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Public Utility Commission of Oregon
Filing Center
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Re: Portland General Electric Company's Request to Update Schedule 201 and Standard Power Purchase Agreements

Portland General Electric Company (PGE) hereby submits the following original documents for filing and approval:

1. Revised Schedule 201, Qualifying Facility (QF) 10 MW or Less, Avoided Cost and Power Purchase Information; and
2. Revised Standard Power Purchase Agreements (PPAs), identified below:
 - a. Standard On-System Non-Variable Power Purchase Agreement
 - b. Standard Off-System Non-Variable Power Purchase Agreement
 - c. Standard On-System Variable Power Purchase Agreement
 - d. Standard Off-System Variable Power Purchase Agreement
 - e. Standard Renewable On-System Non-Variable Power Purchase Agreement
 - f. Standard Renewable Off-System Non-Variable Power Purchase Agreement
 - g. Standard Renewable On-System Variable Power Purchase Agreement
 - h. Standard Renewable Off-System Variable Power Purchase Agreement

In support of this filing, PGE also submits two explanatory documents that describe each of the changes made to Schedule 201 and the PPAs on a provision-by-provision basis, including a comparison of terms between the current and proposed documents, and the rationale for each change.¹

PGE intends to hold one or more workshops in December to review the proposed updates with stakeholders, and we look forward to working with Public Utility Commission of Oregon (Commission) Staff and other stakeholders on this filing. After receiving input from stakeholders, we will propose a procedural schedule for comments and a Commission order consistent with our request that these updates and changes be expeditiously reviewed and approved.

¹ Please note that the PPA explanatory document is based on the Standard Renewable Off-System Variable PPA because this version of the Standard PPA best reflects the proposed updates and changes to the Standard PPA.

A. Introduction and Background

PGE's current Schedule 201 and Standard PPAs were first approved by the Commission in 2005.² Since that time, they have been revised on several occasions to comply with the Commission's specific direction regarding various discrete issues; however, this filing represents PGE's first comprehensive update of these documents. The proposed revisions significantly improve Schedule 201 and the Standard PPAs in several important respects, benefiting all parties with improved terms and greater clarity and certainty regarding the terms.

- **First**, the PPAs' provisions have been revised to render them clearer and more detailed, which will enhance the parties' understanding of the agreements' terms, thereby avoiding future disputes.
- **Second**, the PPAs' provisions have been updated to incorporate terms that are more commercially standard, which will bring the agreements in line with industry standards for PPAs, as well as with PGE's other PPAs, and will provide stronger protections for the parties to the agreements.
- **Third**, the revised documents implement recent Commission orders that have been issued since the documents were last revised.
- **Fourth**, the revised documents include changes and additions to the contract administration practices reflected in the current Schedule 201 and PPAs that improve the administration of standard contracts and avoid unnecessary disputes in the future, thereby benefitting both QFs and PGE's customers. Several of these changes align PGE's approach with PacifiCorp's agreements.

PGE has designed this filing so that it can be expeditiously reviewed by stakeholders and approved by the Commission. We have limited the proposed changes to those specific to PGE and our QF contracting process. Although we believe significant changes to the Commission's Public Utility Regulatory Policies Act (PURPA) policies are warranted, we have elected to proceed with this filing without suggesting updates that would require a change in Commission policy. Finally, we have also declined to propose reforms to how the Commission determines avoided cost prices, because of the importance of making the updates reflected in this filing promptly.

The proposed revisions are critical to ensuring that the Company's implementation of PURPA is transparent, fair, efficient, and protective of PGE's customers. For these reasons, PGE respectfully requests that the Public Utility Commission of Oregon (Commission) expeditiously review and approve these filings.³

² *In the Matter of Staff's Investigation Relating to Electric Utility Purchases from Qualifying Facilities*, Docket No. UM 1129, Order No. 05-899 at 3 (Aug. 9, 2005).

³ As mentioned above, PGE believes that further changes to the Commission's PURPA implementation policies, not included in this filing, are necessary to adequately protect customers and comply with PURPA. These changes include but are not limited to changes to Schedule 202 and the Commission's general policies. PGE reserves its right to propose such additional changes to Schedule 202 and the Commission's PURPA policies in the future.

B. The Dramatic and Sustained Increase in PURPA Activity and Litigation Highlights the Need to Promptly Implement Improved Agreements

When PGE originally drafted its current Schedule 201 and Standard PPAs, it had experienced very little PURPA activity. However, in recent years, PGE's PURPA contracting has increased markedly. In the 37 years between PURPA's enactment and the end of 2015, PGE executed a total of 31 PURPA Standard PPAs representing a total nameplate capacity of 98 MW—fewer than one PURPA contract per year. However, beginning in 2016, PGE experienced an unprecedented number of new requests for standard contracts. By the end of 2017, the Company had executed an additional 63 Standard PPAs representing 397 MW of nameplate capacity. And, as of the date of this filing, the Company has executed a total of 146 Standard PPAs representing 617 MW. Importantly, PGE currently has 73 QFs in the standard-contract queue that do not yet have executed PPAs, representing an additional 307 MW of nameplate capacity. PGE continues to receive new contract inquiries and to execute new Standard PPAs, with up to 20-year terms, regularly.

Moreover, corresponding to the increase in PURPA activity, PGE also has experienced a significant increase in PURPA-related litigation. Since April 28, 2017, PGE has received more than 50 Commission complaints, one Federal Energy Regulatory Commission (FERC) complaint, one FERC request for declaratory ruling, and two state and federal district court complaints regarding QF contracting, many of which have stemmed from confusion or disagreement regarding PGE's contracting process or the meaning of terms in the PPAs. In addition, PGE has filed three complaints to obtain clarity regarding QF eligibility or disputed terms and to protect PGE's customers from harm.

Given this experience, it is critical that the Commission approve the improved Standard PPAs and Schedule 201 as soon as practicable. PGE is executing additional QF contracts every week, and interest in entering Standard PPAs remains high. Importantly, each new PPA executed will be in effect for a 20-year term. It is therefore essential that the Commission approve agreements that will avoid future disputes, be fair to both parties, and most significantly, protect PGE's customers from harm.

C. Overview of Changes in Revised Documents

1. Updates to add detail and clarity

Many provisions of the Standard PPAs and Schedule 201 have been revised or added to increase the level of detail and clarify requirements. Examples include adding many more definitions to the PPAs and Schedule 201 and ensuring that definitions are sufficiently detailed.

2. Updates to achieve more standard commercial terms

PGE initially drafted its Standard PPAs with the assumption that most of the QFs contracting under these PPAs would be small and relatively unsophisticated business owners. Therefore, the Company's goal was a very simple agreement that smaller project owners could easily understand before signing the agreement. However, this attempt at simplicity created more opportunity for disagreement and litigation. Moreover, PGE has discovered that the majority of developers with which it contracts are sophisticated and experienced, and fully capable of

understanding and accepting more detailed and specific contract terms. Therefore, the Company proposes to update the Standard PPAs to use more commercially standard definitions and provisions. For example, the revised PPAs include a commercially standard definition of “bankruptcy” instead of simply referencing a circumstance where the Seller is a “debtor in a bankruptcy proceeding.” In addition, the revised PPAs include more customary contract language, such as a provision regarding interpretation of the agreement and several standard, commercial representations.

Where appropriate, PGE also proposes to make commercial terms in its Standard PPAs more similar to those in PGE’s PPAs entered pursuant to Schedule 202 and the Company’s Requests for Proposals (RFPs). PGE makes this effort in response to feedback from developers that participate in RFPs and develop QF projects.

3. Updates to implement recent Commission orders

Some provisions of the PPAs and portions of Schedule 201 have been revised to reflect Commission orders issued since the former documents were approved. For example, the PPAs explicitly state that the Company’s resource sufficiency/deficiency position does not affect PGE’s right to terminate the agreement, as stated in Order No. 15-130.⁴ In addition, the pricing terms of the PPAs have been revised to clarify that the 15-year fixed-price term begins at the earlier of the scheduled commercial operation date or the actual commercial operation date, consistent with Order No. 17-256.⁵

4. Changes or additions to the contract administration practices reflected in Schedule 201 and the PPAs that improve the administration of standard contracts and avoid unnecessary disputes in the future

Certain revisions to the documents represent improvements to PGE’s current contract administration practices, in a wide range of areas. For example, the defined contract year now aligns with the calendar year, instead of being measured on a rolling basis from the commercial operation date, which is easier to administer. In addition, the PPAs now provide that the actual replacement price will be used to calculate the lost energy value if the QF fails to deliver and PGE purchases replacement energy. This approach is more accurate and is consistent with PacifiCorp’s agreements. The revised PPAs also now require that a QF notify PGE of a planned outage only if the outage affects more than 25% of the facility’s generating capacity for eight hours or more, which reduces the burden on QFs.

The revised PPAs and Schedule 201 also contain several substantive additions related to issues that the former documents did not address. For example, the revised Off-System PPAs now contain provisions that net the QF’s delivery of imbalance energy over the billing period, which is consistent with PacifiCorp’s approach and will generally benefit QFs by allowing over- and under-scheduling to be offset over the entire billing period. The revised PPAs also allow QFs to acquire claims-made insurance coverage, so long as the coverage is maintained for five years after the PPA

⁴ *In the Matter of Staff Investigation into Qualifying Facility Contracting and Pricing*, Docket No. UM 1610, Order No. 15-130 at 2 (Apr. 16, 2015).

⁵ *Nw. and Intermountain Power Producers Coal., et al. v. Portland Gen. Elec. Co.*, Docket No. UM 1805, Order No. 17-256 at 1 (July 13, 2017).

ends. Finally, the renewable PPAs include a right of first refusal to purchase renewable energy credits from QFs during the sufficiency period.

D. Conclusion

PGE's revised PPAs and Schedule 201 are significantly improved, and the improvements benefit both QFs and PGE's customers by increasing clarity and commercial reasonableness, implementing recent Commission orders, and improving PGE's administration of standard contracts. Therefore, PGE respectfully requests that the Commission expeditiously consider this request and approve the revised documents.

Please contact David White at (503) 464-7701 or Erin Apperson at (503) 464-8544 with any questions pertaining to this filing. Please direct all formal correspondence and requests to the following email addresses: pge.opuc.filings@pgn.com and dockets@mrg-law.com.

Thank you in advance for your assistance.

Sincerely,



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Enclosures

cc: UM 1610 Service List
UM 1728 Service List

**Revised Schedule 201
Qualifying Facility (QF) 10 MW or Less,
Avoided Cost and
Power Purchase Information**

**SCHEDULE 201
QUALIFYING FACILITY 10 MW or LESS
AVOIDED COST POWER PURCHASE INFORMATION**

I. PURPOSE

To provide information about power purchase prices, standard contract options, and the process for obtaining a standard contract for power delivered to the Company by a Qualifying Facility (QF) with a nameplate capacity of 10,000 kW (10 MW) or less.

II. APPLICABLE

To owners of Qualifying Facilities making sales of electricity to Portland General Electric Company (PGE or the Company) in the State of Oregon (Sellers).

III. COMMUNICATIONS

Sellers may call PGE's Qualifying Facility Administrator at (503) 464-7523 or email at Qualifying.Facility@pgn.com to obtain more information about being a Seller.

IV. DEFINITIONS

Capitalized terms not defined here have the meanings given to them in Rule B of PGE's Tariff. To the extent the definitions below are inconsistent with the definitions provided in Rule B of the Tariff, the definitions below will apply.

1. **Affiliated Person:** Any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.
2. **Ancillary Services:** Any of the services identified by a Transmission Provider in its transmission tariff as "ancillary services" including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.
3. **Balancing Authority (BA):** An entity responsible for maintaining the load-interchange-generation balance within the Balancing Authority Area in which the QF is located.
4. **Balancing Authority Area:** The collection of generation, transmission, and loads within the metered boundaries of the BA. The BA maintains load-resource balance within this area.
5. **Bankrupt:** With respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or

cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

6. **Billing Period:** A calendar month, or such other period (not to exceed three months) as PGE may establish in accordance with the Standard PPA.
7. **Business Day:** Any day other than Saturday, Sunday or the following holidays: New Year's Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.
8. **Capacity Attributes:** Any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, Ancillary Service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the QF or the QF's capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Capacity Attributes do not include: (i) tax credits, deductions, or tax benefits associated with the QF, (ii) any state, federal, local, or private cash payments or grants relating in any way to the QF or the Net Output, or (iii) Environmental Attributes.
9. **Commercial Operation Date:** The date when the QF is fully constructed and deemed by the Company in its reasonable judgment to be operational and reliable, and all other requirements pertaining to the achievement of the Commercial Operation Date described in the applicable Standard PPA have been satisfied.
10. **Community-Based QF:** A QF that satisfies the following requirements:
 - a. The QF has a recognized and established organization located within the county of the QF or within 50 miles of the QF that (i) has a genuine role in helping the QF be developed and (ii) has some not insignificant continuing role with or interest in the QF after it is completed and placed in service. (Such an organization hereinafter referred to as a "sponsoring organization.")
 - b. After excluding the passive investor(s) whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, 80 percent or more of the equity (ownership) interests in the entity that owns the QF are held by the following Persons: (i) the sponsoring organization or its controlled affiliates; (ii) members of the sponsoring organization (if it is a membership organization) or owners of the sponsoring organization (if it is privately owned); (iii) Persons who live in the county in which the QF is located or who live in a county adjoining the county in which the QF is located; or (iv) units of local government, charities, or other

established nonprofit organizations active either in the county in which the QF is located or active in a county adjoining the county in which the QF is located.

11. **Delivery Point:** For Off-System QFs, the Delivery Point is the point of delivery on the Company side of the interface with the applicable Balancing Authority, where the Company and the Seller have agreed that Seller will deliver energy to the Company from the QF. For On-System QFs, the Delivery Point is the high side of the generation step up transformer(s) located at the point of interconnection between the QF and the Company's distribution or transmission system, where the Company and the Seller have agreed for the Seller to deliver energy to the Company.
12. **Eligibility Requirements:** The requirements that QFs must satisfy to be eligible to enter into a Standard PPA, which are set forth in Section V.1 below.
13. **Environmental Attributes:** Any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the QF, regardless of whether or not (i) such environmental attributes have been verified or certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the effective date of the Standard PPA or at any time during the Term. Environmental Attributes include: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and other pollutants; (2) any credit, allowance or instrument issued or issuable pursuant to a state implementation plan under the Clean Power Plan promulgated by the Environmental Protection Agency under the Clean Air Act; (3) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (4) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the QF and REC Reporting Rights. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the QF and other financial incentives in the form of credits, reductions, or allowances associated with the QF that are applicable to a state or federal income taxation obligation, (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.
14. **Existing QF:** Means a QF that (1) is or has been operational before the effective date of the Standard PPA to which it is a party, or (2) has ever sold energy or capacity to PGE or a third party before the effective date of the Standard PPA to which it is a party.
15. **Facility Nameplate Capacity Rating:** Means the sum of the Nameplate Capacity

Ratings for all Generators comprising the Facility.

16. **Family-Owned QF:** A QF that satisfies the following requirement: After excluding the ownership interest of the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, either (i) five or fewer natural persons own 50 percent or more of the equity of the entity that owns the QF, or (ii) fifteen or fewer individuals own 90 percent or more of the entity that owns the QF. For purposes of this definition, the following principles apply:
 - a. A "look through" rule applies to closely held entities that hold the project entity, so that equity held by LLCs, trusts, estates, corporations, partnerships or other similar entities is considered held by the equity owners of the look through entity.
 - b. In determining whether the thresholds in (i) or (ii) above have been met, spouses and children of an equity owner of the QF owner who also have an equity interest are aggregated and counted as a single individual.
17. **Firm Energy:** Energy scheduled and delivered hourly by an Off-System QF to the Delivery Point on an uninterruptible basis via firm transmission rights in accordance with the Transmission Agreement(s) and the Standard PPA.
18. **Generator:** The electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.
19. **Imbalance Energy:** That portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not generated by the QF but is delivered to PGE as a result of Ancillary Services provided by a Balancing Authority, Transmission Provider, or other Reliability Entity.
20. **Initial Information Request:** A form that the Company provides to Sellers, which requests written information necessary for the Company to understand the QF project and prepare a draft Standard PPA. The Company may from time to time update or modify its Initial Information Request as deemed advisable by the Company to obtain information necessary for the Company to understand the QF project and prepare a draft Standard PPA.
21. **Market Index Price:** The applicable Powerdex hourly Mid-Columbia Index price for firm energy, at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing representative of the Delivery Point.
22. **Nameplate Capacity Rating:** The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.
23. **Net Output:** All energy, expressed in kWhs, produced by the QF, less station

service and other onsite uses.

24. **New QF:** Any QF that is not an Existing QF.
25. **Off-System QF:** A QF that is not directly interconnected to PGE's transmission or distribution system.
26. **On-System QF:** A QF that is directly interconnected to PGE's transmission or distribution system.
27. **Oregon Renewable Portfolio Standard:** The renewable portfolio standard contemplated by ORS 469A.005 to ORS 469A.200, and the implementing regulations, in each case as amended from time to time.
28. **Oregon RPS-Qualified RECs:** RECs that can be used by PGE to comply with the requirements of the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.200 and the implementing regulations.
29. **Person(s):** Any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.
30. **Product:** Each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes and RECs transferred to the Company under the Standard PPA.
31. **Qualifying Facility (QF):** A qualifying cogeneration facility or a qualifying small power production facility or facilities within the meaning of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.
32. **REC:** Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as "green tags," "Green-e Certified," or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by a QF, as represented by the lesser of the final e-Tag or the actual Net Output on an hourly basis. All RECs delivered to PGE must comply with the Oregon Renewable Portfolio Standard.
33. **REC Reporting Rights:** The right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person's discretion, including without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.
34. **Reliability Entity:** A Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the QF or delivery of the Product, including the North American Electric Reliability

Corporation and the Western Electricity Coordinating Council or any successor thereto.

35. **Renewable Standard PPA:** A Standard PPA that provides for the transfer of Oregon RPS-Qualified RECs to PGE during the Renewable Resource Deficiency Period.
36. **Renewable Resource Deficiency Period:** The period beginning in 2025.
37. **Renewable Resource Sufficiency Period:** The period from the current year through 2024.
38. **Same Site:** Generating facilities are considered to be located at the same site as the QF for which qualification for a Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the Standard PPA is sought.
39. **Scheduled Commercial Operation Date:** The date memorialized in the Standard PPA by which Seller represents that commercial operation of the facility will be achieved.
 - a. Sellers developing a New QF may select a Scheduled Commercial Operation Date anytime within three years from the date the Standard PPA is executed, or anytime later than three years after the date the Standard PPA is executed if the Seller establishes to the Company that a later Scheduled Commercial Operation Date is reasonable and necessary and the Company agrees.
 - b. Sellers with an Existing QF seeking a new Standard PPA from PGE may select a Scheduled Commercial Operation Date anytime within one year from the date the Standard PPA is executed, or anytime later than one year after the date the Standard PPA is executed if the Seller establishes to the Company that a later Scheduled Commercial Operation Date is reasonable and necessary and the Company agrees.
40. **Seller:** The entity selling or proposing to sell the Net Output of the QF to PGE pursuant to the terms and conditions of a Standard PPA.
41. **Solar QF:** A QF that generates energy using the sun as its motive force.
42. **Standard Power Purchase Agreement (Standard PPA):** A standard pro forma Power Purchase Agreement approved by the Commission for the Company to execute with QFs meeting the Eligibility Requirements.
43. **Transmission Agreement(s):** Agreement(s) between the Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy, at no less than the Facility Nameplate Capacity Rating, from the QF to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.

44. **Transmission Provider:** The transmission system operator(s) with whom the Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the QF to the Delivery Point.
45. **Wind QF:** A QF that generates energy using wind as its motive force.

V. ELIGIBILITY REQUIREMENTS

1. A Seller is eligible to enter into a Standard PPA if the QF meets the following eligibility requirements:
 - a. The Facility Nameplate Capacity Rating of the QF, together with that of any other electric generating facility using the same motive force, owned or controlled by the Same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW. For purposes of applying this requirement, the following principles apply:
 - Two QFs will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) solely because they are developed by a single entity.
 - Two Community-Based QFs or Family-Owned QFs will not be held to be owned or controlled by the same Person(s) or Affiliated Person(s) if such common Person or Persons is a “passive investor” whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent Family-Owned or Community-Based projects. A unit of Oregon local government may also be a “passive investor” in a Community-Based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.
 - b. The QF satisfies the credit and insurance requirements set forth in the Standard PPA.
2. A QF that does not meet the Eligibility Requirements in Section V.1 is not eligible for a Standard PPA but may seek a negotiated power purchase agreement pursuant to the terms of Schedule 202.
3. Solar QF projects that meet the Eligibility Requirements in Section V.1 and that have Facility Nameplate Capacity Ratings (as calculated in Section V.1.a that exceed 3 MW but do not exceed 10 MW are eligible for a Standard PPA containing prices negotiated under Schedule 202 and are ineligible for the standard pricing options described in Sections XI and XV below. All QF projects with Facility Nameplate Capacity Ratings (as calculated in Section V.1) that exceed 10 MW are ineligible for a Standard PPA and the standard pricing options described in Section XI and Section XV below.

4. QFs otherwise meeting the ownership requirements set forth in Section V.1 of this Schedule and eligible for a Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs eligible for the Standard PPA, so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection contract requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved standard contract.

VI. STANDARD PPA OPTIONS

PGE offers eight Standard PPAs. The following chart shows the available Standard PPAs and the criteria for determining which Standard PPA applies. The term of each PPA will be specified in the PPA and will expire or terminate no more than twenty years from the Scheduled Commercial Operation Date or on the date the PPA is terminated if earlier.

