1610/PacifiCorp
May 17, 2013
CREA Data Request 4.4

CREA Data Request 4.4

Reference PAC/300, Dickman/16:19-22, stating, “interconnection costs that are needed to connect a new resource to the transmission infrastructure are included in the CCCT costs and therefore are included in the avoided cost calculation.”

- (a) Please identify the referenced cost assumption for “interconnection costs” in the CCCT costs used to calculate the current avoided cost rates.
- (b) Please specifically explain the components of this cost assumption.
- (c) Please admit or deny that this cost assumption does not include the costs of any network transmission upgrades or any third-party transmission.

Response to CREA Data Request 4.4

- (a) Interconnection costs are the costs necessary to connect a project to a nearby transmission line or substation. For a combined cycle combustion turbine (CCCT), the costs include the plant switchyard including step-up transformers and breakers, a radial transmission line from the plant switchyard to the transmission substation and any directly assigned transmission system upgrade costs.
- (b) Please refer to the Company’s response to subpart (a) above.
- (c) The cost assumption includes the cost to interconnect to the Company’s system and does not include costs past the point of interconnection.

UM 1610/PacifiCorp
May 17, 2013
CREA Data Request 4.5

CREA Data Request 4.5

Reference PAC/300, Dickman/37:20-38:2, stating, “the proposal to include transmission costs from Wyoming to the Pacific Northwest does not recognize that PacifiCorp operates resources as a multi-state system”

- (a) Please explain whether PacifiCorp’s decision to build transmission connecting Wyoming to other parts of PacifiCorp’s system would be influenced by the decision to locate all of its future wind farm(s) in Wyoming or the Northwest.
- (b) Is it PacifiCorp’s position that if PacifiCorp planned to build all of its future wind farm(s) in the Northwest that decision would have no impact on whether PacifiCorp builds transmission connecting its Wyoming system to other parts of its system? Is so, please fully explain the basis for this position.

Response to CREA Data Request 4.5

- (a) The location of wind and other resources is one, but not the only, consideration in building transmission in Wyoming and any other part of the system. In particular, the Windstar to Populus Energy Gateway transmission project is expected to provide system benefits including increased system reliability, improved generation dispatch, reduced line losses, and increased third party wheeling revenue. .
- (b) No. Please refer to the Company’s response to subpart (a) above.

UM 1610/PacifiCorp
May 17, 2013
CREA Data Request 4.7

CREA Data Request 4.7

Reference PAC/400, Griswold/15:8-11, stating, “the Company would not intentionally acquire or build generation in a location where the Company would have to bear third-party transmission costs to transmit generation out of a load-constrained area.”

- (a) In response to CREA’s Data Request No. 2.3, PacifiCorp represented that it uses BPA point-to-point transmission to deliver the output from PacifiCorp’s Hermiston plant and its Chehalis plant. PacifiCorp also evasively responded with regard to the Gadsby plant, “During system normal operating conditions, no third party transmission is used for delivery of this generation to PacifiCorp loads.” Does Mr. Griswold believe that PacifiCorp intentionally acquired or built these plants?
- (b) Is it Mr. Griswold’s testimony that PacifiCorp does not ever use third party transmission to transmit generation from PacifiCorp’s generation to PacifiCorp’s load? Please explain Mr. Griswold’s position and amend the response CREA Data Request 2.3 to the extent that it incorrectly stated PacifiCorp does use third party transmission for three of PacifiCorp’s five gas plants.

Response to CREA Data Request 4.7

- (a) Yes. As clarification, referring to Reply Testimony of Company witness, Bruce W. Griswold; specifically reference PAC/400, Griswold/15:8-11, the Company clarifies that if the Company were to build a west side combined cycle combustion turbine (CCCT), that the Company would select a site that provides access to customer load and “the Company would not intentionally ~~acquire or~~ build generation in a location where the Company would have to bear third-party transmission costs to transmit generation out of a load-constrained area.”
- (b) No. Mr. Griswold’s testimony was specific to constructing or acquiring generation resources in a load-constrained area. The costs of the third party transmission services were included in the three referenced gas plants’ resource evaluations.

UM 1610

CREA'S FOURTH SET OF DATA REQUEST

ATTACHMENT A



PacifiCorp Transmission Technical Workshop



RFP – Attachment 13

January 2010

Presented by PacifiCorp Transmission

PacifiCorp Transmission Update

- Integrated Resource Plan
- Attachment 13 – Point of Receipt Detail
- Interconnection Request - Study Information

Integrated Resource Plan

Attachment 13 Methodology

- PacifiCorp IRP - identified points of receipt for potential resource and load bubble needs
- High level planning review of the required transmission infrastructure needs required to deliver the resource to adjacent network load bubbles

Integrated Resource Plan

- Attachment 13 represents proxy results only
 - Actual infrastructure requirements
 - Resulting costs
- Any off-system resources require firm transmission through any third party provider as required to deliver to points of receipt identified in Attachment 13
- Attachment 13 costs will be used as one data point by independent evaluators to short list projects

Study Result Accuracy

- Reviews based on existing information, i.e. past studies (local and regional) and known information on the existing system capabilities
- Generator specifics, size, actual interconnection configuration, and queue priority were not known at the time Attachment 13 was prepared
- Actual interconnection system impact study is more in depth and results may/will change actual requirements
 - LGIA studies include: load flow, fault study, stability, and impacted system analysis that determine final infrastructure needs

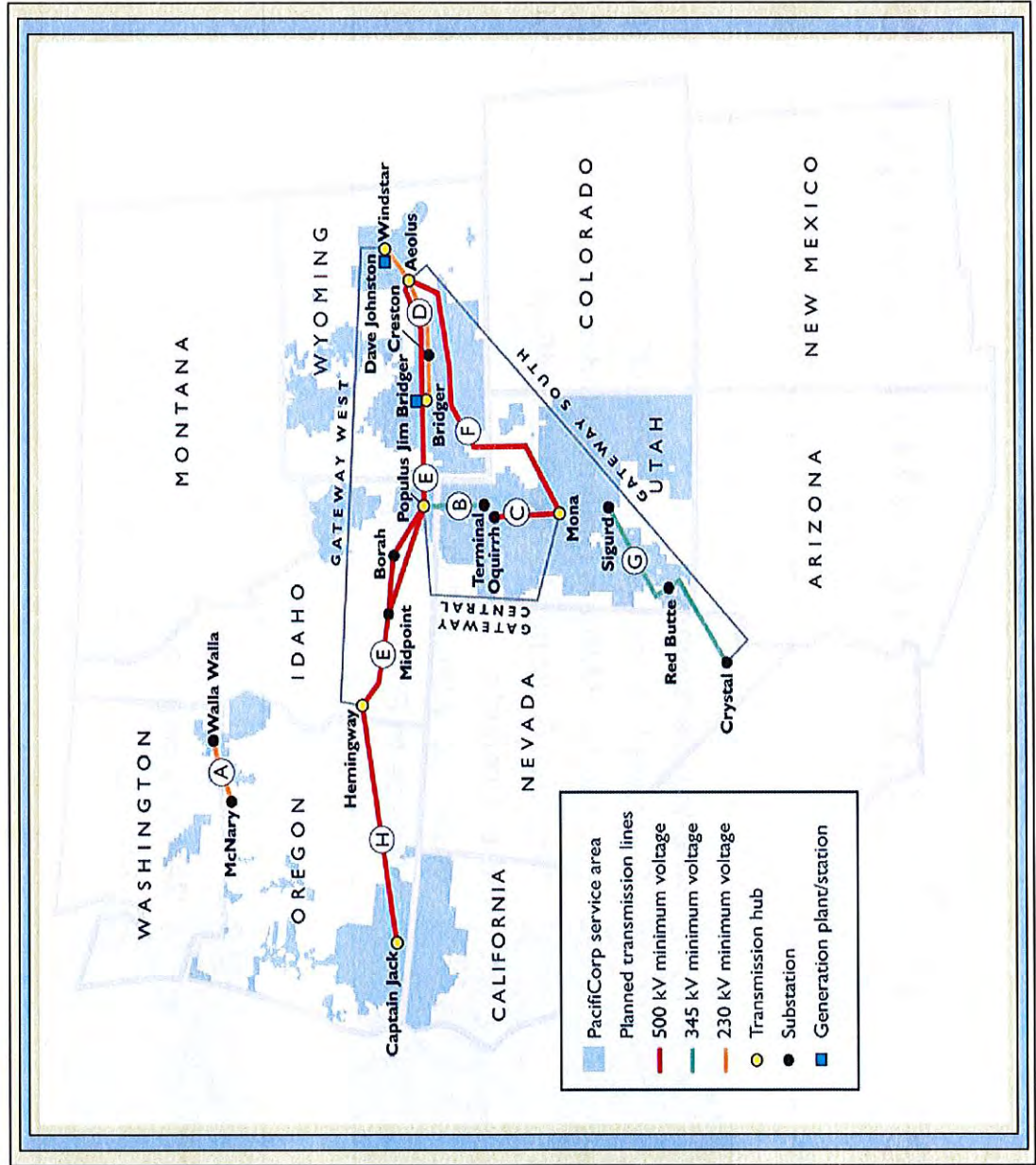
Cost Estimate

- Energy Gateway project costs are excluded from Attachment 13 integration costs (this is a modification from the posted Draft version dated July 3, 2008)
- Estimates use PacifiCorp's estimating tool based on high level information with very generic project scope (no engineering design, EPC delivery strategy)
- Recent vendor quotes, material and labor costs continue to rise over historic trends
- Costs are based upon requirements without complete design (without line routes, final structures, etc) from study requirements or from a facility design

Summary –

Estimates are based on applying standard cost data for what is known at this time and are subject to change when detailed studies are conducted

Energy Gateway Project Topology



Relevant Transmission Projects

<p>Priority One Base Load Service and Reliability</p>	<p>Gateway Segments</p> <ul style="list-style-type: none"> ■ Segment B (Populus to Terminal 345-kV) 2010 ■ Segment C (Mona to Oquirrh 500/345-kV) 2013 ■ Segment G (Sigurd to Red Butte 345-kV) 2014 <p>Other Projects</p> <ul style="list-style-type: none"> ■ Wallula to McNary 230-kV 2011 ■ Vantage to Pomona Heights 230-kV 2012
<p>Priority Two Wind Integration and Resource Adequacy</p>	<p>Gateway Segments</p> <ul style="list-style-type: none"> ■ Segment D (Windstar to Populus 500-kV) 2014/16