Available pricing under the Standard PPAs is addressed separately in Section X below:

Form of Standard PPA	Eligible and Electing to Transfer Oregon RPS-Qualified RECs to PGE*	On-System QF	Wind QF or Solar QF
Standard On-System Non-Variable PPA	no	yes	no
Standard Off-System Non-Variable PPA	no	no	no
Standard On-System Variable PPA**	no	yes	yes
Standard Off-System Variable PPA**	no	no	yes
Renewable Standard On-System Non-Variable PPA	yes	yes	no
Renewable Standard Off-System Non-Variable PPA	yes	no	no
Renewable Standard On-System Variable PPA**	yes	yes	yes
Renewable Standard Off-System Variable PPA**	yes	no	yes

*QFs that generate electricity from a source capable of producing Oregon RPS-Qualified RECs may elect to enter into a Renewable Standard PPA providing for the transfer of RECs to PGE but are not required to do so. Under the terms of a Renewable Standard PPA, a QF retains ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period, and transfers to PGE all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the term of the Renewable Standard PPA.

**In addition to Wind QFs or Solar QFs, QFs utilizing run of river hydro as the primary motive force are eligible for Standard Variable PPAs.

VII. PROCESS FOR OBTAINING A STANDARD PPA

1. Communications

The QF application process will be conducted by electronic mail and all communications by the Seller should be directed to Qualifying.Facility@pgn.com. The Company will respond to all such

communications in a timely manner. If the Company is not able to comply with a request by the Seller on the basis of incomplete or missing information from the Seller, the Company will notify the Seller of the additional information it requires.

2. Process

- a. The Seller must submit a written request to the Company for a Standard PPA. In order to obtain a project-specific draft Standard PPA from the Company, the Seller must provide in writing to the Company general project information, including but not limited to information sufficient to allow the Company to (i) understand the existing or proposed QF project, (ii) determine whether the QF project is eligible for a Standard PPA and (iii) complete a draft Standard PPA.
- b. To meet the requirements of Section VII.2.a above, Seller must complete an Initial Information Request that is available from the Company's website (<https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge>) and appropriate for the type of QF for which the Seller seeks a Standard PPA. The Seller must submit the completed Initial Information Request to the Company in electronic format as an Excel workbook or in such other reasonable format as may be required by the Company.
- c. After receiving a completed Initial Information Request from the Seller, the Company may request that the Seller provide additional or clarifying information if necessary for the Company to fully understand the Seller's proposal or if necessary for the Company to complete a draft Standard PPA. If the Company requires additional or clarifying information, it will request such information from the Seller in writing within 15 business days of receiving a completed Initial Information Request from the Seller. If necessary, the Company may repeat this process until it has obtained all necessary additional or clarifying information.
- d. The Company will provide the Seller with a draft Standard PPA within 15 business days following receipt of all information in the Initial Information Request and any additional clarifying information requested by the Company. The Company may re-issue a draft Standard PPA if there are any material changes to the information provided by the Seller to the Company, including but not limited to changes to the Facility Nameplate Capacity Rating, the applicable minimum, maximum, or estimated average Net Output delivered to the point of interconnection, the location, the motive force, or the Scheduled Commercial Operation Date.
- e. If the Seller desires to proceed with the Standard PPA after reviewing the Company's draft Standard PPA, it must request in writing that the Company prepare a final draft Standard PPA. In connection with such request, the Seller must provide the Company with an update on the generation interconnection and transmission arrangements for the QF. After reviewing the draft Standard PPA provided by PGE, the Seller may either prepare a set of written comments and proposals (including without limitation a request for any changes or modifications to information previously provided by the Seller

to the Company) or the Seller can approve the draft Standard PPA in writing without requesting any changes or modifications.

- f. If the Seller provides PGE with a set of written comments and proposals for any changes or modifications to the draft Standard PPA, the Company will have 15 business days from the receipt of such written comments and proposals within which to: (i) request additional or clarifying information from the Seller; (ii) provide the Seller with a revised draft Standard PPA (if the Seller has requested a material change to the prior draft Standard PPA and PGE has all of the information it requires to understand the project and prepare a revised draft Standard PPA); or (iii) provide the Seller with a final draft Standard PPA (if the Seller has not requested a material change to the prior draft Standard PPA and PGE has all of the information it requires to understand the project and prepare a final draft Standard PPA). If the Seller provides PGE with a written request for a final draft Standard PPA and does not submit any written comments or proposals to materially modify any of the terms and conditions of the last draft Standard PPA provided by PGE, then PGE will provide the Seller with a final draft Standard PPA within 15 business days of such a written request.
- g. After reviewing the final draft Standard PPA, the Seller may either provide the Company with written comments and proposals regarding the final draft Standard PPA (including without limitation, a request for any changes or modifications to information previously provided by the Seller to the Company) or the Seller may approve the final draft Standard PPA in writing without requesting any changes. If the Seller prepares written comments and proposals the Company will respond in 15 business days to those comments and proposals. If the Seller proposes any material changes to the final draft Standard PPA and the Company accepts such changes, the Company will either: (i) request any additional or clarifying information required by the Company to understand the project proposal; or (ii) issue a revised draft Standard PPA. After receiving written approval of a final draft Standard PPA without requesting any material changes or modifications, the Company will prepare and forward to the Seller a final executable version of the Standard PPA within 15 business days.
- h. Once the Seller executes the final executable version of the Standard PPA and returns all copies to the Company, the Company will execute the Standard PPA. Following the Company's execution, a fully executed copy will be returned to the Seller. The Standard PPA will not be final and binding until the Standard PPA has been executed by both parties. The prices paid to the Seller will be those approved by the Commission at the time PGE receives the final executable version of the Standard PPA executed by the Seller.

VIII. INTERCONNECTION REQUIREMENTS

In addition to executing a PPA, QFs connecting directly to the Company's electrical system are required to enter into an interconnection agreement with the Company that governs the physical interconnection of the project at its Nameplate Capacity Rating to the

Company's electrical system. QFs must contact the Company's Transmission and Reliability Services Department to arrange for interconnection. The Company's interconnection process can take up to 36 months, depending on the complexity of the project and the length of time necessary for interconnection studies. QFs interconnecting directly to transmission or distribution systems owned by entities other than the Company must contact the owner of such systems to determine the interconnection requirements and wheeling arrangements necessary to move the power to the Delivery Point.

IX. UPGRADES FOR OFF-SYSTEM QFs

The Company will evaluate available delivery capability on the Company's system between the Delivery Point and the Company's designated sink point that is required to enable the Company to accept delivery of the QF's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to the Company's designated sink point. If the Company determines that sufficient delivery capability exists on the Company's transmission system, the Company will arrange, be responsible for, and make available transmission service on the Company's transmission system from the Delivery Point to the designated sink point. If the Company determines that insufficient delivery capability exists on the Company's system: (i) the Seller will be responsible for obtaining and paying for necessary studies and paying for any upgrades necessary to enable the Company to accept deliveries of Net Output from the QF and to effectuate delivery from the Delivery Point to the Company's designated sink point; or (ii) the Seller will be responsible for acquiring and paying for any necessary transmission service from third-party Transmission Providers necessary to effectuate delivery from the Delivery Point to the Company's designated sink point. If any upgrades to the Company's system are identified pursuant to part (i), the Company and the Seller shall enter into an agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades provided that Seller may terminate the Standard PPA if the cost of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000). After all necessary upgrades have been completed, PGE will arrange, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

X. UPGRADES FOR ON-SYSTEM QFs

Any upgrades required to enable the Company to effectuate delivery of the QF's Net Output to the Company's designated sink point will be identified and addressed in the interconnection process. Seller is responsible for paying for any identified upgrades, pursuant to Oregon Administrative Rules Chapter 860, Division 82. If an On-System QF's interconnection is not subject to OAR 860-082, then any upgrades necessary for delivery will be identified and assessed to the Seller through a separate process similar to the process described in Section IX.

XI. PRICING OPTIONS

The Company offers two categories of pricing options for QFs: (1) Non-Renewable Fixed Price Options, which are available to all QFs meeting the Eligibility Requirements and not entering into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above); and (2) Renewable Fixed Price Options, which are available to QFs meeting the Eligibility Requirements that are eligible and elect to enter into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above). (See Section VI above for a description of

eligibility requirements to enter into Renewable Standard PPAs.) Prices will be those in effect at the time the Seller delivers to PGE a signed Standard PPA that is in final executable form pursuant to the procedures described in Article VII above. Additional details about pricing options are provided below.

1. Non-Renewable Fixed Price Options

Non-Renewable Fixed Price Options are available to all QFs meeting the Eligibility Requirements and that are ineligible for, or do not elect to enter into, a Renewable Standard PPA, provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Non-Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. This fixed price option is available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date. Prices will be equal to the Non-Renewable prices in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF.

If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 2a and 2b.

A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Market Index Price based on the interval that the energy is generated and delivered for the remainder of the term after the 15-year fixed price option period expires.

2. Renewable Fixed Price Options

Renewable Fixed Price Options are available to QFs that meet the Eligibility Requirements and that are eligible for and elect to enter into a Renewable Standard PPA; provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. These fixed price options are available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date.

If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 5a and 5b.

A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of the Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Market Index Price based on the interval the energy is generated for the remainder of the term after the 15-year fixed price option period expires.

3. Pricing Tables

The prices paid to QFs under a Standard PPA are set forth in the tables provided in Section XV. The chart provided below describes which QFs are eligible for the available pricing options.

PRICING TABLES	ELIGIBLE QFs (in all cases must be eligible for a Standard PPA)
Tables 1a, 1b: Non-Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF	All QFs, other than Wind QFs and Solar QFs, that are either ineligible for or elect not to enter into a Renewable Standard PPA.
Tables 2a, 2b: Non-Renewable Fixed Price Option for Wind QF	All Wind QFs that elect not to enter into a Renewable Standard PPA.
Tables 3a, 3b: Non-Renewable Fixed Price Option for Solar QF	All Solar QFs sized at or below 3 MW (calculated as described in Section V above) that elect not to enter into a Renewable Standard PPA.
Tables 4a, 4b: Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF	All QFs, other than Wind QFs and Solar QFs, that are eligible for and elect to enter into a Renewable Standard PPA.
Tables 5a, 5b: Renewable Fixed Price Option for Wind QF	Wind QFs that are eligible for and elect to enter into a Renewable Standard PPA.
Tables 6a, 6b: Renewable Fixed Price Option for Solar QF	Solar QFs sized at or below 3 MW (calculated as described in Section V above) that are eligible for and elect to enter into a Renewable Standard PPA.
Table 7: Wind Integration Costs	Wind QFs not directly interconnected to PGE's transmission or distribution system.

XII. MONTHLY SERVICE CHARGE

Each separately metered QF not associated with a retail customer account will be charged the basic meter charge set forth in Schedule 300 of PGE's Retail Tariff.

XIII. DISPUTE RESOLUTION

In the event that any dispute arises between the Company and the owner of a QF in connection with the provisions of this Schedule, the Company and the owner of the QF will promptly meet and use all reasonable efforts to negotiate in good faith a resolution to the matter. If the Company and the owner of the QF cannot resolve the dispute within five business days after the dispute arose, then either party may file a complaint asking the Commission to adjudicate the dispute. Disputes arising in connection with an executed Standard PPA will be resolved in accordance with the terms of the Standard PPA.

XIV. SPECIAL CONDITIONS

1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company.
2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail

Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer.

3. Unless required by state or federal law, if the Public Utility Regulatory Policies Act of 1978 (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard PPA's termination date.

XV. PRICING OPTIONS

The following tables set forth the pricing approved by the Commission for use in the Standard PPAs. The following tables will not apply to Solar QFs with a Facility Nameplate Capacity Rating (calculated as described in Section V above) exceeding 3 MW.

For purposes of the following tables, "On-Peak Hours" are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays, and "Off-Peak Hours" are all hours other than On-Peak Hours. These time periods will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April and for the period between the last Sunday in October and the first Sunday in November.

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Non-Renewable Fixed Price Option

Table 1a

TABLE 1a												
Avoided Costs												
Non-Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	53.16	53.01	52.61	50.38	50.26	50.41	50.57	50.64	50.61	50.78	51.95	52.88
2022	54.48	54.34	53.95	51.85	51.74	51.90	52.08	52.20	52.21	52.38	53.73	54.66
2023	56.37	56.22	55.84	53.95	53.82	53.99	54.16	54.32	54.33	54.50	55.07	56.02
2024	57.14	57.22	57.27	56.39	56.47	56.55	56.63	56.70	56.79	56.86	57.95	58.04
2025	59.42	59.50	59.22	58.30	58.35	58.38	58.47	58.55	58.64	58.76	59.85	59.94
2026	61.26	61.34	60.96	59.99	60.00	60.09	60.18	60.28	60.36	60.45	61.62	61.71
2027	63.05	63.15	63.21	62.23	62.32	62.42	62.51	62.61	62.71	62.81	64.05	64.15
2028	65.50	65.60	65.71	64.78	64.88	64.99	65.09	65.20	65.31	65.57	66.73	66.84
2029	68.38	68.50	68.61	67.74	67.99	68.31	68.43	68.55	68.68	68.83	70.20	70.32
2030	72.05	73.56	73.70	72.63	72.78	72.93	73.06	73.21	73.35	73.60	75.04	75.19
2031	76.89	77.04	77.19	75.90	76.04	76.20	76.35	76.51	76.67	76.89	78.46	78.63
2032	80.15	80.31	80.32	78.82	78.98	79.15	79.31	79.49	79.65	79.83	81.57	81.74
2033	83.87	84.06	83.65	82.24	82.40	82.36	82.54	82.72	82.89	83.08	84.89	85.08
2034	87.14	87.33	85.15	83.71	83.90	83.97	84.15	84.33	84.53	84.70	86.54	86.74
2035	88.57	88.77	86.55	84.34	84.53	83.66	83.83	84.01	84.17	84.53	86.09	86.28
2036	90.60	90.80	88.52	86.23	86.42	85.54	85.71	85.89	86.07	86.41	88.05	88.24
2037	92.98	93.19	90.82	88.49	88.67	87.76	87.94	88.13	88.31	88.67	90.35	90.55
2038	95.27	95.48	93.05	90.63	90.82	89.89	90.08	90.27	90.45	90.83	92.55	92.76
2039	97.63	97.85	95.34	92.86	93.04	92.07	92.26	92.46	92.67	93.04	94.82	95.04
2040	100.01	100.24	97.64	95.08	95.29	94.29	94.50	94.68	94.89	95.29	97.13	97.33
2041	102.51	102.74	100.07	97.43	97.64	96.62	96.81	97.02	97.24	97.64	99.54	99.75
2042	105.06	105.30	102.54	99.81	100.03	98.97	99.17	99.40	99.63	100.03	101.97	102.21
2043	107.67	107.92	105.08	102.27	102.48	101.39	101.60	101.84	102.07	102.48	104.49	104.74

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Non-Renewable Fixed Price Option

Table 1b

TABLE 1b												
Avoided Costs												
Non-Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	23.55	23.41	23.01	20.77	20.65	20.80	20.97	21.03	21.00	21.17	22.35	23.27
2022	24.28	24.14	23.76	21.65	21.54	21.70	21.88	22.00	22.01	22.18	23.53	24.47
2023	25.47	25.32	24.94	23.05	22.92	23.09	23.26	23.42	23.43	23.60	24.16	25.12
2024	25.82	25.91	25.95	25.07	25.15	25.23	25.31	25.39	25.47	25.55	26.64	26.72
2025	27.37	27.46	27.18	26.26	26.30	26.33	26.42	26.51	26.59	26.71	27.80	27.89
2026	28.57	28.66	28.27	27.30	27.31	27.40	27.49	27.59	27.68	27.77	28.93	29.02
2027	29.71	29.81	29.87	28.89	28.98	29.08	29.17	29.27	29.37	29.47	30.71	30.81
2028	31.50	31.60	31.70	30.77	30.88	30.98	31.08	31.20	31.30	31.56	32.72	32.84
2029	33.70	33.82	33.92	33.06	33.30	33.63	33.74	33.86	33.99	34.14	35.51	35.64
2030	36.67	38.19	38.32	37.26	37.40	37.55	37.69	37.83	37.97	38.22	39.67	39.81
2031	40.80	40.95	41.11	39.82	39.95	40.11	40.27	40.43	40.59	40.80	42.37	42.54
2032	43.58	43.74	43.75	42.25	42.41	42.57	42.73	42.92	43.08	43.26	44.99	45.17
2033	46.33	46.52	46.11	44.69	44.86	44.82	45.00	45.17	45.35	45.54	47.35	47.54
2034	48.72	48.91	46.73	45.30	45.48	45.56	45.74	45.92	46.11	46.28	48.13	48.32
2035	49.51	49.71	47.50	45.28	45.47	44.60	44.77	44.96	45.11	45.47	47.04	47.22
2036	50.89	51.09	48.81	46.52	46.71	45.83	46.00	46.17	46.36	46.70	48.34	48.53
2037	52.35	52.56	50.19	47.86	48.03	47.13	47.31	47.50	47.68	48.03	49.72	49.91
2038	53.83	54.04	51.61	49.19	49.37	48.45	48.63	48.82	49.01	49.38	51.10	51.31
2039	55.36	55.57	53.06	50.58	50.77	49.80	49.98	50.18	50.40	50.77	52.55	52.76
2040	56.89	57.12	54.52	51.96	52.18	51.17	51.38	51.56	51.77	52.18	54.01	54.21
2041	58.52	58.76	56.09	53.45	53.66	52.64	52.83	53.04	53.26	53.66	55.56	55.77
2042	60.20	60.44	57.68	54.95	55.17	54.11	54.31	54.54	54.76	55.17	57.11	57.35
2043	61.91	62.16	59.32	56.51	56.73	55.63	55.85	56.08	56.31	56.73	58.73	58.98

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Non-Renewable Fixed Price Option

Table 2a

TABLE 2a												
Avoided Costs												
Non-Renewable Fixed Price Option for Wind QF												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					14.38	16.41	28.39	34.00	29.92	24.06	24.06	30.18
2019	26.96	25.36	20.60	17.31	16.88	17.31	28.46	31.79	29.49	23.60	25.53	29.90
2020	30.82	29.10	23.42	18.71	18.08	19.01	29.76	34.15	31.06	26.48	28.53	34.02
2021	35.34	35.20	34.80	32.56	32.44	32.60	32.76	32.83	32.79	32.96	34.14	35.06
2022	36.31	36.16	35.78	33.68	33.57	33.73	33.91	34.03	34.03	34.21	35.56	36.49
2023	37.78	37.63	37.25	35.36	35.23	35.40	35.57	35.72	35.74	35.91	36.47	37.43
2024	38.29	38.37	38.42	37.54	37.62	37.70	37.78	37.85	37.94	38.01	39.10	39.19
2025	40.13	40.22	39.94	39.02	39.06	39.09	39.18	39.27	39.35	39.47	40.56	40.65
2026	41.59	41.67	41.29	40.32	40.33	40.42	40.51	40.61	40.69	40.78	41.95	42.04
2027	42.99	43.09	43.14	42.16	42.25	42.36	42.45	42.55	42.65	42.75	43.99	44.09
2028	45.04	45.14	45.24	44.32	44.42	44.52	44.63	44.74	44.84	45.11	46.26	46.38
2029	47.51	47.63	47.73	46.87	47.11	47.44	47.56	47.68	47.80	47.96	49.32	49.45
2030	50.76	52.28	52.41	51.35	51.49	51.65	51.78	51.92	52.06	52.31	53.76	53.90
2031	55.18	55.33	55.48	54.19	54.33	54.49	54.64	54.80	54.96	55.18	56.75	56.92
2032	58.14	58.30	58.32	56.82	56.98	57.14	57.30	57.49	57.65	57.82	59.56	59.73
2033	61.28	61.47	61.06	59.64	59.81	59.77	59.95	60.13	60.30	60.49	62.30	62.49
2034	64.03	64.22	62.04	60.61	60.79	60.86	61.04	61.23	61.42	61.59	63.43	63.63
2035	65.07	65.27	63.06	60.85	61.03	60.16	60.33	60.52	60.68	61.03	62.60	62.78
2036	66.70	66.90	64.62	62.34	62.52	61.64	61.81	61.99	62.17	62.51	64.15	64.34
2037	68.54	68.74	66.37	64.05	64.22	63.32	63.50	63.69	63.87	64.22	65.91	66.10
2038	70.34	70.54	68.11	65.70	65.88	64.95	65.14	65.33	65.51	65.89	67.61	67.82
2039	72.20	72.41	69.91	67.43	67.61	66.64	66.83	67.03	67.24	67.61	69.39	69.61
2040	74.06	74.29	71.69	69.13	69.35	68.35	68.55	68.74	68.94	69.35	71.18	71.39
2041	76.04	76.28	73.61	70.97	71.18	70.15	70.35	70.55	70.78	71.18	73.07	73.28
2042	78.07	78.31	75.56	72.82	73.05	71.99	72.18	72.41	72.64	73.05	74.98	75.23
2043	80.14	80.39	77.55	74.74	74.96	73.86	74.08	74.31	74.54	74.96	76.96	77.21

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Non-Renewable Fixed Price Option