Attachment 13

Transmission Integration Costs Background Information

Draft version - July 3, 2008

<http://www.oasis.pacificcorp.com/oasis/ppw/Draft7-30-2008rfpattachment13.doc>

Salt Lake Valley – 138 kV

- \$100 Million
- 600 MW delivered into the Salt Lake load bubble
- Upgrades to unknown lines (underlying transmission system)
- Reconstruction and upgrades to multiple 138-kV lines
- Upgrades to multiple 138-kV substations

Lakeside - 345 kV

- \$66 Million
- 600 MW delivered into the Salt Lake load bubble
- New 345-kV substation at Lakeside
- Looping the existing Camp Williams to Emery and Camp Williams to Spanish Fork 345-kV lines into the new sub
- New 15 mile Lakeside to Camp Williams 345-kV line
- Additions to Camp Williams, Emery, and Spanish Fork substations to accommodate line terminations and operation
- *Subsequent review indicates the Lakeside to Camp Williams presents permitting challenges*
 - *alternatives are under review to improve schedule and ensure delivery*

Mona - Current Creek

- \$62 Million (update to prior Attachment 13)
- 600 MW delivered into the Salt Lake load bubble
- New 0.6 mile 345-kV Current Creek to Mona line
- Additions to Current Creek and Mona substations
- Energy Gateway projects as noted below: (required but excluded from costs above)
 - New 90 mile Mona to Oquirrh line (existing lines are fully subscribed to firm contracts)
 - Additions to substations

Glen Canyon

- \$310 Million (update to prior Attachment 13)
- 600 MW delivered into the Salt Lake load bubble
- New 160 mile 345-kV Glen Canyon to Sigurd line (existing line is fully subscribed to firm contracts)
 - Significant permitting issues expected
- Phase shifting transformer at Glen Canyon
- Additions at Glen Canyon, and Sigurd substations to accommodate termination and operation of the new lines
- Energy Gateway projects as noted below:
 - New 90 mile Mona to Oquirrh line (existing lines are fully subscribed to firm contracts)
 - Additions to substations

Gonder

- \$282 Million (update to prior Attachment 13)
- 600 MW delivered into the Salt Lake load bubble
- New 190 mile 345-kV Gonder to Mona line (existing line is subscribed to firm contracts)
- Additions at Gonder and Mona for the termination and operation of the new line
- Energy Gateway projects as noted below:
 - New 90 mile Mona to Oquirrh line (existing lines are fully subscribed to firm contracts)
 - Additions to substations

Harry Allen

- \$73 Million (update to posted Attachment 13)
- 600 MW delivered into the Salt Lake load bubble
- Additions at Harry Allen and Red Butte substations for the termination and operation of the new line
- Includes a second 230/345-kV transformer at Harry Allen, static VAR compensation, and series compensation
- Energy Gateway projects as noted below:
 - A second 160 mile 345-kV Sigurd to Red Butte transmission line (new line is proposed for Red Butte load service and excluded from costs)
 - Existing line is fully subscribed to firm contracts
 - New 90 mile Mona to Oquirrh line (existing lines are fully subscribed to firm contracts)
 - Additions to substations

Crystal

- \$415 Million (updated cost from Attachment 13)
- 600 MW delivered into the Salt Lake load bubble
- New 120 mile line Crystal to Red Butte 345-kV transmission line
- Additions at Crystal and Red Butte substations for the termination and operation of the new lines
- Includes a phase shifting and transformation at Crystal
- Energy Gateway projects as noted below:
 - New 90 mile Mona to Oquirrh line (existing lines are fully subscribed to firm contracts)
 - Additions to substations
 - A second 160 mile 345-kV Sigurd to Red Butte transmission line (new line is proposed for Red Butte load service)

Four Corners

- \$738 Million (update to prior Attachment 13)
- 600 MW delivered into the Salt Lake load bubble
- New 255 mile 345-kV Four Corners to Emery transmission line
 - Existing line is fully subscribed to firm contracts
 - Significant permitting issues expected
- New 80 mile 345-kV Emery to Mona transmission line
 - existing line is fully subscribed to firm contracts
- Energy Gateway projects as noted below:
 - New 90 mile Mona to Oquirrh line (existing lines are fully subscribed to firm contracts)
 - Additions to substations

Wyoming

- \$160 Million
- Substation upgrades
- 400 MW delivered to the Energy Gateway project at the new Windstar, Aelolus, or Bridger hub
 - **Requires new Energy Gateway West or South infrastructure (current schedule is 2014 to 2016)**
- Resources located south or west of the Naughton-Monument 230-kV line may not be as impacted by existing Wyoming export constraints once the Populus to Terminal upgrade is completed

Borah, Brady, or Kimport

- Zero \$
- Assumes proposed Energy Gateway segment B (Path C) upgrade is completed
 - December 2010 or later
 - Resources located off system must include firm transmission rights through any third party transmission provider

Mid Columbia

- Zero \$
- 600 MW delivered to Yakima load bubble
- Completion of new 60 mile 230-kV Vantage to Pomona Heights transmission line
 - In-service date is currently 2012, driven by permitting issues
 - Additions at Vantage and Pomona Heights substations for the termination and operation of the new line

California - Oregon Border

- \$290 Million
- 600 MW delivered to Southern Oregon load bubble
 - Some incremental capacity required to existing COI rights
- New 60 mile 230-kV Dixonville to Alvey transmission line
 - Existing line is fully subscribed to firm contracts
- Additions at Dixonville and Alvey substations for the termination and operation of the new line

Paul – 500 kV

- \$14 million per year for 3rd party transmission wheeling to deliver resources to PacifiCorp loads from Paul
- Costs represent renewal of a wheeling contract with BPA to move energy to PacifiCorp loads from the Paul point of receipt

Portland – Troutdale

- \$200 Million
- 400 MW delivered to the Portland load bubble
- New 55 mile 230-kV Troutdale to Bethel transmission line
 - existing line is fully subscribed to firm use
- Additions at Troutdale and Bethel substations for the termination and operation of the new line

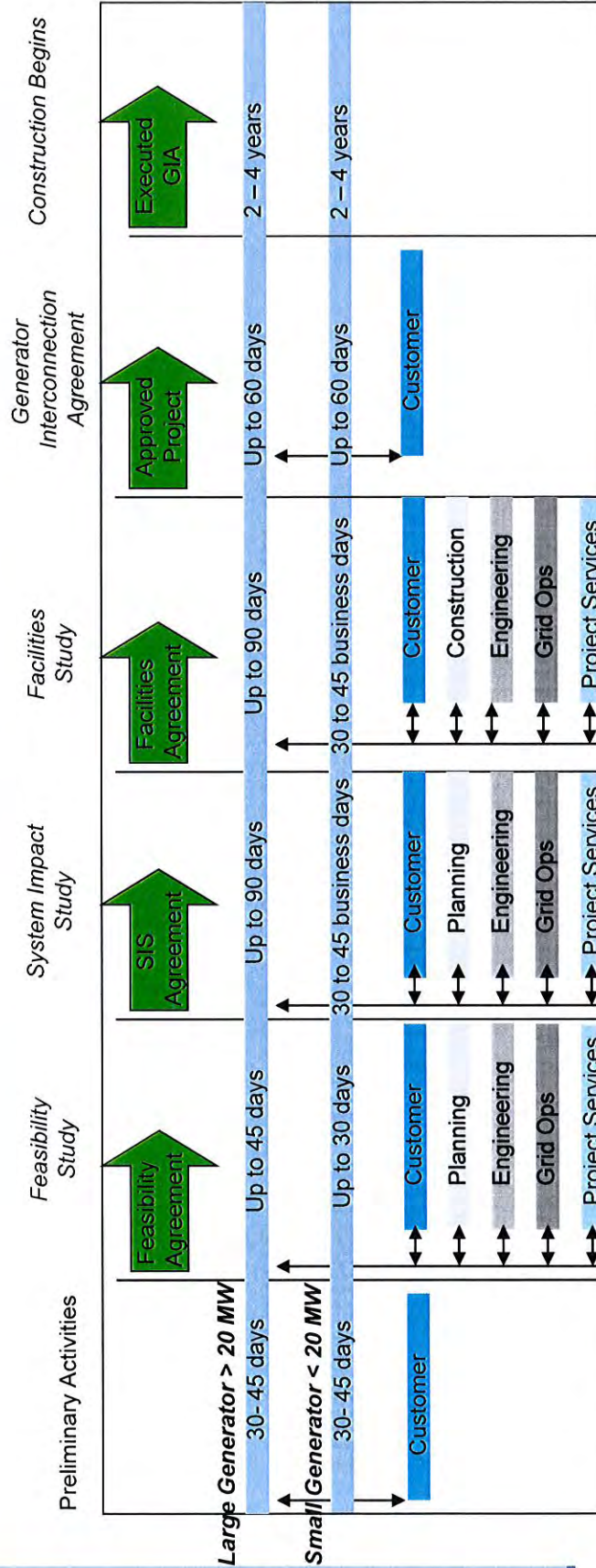
Willamette Valley

- \$290 Million
- 600 MW delivered to Willamette Valley load bubble
- New 60 mile 230-kV Dixonville to Alvey transmission line
 - existing line is fully subscribed to firm use
- Additions at Dixonville and Alvey substations for the termination and operation of the new line

Chiloquin Southern Oregon

- \$100 Million
- Delivery of 400 MW into the southern Oregon load bubble
- New 30 mile 230-kV Chiloquin to Klamath Falls transmission line
 - existing line is fully subscribed to firm use
- Additions at the Chiloquin and Klamath Falls substations for the termination and operation of the new line

Typical Interconnection Study Timeline



90-day System Impact Study - includes:

- Short circuit analysis
- Stability analysis
- Power flow analysis
- Estimate of the cost responsibility
- Estimated time to construct

45-day Feasibility Study - includes:

- Circuit breaker short circuit capability limits exceeded
- Thermal overload or voltage limit violations
- Description and cost estimate of facilities required
- If network resource, a description and cost estimate of transmission modifications required to deliver generation to network load