Table 2b

TABLE 2b												
Avoided Costs												
Non-Renewable Fixed Price Option for Wind QF												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					5.71	5.71	15.04	23.04	23.55	20.49	20.49	24.82
2019	22.46	21.80	17.19	10.78	8.57	7.69	17.89	22.33	22.76	20.60	21.72	25.24
2020	24.58	24.78	19.24	13.17	10.00	9.63	19.09	25.24	25.73	23.44	25.06	29.75
2021	22.63	22.49	22.09	19.85	19.73	19.88	20.05	20.11	20.08	20.25	21.43	22.35
2022	23.34	23.20	22.82	20.71	20.60	20.76	20.94	21.06	21.07	21.24	22.59	23.53
2023	24.51	24.36	23.98	22.09	21.96	22.13	22.30	22.46	22.47	22.64	23.20	24.16
2024	24.84	24.93	24.97	24.09	24.17	24.25	24.33	24.41	24.49	24.57	25.66	25.74
2025	26.37	26.46	26.18	25.26	25.30	25.33	25.42	25.51	25.59	25.71	26.80	26.89
2026	27.55	27.64	27.25	26.28	26.29	26.38	26.47	26.57	26.66	26.75	27.91	28.00
2027	28.67	28.77	28.83	27.85	27.94	28.04	28.13	28.23	28.33	28.43	29.67	29.77
2028	30.44	30.54	30.64	29.71	29.82	29.92	30.02	30.14	30.24	30.50	31.66	31.78
2029	32.62	32.74	32.84	31.98	32.22	32.55	32.66	32.78	32.91	33.06	34.43	34.56
2030	35.57	37.09	37.22	36.16	36.30	36.45	36.59	36.73	36.87	37.12	38.57	38.71
2031	39.68	39.83	39.99	38.70	38.83	38.99	39.15	39.31	39.47	39.68	41.25	41.42
2032	42.44	42.60	42.61	41.11	41.27	41.43	41.59	41.78	41.94	42.12	43.85	44.03
2033	45.16	45.35	44.94	43.52	43.69	43.65	43.83	44.00	44.18	44.37	46.18	46.37
2034	47.53	47.72	45.54	44.11	44.29	44.37	44.55	44.73	44.92	45.09	46.94	47.13
2035	48.30	48.50	46.29	44.07	44.26	43.39	43.56	43.75	43.90	44.26	45.83	46.01
2036	49.65	49.85	47.57	45.28	45.47	44.59	44.76	44.93	45.12	45.46	47.10	47.29
2037	51.09	51.30	48.93	46.60	46.77	45.87	46.05	46.24	46.42	46.77	48.46	48.65
2038	52.54	52.75	50.32	47.90	48.08	47.16	47.34	47.53	47.72	48.09	49.81	50.02
2039	54.05	54.26	51.75	49.27	49.46	48.49	48.67	48.87	49.09	49.46	51.24	51.45
2040	55.55	55.78	53.18	50.62	50.84	49.83	50.04	50.22	50.43	50.84	52.67	52.87
2041	57.15	57.39	54.72	52.08	52.29	51.27	51.46	51.67	51.89	52.29	54.19	54.40
2042	58.81	59.05	56.29	53.56	53.78	52.72	52.92	53.15	53.37	53.78	55.72	55.96
2043	60.49	60.74	57.90	55.09	55.31	54.21	54.43	54.66	54.89	55.31	57.31	57.56

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Non-Renewable Fixed Price Option

Table 3a

TABLE 3a												
Avoided Costs												
Non-Renewable Fixed Price Option for Solar QF (less than or equal to 3MW)												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	34.38	34.23	33.83	31.60	31.48	31.63	31.79	31.86	31.83	32.00	33.17	34.09
2022	35.32	35.18	34.80	32.69	32.58	32.75	32.92	33.04	33.05	33.22	34.57	35.51
2023	36.77	36.62	36.24	34.35	34.22	34.39	34.56	34.71	34.73	34.90	35.46	36.42
2024	37.27	37.36	37.40	36.52	36.61	36.68	36.76	36.84	36.92	37.00	38.09	38.17
2025	39.09	39.18	38.89	37.98	38.02	38.05	38.14	38.22	38.31	38.43	39.52	39.61
2026	40.52	40.61	40.22	39.26	39.27	39.35	39.44	39.54	39.63	39.72	40.89	40.97
2027	41.90	42.00	42.06	41.08	41.17	41.27	41.36	41.46	41.56	41.66	42.90	43.00
2028	43.93	44.03	44.14	43.21	43.31	43.41	43.52	43.63	43.74	44.00	45.16	45.27
2029	46.38	46.50	46.60	45.74	45.98	46.31	46.43	46.54	46.67	46.83	48.19	48.32
2030	49.61	51.12	51.25	50.19	50.34	50.49	50.62	50.76	50.91	51.16	52.60	52.74
2031	54.00	54.14	54.30	53.01	53.15	53.31	53.46	53.62	53.78	54.00	55.57	55.74
2032	56.95	57.11	57.13	55.62	55.78	55.95	56.11	56.29	56.46	56.63	58.37	58.54
2033	60.05	60.24	59.84	58.42	58.59	58.55	58.73	58.90	59.08	59.27	61.08	61.27
2034	62.77	62.96	60.78	59.35	59.53	59.60	59.79	59.97	60.16	60.33	62.17	62.37
2035	63.79	63.99	61.78	59.57	59.75	58.88	59.05	59.24	59.40	59.75	61.32	61.50
2036	65.41	65.61	63.33	61.04	61.23	60.35	60.52	60.70	60.88	61.22	62.86	63.05
2037	67.21	67.41	65.04	62.71	62.89	61.99	62.17	62.36	62.54	62.89	64.58	64.77
2038	68.98	69.19	66.76	64.34	64.52	63.60	63.78	63.98	64.16	64.54	66.26	66.47
2039	70.82	71.03	68.52	66.04	66.23	65.26	65.44	65.64	65.85	66.23	68.01	68.22
2040	72.65	72.89	70.28	67.72	67.94	66.94	67.14	67.33	67.54	67.94	69.77	69.98
2041	74.61	74.84	72.17	69.53	69.74	68.72	68.91	69.12	69.34	69.74	71.64	71.85
2042	76.60	76.84	74.09	71.35	71.58	70.52	70.71	70.94	71.17	71.58	73.51	73.76
2043	78.64	78.89	76.05	73.24	73.46	72.36	72.58	72.81	73.04	73.46	75.46	75.71

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Non-Renewable Fixed Price Option

Table 3b

TABLE 3b												
Avoided Costs												
Non-Renewable Fixed Price Option for Solar QF (less than or equal to 3 MW)												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	23.55	23.41	23.01	20.77	20.65	20.80	20.97	21.03	21.00	21.17	22.35	23.27
2022	24.28	24.14	23.76	21.65	21.54	21.70	21.88	22.00	22.01	22.18	23.53	24.47
2023	25.47	25.32	24.94	23.05	22.92	23.09	23.26	23.42	23.43	23.60	24.16	25.12
2024	25.82	25.91	25.95	25.07	25.15	25.23	25.31	25.39	25.47	25.55	26.64	26.72
2025	27.37	27.46	27.18	26.26	26.30	26.33	26.42	26.51	26.59	26.71	27.80	27.89
2026	28.57	28.66	28.27	27.30	27.31	27.40	27.49	27.59	27.68	27.77	28.93	29.02
2027	29.71	29.81	29.87	28.89	28.98	29.08	29.17	29.27	29.37	29.47	30.71	30.81
2028	31.50	31.60	31.70	30.77	30.88	30.98	31.08	31.20	31.30	31.56	32.72	32.84
2029	33.70	33.82	33.92	33.06	33.30	33.63	33.74	33.86	33.99	34.14	35.51	35.64
2030	36.67	38.19	38.32	37.26	37.40	37.55	37.69	37.83	37.97	38.22	39.67	39.81
2031	40.80	40.95	41.11	39.82	39.95	40.11	40.27	40.43	40.59	40.80	42.37	42.54
2032	43.58	43.74	43.75	42.25	42.41	42.57	42.73	42.92	43.08	43.26	44.99	45.17
2033	46.33	46.52	46.11	44.69	44.86	44.82	45.00	45.17	45.35	45.54	47.35	47.54
2034	48.72	48.91	46.73	45.30	45.48	45.56	45.74	45.92	46.11	46.28	48.13	48.32
2035	49.51	49.71	47.50	45.28	45.47	44.60	44.77	44.96	45.11	45.47	47.04	47.22
2036	50.89	51.09	48.81	46.52	46.71	45.83	46.00	46.17	46.36	46.70	48.34	48.53
2037	52.35	52.56	50.19	47.86	48.03	47.13	47.31	47.50	47.68	48.03	49.72	49.91
2038	53.83	54.04	51.61	49.19	49.37	48.45	48.63	48.82	49.01	49.38	51.10	51.31
2039	55.36	55.57	53.06	50.58	50.77	49.80	49.98	50.18	50.40	50.77	52.55	52.76
2040	56.89	57.12	54.52	51.96	52.18	51.17	51.38	51.56	51.77	52.18	54.01	54.21
2041	58.52	58.76	56.09	53.45	53.66	52.64	52.83	53.04	53.26	53.66	55.56	55.77
2042	60.20	60.44	57.68	54.95	55.17	54.11	54.31	54.54	54.76	55.17	57.11	57.35
2043	61.91	62.16	59.32	56.51	56.73	55.63	55.85	56.08	56.31	56.73	58.73	58.98

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Renewable Fixed Price Option

Table 4a

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	35.25	33.33	26.96	21.68	20.97	22.02	34.07	38.99	35.53	30.39	32.69	38.84
2022	37.42	35.37	28.60	22.99	22.23	23.34	36.16	41.39	37.71	32.25	34.69	41.23
2023	37.44	35.39	28.62	23.01	22.25	23.36	36.18	41.41	37.73	32.26	34.71	41.25
2024	33.46	31.46	29.68	24.29	21.51	14.47	26.46	29.70	32.48	32.50	33.08	34.88
2025	109.78	104.72	100.19	86.52	79.49	61.62	92.04	100.26	107.30	107.36	108.82	113.41
2026	111.98	106.82	102.20	88.25	81.08	62.85	93.88	102.27	109.44	109.51	111.00	115.68
2027	114.22	108.95	104.24	90.01	82.70	64.11	95.75	104.31	111.63	111.70	113.22	117.99
2028	116.27	110.92	106.12	91.65	84.21	65.30	97.49	106.20	113.64	113.71	115.26	120.11
2029	118.83	113.35	108.45	93.65	86.04	66.70	99.62	108.52	116.14	116.20	117.79	122.75
2030	121.20	115.61	110.61	95.52	87.76	68.03	101.61	110.69	118.46	118.53	120.14	125.20
2031	123.62	117.92	112.82	97.43	89.51	69.39	103.64	112.90	120.83	120.90	122.54	127.71
2032	125.62	119.82	114.63	98.97	90.92	70.45	105.29	114.71	122.77	122.84	124.52	129.77
2033	128.61	122.69	117.38	101.36	93.12	72.19	107.82	117.46	125.70	125.78	127.49	132.86
2034	131.31	125.26	119.85	103.51	95.11	73.75	110.10	119.93	128.34	128.41	130.16	135.64
2035	133.81	127.64	122.12	105.45	96.88	75.10	112.18	122.20	130.78	130.85	132.64	138.22
2036	136.09	129.81	124.20	107.25	98.53	76.38	114.09	124.28	133.01	133.09	134.90	140.58
2037	139.21	132.79	127.05	109.71	100.80	78.14	116.70	127.13	136.06	136.14	137.99	143.80
2038	141.99	135.44	129.59	111.90	102.81	79.70	119.04	129.68	138.78	138.86	140.75	146.68
2039	144.83	138.15	132.18	114.14	104.86	81.29	121.41	132.27	141.55	141.63	143.56	149.61
2040	147.44	140.64	134.57	116.22	106.79	82.81	123.62	134.66	144.10	144.18	146.15	152.30
2041	150.67	143.73	137.51	118.75	109.10	84.57	126.32	137.61	147.26	147.35	149.36	155.65
2042	153.68	146.60	140.26	121.12	111.28	86.26	128.84	140.36	150.21	150.29	152.34	158.76
2043	156.76	149.53	143.06	123.54	113.50	87.99	131.42	143.16	153.21	153.30	155.38	161.93

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Renewable Fixed Price Option

Table 4b

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	29.15	29.38	22.96	15.91	12.23	11.81	22.79	29.92	30.49	27.83	29.70	35.15
2022	31.09	31.33	24.47	16.93	13.00	12.55	24.28	31.91	32.52	29.67	31.68	37.50
2023	31.41	31.65	24.71	17.09	13.12	12.66	24.53	32.24	32.85	29.98	32.00	37.89
2024	29.94	27.68	27.33	23.19	20.10	12.65	23.44	27.06	29.10	29.67	31.04	32.02
2025	68.81	63.08	62.21	51.70	43.86	24.97	52.32	61.52	66.70	68.13	71.61	74.10
2026	70.19	64.34	63.45	52.73	44.74	25.47	53.37	62.75	68.03	69.49	73.04	75.58
2027	71.59	65.63	64.72	53.78	45.63	25.97	54.44	64.01	69.39	70.88	74.50	77.09
2028	72.82	66.76	65.83	54.71	46.42	26.42	55.37	65.11	70.58	72.10	75.78	78.41
2029	74.48	68.28	67.33	55.95	47.47	27.02	56.63	66.59	72.19	73.74	77.50	80.20
2030	75.97	69.64	68.68	57.07	48.42	27.56	57.77	67.92	73.63	75.22	79.05	81.80
2031	77.49	71.03	70.05	58.21	49.39	28.11	58.92	69.28	75.10	76.72	80.63	83.44
2032	78.82	72.25	71.26	59.21	50.24	28.60	59.93	70.47	76.40	78.04	82.02	84.87
2033	80.61	73.90	72.88	60.56	51.38	29.25	61.30	72.08	78.14	79.82	83.89	86.80
2034	82.23	75.38	74.33	61.77	52.41	29.83	62.52	73.52	79.70	81.41	85.56	88.54
2035	83.87	76.88	75.82	63.01	53.46	30.43	63.77	74.99	81.29	83.04	87.27	90.31
2036	85.31	78.21	77.12	64.09	54.38	30.95	64.87	76.28	82.69	84.47	88.77	91.86
2037	87.25	79.99	78.88	65.55	55.62	31.66	66.35	78.01	84.57	86.39	90.80	93.95
2038	89.00	81.59	80.46	66.86	56.73	32.29	67.67	79.57	86.26	88.12	92.61	95.83
2039	90.78	83.22	82.07	68.20	57.86	32.94	69.03	81.16	87.99	89.88	94.46	97.75
2040	92.34	84.65	83.48	69.37	58.86	33.50	70.21	82.56	89.50	91.43	96.09	99.43
2041	94.44	86.57	85.38	70.95	60.20	34.27	71.81	84.44	91.54	93.51	98.28	101.69
2042	96.33	88.31	87.08	72.37	61.40	34.95	73.25	86.13	93.37	95.38	100.24	103.73
2043	98.25	90.07	88.83	73.81	62.63	35.65	74.71	87.85	95.23	97.28	102.24	105.80

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Renewable Fixed Price Option

Table 5a

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					14.38	16.41	28.39	34.00	29.92	24.06	24.06	30.18
2019	26.96	25.36	20.60	17.31	16.88	17.31	28.46	31.79	29.49	23.60	25.53	29.90
2020	30.82	29.10	23.42	18.71	18.08	19.01	29.76	34.15	31.06	26.48	28.53	34.02
2021	34.33	32.41	26.04	20.76	20.05	21.10	33.15	38.07	34.61	29.47	31.77	37.92
2022	36.48	34.43	27.66	22.05	21.29	22.40	35.22	40.45	36.77	31.31	33.75	40.29
2023	36.48	34.43	27.66	22.05	21.29	22.40	35.22	40.45	36.77	31.30	33.75	40.29
2024	32.48	30.48	28.70	23.31	20.53	13.49	25.48	28.72	31.50	31.52	32.10	33.90
2025	90.50	85.44	80.91	67.24	60.21	42.34	72.75	80.98	88.01	88.08	89.54	94.12
2026	92.31	87.15	82.53	68.58	61.41	43.18	74.21	82.60	89.77	89.84	91.33	96.01
2027	94.15	88.89	84.18	69.95	62.64	44.04	75.69	84.25	91.57	91.63	93.15	97.92
2028	95.81	90.45	85.66	71.19	63.75	44.84	77.03	85.73	93.18	93.25	94.79	99.65
2029	97.96	92.48	87.58	72.78	65.17	45.82	78.75	87.65	95.27	95.33	96.92	101.88
2030	99.91	94.33	89.33	74.23	66.47	46.74	80.32	89.40	97.17	97.24	98.85	103.92
2031	101.91	96.21	91.11	75.72	67.80	47.68	81.93	91.19	99.12	99.18	100.83	106.00
2032	103.61	97.81	92.62	76.96	68.91	48.44	83.28	92.70	100.76	100.83	102.51	107.76
2033	106.02	100.09	94.79	78.77	70.53	49.60	85.23	94.87	103.11	103.18	104.90	110.27
2034	108.20	102.15	96.74	80.40	72.00	50.65	86.99	96.82	105.23	105.30	107.05	112.53
2035	110.31	104.14	98.62	81.96	73.39	51.61	88.68	98.71	107.28	107.36	109.14	114.73
2036	112.19	105.92	100.30	83.35	74.63	52.48	90.19	100.39	109.11	109.19	111.00	116.68
2037	114.76	108.34	102.60	85.26	76.35	53.69	92.26	102.69	111.61	111.69	113.54	119.36
2038	117.05	110.51	104.65	86.96	77.87	54.76	94.10	104.74	113.84	113.92	115.81	121.74
2039	119.40	112.72	106.74	88.71	79.43	55.86	95.98	106.83	116.12	116.20	118.13	124.18
2040	121.49	114.70	108.62	90.28	80.84	56.86	97.68	108.72	118.16	118.24	120.20	126.36
2041	124.21	117.26	111.05	92.28	82.63	58.11	99.85	111.14	120.80	120.88	122.89	129.18
2042	126.70	119.61	113.27	94.13	84.29	59.27	101.85	113.37	123.22	123.31	125.35	131.77
2043	129.23	122.00	115.53	96.01	85.97	60.46	103.89	115.63	125.68	125.77	127.86	134.40

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Renewable Fixed Price Option

Table 5b

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					5.71	5.71	15.04	23.04	23.55	20.49	20.49	24.82
2019	22.46	21.80	17.19	10.78	8.57	7.69	17.89	22.33	22.76	20.60	21.72	25.24
2020	24.58	24.78	19.24	13.17	10.00	9.63	19.09	25.24	25.73	23.44	25.06	29.75
2021	28.23	28.46	22.04	14.99	11.31	10.89	21.87	29.00	29.57	26.91	28.78	34.23
2022	30.15	30.39	23.53	15.99	12.06	11.61	23.34	30.97	31.58	28.73	30.74	36.56
2023	30.45	30.69	23.75	16.13	12.16	11.70	23.57	31.28	31.89	29.02	31.04	36.93
2024	28.96	26.70	26.35	22.21	19.12	11.67	22.46	26.08	28.12	28.69	30.06	31.04
2025	67.81	62.08	61.21	50.70	42.86	23.97	51.32	60.52	65.70	67.13	70.61	73.10
2026	69.17	63.32	62.43	51.71	43.72	24.45	52.35	61.73	67.01	68.47	72.02	74.56
2027	70.55	64.59	63.68	52.74	44.59	24.93	53.40	62.97	68.35	69.84	73.46	76.05
2028	71.76	65.70	64.77	53.65	45.36	25.36	54.31	64.05	69.52	71.04	74.72	77.35
2029	73.40	67.20	66.25	54.87	46.39	25.94	55.55	65.51	71.11	72.66	76.42	79.12
2030	74.87	68.54	67.58	55.97	47.32	26.46	56.67	66.82	72.53	74.12	77.95	80.70
2031	76.37	69.91	68.93	57.09	48.27	26.99	57.80	68.16	73.98	75.60	79.51	82.32
2032	77.68	71.11	70.12	58.07	49.10	27.46	58.79	69.33	75.26	76.90	80.88	83.73
2033	79.44	72.73	71.71	59.39	50.21	28.08	60.13	70.91	76.97	78.65	82.72	85.63
2034	81.04	74.19	73.14	60.58	51.22	28.64	61.33	72.33	78.51	80.22	84.37	87.35
2035	82.66	75.67	74.61	61.80	52.25	29.22	62.56	73.78	80.08	81.83	86.06	89.10
2036	84.07	76.97	75.88	62.85	53.14	29.71	63.63	75.04	81.45	83.23	87.53	90.62
2037	85.99	78.73	77.62	64.29	54.36	30.40	65.09	76.75	83.31	85.13	89.54	92.69
2038	87.71	80.30	79.17	65.57	55.44	31.00	66.38	78.28	84.97	86.83	91.32	94.54
2039	89.47	81.91	80.76	66.89	56.55	31.63	67.72	79.85	86.68	88.57	93.15	96.44
2040	91.00	83.31	82.14	68.03	57.52	32.16	68.87	81.22	88.16	90.09	94.75	98.09
2041	93.07	85.20	84.01	69.58	58.83	32.90	70.44	83.07	90.17	92.14	96.91	100.32
2042	94.94	86.92	85.69	70.98	60.01	33.56	71.86	84.74	91.98	93.99	98.85	102.34
2043	96.83	88.65	87.41	72.39	61.21	34.23	73.29	86.43	93.81	95.86	100.82	104.38

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Renewable Fixed Price Option

Table 6a

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF (less than or equal to 3 MW)												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	35.25	33.33	26.96	21.68	20.97	22.02	34.07	38.99	35.53	30.39	32.69	38.84
2022	37.42	35.37	28.60	22.99	22.23	23.34	36.16	41.39	37.71	32.25	34.69	41.23
2023	37.44	35.39	28.62	23.01	22.25	23.36	36.18	41.41	37.73	32.26	34.71	41.25
2024	33.46	31.46	29.68	24.29	21.51	14.47	26.46	29.70	32.48	32.50	33.08	34.88
2025	89.46	84.40	79.87	66.19	59.16	41.29	71.71	79.93	86.97	87.03	88.50	93.08
2026	91.24	86.08	81.46	67.52	60.35	42.12	73.14	81.53	88.71	88.77	90.26	94.94
2027	93.07	87.80	83.09	68.86	61.55	42.96	74.60	83.16	90.48	90.55	92.07	96.84
2028	94.70	89.35	84.55	70.08	62.64	43.73	75.92	84.63	92.07	92.14	93.69	98.54
2029	96.82	91.35	86.44	71.64	64.04	44.69	77.62	86.52	94.14	94.20	95.78	100.75
2030	98.76	93.17	88.17	73.08	65.32	45.59	79.17	88.25	96.02	96.08	97.70	102.76
2031	100.73	95.03	89.93	74.54	66.62	46.50	80.75	90.01	97.94	98.00	99.65	104.82
2032	102.42	96.62	91.43	75.77	67.72	47.25	82.09	91.51	99.57	99.64	101.32	106.57
2033	104.80	98.87	93.56	77.55	69.31	48.37	84.01	93.64	101.89	101.96	103.67	109.05
2034	106.94	100.89	95.48	79.14	70.74	49.39	85.73	95.56	103.97	104.04	105.79	111.27
2035	109.03	102.86	97.34	80.68	72.11	50.33	87.40	97.43	106.00	106.08	107.86	113.45
2036	110.90	104.62	99.01	82.06	73.34	51.19	88.90	99.09	107.82	107.89	109.71	115.39
2037	113.43	107.01	101.27	83.93	75.02	52.36	90.93	101.36	110.28	110.36	112.21	118.03
2038	115.70	109.15	103.29	85.61	76.52	53.41	92.74	103.38	112.49	112.56	114.46	120.39
2039	118.01	111.33	105.36	87.32	78.05	54.47	94.60	105.45	114.73	114.81	116.74	122.79
2040	120.08	113.29	107.21	88.87	79.43	55.45	96.27	107.31	116.75	116.83	118.79	124.95
2041	122.77	115.83	109.61	90.85	81.20	56.67	98.42	109.71	119.36	119.45	121.46	127.75
2042	125.23	118.14	111.80	92.66	82.82	57.80	100.38	111.90	121.75	121.84	123.88	130.30
2043	127.73	120.50	114.04	94.51	84.48	58.96	102.39	114.14	124.18	124.27	126.36	132.91

Schedule 201

PRICING OPTIONS FOR STANDARD PPA
Renewable Fixed Price Option

Table 6b

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF (less than or equal to 3 MW)												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	29.15	29.38	22.96	15.91	12.23	11.81	22.79	29.92	30.49	27.83	29.70	35.15
2022	31.09	31.33	24.47	16.93	13.00	12.55	24.28	31.91	32.52	29.67	31.68	37.50
2023	31.41	31.65	24.71	17.09	13.12	12.66	24.53	32.24	32.85	29.98	32.00	37.89
2024	29.94	27.68	27.33	23.19	20.10	12.65	23.44	27.06	29.10	29.67	31.04	32.02
2025	68.81	63.08	62.21	51.70	43.86	24.97	52.32	61.52	66.70	68.13	71.61	74.10
2026	70.19	64.34	63.45	52.73	44.74	25.47	53.37	62.75	68.03	69.49	73.04	75.58
2027	71.59	65.63	64.72	53.78	45.63	25.97	54.44	64.01	69.39	70.88	74.50	77.09
2028	72.82	66.76	65.83	54.71	46.42	26.42	55.37	65.11	70.58	72.10	75.78	78.41
2029	74.48	68.28	67.33	55.95	47.47	27.02	56.63	66.59	72.19	73.74	77.50	80.20
2030	75.97	69.64	68.68	57.07	48.42	27.56	57.77	67.92	73.63	75.22	79.05	81.80
2031	77.49	71.03	70.05	58.21	49.39	28.11	58.92	69.28	75.10	76.72	80.63	83.44
2032	78.82	72.25	71.26	59.21	50.24	28.60	59.93	70.47	76.40	78.04	82.02	84.87
2033	80.61	73.90	72.88	60.56	51.38	29.25	61.30	72.08	78.14	79.82	83.89	86.80
2034	82.23	75.38	74.33	61.77	52.41	29.83	62.52	73.52	79.70	81.41	85.56	88.54
2035	83.87	76.88	75.82	63.01	53.46	30.43	63.77	74.99	81.29	83.04	87.27	90.31
2036	85.31	78.21	77.12	64.09	54.38	30.95	64.87	76.28	82.69	84.47	88.77	91.86
2037	87.25	79.99	78.88	65.55	55.62	31.66	66.35	78.01	84.57	86.39	90.80	93.95
2038	89.00	81.59	80.46	66.86	56.73	32.29	67.67	79.57	86.26	88.12	92.61	95.83
2039	90.78	83.22	82.07	68.20	57.86	32.94	69.03	81.16	87.99	89.88	94.46	97.75
2040	92.34	84.65	83.48	69.37	58.86	33.50	70.21	82.56	89.50	91.43	96.09	99.43
2041	94.44	86.57	85.38	70.95	60.20	34.27	71.81	84.44	91.54	93.51	98.28	101.69
2042	96.33	88.31	87.08	72.37	61.40	34.95	73.25	86.13	93.37	95.38	100.24	103.73
2043	98.25	90.07	88.83	73.81	62.63	35.65	74.71	87.85	95.23	97.28	102.24	105.80

Effective for service
on and after _____, 2018

Schedule 201

WIND INTEGRATION

Table 7

TABLE 7		
Integration Costs		
Year	Wind	Solar
2018	0.87	0.00
2019	0.88	0.00
2020	0.90	0.00
2021	0.92	0.00
2022	0.94	0.00
2023	0.96	0.00
2024	0.98	0.00
2025	1.00	0.00
2026	1.02	0.00
2027	1.04	0.00
2028	1.06	0.00
2029	1.08	0.00
2030	1.10	0.00
2031	1.12	0.00
2032	1.14	0.00
2033	1.17	0.00
2034	1.19	0.00
2035	1.21	0.00
2036	1.24	0.00
2037	1.26	0.00
2038	1.29	0.00
2039	1.31	0.00
2040	1.34	0.00
2041	1.37	0.00
2042	1.39	0.00
2043	1.42	0.00

**Standard On-System
Non-Variable
Power Purchase Agreement**

**STANDARD ON-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Transmission Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Required Facility Documents
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201

**STANDARD ON-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD ON-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard On-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**API**” means Application Program Interface.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Billing Period**” means a period during the Delivery Period between PGE’s readings of its power purchase billing meter at the Facility in the normal course of PGE’s business. Such periods may vary and may not coincide with calendar month; however, PGE shall use best efforts to read the power purchase billing meter in 12 equally spaced periods per year.

“**CAISO EIM**” means the California Independent System Operator Energy Imbalance Market or any successor thereto.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Fixed Price Option for _____ [*specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule*] as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B** and the Interconnection Agreement.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Monthly Average Net Output**” means the relevant amounts specified in the table in **Exhibit C**.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Facility**” has the meaning given to it in the Recitals.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Generation Forecast**” has the meaning given to it in Section 3.4.

“**Generation Unit**” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy radiation into electrical energy.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Interconnection Agreement**” means an agreement between PGE and Seller governing the interconnection of the Facility with PGE’s electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, with respect to a given period, an amount equal to Minimum Net Output delivered to the Delivery Point *less* Adjusted Delivered Net Output for the period; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“**Lost Energy Value**” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period),

plus any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“**Market Index Price**” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“**Minimum Net Output**” means, for a given period, seventy-five percent (75%) of the expected Net Output from the Facility for the period, based on the expected Net Output of the Facility for that period as set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the point of interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**Person**” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output together with all associated Capacity Attributes.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, and those set forth in **Exhibit D**.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary interconnection rights, and make or cause to be made all necessary modifications to PGE’s system to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller's Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE's system related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing: PGE will evaluate available delivery capability on PGE's transmission system between the Delivery Point and PGE's load that is required to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point. If PGE determines that sufficient delivery capability exists on PGE's transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE's transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE's transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.4, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"Commercial Operation" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement;

and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, and a 8760 net energy production estimate.

2.5.6 PGE has received copies of all insurance certificates required under Section 11.2.

2.5.7 PGE has received any Credit Support required under Section 8.1.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from

an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Delivery Point. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

3.2 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee described in Section 3.3.

3.3 Minimum Delivery Guarantee.

Seller hereby guarantees that, during each Contract Year, the Adjusted Delivered Net Output shall be no less than the Minimum Net Output (the "**Minimum Delivery Guarantee**"). As damages for Seller's failure to satisfy the Minimum Delivery Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.4 Forecasting and Scheduling

[[This section is being revised to account for forecasting and scheduling requirements associated with participation in the California Independent System Operator Energy Imbalance Market. The revised provision will be provided in advance of a workshop that will include this topic]]

3.5 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the

interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.6 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output (but not including energy delivered at an hourly rate in excess of the Net Available Capacity) delivered to the Delivery Point during the Billing Period, multiplied by the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Delivery Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Buyer, at Seller's cost, shall arrange, design, furnish, install, own, inspect, test, and maintain metering equipment for the Facility in accordance with Prudent Electrical Practices. PGE shall periodically inspect, test, repair or replace the metering equipment at Seller's cost, and provide such results to Seller upon Seller's request. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give PGE immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is a _____ duly organized under the laws of _____.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.4 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller's knowledge, threatened against them that would result in them being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 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.

7.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) "BBB-" or greater from S&P, or (ii) "Baa3" or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least "BBB-" or "Baa3" from S&P or Moody's, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

7.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 Seller has the right to sell the Product to PGE free and clear of liens of encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the "**Credit Support**"):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the

remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), **multiplied by** one hundred and ten percent (110%), **multiplied by** aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); **less**

(ii) the net present value of: the average of the fixed prices specified in the Schedule for both On-Peak Hours and Off-Peak Hours, **multiplied by** aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide within ten (10) business days from receipt of a written request from PGE all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller’s financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.2, PGE may draw on Seller’s Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 8.1.

ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

9.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

9.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

9.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

9.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

9.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 10: INDEMNIFICATION AND LIABILITY

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS

AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 11: INSURANCE

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

11.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

11.3 Required Provisions.

11.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days' prior written notice to PGE.

11.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 12: FORCE MAJEURE

12.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**event of Force Majeure**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 13: GENERAL PROVISIONS

13.1 Relationship of the Parties.

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.

13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

13.5 Severability.

If any of the terms of this 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 this 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.

13.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.7 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.

13.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone:	

Standard On-System Non-Variable Power Purchase Agreement
Form Effective _____

	Merchant Real Time Desk (503) 464-8851	
Planned Outages	Balancing Authority Operator (503) 464-8650 Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	
Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Copy in the case of, Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 13.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Average Net Output, Minimum Net Output and Maximum Net Output
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Average Net Output (kWh)	Minimum Net Output (75% of Estimated Average Net Output) (kWh)	Maximum Net Output (kWh)
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F

SCHEDULE 201

[Attach Schedule 201]

**Standard Off-System
Non-Variable
Power Purchase Agreement**

**STANDARD OFF-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Transmission Attributes
Exhibit C	Seller's Net Output Estimates
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Exhibit F	Schedule 201

**STANDARD OFF-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD OFF-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Off-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Billing Period**” means one calendar month or such other period (not to exceed three months) as PGE may establish by written notice to Seller, during the Delivery Period, in the event that PGE reasonably determines that changing the length of a Billing Period will have a *de minimis* effect on the cost of Seller’s Net Output to PGE.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Fixed Price Option for _____ *[specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule]* as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the point of delivery on the PGE side of the interface with the applicable Balancing Authority, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B**.

“**e-Tags**” has the meaning given to it in Section 3.6.1.2.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Monthly Average Net Output**” means the relevant amounts specified in the table in **Exhibit C**.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Facility**” has the meaning given to it in the Recitals.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Firm Energy**” means energy scheduled and delivered hourly to the Delivery Point on an uninterrupted basis via firm transmission rights in accordance with the Transmission Agreement(s).

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy radiation into electrical energy.

“**Generation Unit**” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with _____’s [*specify relevant Transmission Provider or distribution system owner*] electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, with respect to a given period, an amount equal to Minimum Net Output delivered to the Delivery Point *less* Adjusted Delivered Net Output for the period; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“**Lost Energy Value**” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), *plus* any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“**Market Index Price**” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“**Minimum Net Output**” means, for a given period, seventy-five percent (75%) of the expected Net Output from the Facility for the period, based on the expected Net Output of the Facility for the period as set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**Person**” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Point of Interconnection**” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Remedial Action Scheme**” means an automatic protection system designed to detect abnormal or predetermined system conditions, and take corrective actions other than or in addition to the isolation of faulted components to maintain system reliability. Such action may include changes in demand, generation, or system configuration to maintain system stability, acceptable voltage, or power flows.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, the Transmission Agreement, and those set forth in **Exhibit D**.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy at no less than the Specified Facility Nameplate Capacity Rating from the Facility to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.

“**Transmission Provider(s)**” means _____, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary transmission and interconnection rights, and make or cause to be made all necessary modifications to PGE’s or the Transmission Provider’s (or Transmission Providers’) systems to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller’s Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE’s or the Transmission Provider’s (or Transmission Providers’) systems related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing:

2.3.1 If the Facility is subject to a Transmission Provider’s Remedial Action Scheme and PGE has an obligation to the Transmission Provider for said Remedial Action Scheme, Seller shall make necessary arrangements prior to the Commercial Operation Date, including installing any required equipment and entering into any necessary agreements to enable PGE to include the Facility in the list of resources used to satisfy PGE’s obligation under the Transmission Provider’s Remedial Action Scheme.

2.3.2 PGE will evaluate available delivery capability on PGE's transmission system between the Delivery Point and PGE's load that is required to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point. If PGE determines that sufficient delivery capability exists on PGE's transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE's transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE's transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. Seller shall use its best efforts to schedule and deliver Test Energy to its Transmission Provider, to a third-party or to an organized market via its Transmission Provider's system. Seller shall be entitled to any and all compensation received from its Transmission Provider or any third-party or organized market for such Test Energy. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.6, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"Commercial Operation" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement;

and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement, and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, and a 8760 net energy production estimate.

2.5.6 PGE has received copies of all insurance certificates required under Section 11.2.

2.5.7 PGE has received any Credit Support required under Section 8.1.

2.5.8 If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.2.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first

anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 7.1.10, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

3.2 Surplus Delivery.

For purposes of this Agreement, (i) "**On-Peak Energy Imbalance Accumulation**" means aggregate energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during On-Peak Hours during such Billing Period; and (ii) "**Off-Peak Energy Imbalance Accumulation**" means aggregate energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "**Surplus Delivery.**" PGE shall accept but is not obligated to pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the billing period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for Net Output that is not delivered as Firm Energy to the Delivery Point.

3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee described in Section 3.4.

3.4 Minimum Delivery Guarantee.

Seller hereby guarantees that, during each Contract Year, the Adjusted Delivered Net Output shall be no less than the Minimum Net Output (the "**Minimum Delivery Guarantee**"). As damages for Seller's failure to satisfy the Minimum Delivery Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.5 Forecasting and Scheduling.

3.5.1 During the Delivery Period, Seller shall provide PGE with a rolling hourly generation forecast for the next fourteen (14) days, updated hourly (each a "**Generation Forecast**"). Each Generation Forecast shall be performed by a third-party forecasting agent and shall be provided in a commercially reasonable format specified by PGE.

3.5.2 Seller shall schedule, following the procedures set forth in Section 3.6, deliveries of the Product at the Delivery Point in the amount of expected Net Output (less transformation and transmission losses to the Delivery Point), consistent with the Generation Forecast. Seller shall make reasonable efforts to minimize the delivery of Imbalance Energy to PGE. Seller and PGE agree that the intent of this Section is for Seller to schedule and deliver energy resembling actual production from the Facility for each hour.

3.6 Scheduling Procedures.

3.6.1 Seller shall schedule energy in hourly blocks for delivery at the Delivery Point in accordance with the following procedures:

3.6.1.1 For each day during the Delivery Period, Seller shall by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to PGE's Pre-schedule Desk the expected hourly energy to be delivered at the Delivery Point for that day, consistent with the Generation Forecast.

3.6.1.2 Seller shall schedule the energy by submitting a NERC e-Tag ("**e-Tags**") prior to 1:00 p.m. PPT of the applicable WECC Pre-Scheduling Day for all hours of the applicable delivery day or days.

3.6.1.3 Seller shall schedule the energy with e-Tags according to prevailing WECC, NERC, or Transmission Provider Pre-scheduling provisions and protocols. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.

3.6.1.4 Seller shall not schedule energy using a Dynamic or Pseudo-Tie e-Tag as such terms are defined and used by NERC.

3.6.2 Seller may make adjustments to the energy scheduled as described above each hour in real-time. If Seller elects to make such real-time adjustments, Seller shall submit and receive approval of any e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour. Seller shall be responsible for any and all costs, charges, or fees associated with any changes Seller makes to the e-Tag after seventy-five (75) minutes prior to the flow hour.

3.6.3 In the event that the regional market design, Balancing Authority, or other Reliability Entity causes PGE's scheduling practices to change after the Effective Date, PGE shall have the right but not the obligation to update the scheduling procedures described in this Section 3.6 by giving sixty (60) days' prior written notice to Seller of such update.

3.6.4 Seller shall be responsible for all costs or charges associated with the Product or its delivery to the extent such costs or charges are imposed on Seller's side of the Delivery Point.

3.6.5 Seller shall maintain records of hourly energy schedules for accounting and operating purposes. Seller shall maintain a minimum of two years' records of the Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider(s).

3.7 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.8 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output and Imbalance Energy (but not including Surplus Delivery or energy delivered at an hourly rate in excess of the Net Available Capacity) delivered as Firm Energy to the Delivery Point during the Billing Period, multiplied by the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Delivery Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Seller shall arrange and pay for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe and obtain documentation regarding all inspection, testing, repair and replacement of the metering equipment. Meters must be tested no less frequently than every six (6) months and Seller shall promptly notify PGE if any metering equipment is not functioning properly. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the

inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give notice to the interconnecting Transmission Provider of any forced or unplanned outages or reductions in generation capability of the Facility in accordance with such Transmission Provider's outage notice requirements. Seller shall also give PGE's Real-Time Desk immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is a _____ duly organized under the laws of _____.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.4 below (the “**Creditworthiness Requirements**”), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller’s knowledge, threatened against them that would result in them being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 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.

7.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) “BBB-” or greater from S&P, or (ii) “Baa3” or greater from Moody’s, and if such ratings are split, the lower of the two ratings must be at least “BBB-” or “Baa3” from S&P or Moody’s, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

7.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 In connection with Seller’s delivery of Firm Energy as required under this Agreement:

7.1.10.1 Seller’s delivery of Imbalance Energy, if any, results from Seller’s purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility;

7.1.10.2 Such Transmission Provider(s) require(s) Seller to schedule deliveries of Net Output in one (1) megawatt increments; and

7.1.10.3 Seller is not attempting to sell PGE energy less than or in excess of its Net Output, as generated hourly.

7.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the "**Credit Support**"):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially

reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide within ten (10) business days from receipt of a written request from PGE all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller’s financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.2, PGE may draw on Seller’s Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 8.1.

ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

9.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement within the cure period provided under such Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

9.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

9.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

9.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

9.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 10: INDEMNIFICATION AND LIABILITY

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 11: INSURANCE

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

11.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

11.3 Required Provisions.

11.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days' prior written notice to PGE.

11.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 12: FORCE MAJEURE

12.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**event of Force Majeure**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 13: GENERAL PROVISIONS

13.1 Relationship of the Parties.

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.

13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

13.5 Severability.

If any of the terms of this 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 this 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.

13.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.7 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.

13.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone: Merchant Real Time Desk (503) 464-8851	
Planned Outages	Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	
Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Copy in the case of Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 13.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

C.1. Estimated Average Net Output, Minimum Net Output and Maximum Net Output (as measured at the Facility meter at the Point of Interconnection)

Month	Estimated Average Net Output (kWh)	Minimum Net Output (75% of Estimated Average Net Output) (kWh)	Maximum Net Output (kWh)
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

Transmission Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F

SCHEDULE 201

[Attach Schedule 201]

**Standard On-System
Variable
Power Purchase Agreement**

**STANDARD ON-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibit G Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD ON-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD ON-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit G** containing the negotiated prices agreed to by the Parties].

RECITALS

A. [**New QF**] Seller is a New QF and intends to construct, own, operate and maintain a _____ [*identify resource type*] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [**Existing QF**] Seller is an Existing QF and owns and intends to operate and maintain a _____ [*identify resource type*] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard On-System Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**API**” means Application Program Interface.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years).

“**Billing Period**” means a period during the Delivery Period between PGE’s readings of its power purchase billing meter at the Facility in the normal course of PGE’s business. Such periods may vary and may not coincide with calendar month; however, PGE shall use best efforts to read the power purchase billing meter in 12 equally spaced periods per year.

“**CAISO EIM**” means the California Independent System Operator Energy Imbalance Market or any successor thereto.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax

credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Fixed Price Option for _____ *[specify applicable Non-Renewable Fixed Price Option based on the resource type, in accordance with schedule]* as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit G**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B** and the Interconnection Agreement.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Monthly Average Net Output**” means the relevant amounts specified in the table in **Exhibit C**.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Facility**” has the meaning given to it in the Recitals.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Generation Forecast**” has the meaning given to it in Section 3.4.

“**Generation Unit**” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Interconnection Agreement**” means an agreement between Seller and PGE governing the interconnection of the Facility with PGE’s electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, ((the Minimum Availability Guarantee as determined pursuant to Section 3.3 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“Lost Energy Value” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), *plus* any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“Market Index Price” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“Mechanical Availability Percentage” or **“MAP”** means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

“Minimum Availability Guarantee” has the meaning given to it in Section 3.3.

“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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“NERC” means the North American Electric Reliability Corporation.

“Net Available Capacity” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in **Exhibit A**.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**Operational Hours**” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power at its Nameplate Capacity Rating regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate solar arrays of 1.5 MW each and Array 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Array 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Array 1 Operational Hours = 8,460 + 200 = 8,660. Array 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.

“**Person**” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output together with all associated Capacity Attributes.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard

or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement and those set forth in **Exhibit D**.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and Capacity Rights associated with such electric energy

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“WECC” means the Western Electricity Coordinating Council or any successor thereto.

“WECC Pre-Scheduling Day” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“Term”) commences on the date this Agreement is signed by both Parties (“Effective Date”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary interconnection rights, and make or cause to be made all necessary modifications to PGE’s system to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller’s Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE’s system related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing: PGE will evaluate available delivery capability on PGE’s transmission system between the Delivery Point and PGE’s load that is required to enable PGE to accept delivery of the Facility’s Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE’s designated sink point. If PGE determines that sufficient delivery capability exists on PGE’s transmission system, PGE will arrange for, be responsible for, and make

available transmission service on PGE's transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE's transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.4, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"Commercial Operation" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.5.6 PGE has received copies of all insurance certificates required under Section 11.2.