LGIA Network Resource/Energy Resource

- Generators don't need a network resource interconnection for PacifiCorp Merchant to designate them as a network resource in the transmission service queue
- If generators do insist on a network resource interconnection agreement, the interconnection procedures require them to fund all transmission upgrades necessary to deliver the power to load, funding subject to refunds

LGIA Customer Data Requirements

- Application
 - Complete application
 - Site control
 - Deposit
- Feasibility Study
 - One-line diagram
 - Step-up transformer data
 - Radial interconnecting line data

Data Requirements, continued

System Impact Study:

■ Non-wind:

- Generator data
- Excitation system block diagram
- Power system stabilizer block diagram/data
- Governor system block diagram/data

■ Wind:

- One-line diagram showing layout of wind farm and impedances for all segments
- Wind turbine model
- Size and increments of supplemental reactive compensation

UM 1610

CREA'S FOURTH SET OF DATA REQUEST

ATTACHMENT B

2016 RFP
Attachment 20: PacifiCorp High Level
Cost Estimates Associated With
Integration
Draft (9-22-2011)

Preliminary Assessment of Transmission Impacts Associated with RFP Points of Delivery

1. Overview of Points of Delivery

PacifiCorp is interested in resources that are capable of delivery into or in a portion of the Company's network transmission system in the eastern balancing area. Specifically, the point(s) of delivery of primary interest to PacifiCorp are:

East system Points of Delivery

- Salt Lake Valley
 - Connected to a major 138 kV or 345 kV substation in the Wasatch Front load area south of the Ben Lomond substation and north of the Camp Williams substation.
- PacifiCorp Sites
 - Carrant Creek
- Mona 345 kV
- Glen Canyon 230 kV
- Nevada/Utah Border:
 - Gonder-Pavant 230 kV line known as "Gonder 230 kV"
 - Red Butte – Harry Allen 345 line known as "NUB" or Red Butte 345 kV
- Crystal 500 kV
- West of Naughton
 - Connected to a major 230 kV or 345 kV substation west of Naughton substation to the Utah border.

Although the Company will consider resources delivered to the following areas these areas have been identified as having potential transmission constraint implications and as such, will need to be evaluated accordingly:

- Wyoming, unless the resource(s) electrically reside south of the Naughton Monument 230kV line. If, resources in Wyoming are not electrically west of Naughton such resources may be useful in supporting the increased load and wind resources in Wyoming; however, such resources may be negatively affected by transmission constraints.
- All points of receipt which require transmission line construction will require 4-7 years and in some scenarios even longer in order to allow time for environmental work, route selection, permitting, and construction. Resources located at one of these POR's may require cost adjustment for some period of time to accommodate re-dispatch of existing resources or other means of managing transmission congestion in the interim period between completion of plant construction and before new transmission is commissioned.
- Estimates provided in the document are conceptual (plus or minus 50%) un-scoped and provided for informational purposes. System impact studies completed for actual generation interconnection request may identify new constraints and impacts that significantly change the cost and schedule estimates

provided here. Cost estimates and schedules provided in this document do not represent any firm offer of service.

PacifiCorp is willing to consider purchasing capacity and associated energy that is sourced from Desert Southwest (Nevada, California, Arizona, New Mexico); provided, the selling entity is able to purchase firm transmission from the resource to either Gonder or Nevada Utah Border.

West System Points of Delivery include

- Mid Columbia – Yakima Area
 - Midway 230 kV
 - Wanapum 230 kV
 - California Oregon Border
 - Portland
 - Troutdale 230 kV
 - Willamette Valley
 - Alvey 500 kV
 - Fry 230 kV
 - Southern Oregon
 - Chiloquin 230 kV
 - Dixonville 230 kV
 - Meridian 230 kV
 - Reston 230 kV
 - Central Oregon
 - Bend 69 kV
 - Pilot Butte 69/230 kV
 - Ponderosa 230 kV
 - Redmond 69 kV
 - Oregon Coast
 - Astoria to Tillamook 115 kV
 - Boyer (Lincoln City) 115 kV
- Within the Western Control Area – The point of interconnection is the point between the resource, or the electrical system to which the resource is connected, and PacifiCorp's transmission system.
 - Scheduled to the point(s) of interconnection between PacifiCorp's western control area and the Bonneville Power Administration or Portland General Electric such that transfer limitations are not exceeded. If the resource is located within the Bonneville control area the Bidder must show they have control area service from the resource to the delivery point.
 - All points of receipt that require transmission line construction will require 4-7 years and in some scenarios even longer in order to allow time for environmental work, route selection, permitting, and

construction. Resources located at one of these POR's may require cost adjustment for some period of time to accommodate re-dispatch (if possible) of existing resources or other means of managing transmission congestion in the interim period between completion of plant construction and before new transmission is commissioned.

2. Transmission Assumptions Associated with the Points of Delivery

PacifiCorp may need to increase transmission import capability and upgrade its network system capacity in order to integrate a resource delivered to the preferred points of delivery. The table below indicates the possible additions necessary and the indicative cost associated with the upgrade. These indicative costs are based on assessments done by the PacifiCorp Transmission group for current and past Integrated Resource Plan and System Impact Studies.

These cost estimates are indicative but will be used for the purpose of evaluating bids and may be refined if better estimates are received prior to issuance of the RFP.

East System				
Point of Delivery	Description of Possible Transmission Additions / Upgrades	Path(s) to Upgrade and Voltage Support	Estimated Cost of Upgrades ¹	Transmission In Service (estimate) ²
Salt Lake Valley 138 kV 600 MW	Upgrades to existing lines	Unknown location	\$108M	2016
Mona/ Carrant Creek 345 kV 600 MW	Substation upgrades	Mona to PACE	\$67M	2013 ³
Glen Canyon 345 kV 600 MW	Transmission line(s), substation, phase shifter	Glen Canyon to Sigurd and Mona to PACE	\$382M	2019
Gonder 345 kV 600 MW	Transmission line(s), substation	Gonder/Nev Border to Sigurd and Mona to PACE	\$336M	2018
NUB	Series	Sigurd/Huntington	\$76 M	Mid 2015 ⁵

¹ The costs are shown in current year (2011) up-front capital dollars.

² Date reflects Dec 31 of the stated in service date unless otherwise stated. .

³ Requires completion of the Mona to Oquirrh transmission line which is currently under construction.

(Harry Allen 345 kV) 449 MW Summer, 524 MW Winter	Compensation on Sigurd to Mona transmission lines. Requires wheeling across the NV Energy transmission system to the PacifiCorp system + Sigurd to Red Butte #2 line ⁴ .	north		
Crystal 500 kV 600 MW	Transmission line(s), substation, transformer, phase shifter	Crystal to RButte + RButte + Clover to PACE	\$549 M	2020
Wyoming 400 MW	Transmission line, substation + planned Energy Gateway capacity	Dave Johnston to Windstar line, Dave Johnston and Windstar substation additions	\$173 M	2018
Populus 345 kV, 600 MW	Substation connection. Delivery requires use of existing firm network allocation rights across Path C.	N/A	\$30 M	2014
Four Corners 345kV 600 MW	New line, terminations, phase shifter	F.Corners to Clover + Clover to PACE	\$798M	2019

West System				
--------------------	--	--	--	--

⁵ Installation of series compensation to support NUB imports completed three years after notification of need.

⁴ Sigurd to Red Butte #2 is required for load service to SW Utah and excluded from costs for this resource.

Point of Delivery	Description of Possible Transmission Additions / Upgrades	Path(s) to Upgrade and Voltage Support	Estimated Cost of Upgrades	Transmission In Service (estimate)
Mid Columbia Paul 600 MW	Delivered load to Yakima POD – of Wanapum and Vantage	N/A	No Cost ⁶	2013
California Oregon Border 600 MW	Delivered to southern Oregon load via Malin 230 kV – 200 MW delivered to Southern Oregon and up to 400 MW delivered to the Willamette Valley through a new or double circuit 230 upgrade through Alvey.	230 kV line Alvey to Dixonville substations, additions at Alvey and Dixonville	\$314 M	2018
Portland Troutdale 400 MW	Transmission line, substation additions	230 kV line Gresham to Bethel substations, additions at Gresham and Bethel	\$216 M	2018
Willamette Valley – Alvey 230 KV 400 MW	Transmission line, substation additions	230 kV line Alvey to Dixonville substations, additions at Alvey and Dixonville	\$314 M	2018
Chiloquin Southern Oregon 400 MW	Transmission line, substation additions	230 kV line Chiloquin to Klamath substations, additions at Chiloquin and	\$108 M	2017

⁶ Assumes the proposed 230 kV Vantage to Wannapum line, required for load service to Yakima is constructed as planned

		Klamath		
Southern Oregon 588 MW	Integrate existing interconnected, third party, generation.	N/A	N/A	N/A
Southern Oregon 600 MW	Substation,	New 500/230 kilovolt substation between Meridian and Grants Pass or Klamath Falls substations	\$55M	2015

UM 1610/PacifiCorp
March 8, 2013
Threemile Canyon Wind Data Request 1.6

Threemile Canyon Wind Data Request 1.6

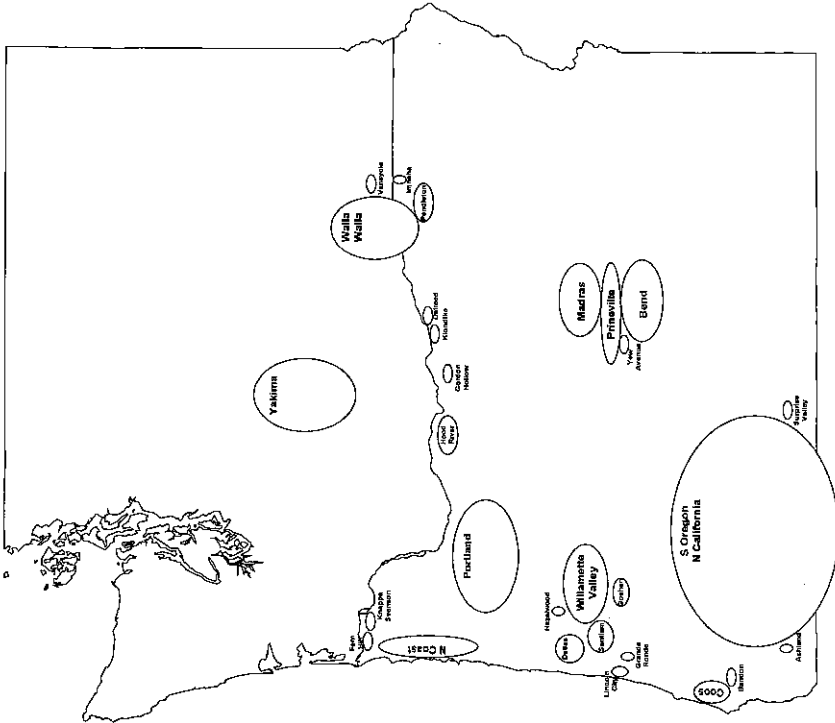
Please identify all existing and proposed QF projects, of which PacifiCorp is aware, that are or that will be located in what PacifiCorp considers to be a load pocket within PacifiCorp's service territory.

Response to Threemile Canyon Wind Data Request 1.6

All qualified facilities (QFs) are located in load pockets within PacifiCorp's service territory. Please refer to Attachment Threemile Canyon Wind 1.6.

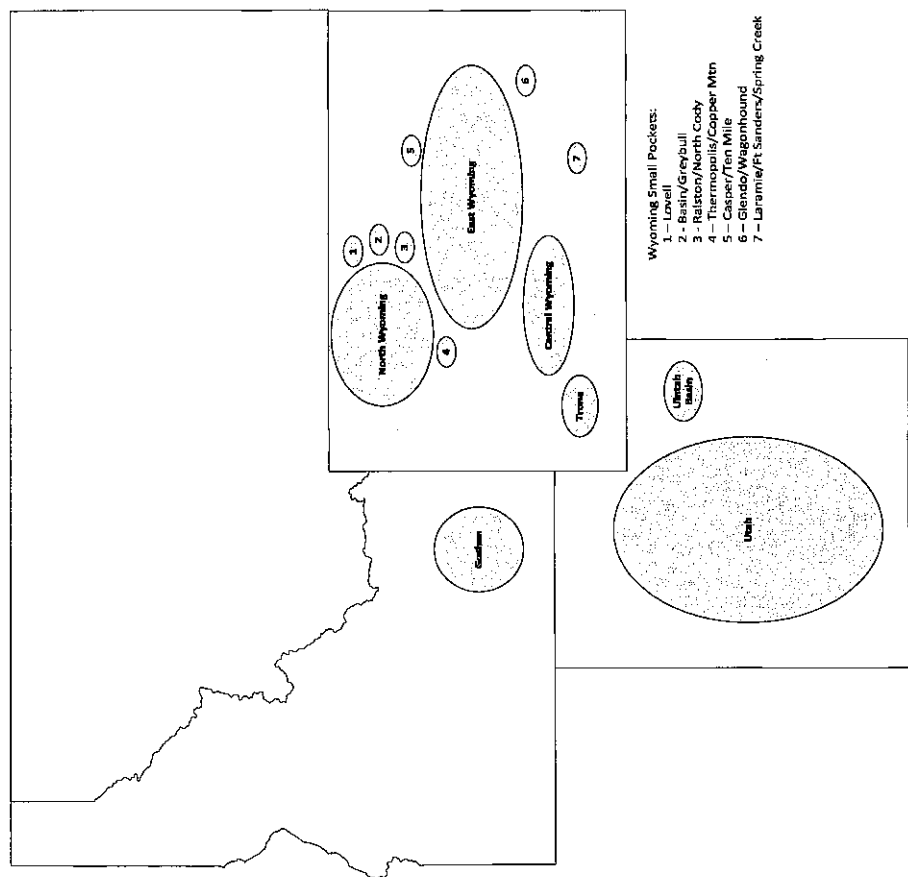
PacifiCorp load pockets within its PACW balancing authority area		
Plant Name	Load Pocket	
1 Bequa Creek	S Oregon / Northern California	
2 EcoPro, Inc.	S Oregon / Northern California	
3 Lake Shoshone (Box Chayon)	S Oregon / Northern California	
4 Luckley, Paul	S Oregon / Northern California	
5 Ralphs Ranch, Inc	S Oregon / Northern California	
6 Roseburg Forest Products - Wood	S Oregon / Northern California	
7 Slater Creek	S Oregon / Northern California	
8 AG Hydro	Walla Walla	
9 Big Top LLC (GF)	S Oregon / Northern California	
10 Biomass One, L.P.	Walla Walla	
11 Butler Creek Power LLC	S Oregon / Northern California	
12 C Drop	S Oregon / Northern California	
13 CBG Portland	Portland	
14 Central Oregon Irrigation District	Bend	
15 Central Oregon Irrigation District - Juniper Ridge	Willamette Valley	
16 City of Albany, Dept of Public Works	Portland	
17 City of Portland, Portland Hydro Bureau	Portland	
18 Curtis Livestock (Cameron Curtis)	Bend	
19 Deschutes Valley Hydro District	S Oregon / Northern California	
20 Dorau Hydro	Willamette Valley	
21 Douglas County Forest Products	S Oregon / Northern California	
22 Duane Wiggins Hydro	Imnaha	
23 Eagle Point Irrigation District (Nichols Gap)	S Oregon / Northern California	
24 EBD Hydro	Madras	
25 Evergreen BioPower	Willamette Valley	
26 Falls Creek	Willamette Valley	
27 Farm Power Misky Meadow	N Coast	
28 Farmers Irrigation	Hood River	
29 Finley Biomass	Walla Walla	
30 Four Corners Windfarm LLC	Walla Walla	
31 Four Mile Canyon Windfarm LLC	Walla Walla	
32 Galesville Dam (Douglas County)	S Oregon / Northern California	
33 High Plateau Windfarm LLC	Walla Walla	
34 Jim & Sharon Jans (Odele Creek)	Walla Walla	
35 Lascorb Irrigation	Willamette Valley	
36 Lower Ridge Windfarm LLC	Walla Walla	
37 Loyd Ferry	Willamette Valley	
38 Middlefork Irrigation District	Flood River	
39 Monroe Hydro	Madras	
40 Mountain Energy	S Oregon / Northern California	
41 Mule Hollow Windfarm LLC (1)	Walla Walla	
42 OM Power 1	S Oregon / Northern California	
43 Oregon Environmental Industries	S Oregon / Northern California	
44 Oregon State University	Willamette Valley	
45 Oregon Trail Windfarm LLC	Walla Walla	
46 Pacific Canyon Windfarm LLC	Walla Walla	
47 Fine City Windfarm LLC (1)	Willamette Valley	
48 RES Ag-Oak Lea	S Oregon / Northern California	
49 Roseburg Forest Products - Dillard	S Oregon / Northern California	
50 Rough & Ready Lumber	S Oregon / Northern California	
51 Ranch Hyatt, Inc	Willamette Valley	
52 Sand Ranch Windfarm LLC	Walla Walla	
53 Santiam Hydro Control District	Willamette Valley	
54 Sprague Hydro (North Fork Sprague)	S Oregon / Northern California	
55 Stahlpush Sifted Peans	Willamette Valley	
56 Swalley Irrigation District	Bend	
57 Transonic Canyon Wind LLC	Dalwell	
58 TWP Bioforest	Dalwell	
59 Wagon Trail LLC	Walla Walla	
60 Ward Butte Windfarm LLC	Walla Walla	
61 Denver Dairy	Yakima	
62 Walla Walla, City of	Walla Walla	
63 Yakima Jason (Covachie)	Yakima	
64 Yakima Tyson (Covachie)	Yakima	
65 Yakima Tyson (Covachie)	Yakima	
66 Yakima Tyson (Covachie)	Yakima	

PACW - Load Pockets



PacifiCorp load pockets within its PACE balancing authority area		
Plant Name	Load Pocket	
1 Bell Mountain Hydro LLC (Ted Sorenson)	Goshen	
2 Bell Mountain Power (Jake Amy)	Goshen	
3 Birch Creek Hydro	Goshen	
4 Cargill_Q3 (Kettle Butte Dairy)	Goshen	
5 CDM Hydro	Goshen	
6 Commercial Energy Management	Goshen	
7 Dry Creek	Goshen	
8 Georgetown Power	Goshen	
9 Ingram Warm Springs Ranch	Goshen	
10 Marsh Valley Hydro & Electric Company	Goshen	
11 Meadow Creek Project Company - Five Pine	Goshen	
12 Meadow Creek Project Company - North Point	Goshen	
13 Mink Creek Hydro	Goshen	
14 Nicholson Sunnybar Ranch	Goshen	
15 O.J. Power Company	Goshen	
16 Power County Wind Park North	Goshen	
17 Power County Wind Park South	Goshen	
18 Preston City Hydro	Goshen	
19 Ballard Hog Farms Inc	Utah	
20 Cottonwood Hydro Lower	Utah	
21 Cottonwood Hydro Upper	Utah	
22 Wasatch Integrated Waste Management District (Davis County Waste Management)	Utah	
23 Draper Irrigation Company	Utah	
24 eBay - Solar	Utah	
25 Hill Air Force Base	Utah	
26 Kennecott Refinery	Utah	
27 Kennecott Smelter	Utah	
28 Magnesium Corporation of America	Utah	
29 Spanish Fork Wind Park 2	Utah	
30 Sunnyside Cogeneration Associates	Utah	
31 Tesoro Refining and Marketing Company	Utah	
32 Thayer Ranch Hydro	Utah	
33 Weber County, State of Utah	Utah	
34 Bureau of Land Management - Rawlins Office	North Wyoming	
35 Chevron Wyoming Wind QF	East Wyoming	
36 City of Buffalo	North Wyoming	
37 ExxonMobile Production Company	Trona	
38 Giffard Canal (Shoshone)	North Wyoming	
39 J Bar 9 Ranch	Central Wyoming	
40 Lower Valley Energy	Goshen	
41 Mountain Wind 1	Utah	
42 Mountain Wind 2	Utah	
43 Simplot Phosphates, LLC	Central Wyoming	

PACE - Load Pockets





825 NE Multnomah, Suite 2000
Portland, Oregon 97232

June 27, 2011

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Public Utility Commission of Oregon
550 Capital Street NE, Ste 215
Salem, OR 97301-2551

Attention: Filing Center

**RE: Advice No. 11-011
Schedule 37 – Avoided Cost Purchases from Qualifying Facilities
(10,000 kW or less)**

Enclosed for filing are an original and five copies of proposed revised tariff pages associated with Tariff P.U.C. OR No. 36 of PacifiCorp d/b/a Pacific Power. Specifically, PacifiCorp proposes revisions to PacifiCorp's Oregon Tariff Schedule 37 – Avoided Cost Purchases from Qualifying Facilities (10,000 kW or less). PacifiCorp also submits proposed revisions to Section 2.1 of the associated standard power purchase agreements. PacifiCorp respectfully requests an effective date of July 27, 2011 for these tariff sheets and replacement pages for standard contracts.