2.5.7 PGE has received any Credit Support required under Section 8.1.

2.5.8 If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into

the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output at the Delivery Point. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

3.2 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning.

3.3 Minimum Availability Guarantee.

3.3.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following ("Minimum Availability Guarantee"):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility is an Existing QF; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement if the Facility is a New QF.

3.3.2. Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.3.3. As damages for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.4 Forecasting and Scheduling

[[This section is being revised to account for forecasting and scheduling requirements associated with participation in the California Independent System Operator Energy Imbalance Market. The revised provision will be provided in advance of a workshop that will include this topic]]

3.5 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.6 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output (but not including energy delivered at an hourly rate in excess of the Net Available Capacity) delivered during the Billing Period, multiplied by the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Availability Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Buyer, at Seller's cost, shall arrange, design, furnish, install, own, inspect, test, and maintain metering equipment for the Facility in accordance with Prudent Electrical Practices. PGE shall periodically inspect, test, repair or replace the metering equipment at Seller's cost, and provide such results to Seller upon Seller's request. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give PGE immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility

Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then current Applicable Law, provided that:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any other resource types and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is a _____ duly organized under the laws of _____.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.4 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller's knowledge, threatened against them that would result in them being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 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.

7.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) "BBB-" or greater from S&P, or (ii) "Baa3" or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least "BBB-" or "Baa3" from S&P or Moody's, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

7.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 Seller has the right to sell the Product to PGE free and clear of liens of encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the “**Credit Support**”):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**) for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**).

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.2, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 8.1.

ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

9.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee or Seller's failure to provide any written report required by Section 3.3;

9.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

9.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

9.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

9.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 9 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 10: INDEMNIFICATION AND LIABILITY

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is

caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 11: INSURANCE

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure

and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

11.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

11.3 Required Provisions.

11.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days’ prior written notice to PGE.

11.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 12: FORCE MAJEURE

12.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**event of Force Majeure**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party’s from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the

Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 13: GENERAL PROVISIONS

13.1 Relationship of the Parties.

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.

13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises

between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

13.5 Severability.

If any of the terms of this 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 this 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.

13.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.7 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.

13.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE’s purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone: Merchant Real Time Desk (503) 464-8851	
Planned Outages	Balancing Authority Operator (503) 464-8650 Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	

Standard On-System Variable Power Purchase Agreement
Form Effective _____

Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Copy in the case of, Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 13.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

C.1. Estimated Monthly Average Net Output and Maximum Net Output (as measured at the Facility meter at the Point of Interconnection)

Month	Estimated Monthly Average Net Output (kWh)	Maximum Net Output (kWh)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

As-Built Average Annual Degradation Percentage (only applicable for Solar QFs)

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F

SCHEDULE 201

[Attach Schedule 201]

EXHIBIT G

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Standard Off-System
Variable
Power Purchase Agreement**

**STANDARD OFF-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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**STANDARD OFF-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD OFF-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit G** containing the negotiated prices agreed to by the Parties].

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Off-System Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years).

“**Billing Period**” means one calendar month or such other period (not to exceed three months) as PGE may establish by written notice to Seller, during the Delivery Period, in the event that PGE reasonably determines that changing the length of a Billing Period will have a de minimis effect on the cost of Seller’s Net Output to PGE.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for

delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Non-Renewable Fixed Price Option for _____ [*specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F**, (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit G**, which reflects the negotiated price including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the point of delivery on the PGE side of the interface with the Balancing Authority, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B**.

“**e-Tags**” has the meaning given to it in Section 3.6.1.2.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Monthly Average Net Output**” means the relevant amounts specified in the table in **Exhibit C**.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Facility**” has the meaning given to it in the Recitals.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Firm Energy**” means energy scheduled and delivered hourly to the Delivery Point on an uninterrupted basis via firm transmission rights in accordance with the Transmission Agreement(s).

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

“**Generation Unit**” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with _____’s [*specify relevant Transmission Provider or distribution system owner*] electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“Lost Energy Value” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), *plus* any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“Market Index Price” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“Mechanical Availability Percentage” or **“MAP”** means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

“Minimum Availability Guarantee” has the meaning given to it in Section 3.4.

“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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“NERC” means the North American Electric Reliability Corporation.

“Net Available Capacity” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in **Exhibit A**.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**Operational Hours**” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power at its Nameplate Capacity Rating regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate solar arrays of 1.5 MW each and Array 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Array 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Array 1 Operational Hours = 8,460 + 200 = 8,660. Array 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.

“**Person**” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Point of Interconnection**” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Remedial Action Scheme**” means an automatic protection system designed to detect abnormal or predetermined system conditions, and take corrective actions other than or in addition to the isolation of faulted components to maintain system reliability. Such action may include changes in demand, generation, or system configuration to maintain system stability, acceptable voltage, or power flows.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, the Transmission Agreement, and those set forth in **Exhibit D**.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy at no less than the Specified Facility Nameplate Capacity Rating from the Facility to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.

“**Transmission Provider(s)**” means _____, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ *[date that is no more than*

20 years from the Scheduled Commercial Operation Date] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary transmission and interconnection rights, and make or cause to be made all necessary modifications to PGE's or the Transmission Provider's (or Transmission Providers') systems to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE's information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller's Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE's or the Transmission Provider's (or Transmission Providers') systems related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing:

2.3.1 If the Facility is subject to a Transmission Provider's Remedial Action Scheme and PGE has an obligation to the Transmission Provider for said Remedial Action Scheme, Seller shall make necessary arrangements prior to the Commercial Operation Date, including installing any required equipment and entering into any necessary agreements to enable PGE to include the Facility in the list of resources used to satisfy PGE's obligation under the Transmission Provider's Remedial Action Scheme.

2.3.2 PGE will evaluate available delivery capability on PGE's transmission system between the Delivery Point and PGE's load that is required to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point. If PGE determines that sufficient delivery capability exists on PGE's transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE's transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE's transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After

all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. Seller shall use its best efforts to schedule and deliver Test Energy to its Transmission Provider, to a third-party or to an organized market via its Transmission Provider's system. Seller shall be entitled to any and all compensation received from its Transmission Provider or any third-party or organized market for such Test Energy. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.6, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"Commercial Operation" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement, and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.5.6 PGE has received copies of all insurance certificates required under Section 11.2.

2.5.7 PGE has received any Credit Support required under Section 8.1.

2.5.8 If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.2.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the “**Delivery Period**”), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller’s representations and warranties in Section 7.1.10, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

3.2 Surplus Delivery.

For purposes of this Agreement, (i) “**On-Peak Energy Imbalance Accumulation**” means aggregate energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during On-Peak Hours during such Billing Period; and (ii) “**Off-Peak Energy Imbalance Accumulation**” means aggregate energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed “**Surplus Delivery.**” PGE shall accept but is not obligated to pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for Net Output that is not delivered as Firm Energy to the Delivery Point.

3.3 Estimated Net Output.

Seller’s good faith, commercially reasonable estimate of the Facility’s average monthly and annual maximum Net Output during the Delivery Period, and Seller’s basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning.

3.4 Minimum Availability Guarantee.

3.4.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following (“Minimum Availability Guarantee”):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility is an Existing QF; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement if the Facility is a New QF.

3.4.2. Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.4.3. As damages for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.5 Forecasting and Scheduling.

3.5.1 During the Delivery Period, Seller shall provide PGE with a rolling hourly generation forecast for the next fourteen (14) days, updated hourly (each a "**Generation Forecast**"). Each Generation Forecast shall be performed by a third-party forecasting agent and shall be provided in a commercially reasonable format specified by PGE.

3.5.2 Seller shall schedule, following the procedures set forth in Section 3.6, deliveries of the Product at the Delivery Point in the amount of expected Net Output (less transformation and transmission losses to the Delivery Point), consistent with the Generation Forecast. Seller shall make reasonable efforts to minimize the delivery of Imbalance Energy to PGE. Seller and PGE agree that the intent of this Section is for Seller to schedule and deliver energy resembling actual production from the Facility for each hour.

3.6 Scheduling Procedures.

3.6.1 Seller shall schedule energy in hourly blocks for delivery at the Delivery Point in accordance with the following procedures:

3.6.1.1 For each day during the Delivery Period, Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to PGE's Pre-schedule Desk the expected hourly energy to be delivered at the Delivery Point for that day, consistent with the Generation Forecast.

3.6.1.2 Seller shall schedule the energy by submitting a NERC e-Tag ("**e-Tags**") prior to 1:00 p.m. PPT of the applicable WECC Pre-Scheduling Day for all hours of the applicable delivery day or days.

3.6.1.3 Seller shall schedule the energy with e-Tags according to prevailing WECC, NERC, or Transmission Provider Pre-scheduling provisions and protocols. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.

3.6.1.4 Seller shall not schedule energy using a Dynamic or Pseudo-Tie e-Tag as such terms are defined and used by NERC.

3.6.2 Seller may make adjustments to the energy scheduled as described above each hour in real-time. If Seller elects to make such real-time adjustments, Seller shall:

3.6.2.1 submit and receive approval of any e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour. Seller shall be responsible for any and all costs, charges, or fees associated with any changes Seller makes to the e-Tag after seventy-five (75) minutes prior to the flow hour.

3.6.3 In the event that the regional market design, Balancing Authority, or other Reliability Entity causes PGE's scheduling practices to change after the Effective Date, PGE shall have the right but not the obligation to update the scheduling procedures described in this Section 3.6 by giving sixty (60) days' prior written notice to Seller of such update.

3.6.4 Seller shall be responsible for all costs or charges associated with the Product or its delivery to the extent such costs or charges are imposed on Seller's side of the Delivery Point.

3.6.5 Seller shall maintain records of hourly energy schedules for accounting and operating purposes. Seller shall maintain a minimum of two years' records of the Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider(s).

3.7 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.8 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output and Imbalance Energy (but not including Surplus Delivery or energy delivered at an hourly rate in excess of the Net Available Capacity) delivered as Firm Energy to the Delivery Point during the Billing Period, *multiplied by* the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Availability Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Seller shall arrange and pay for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe and obtain documentation regarding all inspection, testing, repair and replacement of the metering equipment. Meters must be tested no less frequently than every six (6) months and Seller shall promptly notify PGE if any metering equipment is not functioning properly. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give notice to the interconnecting Transmission Provider of any forced or unplanned outages or reductions in generation capability of the Facility in accordance with such Transmission Provider's outage notice requirements. Seller shall also give PGE's Real-Time Desk immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement

equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law, provided that:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any other resource types and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is a _____ duly organized under the laws of _____.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.4 below (the “**Creditworthiness Requirements**”), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller’s knowledge, threatened against them that would result in them being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 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.

7.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) “BBB-” or greater from S&P, or (ii) “Baa3” or greater from Moody’s, and if such ratings are split, the lower of the two ratings must be at least “BBB-” or “Baa3” from S&P or Moody’s, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

7.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 In connection with Seller’s delivery of Firm Energy as required under this Agreement:

7.1.10.1 Seller’s delivery of Imbalance Energy, if any, results from Seller’s purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility;

7.1.10.2 Such Transmission Provider(s) require(s) Seller to schedule deliveries of Net Output in one (1) megawatt increments; and

7.1.10.3 Seller is not attempting to sell PGE Energy less than or in excess of its Net Output, as generated hourly.

7.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 7 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a

Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the “**Credit Support**”):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**) for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**).

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.2, PGE may draw on Seller’s Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 8.1.

ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

9.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement within the cure period provided under such Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee or Seller's failure to provide any written report required by Section 3.4;

9.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

9.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

9.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

9.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 9 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 10: INDEMNIFICATION AND LIABILITY

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 11: INSURANCE

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

11.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace

the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Required Provisions.

11.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days' prior written notice to PGE.

11.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 12: FORCE MAJEURE

12.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**event of Force Majeure**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week

after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 13: GENERAL PROVISIONS

13.1 Relationship of the Parties.

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.

13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

13.5 Severability.

If any of the terms of this 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 this 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.

13.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.7 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.

13.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone: Merchant Real Time Desk (503) 464-8851	
Planned Outages	Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	
Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306	

Standard Off-System Variable Power Purchase Agreement
Form Effective _____

	Portland, Oregon 97204	
Copy in the case of Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 13.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____.

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____.

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

C.1. Estimated Monthly Average Net Output and Maximum Net Output (as measured at the Facility meter at the Point of Interconnection)

Month	Estimated Average Net Output (kWh)	Maximum Net Output (kW)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

Transmission Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

As-Built Average Annual Degradation Percentage (only applicable for Solar QFs)

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F
SCHEDULE 201

[Attach Schedule 201]

EXHIBIT G

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Standard Renewable On-System
Non-Variable
Power Purchase Agreement**

**STANDARD ON-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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**STANDARD ON-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD ON-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard On-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**API**” means Application Program Interface.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Billing Period**” means a period during the Delivery Period between PGE’s readings of its power purchase billing meter at the Facility in the normal course of PGE’s business. Such periods may vary and may not coincide with calendar month; however, PGE shall use best efforts to read the power purchase billing meter in 12 equally spaced periods per year.

“**CAISO EIM**” means the California Independent System Operator Energy Imbalance Market or any successor thereto.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Fixed Price Option for _____ *[specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule]* as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B** and the Interconnection Agreement.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Monthly Average Net Output**” means the relevant amounts specified in the table in **Exhibit C**.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Facility**” has the meaning given to it in the Recitals.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Generation Forecast**” has the meaning given to it in Section 3.4.

“**Generation Unit**” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy radiation into electrical energy.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Interconnection Agreement**” means an agreement between PGE and Seller governing the interconnection of the Facility with PGE’s electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, with respect to a given period, an amount equal to Minimum Net Output delivered to the Delivery Point *less* Adjusted Delivered Net Output for the period; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“**Lost Energy Value**” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period),

plus any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“**Market Index Price**” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“**Minimum Net Output**” means, for a given period, seventy-five percent (75%) of the expected Net Output from the Facility for the period, based on the expected Net Output of the Facility for that period as set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the point of interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**Person**” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output together with all associated Capacity Attributes.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, and those set forth in **Exhibit D**.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary interconnection rights, and make or cause to be made all necessary modifications to PGE’s system to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller's Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE's system related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing: PGE will evaluate available delivery capability on PGE's transmission system between the Delivery Point and PGE's load that is required to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point. If PGE determines that sufficient delivery capability exists on PGE's transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE's transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE's transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.4, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"**Commercial Operation**" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement;

and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, and a 8760 net energy production estimate.

2.5.6 PGE has received copies of all insurance certificates required under Section 11.2.

2.5.7 PGE has received any Credit Support required under Section 8.1.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from

an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Delivery Point. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

3.2 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee described in Section 3.3.

3.3 Minimum Delivery Guarantee.

Seller hereby guarantees that, during each Contract Year, the Adjusted Delivered Net Output shall be no less than the Minimum Net Output (the "**Minimum Delivery Guarantee**"). As damages for Seller's failure to satisfy the Minimum Delivery Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.4 Forecasting and Scheduling

[[This section is being revised to account for forecasting and scheduling requirements associated with participation in the California Independent System Operator Energy Imbalance Market. The revised provision will be provided in advance of a workshop that will include this topic]]

3.5 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the

interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.6 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output (but not including energy delivered at an hourly rate in excess of the Net Available Capacity) delivered to the Delivery Point during the Billing Period, multiplied by the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Delivery Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Buyer, at Seller's cost, shall arrange, design, furnish, install, own, inspect, test, and maintain metering equipment for the Facility in accordance with Prudent Electrical Practices. PGE shall periodically inspect, test, repair or replace the metering equipment at Seller's cost, and provide such results to Seller upon Seller's request. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give PGE immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is a _____ duly organized under the laws of _____.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.4 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller's knowledge, threatened against them that would result in them being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 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.

7.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) "BBB-" or greater from S&P, or (ii) "Baa3" or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least "BBB-" or "Baa3" from S&P or Moody's, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

7.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 Seller has the right to sell the Product to PGE free and clear of liens of encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the "**Credit Support**"):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the

remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide within ten (10) business days from receipt of a written request from PGE all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller’s financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.2, PGE may draw on Seller’s Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 8.1.

ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

9.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

9.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

9.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

9.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

9.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 10: INDEMNIFICATION AND LIABILITY

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS

AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 11: INSURANCE

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

11.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

11.3 Required Provisions.

11.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days' prior written notice to PGE.

11.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 12: FORCE MAJEURE

12.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**event of Force Majeure**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 13: GENERAL PROVISIONS

13.1 Relationship of the Parties.

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.

13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

13.5 Severability.

If any of the terms of this 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 this 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.

13.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.7 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.

13.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone:	

Standard On-System Non-Variable Power Purchase Agreement
Form Effective _____

	Merchant Real Time Desk (503) 464-8851	
Planned Outages	Balancing Authority Operator (503) 464-8650 Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	
Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Copy in the case of, Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 13.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Average Net Output, Minimum Net Output and Maximum Net Output
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Average Net Output (kWh)	Minimum Net Output (75% of Estimated Average Net Output) (kWh)	Maximum Net Output (kWh)
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F

SCHEDULE 201

[Attach Schedule 201]

**Standard Renewable Off-System
Non-Variable
Power Purchase Agreement**

**STANDARD RENEWABLE OFF-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
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Exhibit C	Seller's Net Output Estimates
Exhibit D	Required Facility Documents
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201

**STANDARD RENEWABLE OFF-SYSTEM NON-VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE OFF-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable Off-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Billing Period**” means one calendar month or such other period (not to exceed three months) as PGE may establish by written notice to Seller, during the Delivery Period, in the event that PGE reasonably determines that changing the length of a Billing Period will have a *de minimis* effect on the cost of Seller’s Net Output to PGE.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output, or (iii) Environmental Attributes.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for _____ [*specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule*] as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the point of delivery on the PGE side of the interface with the applicable Balancing Authority, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B**.

“**e-Tags**” has the meaning given to it in Section 3.6.1.2.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” means any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the Facility, regardless of whether or not (i) such environmental attributes have been verified or certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the Effective Date or at any time during the Term. Environmental Attributes include: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; (2) any credit, allowance or instrument issued or issuable pursuant to a state implementation plan under the Clean Power Plan promulgated by the Environmental Protection Agency under the Clean Air Act; (3) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; and (4) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the Facility and REC Reporting Rights. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

“**Estimated Monthly Average Net Output**” means the relevant amounts specified in the table in **Exhibit C**.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Facility**” has the meaning given to it in the Recitals.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Firm Energy**” means energy scheduled and delivered hourly to the Delivery Point on an uninterrupted basis via firm transmission rights in accordance with the Transmission Agreement(s).

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy radiation into electrical energy.

“**Generation Unit**” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with _____’s [*specify relevant Transmission Provider or distribution system owner*] electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“Lost Energy” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, with respect to a given period, an amount equal to Minimum Net Output delivered to the Delivery Point *less* Adjusted Delivered Net Output for the period; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“Lost Energy Value” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), *plus* any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“Market Index Price” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“Minimum Net Output” means, for a given period, seventy-five percent (75%) of the expected Net Output from the Facility for the period, based on the expected Net Output of the Facility for the period as set forth in **Exhibit C** (pro-rated for partial months as applicable).

“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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“NERC” means the North American Electric Reliability Corporation.

“Net Available Capacity” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes;

which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Notice of Proposed REC Transfer**” has the meaning given to it in Section 7.1.2.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**Oregon Renewable Portfolio Standard**” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as amended from time to time.

“**Person**” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Point of Interconnection**” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes and Transferred RECs.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard

or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**REC**” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the lesser of the final e-Tag or the actual Net Output on an hourly basis. All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

“**REC Reporting Rights**” are the rights of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Remedial Action Scheme**” means an automatic protection system designed to detect abnormal or predetermined system conditions, and take corrective actions other than or in addition to the isolation of faulted components to maintain system reliability. Such action may include changes in demand, generation, or system configuration to maintain system stability, acceptable voltage, or power flows.

“**Renewable Resource Deficiency Period**” has the meaning given to it in the Schedule.

“**Renewable Resource Sufficiency Period**” has the meaning given to it in the Schedule.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, the Transmission Agreement, and those set forth in **Exhibit D**.

“**ROFR Exercise Notice**” has the meaning given to it in Section 7.1.2.

“**ROFR Period**” has the meaning given to it in Section 7.1.2.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy at no less than the Specified Facility Nameplate Capacity Rating from the Facility to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.

“**Transmission Provider(s)**” means _____, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

“WREGIS” means the Western Renewable Energy Generation Information System.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary transmission and interconnection rights, and make or cause to be made all necessary modifications to PGE’s or the Transmission Provider’s (or Transmission Providers’) systems to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller’s Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE’s or the Transmission Provider’s (or Transmission Providers’) systems related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing:

2.3.1 If the Facility is subject to a Transmission Provider’s Remedial Action Scheme and PGE has an obligation to the Transmission Provider for said Remedial Action Scheme, Seller shall make necessary arrangements prior to the Commercial Operation Date, including installing any required

equipment and entering into any necessary agreements to enable PGE to include the Facility in the list of resources used to satisfy PGE's obligation under the Transmission Provider's Remedial Action Scheme.

2.3.2 PGE will evaluate available delivery capability on PGE's transmission system between the Delivery Point and PGE's load that is required to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point. If PGE determines that sufficient delivery capability exists on PGE's transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE's transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE's transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. Seller shall use its best efforts to schedule and deliver Test Energy to its Transmission Provider, to a third-party or to an organized market via its Transmission Provider's system. Seller shall be entitled to any and all compensation received from its Transmission Provider or any third-party or organized market for such Test Energy. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.5, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"Commercial Operation" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility

is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement, and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, and a 8760 net energy production estimate.

2.5.6 PGE has received copies of all insurance certificates required under Section 12.2.

2.5.7 PGE has received any Credit Support required under Section 9.1.

2.5.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5.9 If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.2.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the

Commercial Operation Date (“**Delay Damages**”). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE’s request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller’s continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission’s request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the “**Delivery Period**”), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller’s representations and warranties in Section 8.1.10, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.