A. Description of Filing

In this filing, PacifiCorp revises Schedule 37 and associated standard contracts to clarify that once a standard contract is entered into between PacifiCorp's merchant function (Merchant) and a Qualifying Facility (QF), Merchant applies to PacifiCorp's transmission function (Transmission) to designate the QF as a network resource. This is necessary so that the net output from the QF can be moved from the point of delivery on PacifiCorp's system to PacifiCorp load by means of the network transmission service that Transmission allocates to Merchant. This filing further revises Schedule 37 and associated standard contracts to clarify that, should the network resource designation issued by Transmission note that additional transmission from another provider's system will be required to move any of the QF's output to load, the QF owner will be given an opportunity to agree to pay for such additional transmission. If the QF owner refuses to agree to pay for such additional transmission, or if the additional transmission is not available, the Schedule 37 power purchase agreement will terminate unless the parties can reach a mutually agreeable alternative resolution.

The purpose of these revisions is to prevent a circumstance where PacifiCorp is required to pay full published avoided cost rates under Schedule 37 and required to pay the cost of additional transmission made necessary by the QF's point of delivery. As discussed in the enclosed memorandum in support of this advice filing, such a result would conflict with the Public Utility Regulatory Policies Act of 1978 (PURPA) and with the Federal Energy Regulatory

Oregon Public Utility Commission
 June 27, 2011
 Page 2 of 3

Commission's regulations implementing PURPA by requiring PacifiCorp to pay more than its full avoided cost for QF output.

This tariff filing is supported by affidavits and exhibits from the following PacifiCorp witnesses:

- Bruce Griswold, Director of Short Term Origination, PacifiCorp (Merchant)
- Dennis Desmarais, Director Transmission Services, PacifiCorp (Transmission)

This tariff filing is further supported by the enclosed memorandum of law discussing the need for and impact of the proposed tariff revisions.

PacifiCorp notes that it has received multiple pending requests for Schedule 37 power purchase agreements that are likely to require additional transmission and will therefore implicate the revisions proposed in this advice filing. PacifiCorp respectfully requests that the enclosed tariff sheets be allowed to become effective on July 27, 2011. As discussed in the memorandum of law, if the Commission decides to open an investigation regarding this advice filing, then the Company requests that the tariff sheets be allowed to go into effect on a provisional basis until the investigation is completed.

PacifiCorp has provided notice of Advice No. 11-011 to all small QFs (10 MW or less) with a pending application for a Schedule 37 PPA or with a pending application to interconnect with PacifiCorp's Oregon system. PacifiCorp has also posted notice of Advice No. 11-011 on the portion of its website addressing PacifiCorp's QF program. A copy of the notice is enclosed as Exhibit C to the Affidavit of Bruce Griswold.

B. Tariff Sheets

First Revision of Sheet No. 37-10	Schedule 37	Avoided Cost Purchases from Qualifying Facilities of 10,000 kW or less
First Revision of Sheet No. 37-11	Schedule 37	Avoided Cost Purchases from Qualifying Facilities of 10,000 kW or less
First Revision of Sheet no. 37.12	Schedule 37	Avoided Cost Purchases from Qualifying Facilities of 10,000 kW or less

C. Replacement Pages in Standard Power Purchase Agreement

Oregon Standard New Qualifying Facility Power Purchase Agreement, Section 2.1

Oregon Standard Off-System Qualifying Facility Power Purchase Agreement, Section 2.1

Oregon Standard Non-Firm Qualifying Facility Power Purchase Agreement, Section 2.1

Oregon Public Utility Commission
June 27, 2011
Page 3 of 3

Oregon Standard New Qualifying Facility with Mechanical Availability Generation (MAG)
Power Purchase Agreement, Section 2.1

Oregon Standard Existing Qualifying Facility Power Purchase Agreement, Section 2.1

D. Correspondence

PacifiCorp respectfully requests that all communications related to this filing be addressed to:

PacifiCorp Oregon Dockets
825 NE Multnomah Street, Ste 2000
Portland, OR 97232
oregondockets@pacificorp.com

Jordan A. White
Legal Counsel
1407 W North Temple, Ste 320
Salt Lake City, UT 84116
jordan.white@pacificorp.com

Jeffrey S. Lovinger
Kenneth E. Kaufmann
Lovinger Kaufmann LLP
825 NE Multnomah, Ste 925
Portland, OR 97232
lovinger@lklaw.com
kaufmann@lklaw.com

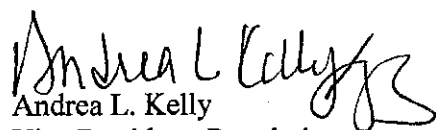
Additionally, PacifiCorp respectfully requests that all data requests regarding this matter be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Please direct any informal inquiries to Joelle Steward, Regulatory Manager, at (503) 813-5542.

Sincerely,


Andrea L. Kelly
Vice President, Regulation

Enclosures



A DIVISION OF PACIFICORP

OREGON SCHEDULE 37

AVOIDED COST PURCHASES FROM QUALIFYING FACILITIES OF 10,000 KW OR LESS

Page 10

B. Procedures (continued)

- 5 After reviewing the final draft power purchase agreement, the owner may either prepare another set of written comments and proposals or approve the final draft power purchase agreement. If the owner prepares written comments and proposals the Company will respond in 15 business days to those comments and proposals.
6. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner within 15 business days, a final executable version of the agreement. Following the Company's execution a completely executed copy will be returned to the owner. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties and will be subject to modification after execution as provided in paragraph 7, below.
7. The prices and other terms and conditions in an executed power purchase agreement with a QF over 100 kW will be contingent upon PacifiCorp Transmission approving designation of the QF as a Network Resource under PacifiCorp Transmission's FERC Electric Tariff Volume No. 11 Pro Forma Open Access Transmission Tariff and as further provided in this paragraph 7.
- (a) PacifiCorp Commercial and Trading will submit to PacifiCorp Transmission a request for Network Resource designation of the QF within five business days of the later of (i) execution of the power purchase agreement by both parties or (ii) the QF owner providing the Company with QF information necessary to submit a request.
- (b) If in designating a QF as a Network Resource, PacifiCorp Transmission identifies a need for additional transmission service (other than the Network Integration Transmission Service for which the QF is designated a Network Resource) in order for the Company to use the QF's net output to serve the Company's network load, then the owner will have 15 business days from the date of the Network Resource designation to agree to pay all costs incurred to any third-party transmission provider for such additional transmission for the duration of the power purchase agreement. If available, such additional transmission will be acquired by the Company in the form of long-term firm point-to-point service in the capacity identified in the Network Resource status designation rounded up to the nearest whole megawatt.

(N)

(N)

(M) to
37.11

(continued)



**OREGON
SCHEDULE 37**

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**

Page 11

B. Procedures (continued)

- (c) If the owner does not agree within the 15-business-day period to pay for such additional transmission, or if such additional transmission is not timely available in the form of long-term firm point-to-point service, and the parties do not reach a mutually agreeable alternative solution within the 15-business-day period, the power purchase agreement will terminate at no fault of either party. In the event of such a termination, the QF may seek a power purchase agreement under PacifiCorp's Oregon Tariff Schedule 38 notwithstanding the QF's nameplate capacity of 10,000 kW or less.

(N)

(N)

II. Process for Negotiating Interconnection Agreements

(M) from
37.10

[NOTE: Section II applies only to QFs connecting directly to PacifiCorp's electrical system. An off-system QF should contact its local utility or transmission provider to determine the interconnection requirements and wheeling arrangement necessary to move the power to PacifiCorp's system.]

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon the QF completing all necessary interconnection arrangements. It is recommended that the owner initiate its request for interconnection 18 months ahead of the anticipated in-service date to help ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's transmission function (including but not limited to PacifiCorp Transmission Services) while power purchase agreements are handled by the Company's merchant function (including but not limited to PacifiCorp's Commercial and Trading Group).

(M) from
37.10

A. Communications

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

PacifiCorp
Director – Transmission Services
825 NE Multnomah St, Suite 1600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's transmission function who will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

(M) to
37.11

(continued)



**OREGON
SCHEDULE 37**

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**

**II. Process for Negotiating Interconnection Agreements (continued)
B. Procedures**

Generally, the interconnection process involves (1) initiating a request for interconnection, (2) undertaking studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, and (3) executing an interconnection agreement to address facility construction, testing, acceptance, ownership, operation and maintenance issues. Consistent with PURPA and Oregon Public Utility Commission regulations, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis. For interconnections impacting the Company's Transmission and Distribution System, the Company will process the interconnection application through PacifiCorp Transmission Services.

(M) from
37.11

(M) from
37.11

Example of Gas Pricing Options given Assumed Gas Prices ¢/kWh

Banded Gas Market Index												
Year	Prices Listed in the Tariff				Example using assumed Gas Prices						Compared to Fixed Prices	
	On-Peak Capacity Adder	Off-Peak Energy Adder	Gas Market Index		Assumed Gas Price \$/MMBtu	Fuel Index			Price Paid to QF		Off-Peak Price	On-Peak Price
			Floor 90%	Ceiling 110%		Actual Energy Price	Floor / Ceiling Component	Type of Price	Off-Peak Price	On-Peak Price		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
2014	1.86	1.38	4.25	5.20	\$3.00	2.15	4.25	Floor	5.63	7.49	6.10	7.96
					\$5.00	3.58	4.25	Floor	5.63	7.49		
					\$7.00	5.01	5.01	Actual	6.39	8.25		
					\$9.00	6.44	5.20	Ceiling	6.58	8.44		
					\$12.00	8.58	5.20	Ceiling	6.58	8.44		

Gas Market Method												
Year	Prices Listed in the Tariff				Example using assumed Gas Prices						Compared to Fixed Prices	
	On-Peak Capacity Adder	Off-Peak Energy Adder	Fuel Index		Assumed Gas Price \$/MMBtu	Fuel Index			Price Paid to QF		Off-Peak Price	On-Peak Price
			Floor 90%	Ceiling 110%		Actual Energy Price	Floor / Ceiling Component	Type of Price	Off-Peak Price	On-Peak Price		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
2014	1.86	1.38	Not Relevant		\$3.00	2.15			3.53	5.39	6.10	7.96
					\$5.00	3.58			4.96	6.82		
					\$7.00	5.01	Not Relevant		6.39	8.25		
					\$9.00	6.44			7.82	9.68		
					\$12.00	8.58			9.96	11.82		


**OREGON
SCHEDULE 37**
**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**

Page 10

B. Procedures (continued)

- 5 After reviewing the final draft power purchase agreement, the owner may either prepare another set of written comments and proposals or approve the final draft power purchase agreement. If the owner prepares written comments and proposals the Company will respond in 15 business days to those comments and proposals.
6. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner within 15 business days, a final executable version of the agreement. Following the Company's execution a completely executed copy will be returned to the owner. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties and will be subject to modification after execution as provided in paragraph 7, below.
7. The prices and other terms and conditions in an executed power purchase agreement with a QF over 100 kW will be contingent upon PacifiCorp Transmission approving designation of the QF as a Network Resource under PacifiCorp Transmission's FERC Electric Tariff Volume No. 11 Pro Forma Open Access Transmission Tariff and as further provided in this paragraph 7.
- (a) PacifiCorp Commercial and Trading will submit to PacifiCorp Transmission a request for Network Resource designation of the QF within five business days of the later of (i) execution of the power purchase agreement by both parties or (ii) the QF owner providing the Company with QF information necessary to submit a request.
- (b) If in designating a QF as a Network Resource, PacifiCorp Transmission identifies a need for additional transmission service (other than the Network Integration Transmission Service for which the QF is designated a Network Resource) in order for the Company to use the QF's net output to serve the Company's network load, then the owner will have 15 business days from the date of the Network Resource designation to agree to pay all costs incurred to any third-party transmission provider for such additional transmission for the duration of the power purchase agreement. If available, such additional transmission will be acquired by the Company in the form of long-term firm point-to-point service in the capacity identified in the Network Resource status designation rounded up to the nearest whole megawatt.
- (c) If the owner does not agree within the 15-business-day period to pay for such additional transmission, or if such additional transmission is not timely available in the form of long-term firm

(continued)



A DIVISION OF PACIFICORP

**OREGON
SCHEDULE 37****AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**

Page 10

II. ~~Process for Negotiating Interconnection Agreements~~

~~[NOTE: Section II applies only to QFs connecting directly to PacifiCorp's electrical system. An off-system QF should contact its local utility or transmission provider to determine the interconnection requirements and wheeling arrangement necessary to move the power to PacifiCorp's system.]~~

~~In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon the QF completing all necessary interconnection arrangements. It is recommended that the owner initiate its request for interconnection 18 months ahead of the anticipated in-service date to help ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.~~

~~Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's transmission function (including but not limited to PacifiCorp Transmission Services) while power purchase agreements are handled by the Company's merchant function (including but not limited to PacifiCorp's Commercial and Trading Group).~~

(continued)

P.U.C. OR No. 36

Issued June 27, 2011

Andrea L. Kelly, Vice President, Regulation

First Revision of Sheet No. 37-10
Canceling Original Sheet No. 37-10**Effective for service on and after July 27, 2011**

Advice No. 11-011



OREGON SCHEDULE 37

AVOIDED COST PURCHASES FROM QUALIFYING FACILITIES OF 10,000 KW OR LESS

Page 11

B. Procedures (continued)

(c) If the owner does not agree within the 15-business-day period to pay for such additional transmission, or if such additional transmission is not timely available in the form of long-term firm point-to-point service, and the parties do not reach a mutually agreeable alternative solution within the 15-business-day period, the power purchase agreement will terminate at no fault of either party. In the event of such a termination, the QF may seek a power purchase agreement under PacifiCorp's Oregon Tariff Schedule 38 notwithstanding the QF's nameplate capacity of 10,000 kW or less.

II. Process for Negotiating Interconnection Agreements

[NOTE: Section II applies only to QFs connecting directly to PacifiCorp's electrical system. An off-system QF should contact its local utility or transmission provider to determine the interconnection requirements and wheeling arrangement necessary to move the power to PacifiCorp's system.]

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon the QF completing all necessary interconnection arrangements. It is recommended that the owner initiate its request for interconnection 18 months ahead of the anticipated in-service date to help ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

Because of functional separation requirements mandated by the Federal Energy Regulatory Commission, interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's transmission function (including but not limited to PacifiCorp Transmission Services) while power purchase agreements are handled by the Company's merchant function (including but not limited to PacifiCorp's Commercial and Trading Group).

A. Communications

Initial communications regarding interconnection agreements should be directed to the Company in writing as follows:

PacifiCorp
Director – Transmission Services
825 NE Multnomah St, Suite 1600
Portland, Oregon 97232

Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's transmission function who will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.

B. Procedures

(continued)



A DIVISION OF PACIFICORP

**OREGON
SCHEDULE 37****AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**

Page 11

~~Generally, the interconnection process involves (1) initiating a request for interconnection, (2) undertaking studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, and (3) executing an interconnection agreement to address facility construction, testing, acceptance, ownership, operation and maintenance issues. Consistent with PURPA and Oregon Public Utility Commission regulations, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis. For interconnections impacting the Company's Transmission and Distribution System, the Company will process the interconnection application through PacifiCorp Transmission Services.~~

(continued)

P.U.C. OR No. 36

Issued June 27, 2011

Andrea L. Kelly, Vice President, Regulation

First Revision of Sheet No. 37-11

Canceling Original Sheet No. 37-11

Effective for service on and after July 27, 2011

Advice No. 11-011



**OREGON
SCHEDULE 37**

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**

B. Procedures

Generally, the interconnection process involves (1) initiating a request for interconnection, (2) undertaking studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, and (3) executing an interconnection agreement to address facility construction, testing, acceptance, ownership, operation and maintenance issues. Consistent with PURPA and Oregon Public Utility Commission regulations, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis. For interconnections impacting the Company's Transmission and Distribution System, the Company will process the interconnection application through PacifiCorp Transmission Services.

Example of Gas Pricing Options given Assumed Gas Prices €/kWh

Banded Gas Market Index												
Year	Prices Listed in the Tariff				Example using assumed Gas Prices						Compared to Fixed Prices	
	On-Peak Capacity Adder	Off-Peak Energy Adder	Gas Market Index		Assumed Gas Price \$/MMBtu	Fuel Index			Price Paid to QF		Off-Peak Price	On-Peak Price
			Floor 90%	Ceiling 110%		Actual Energy Price	Floor / Ceiling Component	Type of Price	Off-Peak Price	On-Peak Price		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
2014	1.86	1.38	4.25	5.20	\$3.00	2.15	4.25	Floor	5.63	7.49	6.10	7.96
					\$5.00	3.58	4.25	Floor	5.63	7.49		
					\$7.00	5.01	5.01	Actual	6.39	8.25		
					\$9.00	6.44	5.20	Ceiling	6.58	8.44		
					\$12.00	8.58	5.20	Ceiling	6.58	8.44		

Gas Market Method												
Year	Prices Listed in the Tariff				Example using assumed Gas Prices						Compared to Fixed Prices	
	On-Peak Capacity Adder	Off-Peak Energy Adder	Fuel Index		Assumed Gas Price \$/MMBtu	Fuel Index			Price Paid to QF		Off-Peak Price	On-Peak Price
			Floor 90%	Ceiling 110%		Actual Energy Price	Floor / Ceiling Component	Type of Price	Off-Peak Price	On-Peak Price		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
2014	1.86	1.38	Not Relevant		\$3.00	2.15	Not Relevant		3.53	5.39	6.10	7.96
					\$5.00	3.58			4.96	6.82		
					\$7.00	5.01			6.39	8.25		
					\$9.00	6.44			7.82	9.68		
					\$12.00	8.58			9.96	11.82		

PACIFICORP ADVICE NO. 11-011
SCHEDULE 37 – AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES (10,000 KW OR LESS)

Oregon Standard Existing Qualifying Facility
Power Purchase Agreement, Section 2.1

June 27, 2011

additional transmission charges, if any, reasonably incurred by PacifiCorp in causing replacement energy to be delivered to the Point of Delivery. If PacifiCorp elects not to make such a purchase, the Replacement Price shall be the market price at the Mid-Columbia trading hub for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PacifiCorp in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.33 "Required Facility Documents" means all licenses, permits, authorizations, and agreements, including a Generation Interconnection Agreement or equivalent, necessary for operation, and maintenance of the Facility consistent with the terms of this Agreement and requested in writing by PacifiCorp, including without limitation those set forth in Exhibit C.

1.34 "Schedule 37" means the Schedule 37 of Pacific Power & Light Company's Commission-approved tariffs, providing pricing options for Qualifying Facilities of 10,000 kW or less, which is in effect on the Effective Date of this Agreement. A copy of that Schedule 37 is attached as Exhibit F.

1.35 "Termination Date" shall have the meaning set forth in Section 2.4.