3.2 Surplus Delivery.

For purposes of this Agreement, (i) “**On-Peak Energy Imbalance Accumulation**” means aggregate energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during On-Peak Hours during such Billing Period), and (ii) “**Off-Peak Energy Imbalance Accumulation**” means aggregate energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed “**Surplus Delivery.**” PGE shall accept but is not obligated to pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the

avoidance of doubt, the Parties agree that Seller is not entitled to compensation for Net Output that is not delivered as Firm Energy to the Delivery Point.

3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee described in Section 3.4.

3.4 Minimum Delivery Guarantee.

Seller hereby guarantees that, during each Contract Year, the Adjusted Delivered Net Output shall be no less than the Minimum Net Output (the "**Minimum Delivery Guarantee**"). As damages for Seller's failure to satisfy the Minimum Delivery Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.5 Forecasting and Scheduling.

3.5.1 During the Delivery Period, Seller shall provide PGE with a rolling hourly generation forecast for the next fourteen (14) days, updated hourly (each a "**Generation Forecast**"). Each Generation Forecast shall be performed by a third-party forecasting agent and shall be provided in a commercially reasonable format specified by PGE.

3.5.2 Seller shall schedule, following the procedures set forth in Section 3.6, deliveries of the Product at the Delivery Point in the amount of expected Net Output (less transformation and transmission losses to the Delivery Point), consistent with the Generation Forecast. Seller shall make reasonable efforts to minimize the delivery of Imbalance Energy to PGE. Seller and PGE agree that the intent of this Section is for Seller to schedule and deliver energy resembling actual production from the Facility for each hour.

3.6 Scheduling Procedures.

3.6.1 Seller shall schedule energy in hourly blocks for delivery at the Delivery Point in accordance with the following procedures:

3.6.1.1 For each day during the Delivery Period, Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to PGE's Pre-schedule Desk the expected hourly energy to be delivered at the Delivery Point for that day consistent with the Generation Forecast.

3.6.1.2 Seller shall schedule the energy by submitting a NERC e-Tag ("**e-Tags**") prior to 1:00 p.m. PPT of the applicable WECC Pre-Scheduling Day for all hours of the applicable delivery day or days.

3.6.1.3 Seller shall schedule the energy with e-Tags according to prevailing WECC, NERC, or Transmission Provider Pre-scheduling provisions and protocols. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.

3.6.1.4 Seller shall not schedule energy using a Dynamic or Pseudo-Tie e-Tag as such terms are defined and used by NERC.

3.6.2 Seller may make adjustments to the energy scheduled as described above each hour in real-time. If Seller elects to make such real-time adjustments, Seller shall submit and receive approval of any e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour. Seller shall be responsible for any and all costs, charges, or fees associated with any changes Seller makes to the e-Tag after seventy-five (75) minutes prior to the flow hour.

3.6.3 In the event that the regional market design, Balancing Authority, or other Reliability Entity causes PGE's scheduling practices to change after the Effective Date, PGE shall have the right but not the obligation to update the scheduling procedures described in this Section 3.6 by giving sixty (60) days' prior written notice to Seller of such update.

3.6.4 Seller shall be responsible for all costs or charges associated with the Product or its delivery to the extent such costs or charges are imposed on Seller's side of the Delivery Point.

3.6.5 Seller shall maintain records of hourly energy schedules for accounting and operating purposes. Seller shall maintain a minimum of two years' records of the Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider(s).

3.7 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.8 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output and Imbalance Energy (but not including Surplus Delivery or energy delivered at an hourly rate in excess of the Net Available Capacity) delivered as Firm Energy to the Delivery Point during the Billing Period, **multiplied by** the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Delivery Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Seller shall arrange and pay for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. Meters must be tested no less

frequently than every six (6) months and Seller shall promptly notify PGE if any metering equipment is not functioning properly. PGE shall have reasonable access to observe and obtain documentation regarding all inspection, testing, repair and replacement of the metering equipment. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months. If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give notice to the interconnecting Transmission Provider of any forced or unplanned outages or reductions in generation capability of the Facility in accordance with such Transmission Provider's outage notice requirements. Seller shall also give PGE's Real-Time Desk immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller,

make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: ENVIRONMENTAL ATTRIBUTES

7.1 Seller-Retained RECs.

7.1.1 Seller shall retain ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period ("**Seller-Retained RECs**"). PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

7.1.2 Seller shall give written notice (the "**Notice of Proposed REC Transfer**") to PGE stating its bona fide intention to transfer Seller-Retained RECs to a third party and specifying the material terms and conditions of such transfer, including the price to be paid to Seller for the Seller-Retained RECs. The Notice of Proposed REC Transfer will constitute Seller's offer to PGE to transfer the Seller-Retained RECs on the terms therein specified and shall be irrevocable for a period of ten (10) business days (the "**ROFR Period**"). Upon receipt of the REC Transfer Notice, PGE shall have until the end of the ROFR Period to agree to purchase the Seller-Retained RECs by delivering a written notice (a "**ROFR Exercise Notice**") to Seller stating that it agrees to purchase the Seller-Retained RECs on the terms specified in the Notice of Proposed REC Transfer. Any ROFR Exercise Notice so delivered shall be binding on PGE and irrevocable upon delivery. If PGE delivers a ROFR Exercise Notice to Seller in accordance with this Section, PGE and Seller shall thereafter negotiate in good faith and use their commercially reasonable efforts to enter into all

necessary agreements and other arrangements to effectuate the sale of RECs to PGE as soon as practicable thereafter.

7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred RECs**”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility output meter shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE’s WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

ARTICLE 8: REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is a _____ duly organized under the laws of _____.

8.1.2 The execution, delivery and performance of this Agreement are within Seller’s powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors’ rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.4 below (the “**Creditworthiness Requirements**”), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller’s knowledge, threatened against them that would result in them being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 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.

8.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) “BBB-” or greater from S&P, or (ii) “Baa3” or greater from Moody’s, and if such ratings are split, the lower of the two ratings must be at least “BBB-” or “Baa3” from S&P or Moody’s, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

8.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 In connection with Seller’s delivery of Firm Energy as required under this Agreement:

8.1.10.1 Seller’s delivery of Imbalance Energy, if any, results from Seller’s purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility;

8.1.10.2 Such Transmission Provider(s) require(s) Seller to schedule deliveries of Net Output in one (1) megawatt increments; and

8.1.10.3 Seller is not attempting to sell PGE energy less than or in excess of its Net Output, as generated hourly.

8.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 9: CREDIT SUPPORT

9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a

Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the “**Credit Support**”):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Minimum Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide within ten (10) business days from receipt of a written request from PGE all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.2, PGE may draw on Seller’s Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 9.1.

ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION

10.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement within the cure period provided under such Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years, to satisfy the Minimum Delivery Guarantee;

10.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

10.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

10.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

10.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 11: INDEMNIFICATION AND LIABILITY

11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

11.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

11.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 12: INSURANCE

12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

12.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace

the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

12.3 Required Provisions.

12.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days' prior written notice to PGE.

12.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 13: FORCE MAJEURE

13.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**event of Force Majeure**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash, or other obstruction of sunlight.

13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week

after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 14: GENERAL PROVISIONS

14.1 Relationship of the Parties.

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.

14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

14.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

14.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

14.5 Severability.

If any of the terms of this 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 this 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.

14.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

14.7 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.

14.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone: Merchant Real Time Desk (503) 464-8851	
Planned Outages	Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	
Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306	

Standard Renewable Off-System Non-Variable Power Purchase Agreement
Form Effective _____

	Portland, Oregon 97204	
Copy in the case of, Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 14.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

C.1. Estimated Average Net Output, Minimum Net Output and Maximum Net Output

Month	Estimated Average Net Output (kWh)	Minimum Net Output (75% of Estimated Average Net Output) (kWh)	Maximum Net Output (kWh)
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

Transmission Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F
SCHEDULE 201

[Attach Schedule 201]

**Standard Renewable On-System
Variable
Power Purchase Agreement**

**STANDARD RENEWABLE ON-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Transmission Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Required Facility Documents
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD RENEWABLE ON-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE ON-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit G** containing the negotiated prices agreed to by the Parties].

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable On-System Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**API**” means Application Program Interface.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years).

“**Billing Period**” means a period during the Delivery Period between PGE’s readings of its power purchase billing meter at the Facility in the normal course of PGE’s business. Such periods may vary and may not coincide with calendar month; however, PGE shall use best efforts to read the power purchase billing meter in 12 equally spaced periods per year.

“**CAISO EIM**” means the California Independent System Operator Energy Imbalance Market or any successor thereto.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output, or (iii) Environmental Attributes.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for

delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for _____ [*specify applicable Renewable Fixed Price option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit G**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B** and the Interconnection Agreement.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” means any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the Facility, regardless of whether or not (i) such environmental attributes have been verified or certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the Effective Date or at any time during

the Term. Environmental Attributes include: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and other pollutants; (2) any credit, allowance or instrument issued or issuable pursuant to a state implementation plan under the Clean Power Plan promulgated by the Environmental Protection Agency under the Clean Air Act; (3) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (4) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the Facility and REC Reporting Rights. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

"Estimated Monthly Average Net Output" means the relevant amounts specified in the table in **Exhibit C**.

"Existing QF" means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

"Facility" has the meaning given to it in the Recitals.

"Facility Nameplate Capacity Rating" means the sum of the Nameplate Capacity Ratings for all Generators comprising the Facility.

"FERC" means the Federal Energy Regulatory Commission or any successor government agency.

"Generation Forecast" has the meaning given to it in Section 3.4.

"Generation Unit" means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

"Generator" means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

"Governmental Authority" means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

"Interconnection Agreement" means an agreement between PGE and Seller governing the interconnection of the Facility with PGE's electric system, having a term ending no earlier than the expiration date of this Agreement.

"Interconnection Rating" means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

"kW" and **"kWh"** mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year)) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“**Lost Energy Value**” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), *plus* any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“**Market Index Price**” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“**Mechanical Availability Percentage**” or “**MAP**” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

“**Minimum Availability Guarantee**” has the meaning given to it in Section 3.3.

“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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“NERC” means the North American Electric Reliability Corporation.

“Net Available Capacity” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“Net Output” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“New QF” means any QF that is not an Existing QF.

“Notice of Proposed REC Transfer” has the meaning given to it in Section 7.1.2.

“Number of Units” means the number of Generation Units in the Facility, as specified in **Exhibit A**.

“Off-Peak Hours” has the meaning provided in the Schedule.

“On-Peak Hours” has the meaning provided in the Schedule.

“Operational Hours” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power at its Nameplate Capacity Rating regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate solar arrays of 1.5 MW each and Array 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Array 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Array 1 Operational Hours = 8,460 + 200 = 8,660. Array 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.

“Oregon Renewable Portfolio Standard” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as amended from time to time.

“Person” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“**Prime Rate**” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output, together with all associated Capacity Attributes and Transferred RECs.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**REC**” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the lesser of the final e-Tag or the actual Net Output on an hourly basis. All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

“**REC Reporting Rights**” are the right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Renewable Resource Deficiency Period**” has the meaning given to it in the Schedule.

“**Renewable Resource Sufficiency Period**” has the meaning given to it in the Schedule.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement and those set forth in **Exhibit D**.

“**ROFR Exercise Notice**” has the meaning given to it in Section 7.1.2.

“**ROFR Period**” has the meaning given to it in Section 7.1.2.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

“WREGIS” means the Western Renewable Energy Generation Information System.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: **TERM; FACILITY; COMMERCIAL OPERATION**

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary interconnection rights, and make or cause to be made all necessary modifications to PGE’s system to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller’s Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE’s system related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing: PGE will evaluate available delivery capability on PGE’s transmission system between the Delivery Point and PGE’s load that is required to enable PGE to accept delivery of the Facility’s Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE’s designated sink point. If PGE determines that sufficient delivery capability exists on PGE’s transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE’s transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE’s transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to

effectuate delivery from the Delivery Point to PGE's designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.4, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"**Commercial Operation**" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement, and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.5.6 PGE has received copies of all insurance certificates required under Section 12.2.

2.5.7 PGE has received any Credit Support required under Section 9.1.

2.5.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5.9 If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation

and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Delivery Point. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.

3.2 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning.

3.3 Minimum Availability Guarantee.

3.3.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following ("Minimum Availability Guarantee"):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility is an Existing QF; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement if the Facility is a New QF.

3.3.2. Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.3.3. As damages for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.4 Forecasting and Scheduling

[[This section is being revised to account for forecasting and scheduling requirements associated with participation in the California Independent System Operator Energy Imbalance Market. The revised provision will be provided in advance of a workshop that will include this topic]]

3.5 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.6 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output (but not including energy delivered at an hourly rate in excess of the Net Available Capacity) delivered to the Delivery Point during the Billing Period, multiplied by the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Availability Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Buyer, at Seller's cost, shall arrange, design, furnish, install, own, inspect, test, and maintain metering equipment for the Facility in accordance with Prudent Electrical Practices. PGE shall periodically inspect, test, repair or replace the metering equipment at Seller's cost, and provide such results to Seller upon Seller's request. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give PGE immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility

Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs) consistent with then-current Applicable Law, provided that:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any other resource types and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: ENVIRONMENTAL ATTRIBUTES

7.1 Seller-Retained RECs.

7.1.1 Seller shall retain ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period (“**Seller-Retained RECs**”). PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

7.1.2 Seller shall give written notice (the “**Notice of Proposed REC Transfer**”) to PGE stating its bona fide intention to transfer Seller-Retained RECs to a third party and specifying the material terms and conditions of such transfer, including the price to be paid to Seller for the Seller-Retained RECs. The Notice of Proposed REC Transfer will constitute Seller’s offer to PGE to transfer the Seller-Retained RECs on the terms therein specified and shall be irrevocable for a period of ten (10) business days (the “**ROFR Period**”). Upon receipt of the REC Transfer Notice, PGE shall have until the end of the ROFR Period to agree to purchase the Seller-Retained RECs by delivering a written notice (a “**ROFR Exercise Notice**”) to Seller stating that it agrees to purchase the Seller-Retained RECs on the terms specified in the Notice of Proposed REC Transfer. Any ROFR Exercise Notice so delivered shall be binding on PGE and irrevocable upon delivery. If PGE delivers a ROFR Exercise Notice to Seller in accordance with this Section, PGE and Seller shall thereafter negotiate in good faith and use their commercially reasonable efforts to enter into all necessary agreements and other arrangements to effectuate the sale of RECs to PGE as soon as practicable thereafter.

7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred RECs**”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility output meter shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE's WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

ARTICLE 8: REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is a _____ duly organized under the laws of _____.

8.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.4 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller's knowledge, threatened against them that would result in them being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 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.

8.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) "BBB-" or greater from S&P, or (ii) "Baa3" or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least "BBB-" or "Baa3" from S&P or Moody's, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

8.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 Seller has the right to sell the Product to PGE free and clear of liens of encumbrances.

8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 9: CREDIT SUPPORT

9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the “**Credit Support**”):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**) for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**).

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide within ten (10) business days from receipt of a written

request from PGE all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.2, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 9.1.

ARTICLE 10: **DEFAULT, REMEDIES AND TERMINATION**

10.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee or Seller's failure to provide any written report required by Section 3.3;

10.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

10.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

10.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

10.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 11: INDEMNIFICATION AND LIABILITY

11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of

its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

11.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

11.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 12: INSURANCE

12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

12.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

12.3 Required Provisions.

12.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days’ prior written notice to PGE.

12.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 13: **FORCE MAJEURE**

13.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**event of Force Majeure**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party’s from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 14: **GENERAL PROVISIONS**

14.1 Relationship of the Parties.

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.

14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

14.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

14.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

14.5 Severability.

If any of the terms of this 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 this 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.

14.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

14.7 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.

14.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE’s purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone: Merchant Real Time Desk (503) 464-8851	
Planned Outages	Balancing Authority Operator (503) 464-8650 Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	

Standard Renewable On-System Variable Power Purchase Agreement
Form Effective _____

Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Copy in the case of, Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 14.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators.

C. Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____.

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER'S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

C.1. Estimated Monthly Average Net Output and Maximum Net Output (as measured at the Facility meter at the Point of Interconnection)

Month	Estimated Average Net Output (kWh)	Maximum Net Output (kWh)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

As-Built Average Annual Degradation Percentage (only applicable for Solar QFs)

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F

SCHEDULE 201

[Attach Schedule 201]

EXHIBIT G

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Standard Renewable Off-System
Variable
Power Purchase Agreement**

**STANDARD RENEWABLE OFF-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT
BETWEEN
[COUNTERPARTY NAME]
AND
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Transmission Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Required Facility Documents
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD RENEWABLE OFF-SYSTEM VARIABLE
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit G** containing the negotiated prices agreed to by the Parties].

RECITALS

A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in **Exhibit A** and **Exhibit B** (“**Facility**”).

B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable Off-System Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years).

“**Billing Period**” means one calendar month or such other period (not to exceed three months) as PGE may establish by written notice to Seller, during the Delivery Period, in the event that PGE reasonably determines that changing the length of a Billing Period will have a *de minimis* effect on the cost of Seller’s Net Output to PGE.

“**Capacity Attributes**” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output, or (iii) Environmental Attributes.

“**Cash Escrow**” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for

delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.5.

“**Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Commission**” means the Public Utility Commission of Oregon.

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for _____ [*specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit G**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Delay Damages**” has the meaning given to it in Section 2.7.

“**Delivery Point**” means the point of delivery on the PGE side of the interface with the applicable Balancing Authority, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in **Exhibit B**.

“**e-Tags**” has the meaning given to it in Section 3.6.1.2.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” means any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the Facility, regardless of whether or not (i) such environmental attributes have been verified or

certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the Effective Date or at any time during the Term. Environmental Attributes include: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and other pollutants; (2) any credit, allowance or instrument issued or issuable pursuant to a state implementation plan under the Clean Power Plan promulgated by the Environmental Protection Agency under the Clean Air Act; (3) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (4) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the Facility and REC Reporting Rights. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

"Estimated Monthly Average Net Output" means the relevant amounts specified in the table in **Exhibit C**.

"Existing QF" means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

"Facility" has the meaning given to it in the Recitals.

"Facility Nameplate Capacity Rating" means the sum of the Nameplate Capacity Ratings for all Generators comprising the Facility.

"FERC" means the Federal Energy Regulatory Commission or any successor government agency.

"Firm Energy" means energy scheduled and delivered hourly to the Delivery Point on an uninterrupted basis via firm transmission rights in accordance with the Transmission Agreement(s).

"Generator" means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

"Generation Unit" means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in **Exhibit A**.

"Governmental Authority" means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

"Imbalance Energy" means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with _____’s [*specify relevant Transmission Provider or distribution system owner*] electric system, having a term ending no earlier than the expiration date of this Agreement.

“**Interconnection Rating**” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh) either

- A. In connection with a Facility after the Commercial Operation Date, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.

“**Lost Energy Value**” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period *multiplied by* (the greater of zero (0) or the Replacement Price for the period *less* the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), *plus* any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

“**Market Index Price**” means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE

elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.

“**Mechanical Availability Percentage**” or “**MAP**” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

“**Minimum Availability Guarantee**” has the meaning given to it in Section 3.4.

“**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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Notice of Proposed REC Transfer**” has the meaning given to it in Section 7.1.2.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in Exhibit A.

“**Off-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Hours**” has the meaning provided in the Schedule.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**Operational Hours**” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power at its Nameplate Capacity Rating regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate solar arrays of 1.5 MW each and Array 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned

Maintenance or an event of Force Majeure; and Array 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Array 1 Operational Hours = $8,460 + 200 = 8,660$. Array 2 Operational Hours = $8,560 + 200 = 8,760$. Operational Hours of the Facility = $8,760 + 8,660 = 17,420$.

“Oregon Renewable Portfolio Standard” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as amended from time to time.

“Person” means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“Planned Maintenance” means outages scheduled 90 days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.

“Point of Interconnection” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

“Prime Rate” means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“Product” means, each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes and Transferred RECs.

“Prudent Electrical Practices” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“PURPA” means the Public Utility Regulatory Policies Act of 1978.

“Qualifying Facility” has the meaning set forth in the Recitals.

“REC” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes

and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the lesser of the final e-Tag or the actual Net Output on an hourly basis. All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

“**REC Reporting Rights**” are the right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.

“**Remedial Action Scheme**” means an automatic protection system designed to detect abnormal or predetermined system conditions, and take corrective actions other than or in addition to the isolation of faulted components to maintain system reliability. Such action may include changes in demand, generation, or system configuration to maintain system stability, acceptable voltage, or power flows.

“**Renewable Resource Deficiency Period**” has the meaning given to it in the Schedule.

“**Renewable Resource Sufficiency Period**” has the meaning given to it in the Schedule.

“**Replacement Price**” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, the Transmission Agreement, and those set forth in **Exhibit D**.

“**ROFR Exercise Notice**” has the meaning given to it in Section 7.1.2.

“**ROFR Period**” has the meaning given to it in Section 7.1.2.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.7.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

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

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.

“**Test Period**” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy at no less than the Specified Facility Nameplate Capacity Rating from the Facility to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.

“**Transmission Provider(s)**” means _____, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

“**WECC Pre-Scheduling Day**” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.

“**WREGIS**” means the Western Renewable Energy Generation Information System.

1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of _____, 20__ [*date that is no more than 20 years from the Scheduled Commercial Operation Date*] or the date on which this Agreement is terminated.

2.2 Construction of the Facility.

Seller shall, at its sole cost, design and construct the Facility, obtain all necessary transmission and interconnection rights, and make or cause to be made all necessary modifications to PGE’s or the Transmission Provider’s (or Transmission Providers’) systems to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.

2.3 Seller’s Responsibility for Costs.

Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE’s or the Transmission Provider’s (or Transmission Providers’) systems related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing:

2.3.1 If the Facility is subject to a Transmission Provider’s Remedial Action Scheme and PGE has an obligation to the Transmission Provider for said Remedial Action Scheme, Seller shall make necessary arrangements prior to the Commercial Operation Date, including installing any required equipment and entering into any necessary agreements to enable PGE to include the Facility in the list of resources used to satisfy PGE’s obligation under the Transmission Provider’s Remedial Action Scheme.

2.3.2 PGE will evaluate available delivery capability on PGE’s transmission system between the Delivery Point and PGE’s load that is required to enable PGE to accept delivery of the Facility’s Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE’s designated sink point. If PGE determines that sufficient delivery capability exists on PGE’s transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE’s transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE’s transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE’s designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate

delivery from the Delivery Point to PGE's designated sink point. If any upgrades to PGE's system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.

2.4 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E**, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days' written notice to PGE prior to the commencement of Start-Up Testing. Seller shall use its best efforts to schedule and deliver Test Energy to its Transmission Provider, to a third-party or to an organized market via its Transmission Provider's system. Seller shall be entitled to any and all compensation received from its Transmission Provider or any third-party or organized market for such Test Energy. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.6, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.

2.5 Commercial Operation.

"**Commercial Operation**" will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.5.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E** and PGE has received Seller's written certification of completion of Start-Up Testing.

2.5.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.5.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.5.4 PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement, and any other Required Facility Documents requested by PGE.

2.5.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.5.6 PGE has received copies of all insurance certificates required under Section 12.2.

2.5.7 PGE has received any Credit Support required under Section 9.1.

2.5.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5.9 If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.2.

2.6 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.7 Scheduled Commercial Operation Date.

Seller guarantees that Commercial Operation shall occur no later than _____, 20__ ("**Scheduled Commercial Operation Date**"). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.2.

2.8 Status of the Facility.

2.8.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an

economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.8.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 8.1.10, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.

3.2 Surplus Delivery.

For purposes of this Agreement, (i) "**On-Peak Energy Imbalance Accumulation**" means aggregate energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during On-Peak Hours during such Billing Period; and (ii) "**Off-Peak Energy Imbalance Accumulation**" means aggregate energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* aggregate Net Output delivered to the Delivery Point during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "**Surplus Delivery.**" PGE shall accept but is not obligated to pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for Net Output that is not delivered as Firm Energy to the Delivery Point.

3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**. Seller acknowledges that PGE will use these estimates in its resource planning.

3.4 Minimum Availability Guarantee.

3.4.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following (“Minimum Availability Guarantee”):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.

3.4.2. Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.4.3. As damages for Seller’s failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.

3.5 Forecasting and Scheduling.

3.5.1 During the Delivery Period, Seller shall provide PGE with a rolling hourly generation forecast for the next fourteen (14) days, updated hourly (each a “**Generation Forecast**”). Each Generation Forecast shall be performed by a third-party forecasting agent and shall be provided in a commercially reasonable format specified by PGE.

3.5.2 Seller shall schedule, following the procedures set forth in Section 3.6, deliveries of the Product at the Delivery Point in the amount of expected Net Output (less transformation and transmission losses to the Delivery Point), consistent with the Generation Forecast. Seller shall make reasonable efforts to minimize the delivery of Imbalance Energy to PGE. Seller and PGE agree that the intent of this Section is for Seller to schedule and deliver energy resembling actual production from the Facility for each hour.

3.6 Scheduling Procedures.

3.6.1 Seller shall schedule energy in hourly blocks for delivery at the Delivery Point in accordance with the following procedures:

3.6.1.1 For each day during the Delivery Period, Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to PGE’s Pre-schedule Desk the expected hourly energy to be delivered at the Delivery Point for that day, consistent with the Generation Forecast.

3.6.1.2 Seller shall schedule the energy by submitting a NERC e-Tag (“**e-Tags**”) prior to 1:00 p.m. PPT of the applicable WECC Pre-Scheduling Day for all hours of the applicable delivery day or days.

3.6.1.3 Seller shall schedule the energy with e-Tags according to prevailing WECC, NERC, or Transmission Provider Pre-scheduling provisions and protocols. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.

3.6.1.4 Seller shall not schedule energy using a Dynamic or Pseudo-Tie e-Tag as such terms are defined and used by NERC.

3.6.2 Seller may make adjustments to the energy scheduled as described above each hour in real-time. If Seller elects to make such real-time adjustments, Seller shall submit and receive approval of any e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour. Seller shall be responsible for any and all costs, charges, or fees associated with any changes Seller makes to the e-Tag after seventy-five (75) minutes prior to the flow hour.

3.6.3 In the event that the regional market design, Balancing Authority, or other Reliability Entity causes PGE's scheduling practices to change after the Effective Date, PGE shall have the right but not the obligation to update the scheduling procedures described in this Section 3.6 by giving sixty (60) days' prior written notice to Seller of such update.

3.6.4 Seller shall be responsible for all costs or charges associated with the Product or its delivery to the extent such costs or charges are imposed on Seller's side of the Delivery Point.

3.6.5 Seller shall maintain records of hourly energy schedules for accounting and operating purposes. Seller shall maintain a minimum of two years' records of the Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider(s).

3.7 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

3.8 Carbon Emissions.

Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.

ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output and Imbalance Energy (but not including Surplus Delivery or energy delivered at an hourly rate in excess of the Net Available Capacity) delivered as Firm Energy to the Delivery Point during the Billing Period, **multiplied by** the Contract Price.

4.1.2 Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Delay Damages.

By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.

4.3 Invoicing and Payment for Lost Energy Value.

If Seller fails to satisfy the Minimum Availability Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.

ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.

5.2 Meter Installation, Inspection and Correction.

Seller shall arrange and pay for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access

to observe and obtain documentation regarding all inspection, testing, repair and replacement of the metering equipment. Meters must be tested no less frequently than every six (6) months and Seller shall promptly notify PGE if any metering equipment is not functioning properly. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.

6.1.2 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 PGE.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.

6.2.2 Seller shall give notice to the interconnecting Transmission Provider of any forced or unplanned outages or reductions in generation capability of the Facility in accordance with such Transmission Provider's outage notice requirements. Seller shall also give PGE's Real-Time Desk immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller,

make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.

6.3 Facility Upgrades.

6.3.1 At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law, provided that:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any other resource types and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

ARTICLE 7: ENVIRONMENTAL ATTRIBUTES

7.1 Seller-Retained RECs.

7.1.1 Seller shall retain ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period ("**Seller-Retained RECs**"). PGE shall not report under §1605(b) of the

Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

7.1.2 Seller shall give written notice (the “**Notice of Proposed REC Transfer**”) to PGE stating its bona fide intention to transfer Seller-Retained RECs to a third party and specifying the material terms and conditions of such transfer, including the price to be paid to Seller for the Seller-Retained RECs. The Notice of Proposed REC Transfer will constitute Seller’s offer to PGE to transfer the Seller-Retained RECs on the terms therein specified and shall be irrevocable for a period of ten (10) business days (the “**ROFR Period**”). Upon receipt of the REC Transfer Notice, PGE shall have until the end of the ROFR Period to agree to purchase the Seller-Retained RECs by delivering a written notice (a “**ROFR Exercise Notice**”) to Seller stating that it agrees to purchase the Seller-Retained RECs on the terms specified in the Notice of Proposed REC Transfer. Any ROFR Exercise Notice so delivered shall be binding on PGE and irrevocable upon delivery. If PGE delivers a ROFR Exercise Notice to Seller in accordance with this Section, PGE and Seller shall thereafter negotiate in good faith and use their commercially reasonable efforts to enter into all necessary agreements and other arrangements to effectuate the sale of RECs to PGE as soon as practicable thereafter.

7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred RECs**”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility output meter shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE’s WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

ARTICLE 8: REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is a _____ duly organized under the laws of _____.

8.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.4 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller's knowledge, threatened against them that would result in them being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 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.

8.1.6.4 If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) "BBB-" or greater from S&P, or (ii) "Baa3" or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least "BBB-" or "Baa3" from S&P or Moody's, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.

8.1.7 No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 In connection with Seller's delivery of Firm Energy as required under this Agreement:

8.1.10.1 Seller's delivery of Imbalance Energy, if any, results from Seller's purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility;

8.1.10.2 Such Transmission Provider(s) require(s) Seller to schedule deliveries of Net Output in one (1) megawatt increments; and

8.1.10.3 Seller is not attempting to sell PGE energy less than or in excess of its Net Output, as generated hourly.

8.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

ARTICLE 9: CREDIT SUPPORT

9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the “**Credit Support**”):

(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), *multiplied by* one hundred and ten percent (110%), *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); *less*

(ii) the net present value of: the average of the fixed prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**) for both On-Peak Hours and Off-Peak Hours, *multiplied by* aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).

To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.

Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to **Exhibit G**).

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception

to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.2, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 9.1.

ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION

10.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement within the cure period provided under such Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee or Seller's failure to provide any written report required by Section 3.4;

10.1.8 with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.

10.2 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.

10.3 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.

10.4 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.5 Post-Termination PURPA Status.

In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.

ARTICLE 11: INDEMNIFICATION AND LIABILITY

11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's

negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

11.3 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 PGE as an independent public utility corporation or Seller as an independent Person.

11.4 Disclaimer of Consequential Damages.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

ARTICLE 12: INSURANCE

12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.

12.2.2 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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

12.3 Required Provisions.

12.3.1 The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days’ prior written notice to PGE.

12.3.3 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 length of time necessary to cover liabilities arising out of the activities under this Agreement.

ARTICLE 13: FORCE MAJEURE

13.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**event of Force Majeure**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party’s from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following:

acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.

13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

ARTICLE 14: GENERAL PROVISIONS

14.1 Relationship of the Parties.

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.

14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

14.3 Governing 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.

This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission

of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

14.4 Dispute Resolution.

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.

14.5 Severability.

If any of the terms of this 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 this 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.

14.6 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

14.7 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.

14.8 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported

assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE’s purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

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

Notice	PGE	Seller
Invoices	Portland General Electric Attn: Energy Invoicing 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Scheduling	By telephone: Merchant Real Time Desk (503) 464-8851	
Planned Outages	Merchant Outage Coordinator Attn: Power Operations 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 (503) 464-7013	
Unplanned Outages	Merchant Real Time Desk (503) 464-8851	
Payments	Portland General Electric Attn: Energy Invoicing	

Standard Renewable Off-System Variable Power Purchase Agreement
Form Effective _____

	121 SW Salmon St. 3WTC0306 Portland, Oregon 97204 Energyinvoicing@pgn.com	
Wire Transfer	Bank Name: US National Bank of Oregon Routing Number: 123000220 Account Number: 153600043512	
Credit Support	Portland General Electric Attn: Credit Manager 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
All Other Notices	Portland General Electric Attn: QF Contract Management 121 SW Salmon St. 3WTC0306 Portland, Oregon 97204	
Copy in the case of Event of Default or Termination	Portland General Electric 121 SW Salmon St. 1WTC17 Portland, Oregon 97204 Attn: General Counsel	

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 14.13.

Signature Page Follows.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____

Title: _____

Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

FACILITY DESCRIPTION

Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as:

A. Generator Manufacturer's Nameplate Data:

Make:

Model:

Rated Output (kW):

Number of Generators with Similar Attributes:

Facility Nameplate Capacity Rating: _____ kW

Net Available Capacity: _____ kW

Interconnection Rating: _____ kW

Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____

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

_____.

B. Specified Facility Nameplate Capacity Rating _____ (kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators).

C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____

The location is more particularly described as follows:

[legal description of parcel]

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES

[Seller to provide diagram and description]

Description to include the following:

1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s)
2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment
3. Point of Delivery
4. Transmission Provider(s)
5. Specification of Point of Interconnection

EXHIBIT C

SELLER’S NET OUTPUT ESTIMATES

Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:

C.1. Estimated Monthly Average Net Output and Maximum Net Output (as measured at the Facility meter at the Point of Interconnection)

Month	Estimated Average Net Output (kWh)	Maximum Net Output (kW)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

C.2. Estimated Annual Average Net Output and Maximum Net Output

Estimated Average Annual Net Output: _____ kWh

Estimated Maximum Annual Net Output: _____ kWh

EXHIBIT D

REQUIRED FACILITY DOCUMENTS

[List all agreements, permits and authorizations required for the Facility]

Interconnection Agreement

Transmission Agreement

FERC Qualifying Facility Self-Certification

As-Built Operating One Line Diagram

As-Built Operating 12x24 Generation Profile

As-Built Average Annual Degradation Percentage (only applicable for Solar QFs)

EXHIBIT E

START-UP TESTING

[Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.]

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):

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 PGE.

Required start-up test 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 PGE'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;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

EXHIBIT F
SCHEDULE 201

[Attach Schedule 201]

EXHIBIT G

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

Schedule 201
Explanatory Matrix

Schedule 201 Matrix
December 7, 2018

Section	New Language	Former Language	Why Was this Section Added/ Changed
I. Purpose	To provide information about power purchase prices, standard contract options, and the process for obtaining a standard contract for power delivered to the Company by a Qualifying Facility (QF) with a nameplate capacity of 10,000 kW (10 MW) or less.	To provide information about Standard Avoided Costs and Renewable Avoided Costs, Standard Power Purchase Agreements (PPA) and Negotiated PPAs, power purchase prices and price options for power delivered by a Qualifying Facility (QF) to the Company with nameplate capacity of 10,000 kW (10MW) or less.	This section was revised to more clearly and accurately convey the purpose of Schedule 201, which is broader than the Purpose articulated in the former language.
II. Applicable	To owners of Qualifying Facilities making sales of electricity to Portland General Electric Company (PGE or the Company) in the State of Oregon (Sellers).	AVAILABLE To owners of QFs making sales of electricity to the Company in the State of Oregon (Seller). APPLICABLE For power purchased from small power production or cogeneration facilities that are QFs as defined in 18 Code of Federal Regulations (CFR) Section 292, that meet the eligibility requirements described herein and where the energy is delivered to the Company's system and made available for Company purchase pursuant to a Standard PPA.	The new language is substantively the same as the Available section of the current Schedule 201. The issues addressed by the former language of this section are now addressed in other sections of the revised Schedule.
III. Communications	Sellers may call PGE's Qualifying Facility Administrator at (503) 464-7523 or email at Qualifying.Facility@pgn.com to obtain more information about being a Seller.	n/a	Contact information for PGE's small power production coordinator was previously available on PGE's QF website, but now has been added to Schedule 201 so that it is readily available to QFs.
IV. Definitions	Capitalized terms not defined here have the meanings given to them in Rule B of PGE's Tariff. To the extent the definitions below are inconsistent with the definitions provided in Rule B of the Tariff, the definitions below will apply.	n/a	This section was added to provide clarity about where to find the definitions for defined terms. Unless otherwise noted, the defined terms are identical to those used in the PPA.
Affiliated Person	Any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.	As used above, the term "Same Person(s)" or "Affiliated Person(s)" means a natural person or persons or any legal entity or entities sharing common ownership, management or acting jointly or in concert with or exercising influence over the policies or actions of another person or entity. However, two facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) solely because they are developed by a single entity. Furthermore, two facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) if such common person or persons is a "passive investor" whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent family-owned or community-based projects. A unit of Oregon local government may also be a "passive investor" in a community-based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.	This term was moved into the Definitions section and revised to be consistent with both the PPA definition and the stipulation adopted in Order No. 06-586.
Ancillary Services	Any of the services identified by a Transmission Provider in its transmission tariff as "ancillary services" including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

Balancing Authority (BA)	An entity responsible for maintaining the load-interchange-generation balance within the Balancing Authority Area in which the QF is located.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Balancing Authority Area	The collection of generation, transmission, and loads within the metered boundaries of the BA. The BA maintains load-resource balance within this area.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule. NERC uses the same definition.
Bankrupt	With respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.	n/a	This standard commercial definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Billing Period	A calendar month, or such other period (not to exceed three months) as PGE may establish in accordance with the Standard PPA.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Business Day	Any day other than Saturday, Sunday or the following holidays: New Year's Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Capacity Attributes	Any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, Ancillary Service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the QF or the QF's capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Capacity Attributes do not include: (i) tax credits, deductions, or tax benefits associated with the QF, (ii) any state, federal, local, or private cash payments or grants relating in any way to the QF or the Net Output, or (iii) Environmental Attributes.	n/a	This definition was added to clarify what is included in the "Product" sold pursuant to Schedule 201.
Commercial Operation Date	The date when the QF is fully constructed and deemed by the Company in its reasonable judgment to be operational and reliable, and all other requirements pertaining to the achievement of the Commercial Operation Date described in the applicable Standard PPA have been satisfied.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

Community-Based QF	<p>A QF that satisfies the following requirements:</p> <p>a. The QF has a recognized and established organization located within the county of the QF or within 50 miles of the QF that (i) has a genuine role in helping the QF be developed and (ii) has some not insignificant continuing role with or interest in the QF after it is completed and placed in service. (Such an organization hereinafter referred to as a “sponsoring organization.”)</p> <p>b. After excluding the passive investor(s) whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, 80 percent or more of the equity (ownership) interests in the entity that owns the QF are held by the following Persons: (i) the sponsoring organization or its controlled affiliates; (ii) members of the sponsoring organization (if it is a membership organization) or owners of the sponsoring organization (if it is privately owned); (iii) Persons who live in the county in which the QF is located or who live in a county adjoining the county in which the QF is located; or (iv) units of local government, charities, or other established nonprofit organizations active either in the county in which the QF is located or active in a county adjoining the county in which the QF is located.</p>	<p>a) A community project (or a community sponsored project) must have a recognized and established organization located within the county of the project or within 50 miles of the project that has a genuine role in helping the project be developed and must have some not insignificant continuing role with or interest in the project after it is completed and placed in service.</p> <p>b) After excluding the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, the equity (ownership) interests in a community sponsored project must be owned in substantial percentage (80 percent or more) by the following persons (individuals and entities): (i) the sponsoring organization, or its controlled affiliates; (ii) members of the sponsoring organization (if it is a membership organization) or owners of the sponsorship organization (if it is privately owned); (iii) persons who live in the county in which the project is located or who live a county adjoining the county in which the project is located; or (iv) units of local government, charities, or other established nonprofit organizations active either in the county in which the project is located or active in a county adjoining the county in which the project is located.</p>	<p>This term was moved to the Definitions section and revised slightly for clarity. The changes are not intended to alter the terms of the stipulation adopted in Order No. 06-586.</p>
Delivery Point	<p>For Off-System QFs, the Delivery Point is the point of delivery on the Company side of the interface with the applicable Balancing Authority, where the Company and the Seller have agreed that Seller will deliver energy to the Company from the QF. For On-System QFs, the Delivery Point is the high side of the generation step up transformer(s) located at the point of interconnection between the QF and the Company’s distribution or transmission system, where the Company and the Seller have agreed for the Seller to deliver energy to the Company.</p>	<p>n/a</p>	<p>This definition was added for clarity about where the QF must deliver energy to PGE.</p>
Eligibility Requirements	<p>The requirements that QFs must satisfy to be eligible to enter into a Standard PPA, which are set forth in Section V.1 below.</p>	<p>n/a</p>	<p>This definition was added to provide clarity about the use of the term elsewhere in the Schedule.</p>

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<p>Environmental Attributes</p>	<p>Any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the QF, regardless of whether or not (i) such environmental attributes have been verified or certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the effective date of the Standard PPA or at any time during the Term. Environmental Attributes include: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; (2) any credit, allowance or instrument issued or issuable pursuant to a state implementation plan under the Clean Power Plan promulgated by the Environmental Protection Agency under the Clean Air Act; (3) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (4) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the QF and REC Reporting Rights. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the QF and other financial incentives in the form of credits, reductions, or allowances associated with the QF that are applicable to a state or federal income taxation obligation, (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.</p>	<p>As used in this schedule, Environmental Attributes shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere.</p>	<p>This definition has been revised to clarify that it includes all attributes arising out of generation from the Facility, regardless of whether they are currently verified, certified, or recognized. It also clarifies that it includes any credits, allowances, or other instruments received as a result of the project and reporting rights. In addition, the definition now clarifies what are not environmental attributes.</p>
<p>Existing QF</p>	<p>Means a QF that (1) is or has been operational before the effective date of the Standard PPA to which it is a party, or (2) has ever sold energy or capacity to PGE or a third party before the effective date of the Standard PPA to which it is a party.</p>	<p>n/a</p>	<p>This definition was added to provide clarity about the use of the term elsewhere in the Schedule.</p>
<p>Facility Nameplate Capacity Rating</p>	<p>Means the sum of the Nameplate Capacity Ratings for all Generators comprising the Facility.</p>	<p>n/a</p>	<p>This definition was added to provide clarity and avoid any future disputes about a Facility's nameplate capacity rating.</p>
<p>Family-Owned QF</p>	<p>A QF that satisfies the following requirement: After excluding the ownership interest of the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, either (i) five or fewer natural persons own 50 percent or more of the equity of the entity that owns the QF, or (ii) fifteen or fewer individuals own 90 percent or more of the equity of the entity that owns the QF. For purposes of this definition, the following principles apply:</p> <p>a. A "look through" rule applies to closely held entities that hold the project entity, so that equity held by LLCs, trusts, estates, corporations, partnerships or other similar entities is considered held by the equity owners of the look through entity.</p> <p>b. In determining whether the thresholds in (i) or (ii) above have been met, spouses and children of an equity owner of the QF owner who also have an equity interest are aggregated and counted as a single individual.</p>	<p>After excluding the ownership interest of the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, five or fewer individuals own 50 percent or more of the equity of the project entity, or fifteen or fewer individuals own 90 percent or more of the project entity. A "look through" rule applies to closely held entities that hold the project entity, so that equity held by LLCs, trusts, estates, corporations, partnerships or other similar entities is considered held by the equity owners of the look through entity. An individual is a natural person. In counting to five or fifteen, spouses or children of an equity owner of the project owner who also have an equity interest are aggregated and counted as a single individual.</p>	<p>This term was moved to the "Definitions" section and revised slightly to read more clearly. The changes are not intended to alter the terms of the 06-586 Stipulation.</p>

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Firm Energy	Energy scheduled and delivered hourly by an Off-System QF to the Delivery Point on an uninterruptible basis via firm transmission rights in accordance with the Transmission Agreement(s) and the Standard PPA.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Generator	The electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Imbalance Energy	That portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not generated by the QF but is delivered to PGE as a result of Ancillary Services provided by a Balancing Authority, Transmission Provider, or other Reliability Entity.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Initial Information Request	A form that the Company provides to Sellers, which requests written information necessary for the Company to understand the QF project and prepare a draft Standard PPA. The Company may from time to time update or modify its Initial Information Request as deemed advisable by the Company to obtain information necessary for the Company to understand the QF project and prepare a draft Standard PPA.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Market Index Price	The applicable Powerdex hourly Mid-Columbia Index price for firm energy, at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing representative of the Delivery Point.	MID-C INDEX PRICE As used in this schedule, the daily Mid-C Index Price shall be the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: https://www.theice.com/products/OTC/Physical-Energy/Electricity . In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.	This definition was revised to indicate that the index price will be Powerdex instead of the Day Ahead ICE. This change stems from the switch to using hourly index prices, rather than day-ahead, which increases accuracy. This new definition also allows PGE the option to elect to use nodal pricing, which is locationally specific and also would increase accuracy.
Nameplate Capacity Rating	The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule. The first sentence of the definition mirrors the stipulated definition adopted in Order No. 07-360. The second sentence is substantively similar to the definition in PacifiCorp's agreements.
Net Output	All energy, expressed in kWhs, produced by the QF, less station service and other onsite uses.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
New QF	Any QF that is not an Existing QF.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Off-System QF	A QF that is not directly interconnected to PGE's transmission or distribution system.	OFF-SYSTEM PPA A Seller with a facility that interconnects with an electric system other than the Company's electric system may enter into a PPA with the Company after following the applicable Standard or Negotiated PPA guidelines and making the arrangements necessary for transmission of power to the Company's system.	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
On-System QF	A QF that is directly interconnected to PGE's transmission or distribution system.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Oregon Renewable Portfolio Standard	The renewable portfolio standard contemplated by ORS 469A.005 to ORS 469A.200, and the implementing regulations, in each case as amended from time to time.	Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.210	This term was used in the former Schedule, but it has been added to the definitions section and the definition has been revised slightly for clarity. The changes are not intended to be substantive.