SECTION 2: TERM; EFFECTIVE DATE

2.1 After execution by both Parties, this Agreement shall become effective on the Effective Date. If the Facility Capacity Rating exceeds 100 kW, the Parties' duties and obligations in this Agreement (including sale and purchase of Net Output) are conditioned upon PacifiCorp Transmission approving Network Resource status of the Facility under PacifiCorp Transmission's Open Access Transmission Tariff in conformance with the conditions in paragraph I.B.7 of Schedule 37. If PacifiCorp Transmission denies Network Resource status, this Agreement shall terminate 15 business days after such denial at no fault to either Party unless the Parties agree in writing upon measures to cure the deficiency and resubmit the Network Resource request. If PacifiCorp Transmission approves Network Resource status but identifies, at the time of approval, a need for additional transmission service (as provided in paragraph I.B.7(b) of Schedule 37), this Agreement will terminate at no fault to either Party 15 business days after the date of the Network Resource approval unless one of the following occurs within the 15-business-day period:

2.1.1 Such additional transmission is available for purchase and Seller in its sole discretion agrees to pay for such additional transmission (including the costs of any deposits and study costs) on a monthly basis for the term of this Agreement; or alternatively,

2.1.2 The Parties mutually agree on an alternative solution to the need for such additional transmission. Nothing in this Agreement obligates either Party to attempt to negotiate a mutually agreeable alternative solution.

Any agreement under Section 2.1.1 or Section 2.1.2 shall be in the form of a written amendment to this Agreement.

PACIFICORP ADVICE NO. 11-011
SCHEDULE 37 – AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES (10,000 KW OR LESS)

Oregon Standard New Qualifying Facility
Power Purchase Agreement, Section 2.1

June 27, 2011

1.36 "Scheduled Commercial Operation Date" shall have the meaning set forth in Recital C.

1.37 "Scheduled Initial Delivery Date" shall have the meaning set forth in Recital B.

1.38 "Start-Up Testing" means the completion of required factory and start-up tests as set forth in Exhibit E hereto.

1.39 "Termination Date" shall have the meaning set forth in Section 2.4.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties ("Effective Date"). If the Facility Capacity Rating exceeds 100 kW, the Parties' duties and obligations in this Agreement (including sale and purchase of Net Output) are conditioned upon PacifiCorp Transmission approving Network Resource status of the Facility under PacifiCorp Transmission's Open Access Transmission Tariff in conformance with the conditions in paragraph I.B.7 of Schedule 37. If PacifiCorp Transmission denies Network Resource status, this Agreement shall terminate 15 business days after such denial at no fault to either Party unless the Parties agree in writing upon measures to cure the deficiency and resubmit the Network Resource request. If PacifiCorp Transmission approves Network Resource status but identifies, at the time of approval, a need for additional transmission service (as provided in paragraph I.B.7(b) of Schedule 37), this Agreement will terminate at no fault to either Party 15 business days after the date of the Network Resource approval unless one of the following occurs within the 15-business-day period:

2.1.1 Such additional transmission is available for purchase and Seller in its sole discretion agrees to pay for such additional transmission (including the costs of any deposits and study costs) on a monthly basis for the term of this Agreement; or alternatively,

2.1.2 The Parties mutually agree on an alternative solution to the need for such additional transmission. Nothing in this Agreement obligates either Party to attempt to negotiate a mutually agreeable alternative solution.

Any agreement under Section 2.1.1 or Section 2.1.2 shall be in the form of a written amendment to this Agreement.

2.1 Time is of the essence for this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to deliver Net Output by the Scheduled Commercial Operation Date is critically important. Therefore,

2.1.1 By _____, Seller shall provide PacifiCorp with a copy of an executed Generation Interconnection Agreement, or wheeling agreement, as applicable, which shall be consistent with all material terms and requirements of this Agreement.

PACIFICORP ADVICE NO. 11-011
SCHEDULE 37 – AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES (10,000 KW OR LESS)

Oregon Standard Off-System Qualifying Facility
Power Purchase Agreement, Section 2.1

June 27, 2011

or less, which is in effect on the Effective Date of this Agreement. A copy of that Schedule 37 is attached as **Exhibit G**.

1.39 “**Scheduled Commercial Operation Date**” shall have the meaning set forth in Recital C.

1.40 “**Scheduled Initial Delivery Date**” shall have the meaning set forth in Recital B.

1.41 “**Start-Up Testing**” means the completion of required factory and start-up tests as set forth in **Exhibit E** hereto.

1.42 “**Termination Date**” shall have the meaning set forth in Section 2.4.

1.43 “**Transmission Agreement**” means the agreement (or contemporaneous agreements) between Seller and the Transmitting Entity providing for Seller’s uninterrupted right to transmit Net Output to the Point of Delivery.

1.44 “**Transmitting Entity(s)**” means _____,
the (non-PacifiCorp) operator of the transmission system at the Point of Delivery.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties (“**Effective Date**”). If the Facility Capacity Rating exceeds 100 kW, the Parties’ duties and obligations in this Agreement (including sale and purchase of Net Output) are conditioned upon PacifiCorp Transmission approving Network Resource status of the Facility under PacifiCorp Transmission’s Open Access Transmission Tariff in conformance with the conditions in paragraph I.B.7 of Schedule 37. If PacifiCorp Transmission denies Network Resource status, this Agreement shall terminate 15 business days after such denial at no fault to either Party unless the Parties agree in writing upon measures to cure the deficiency and resubmit the Network Resource request. If PacifiCorp Transmission approves Network Resource status but identifies, at the time of approval, a need for additional transmission service (as provided in paragraph I.B.7(b) of Schedule 37), this Agreement will terminate at no fault to either Party 15 business days after the date of the Network Resource approval unless one of the following occurs within the 15-business-day period:

2.1.1 Such additional transmission is available for purchase and Seller in its sole discretion agrees to pay for such additional transmission (including the costs of any deposits and study costs) on a monthly basis for the term of this Agreement; or alternatively,

2.1.2 The Parties mutually agree on an alternative solution to the need for such additional transmission. Nothing in this Agreement obligates either Party to attempt to negotiate a mutually agreeable alternative solution.

Any agreement under Section 2.1.1 or Section 2.1.2 shall be in the form of a written amendment to this Agreement.

PACIFICORP ADVICE NO. 11-011
SCHEDULE 37 – AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES (10,000 KW OR LESS)

Oregon Standard New Qualifying Facility
with Mechanical Availability Generation (MAG)
Power Purchase Agreement, Section 2.1

June 27, 2011

1.38 "Scheduled Commercial Operation Date" shall have the meaning set forth in Recital C.

1.39 "Scheduled Initial Delivery Date" shall have the meaning set forth in Recital B.

1.40 "Start-Up Testing" means the completion of required factory and start-up tests as set forth in Exhibit E hereto.

1.41 "Sufficient Wind" means any hour during which the average wind speed is equal to or greater than the manufacturer's rated Cut-in Speed for the wind turbines comprising the Facility.

1.42 "Termination Date" shall have the meaning set forth in Section 2.4.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties ("Effective Date"). If the Facility Capacity Rating exceeds 100 kW, the Parties' duties and obligations in this Agreement (including sale and purchase of Net Output) are conditioned upon PacifiCorp Transmission approving Network Resource status of the Facility under PacifiCorp Transmission's Open Access Transmission Tariff in conformance with the conditions in paragraph I.B.7 of Schedule 37. If PacifiCorp Transmission denies Network Resource status, this Agreement shall terminate 15 business days after such denial at no fault to either Party unless the Parties agree in writing upon measures to cure the deficiency and resubmit the Network Resource request. If PacifiCorp Transmission approves Network Resource status but identifies, at the time of approval, a need for additional transmission service (as provided in paragraph I.B.7(b) of Schedule 37), this Agreement will terminate at no fault to either Party 15 business days after the date of the Network Resource approval unless one of the following occurs within the 15-business-day period:

2.1.1 Such additional transmission is available for purchase and Seller in its sole discretion agrees to pay for such additional transmission (including the costs of any deposits and study costs) on a monthly basis for the term of this Agreement; or alternatively,

2.1.2 The Parties mutually agree on an alternative solution to the need for such additional transmission. Nothing in this Agreement obligates either Party to attempt to negotiate a mutually agreeable alternative solution.

Any agreement under Section 2.1.1 or Section 2.1.2 shall be in the form of a written amendment to this Agreement.

2.1 **Time is of the essence for this Agreement**, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to deliver Net Output by the Scheduled Commercial Operation Date is critically important. Therefore,

PACIFICORP ADVICE NO. 11-011
SCHEDULE 37 – AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES (10,000 KW OR LESS)

Oregon Standard Non-Firm Qualifying Facility
Power Purchase Agreement, Section 2.1

June 27, 2011

1.25 "Scheduled Initial Delivery Date" shall have the meaning set forth in Recital B.

1.26 "Start-Up Testing" means the completion of required factory and start-up tests as set forth in Exhibit E hereto.

1.27 "Termination Date" shall have the meaning set forth in Section 2.4.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties ("Effective Date"). If the Facility Capacity Rating exceeds 100 kW, the Parties' duties and obligations in this Agreement (including sale and purchase of Net Output) are conditioned upon PacifiCorp Transmission approving Network Resource status of the Facility under PacifiCorp Transmission's Open Access Transmission Tariff in conformance with the conditions in paragraph I.B.7 of Schedule 37. If PacifiCorp Transmission denies Network Resource status, this Agreement shall terminate 15 business days after such denial at no fault to either Party unless the Parties agree in writing upon measures to cure the deficiency and resubmit the Network Resource request. If PacifiCorp Transmission approves Network Resource status but identifies, at the time of approval, a need for additional transmission service (as provided in paragraph I.B.7(b) of Schedule 37), this Agreement will terminate at no fault to either Party 15 business days after the date of the Network Resource approval unless one of the following occurs within the 15-business-day period:

2.1.1 Such additional transmission is available for purchase and Seller in its sole discretion agrees to pay for such additional transmission (including the costs of any deposits and study costs) on a monthly basis for the term of this Agreement; or alternatively,

2.1.2 The Parties mutually agree on an alternative solution to the need for such additional transmission. Nothing in this Agreement obligates either Party to attempt to negotiate a mutually agreeable alternative solution.

Any agreement under Section 2.1.1 or Section 2.1.2 shall be in the form of a written amendment to this Agreement.

2.2 **Time is of the essence for this Agreement**, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to deliver Net Output by the Scheduled Commercial Operation Date is critically important. Therefore,

2.2.1 By _____, Seller shall provide PacifiCorp with a copy of an executed Generation Interconnection Agreement, or wheeling agreement, as applicable, which shall be consistent with all material terms and requirements of this Agreement.

ISSUED: September 8, 2009

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1441

In the Matter of

FARMERS IRRIGATION DISTRICT

Complainant,

vs.

PACIFICORP, dba PACIFIC POWER

Respondent.

RULING

**DISPOSITION: APPLICABILITY OF OAR 860-029-0100
DETERMINED; MOTION TO DISMISS AND
ALTERNATIVE MOTION TO MAKE MORE
DEFINITE AND CERTAIN DENIED; PACIFIC
POWER'S MOTION FOR EXTENSION GRANTED**

On September 4, 2009, PacifiCorp, dba Pacific Power (Pacific Power) filed two motions in response to a complaint filed by Farmers Irrigation District (Farmers). Pacific Power first seeks expedited determination of whether OAR 860-029-0100 applies to the complaint. Pacific Power then moves to either dismiss the complaint for failing to comply with the procedural requirements set forth in that rule or, alternatively, to make it more definite and certain in order to comply with those requirements. In the second motion, Pacific Power seeks an extension until September 15, 2009, to file an answer to the complaint.

DISCUSSION

Pacific Power filed similar motions in response to a complaint filed by Swalley Irrigation District. Because the issues raised by Pacific Power in both proceedings are identical, my resolution of those issues by separate ruling in the Swalley case control here.

In that ruling, I noted that Commission's Order No. 08-355, which adopted the OAR 860-029-0100, clarified that the dispute resolution procedures set forth

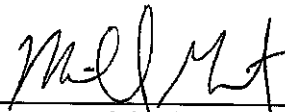
in the rule were "intended to clarify the scope of complaint proceedings relating to *negotiated* Qualifying Facility (QF) power purchase agreements." (Emphasis added.) These negotiated agreements apply only to QFs of over 10 MWs. The Commission expressly rejected a request to revise the rules to make the dispute resolution procedures available to QFs of 10 MWs or less. See Order No. 08-355 at 2.

In this case, Farmers seeks to develop a 4.8 MW generation facility as a QF. Because the proposed facility is under 10 MW, the provisions of OAR 860-029-0100 do not apply.

Like the Swalley case, Pacific Power's motion for clarification here was prompted by the Administrative Hearings Division's indication that Farmers' complaint was subject to the rule and that the due date for Pacific Power's answer was due in 10 days, rather than the standard 20 days. That indication was in error, and I regret the inconvenience to the parties.

Pacific Power's motion to dismiss and alternative motion to make more definite and certain are denied. Pacific Power's motion for an extension until September 15, 2009, to file an answer to the complaint, however, is granted.

Dated at Salem, Oregon, this 8th day of September 2009.



Michael Grant
Chief Administrative Law Judge

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 21st day of May, 2013, a true and correct copy of the within and foregoing **CROSS EXAMINATION EXHIBITS OF THE COMMUNITY RENEWABLE ENERGY ASSOCIATION** was served as shown to:

ADAM BLESS (C)
BRITTANY ANDRUS (C)
PUBLIC UTILITY COMM. OF OREGON
PO BOX 2148
SALEM OR 97308-2148
adam.bless@state.or.us
brittany.andrus@state.or.us

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

JAY TINKER (C)
PORTLAND GENERAL ELECTRIC
121 SW SALMON ST – 1WTC0702
PORTLAND OR 97204
pge.opuc.filings@pgn.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

J RICHARD GEORGE (C)
PORTLAND GENERAL ELECTRIC
121 SW SALMON ST – 1WTC1301
PORTLAND OR 97204
richard.george@pgn.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

JOHN W STEPHENS (C)
ESLER STEPHENS & BUCKLEY
888 SW FIFTH AVE STE 700
PORTLAND OR 97204-2021
stephens@eslerstephens.com
mec@eslerstephens.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

DONOVAN E WALKER
JULIA HILTON
IDAHO POWER COMPANY
PO BOX 70
BOISE ID 83707-0070
dwalker@idahopower.com
dockets@idahopower.com
jhilton@idahopower.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

LISA F RACKNER
MCDOWELL RICKNER & GIBSON PC
419 SW 11th AVE STE 400
PORTLAND OR 97205
dockets@mcd-law.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

MEGAN WALSETH DECKER (C)
RNP DOCKETS
RENEWABLE NORTHWEST PROJECT
421 SW 6TH AVE STE 1125
PORTLAND OR 97204-1629
megan@rnp.org
dockets@rnp.org

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

STEPHANIE S ANDRUS (C)
PUC STAFF – DEPARTMENT OF JUSTICE
1162 COURT ST NE
SALEM OR 97301-4096
stephanie.andrus@state.or.us

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

THOMAS H NELSON
PO BOX 1211
WELCHES OR 97067-1211
nelson@thnelson.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

RENEE M FRANCE (C)
OREGON DEPARTMENT OF JUSTICE
1162 COURT ST NE
SALEM OR 97301-4096
renee.m.france@state.or.us

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

R BRYCE DALLEY
PACIFIC POWER
825 NE MULTNOMAH ST STE 2000
PORTLAND OR 9732
bryce.dalley@pacificorp.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

MARY WIENCKE
825 NE MULTNOMAH ST STE 1800
PORTLAND OR 97232-2149
mary.wiencke@pacificorp.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

PACIFICORP dba PACIFIC POWER
825 NE MULTNOMAH ST STE 2000
PORTLAND OR 97232
oregondockets@pacificorp.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

JOHN LOWE
RENEWABLE ENERGY COALITION
12050 SW TREMONT ST
PORTLAND OR 97225-5430
jravenesanmarcos@yahoo.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

IRION A SANGER (C)
MELINDA J DAVISON (C)
S BRADLEY VAN CLEVE (C)
DAVISON VAN CLEVE PC
333 SW TAYLOR - STE 400
PORTLAND OR 97204
ias@dvclaw.com
mjd@dvclaw.com; mail@dvclaw.com
bvc@dvclaw.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

BILL EDDIE (C)
ONE ENERGY RENEWABLES
206 NE 28TH AVE
PORTLAND OR 97232
bill@oneenergyrenewables.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

GLENN MONTGOMERY
OREGON SOLAR ENERGY INDUSTRIES
ASSOCIATION
PO BOX 14927
PORTLAND OR 97293
glenn@oseia.org

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

KATHLEEN NEWMAN
OREGONIANS FOR RENEWABLE
ENERGY POLICY
1553 NE GREENSWORD DR
HILLSBORO OR 97214
kathleenoipl@frontier.com
k.a.newman@frontier.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

MARK PETE PENGILLY
OREGONIANS FOR RENEWABLE
ENERGY POLICY
PO BOX 10221
PORTLAND OR 97296
mpengilly@gmail.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

TONI ROUSH
ROUSH HYDRO INC
366 E WATER
STAYTON OR 97383
tmroush@wvi.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

JAMES BIRKELUND (C)
SMALL BUSINESS UTILITY ADVOCATES
548 MARKET ST STE 11200
SAN FRANCISCO CA 94104
james@utilityadvocates.org

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

DAVID A LOKTING
STOLL BERNE
209 SW OAK STREET STE 500
PORTLAND OR 97204
dlokting@stollberne.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

KENNETH KAUFMAN (C)
JEFFREY S LOVINGER (C)
LOVINGER KAUFMANN LLP
825 NE MULTNOMAH STE 925
PORTLAND OR 97232-2150
kaufmann@lklaw.com
lovinger@lklaw.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

ROBERT JENKS (C)
G CATRIONA MCCrackEN (C)
CITIZENS' UTILITY BOARD OF OREGON
610 SW BROADWAY STE 400
PORTLAND OR 97205
dockets@oregoncub.org
bob@oregoncub.org
catriona@oregoncub.org

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

DAVID TOOZE
CITY OF PORTLAND
1900 SW 4TH STE 7100
PORTLAND OR 97201
David.tooze@portlandoregon.gov

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

ELAINE PRAUSE
JOHN M VOLKMAN
ENERGY TRUST OF OREGON
421 SW OAK ST STE 300
PORTLAND OR 97204
elaine.prause@energytrust.org
john.volkman@energytrust.org

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

LOYD FERY
11022 RAINWATER LANE SE
AUMSVILLE OR 97325
dlchain@wvi.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

MATT KRUMENAUER (C)
KACIA BROCKMAN (C)
OREGON DEPARTMENT OF ENERGY
1162 COURT ST NE
SALEM OR 97301-4096
matt.krumenauer@state.or.us
kacia.brockman@state.or.us

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

MIKE MCARTHUR
ASSOCIATION OF OR COUNTIES
PO BOX 12729
SALEM OR 97309
mmcarthur@aocweb.org

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

WILL K CAREY
ANNALA CAREY BAKER ET AL PC
PO BOX 325
HOOD RIVER OR 97031
wcarey@hoodriverattorneys.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

RICHARD LORENZ (C)
J LAWRENCE CABLE
CHAD STOKES
CABLE HUSTON BENEDICT
HAAGENSEN & LLOYD LLP
1001 SW FIFTH AVE STE 2000
PORTLAND OR 97204-1136
rlorenz@cablehuston.com
lcable@cablehuston.com
cstokes@cablehuston.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

DIANE HENKELS (C)
CLEANTECH LAW PARTNERS PC
6228 SW HOOD
PORTLAND OR 97239
dhenkels@cleantechlawpartners.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

CYNTHIA FONNER BRADY
EXELON BUSINESS SERVICES CO LLC
100 CONSTELLATION WAY STE 500C
BALTIMORE MD 21202
cynthia.brady@constellation.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

JOHN HARVEY (C)
EXELON WIND LLC
4601 WESTOWN PARKWAY STE 300
WEST DES MOINES IA 50266
john.harvey@exeloncorp.com

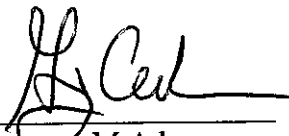
Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

DARREN ANDERSON
NORTHWEST ENERGY SYSTEMS CO LLC
1800 NE 8TH ST STE 320
BELLEVUE WA 98004-1600
da@thenescogroup.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

DONALD W SCHOENBECK (c)
REGULATORY & COGENERATION
SERVICES INC
900 WASHINGTON ST STE 780
VANCOUVER WA 98660-3455
dws@r-c-s-inc.com

Hand Delivery
 U.S. Mail, postage pre-paid
 Facsimile
 Electronic Mail

By 
Gregory M Adams