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Oregon RPS-Qualified RECs	RECs that can be used by PGE to comply with the requirements of the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.200 and the implementing regulations.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Person(s)	Any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.	n/a	This standard commercial definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Product	Each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes and RECs transferred to the Company under the Standard PPA.	n/a	This definition was added to make clear all of the components purchased by the utility under the Standard PPA.
Qualifying Facility (QF)	A qualifying cogeneration facility or a qualifying small power production facility or facilities within the meaning of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.	n/a	This definition was added to be clear that the relevant definition of "Qualifying Facility" is the definition used in PURPA.
REC	Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as "green tags," "Green-e Certified," or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by a QF, as represented by the lesser of the final e-Tag or the actual Net Output on an hourly basis. All RECs delivered to PGE must comply with the Oregon Renewable Portfolio Standard.	Definition of RPS Attributes As used in this schedule, RPS Attributes means all attributes related to the Net Output generated by the Facility that are required in order to provide PGE with "qualifying electricity," as that term is defined in Oregon's Renewable Portfolio Standard Act, Ore. Rev. Stat. 469A.010, in effect at the time of execution of this Agreement. RPS Attributes do not include Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity.	This definition was revised to be more comprehensive to reflect the changing nature of the marketplace for environmental attributes.
REC Reporting Rights	The right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person's discretion, including without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Reliability Entity	A Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the QF or delivery of the Product, including the North American Electric Reliability Corporation and the Western Electricity Coordinating Council or any successor thereto.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Renewable Standard PPA	A Standard PPA that provides for the transfer of Oregon RPS-Qualified RECs to PGE during the Renewable Resource Deficiency Period.	n/a	This definition was added to provide additional clarity about the use and applicability of the Renewable Standard PPA.
Renewable Resource Deficiency Period	The period beginning in 2025.	This is the period from 2025.	This definition contains a non-substantive revision made to be consistent with the language used in defining Renewable Resource Sufficiency Period.
Renewable Resource Sufficiency Period	The period from the current year through 2024.	This is the period from the current year through 2024.	This definition contains a non-substantive revision made for drafting and clarity purposes.
Same Site	Generating facilities are considered to be located at the same site as the QF for which qualification for a Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the Standard PPA is sought.	For purposes of the foregoing, generating facilities are considered to be located at the same site as the QF for which qualification for pricing under the Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for pricing under the Standard PPA is sought.	This definition contains minor non-substantive changes made for drafting purposes. The last sentence was revised slightly to recognize that there are some QF projects that may qualify for the terms and conditions but not the pricing of the Standard PPA.

Scheduled Commercial Operation Date	The date memorialized in the Standard PPA by which Seller represents that commercial operation of the facility will be achieved. a. Sellers developing a New QF may select a Scheduled Commercial Operation Date anytime within three years from the date the Standard PPA is executed, or anytime later than three years after the date the Standard PPA is executed if the Seller establishes to the Company that a later Scheduled Commercial Operation Date is reasonable and necessary and the Company agrees. b. Sellers with an Existing QF seeking a new Standard PPA from PGE may select a Scheduled Commercial Operation Date anytime within one year from the date the Standard PPA is executed, or anytime later than one year after the date the Standard PPA is executed if the Seller establishes to the Company that a later Scheduled Commercial Operation Date is reasonable and necessary and the Company agrees.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule and to clarify the policies applicable to New and Existing QFs. Specifically, this section now memorializes PGE's policy that, for Existing QFs, the Scheduled Commercial Operation Date must be no later than one year after the date on which the Standard PPA is executed, unless the QF establishes that a later date is reasonable and PGE agrees. This requirement protects customers from outdated pricing and provides the Company with more certainty in resource planning. It also provides the QF with certainty regarding the avoided cost rates and allows plenty of time for the QF to complete a new PPA and finalize any other arrangements necessary to begin (or continue) selling power to PGE.
Seller	The entity selling or proposing to sell the Net Output of the QF to PGE pursuant to the terms and conditions of a Standard PPA.	...owners of QFs making sales of electricity to the Company in the State of Oregon (Seller)	This definition was added to the Definitions section and revised to be more detailed and specific.
Solar QF	A QF that generates energy using the sun as its motive force.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Standard Power Purchase Agreement (Standard PPA)	A standard pro forma Power Purchase Agreement approved by the Commission for the Company to execute with QFs meeting the Eligibility Requirements.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Transmission Agreement(s)	Agreement(s) between the Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy, at no less than the Facility Nameplate Capacity Rating, from the QF to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule and to provide clarity about what is required in the Transmission Agreement.
Transmission Provider	The transmission system operator(s) with whom the Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the QF to the Delivery Point.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
Wind QF	A QF that generates energy using wind as its motive force.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

<p>V. Eligibility Requirements</p>	<p>1. A Seller is eligible to enter into a Standard PPA if the QF meets the following eligibility requirements:</p> <p>a. The Facility Nameplate Capacity Rating of the QF, together with that of any other electric generating facility using the same motive force, owned or controlled by the Same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW. For purposes of applying this requirement, the following principles apply:</p> <ul style="list-style-type: none"> • Two QFs will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) solely because they are developed by a single entity. • Two Community-Based QFs or Family-Owned QFs will not be held to be owned or controlled by the same Person(s) or Affiliated Person(s) if such common Person or Persons is a “passive investor” whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent Family-Owned or Community-Based projects. A unit of Oregon local government may also be a “passive investor” in a Community-Based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission. <p>b. The QF satisfies the credit and insurance requirements set forth in the Standard PPA.</p>	<p>A QF will be eligible to receive pricing under the Standard PPA if the nameplate capacity of the QF, together with any other electric generating facility using the same motive force, owned or controlled by the Same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW. A Community-Based or Family-Owned QF is exempt from these restrictions. Furthermore, two facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) if such common person or persons is a “passive investor” whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent family-owned or community-based projects. A unit of Oregon local government may also be a “passive investor” in a community-based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.</p>	<p>This section was revised for drafting and clarity purposes, but the changes are non-substantive.</p>
	<p>2. A QF that does not meet the Eligibility Requirements in Section V.1 is not eligible for a Standard PPA but may seek a negotiated power purchase agreement pursuant to the terms of Schedule 202.</p>	<p>n/a</p>	<p>This section was added to clarify which QFs are eligible to receive a Standard PPA.</p>
	<p>3. Solar QF projects that meet the Eligibility Requirements in Section V.1 and that have Facility Nameplate Capacity Ratings (as calculated in Section V.1.a that exceed 3 MW but do not exceed 10 MW are eligible for a Standard PPA containing prices negotiated under Schedule 202 and are ineligible for the standard pricing options described in Sections XI and XV below. All QF projects with Facility Nameplate Capacity Ratings (as calculated in Section V.1) that exceed 10 MW are ineligible for a Standard PPA and the standard pricing options described in Section XI and Section XV below.</p>	<p>n/a</p>	<p>This section was added to incorporate the eligibility requirements adopted in Docket No. UM 1854 and to clarify which QFs are eligible to receive a Standard PPA.</p>
	<p>4. QFs otherwise meeting the ownership requirements set forth in Section V.1 of this Schedule and eligible for a Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs eligible for the Standard PPA, so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection contract requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved standard contract.</p>	<p>QFs otherwise meeting the above-described separate ownership test and thereby qualified for entitlement to pricing under the Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs qualifying for pricing under the Standard PPA so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection agreement requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved Standard PPA.</p>	<p>This section contains non-substantive changes made for drafting purposes.</p>

<p>VI. Standard PPA Options</p>	<p>PGE offers eight Standard PPAs. The following chart shows the available Standard PPAs and the criteria for determining which Standard PPA applies. The term of each PPA will be specified in the PPA and will expire or terminate no more than twenty years from the Scheduled Commercial Operation Date or on the date the PPA is terminated if earlier. Available pricing under the Standard PPAs is addressed separately in Section X below:</p> <p>Form of Standard PPA Eligible and Electing to Transfer Oregon RPS-Qualified RECs to PGE* On-System QF Wind QF or Solar QF Standard On-System Non-Variable PPA no yes no Standard Off-System Non-Variable PPA no no no Standard On-System Variable PPA** no yes yes Standard Off-System Variable PPA** no no yes Renewable Standard On-System Non-Variable PPA yes yes no Renewable Standard Off-System Non-Variable PPA yes no no Renewable Standard On-System Variable PPA** yes yes yes Renewable Standard Off-System Variable PPA** yes no yes</p> <p>*QFs that generate electricity from a source capable of producing Oregon RPS-Qualified RECs may elect to enter into a Renewable Standard PPA providing for the transfer of RECs to PGE but are not required to do so. Under the terms of a Renewable Standard PPA, a QF retains ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period, and transfers to PGE all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the term of the Renewable Standard PPA.</p> <p>**In addition to Wind QFs or Solar QFs, QFs utilizing run of river hydro as the primary motive force are eligible for Standard Variable PPAs.</p>	<p>The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Standard Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p> <p>The available Standard PPAs are:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Standard In-System Non-Variable Power Purchase Agreement <input type="checkbox"/> Standard Off-System Non-Variable Power Purchase Agreement <input type="checkbox"/> Standard In-System Variable Power Purchase Agreement <input type="checkbox"/> Standard Off-System Variable Power Purchase Agreement <input type="checkbox"/> Standard Renewable In-System Non-Variable Power Purchase Agreement <input type="checkbox"/> Standard Renewable Off-System Non-Variable Power Purchase Agreement <input type="checkbox"/> Standard Renewable In-System Variable Power Purchase Agreement <input type="checkbox"/> Standard Renewable Off-System Variable Power Purchase Agreement <p>The Standard PPAs applicable to variable resources are available only to QFs utilizing wind, solar or run of river hydro as the primary motive force.</p>	<p>This chart was added to provide additional clarity and detail concerning the PPAs offered by PGE. In addition, language was added to clarify when the PPA term begins, consistent with Order No. 17-256.</p>
<p>VII. Process for Obtaining a Standard PPA</p>	<p>1. Communications The QF application process will be conducted by electronic mail and all communications by the Seller should be directed to Qualifying.Facility@pgn.com. The Company will respond to all such communications in a timely manner. If the Company is not able to comply with a request by the Seller on the basis of incomplete or missing information from the Seller, the Company will notify the Seller of the additional information it requires.</p>	<p>n/a</p>	<p>This section was added to provide more detail and transparency about the QF application process.</p>
	<p>2. Process a. The Seller must submit a written request to the Company for a Standard PPA. In order to obtain a project-specific draft Standard PPA from the Company, the Seller must provide in writing to the Company general project information, including but not limited to information sufficient to allow the Company to (i) understand the existing or proposed QF project, (ii) determine whether the QF project is eligible for a Standard PPA and (iii) complete a draft Standard PPA.</p>	<p>n/a</p>	<p>This section was added to provide more detail and transparency about the QF application process.</p>

	<p>b. To meet the requirements of Section VII.2.a above, Seller must complete an Initial Information Request that is available from the Company's website (https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge) and appropriate for the type of QF for which the Seller seeks a Standard PPA. The Seller must submit the completed Initial Information Request to the Company in electronic format as an Excel workbook or in such other reasonable format as may be required by the Company.</p>	n/a	This section was added to provide more detail and transparency about the QF application process.
	<p>c. After receiving a completed Initial Information Request from the Seller, the Company may request that the Seller provide additional or clarifying information if necessary for the Company to fully understand the Seller's proposal or if necessary for the Company to complete a draft Standard PPA. If the Company requires additional or clarifying information, it will request such information from the Seller in writing within 15 business days of receiving a completed Initial Information Request from the Seller. If necessary, the Company may repeat this process until it has obtained all necessary additional or clarifying information.</p>	n/a	This section was added to provide more detail and transparency about the QF application process.
	<p>d. The Company will provide the Seller with a draft Standard PPA within 15 business days following receipt of all information in the Initial Information Request and any additional clarifying information requested by the Company. The Company may re-issue a draft Standard PPA if there are any material changes to the information provided by the Seller to the Company, including but not limited to changes to the Facility Nameplate Capacity Rating, the applicable minimum, maximum, or estimated average Net Output delivered to the point of interconnection, the location, the motive force, or the Scheduled Commercial Operation Date.</p>	When all information required in the Standard PPA has been received in writing from the Seller, the Company will respond within 15 business days with a draft Standard PPA.	This section was revised to provide more detail and transparency about the QF application process.
	<p>e. If the Seller desires to proceed with the Standard PPA after reviewing the Company's draft Standard PPA, it must request in writing that the Company prepare a final draft Standard PPA. In connection with such request, the Seller must provide the Company with an update on the generation interconnection and transmission arrangements for the QF. After reviewing the draft Standard PPA provided by PGE, the Seller may either prepare a set of written comments and proposals (including without limitation a request for any changes or modifications to information previously provided by the Seller to the Company) or the Seller can approve the draft Standard PPA in writing without requesting any changes or modifications.</p>	The Seller may request in writing that the Company prepare a final draft Standard PPA. The Company will respond to this request within 15 business days. In connection with such request, the QF must provide the Company with any additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft Standard PPA.	This section was revised to provide more detail and transparency about the QF application process.

	<p>f. If the Seller provides PGE with a set of written comments and proposals for any changes or modifications to the draft Standard PPA, the Company will have 15 business days from the receipt of such written comments and proposals within which to: (i) request additional or clarifying information from the Seller; (ii) provide the Seller with a revised draft Standard PPA (if the Seller has requested a material change to the prior draft Standard PPA and PGE has all of the information it requires to understand the project and prepare a revised draft Standard PPA); or (iii) provide the Seller with a final draft Standard PPA (if the Seller has not requested a material change to the prior draft Standard PPA and PGE has all of the information it requires to understand the project and prepare a final draft Standard PPA). If the Seller provides PGE with a written request for a final draft Standard PPA and does not submit any written comments or proposals to materially modify any of the terms and conditions of the last draft Standard PPA provided by PGE, then PGE will provide the Seller with a final draft Standard PPA within 15 business days of such a written request.</p>	<p>n/a</p>	<p>This section was added to provide more detail and transparency about the QF application process.</p>
	<p>g. After reviewing the final draft Standard PPA, the Seller may either provide the Company with written comments and proposals regarding the final draft Standard PPA (including without limitation, a request for any changes or modifications to information previously provided by the Seller to the Company) or the Seller may approve the final draft Standard PPA in writing without requesting any changes. If the Seller prepares written comments and proposals the Company will respond in 15 business days to those comments and proposals. If the Seller proposes any material changes to the final draft Standard PPA and the Company accepts such changes, the Company will either: (i) request any additional or clarifying information required by the Company to understand the project proposal; or (ii) issue a revised draft Standard PPA. After receiving written approval of a final draft Standard PPA without requesting any material changes or modifications, the Company will prepare and forward to the Seller a final executable version of the Standard PPA within 15 business days.</p>	<p>When both parties are in full agreement as to all terms and conditions of the draft Standard PPA, the Company will prepare and forward to the Seller a final executable version of the agreement within 15 business days.</p>	<p>This section was revised to provide more detail and transparency about the QF application process.</p>
	<p>h. Once the Seller executes the final executable version of the Standard PPA and returns all copies to the Company, the Company will execute the Standard PPA. Following the Company's execution, a fully executed copy will be returned to the Seller. The Standard PPA will not be final and binding until the Standard PPA has been executed by both parties. The prices paid to the Seller will be those approved by the Commission at the time PGE receives the final executable version of the Standard PPA executed by the Seller.</p>	<p>Following the Company's execution, an executed copy will be returned to the Seller. Prices and other terms and conditions in the PPA will not be final and binding until the Standard PPA has been executed by both parties.</p>	<p>This section was revised to provide more detail and transparency about the QF application process.</p>

<p>VIII. Interconnection Requirements</p>	<p>In addition to executing a PPA, QFs connecting directly to the Company's electrical system are required to enter into an interconnection agreement with the Company that governs the physical interconnection of the project at its Nameplate Capacity Rating to the Company's electrical system. QFs must contact the Company's Transmission and Reliability Services Department to arrange for interconnection. The Company's interconnection process can take up to 36 months, depending on the complexity of the project and the length of time necessary for interconnection studies. QFs interconnecting directly to transmission or distribution systems owned by entities other than the Company must contact the owner of such systems to determine the interconnection requirements and wheeling arrangements necessary to move the power to the Delivery Point.</p>	<p>Except as otherwise provided in a generation Interconnection Agreement between the Company and Seller, if the QF is located within the Company's service territory, switching equipment capable of isolating the QF from the Company's system will be accessible to the Company at all times. At the Company's option, the Company may operate the switching equipment described above if, in the sole opinion of the Company, continued operation of the QF in connection with the utility's system may create or contribute to a system emergency.</p> <p>The QF owner interconnecting with the Company's distribution system must comply with all requirements for interconnection as established pursuant to Commission rule, in the Company's Rules and Regulations (Rule C) or the Company's Interconnection Procedures contained in its FERC Open Access Transmission Tariff (OATT), as applicable. The Seller will bear full responsibility for the installation and safe operation of the interconnection facilities.</p>	<p>This section was revised to add language ensuring that owners of QFs are aware of applicable interconnection requirements and processes. Language pertaining to switching equipment was deleted as such matters will be addressed in the interconnection agreement.</p>
<p>IX. Upgrades for Off-System QFs</p>	<p>The Company will evaluate available delivery capability on the Company's system between the Delivery Point and the Company's designated sink point that is required to enable the Company to accept delivery of the QF's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to the Company's designated sink point. If the Company determines that sufficient delivery capability exists on the Company's transmission system, the Company will arrange, be responsible for, and make available transmission service on the Company's transmission system from the Delivery Point to the designated sink point. If the Company determines that insufficient delivery capability exists on the Company's system: (i) the Seller will be responsible for obtaining and paying for necessary studies and paying for any upgrades necessary to enable the Company to accept deliveries of Net Output from the QF and to effectuate delivery from the Delivery Point to the Company's designated sink point; or (ii) the Seller will be responsible for acquiring and paying for any necessary transmission service from third-party Transmission Providers necessary to effectuate delivery from the Delivery Point to the Company's designated sink point. If any upgrades to the Company's system are identified pursuant to part (i), the Company and the Seller shall enter into an agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades provided that Seller may terminate the Standard PPA if the cost of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000). After all necessary upgrades have been completed, PGE will arrange, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.</p>	<p>n/a</p>	<p>This new section incorporates the requirement for the QF to bear the cost of any necessary upgrades to enable delivery, which has been PGE's policy but was not reflected in the former Schedule. This requirement ensures that the QF is responsible for all costs required to allow delivery of its output to PGE and that such costs are not borne by PGE's customers, as required by PURPA.</p>
<p>X. Upgrades for On-System QFs</p>	<p>Any upgrades required to enable the Company to effectuate delivery of the QF's Net Output to the Company's designated sink point will be identified and addressed in the interconnection process. Seller is responsible for paying for any identified upgrades, pursuant to Oregon Administrative Rules Chapter 860, Division 82. If an On-System QF's interconnection is not subject to OAR 860-082, then any upgrades necessary for delivery will be identified and assessed to the Seller through a separate process similar to the process described in Section IX.</p>	<p>n/a</p>	<p>This section was added to clarify that upgrades for on-system QFs will be addressed in the interconnection process.</p>

<p>XI. Pricing Options</p>	<p>The Company offers two categories of pricing options for QFs: (1) Non-Renewable Fixed Price Options, which are available to all QFs meeting the Eligibility Requirements and not entering into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above); and (2) Renewable Fixed Price Options, which are available to QFs meeting the Eligibility Requirements that are eligible and elect to enter into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above). (See Section VI above for a description of eligibility requirements to enter into Renewable Standard PPAs.) Prices will be those in effect at the time the Seller delivers to PGE a signed Standard PPA that is in final executable form pursuant to the procedures described in Article VII above. Additional details about pricing options are provided below.</p>	<p>The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.</p>	<p>This section was revised to provide additional detail about the two pricing options and to state the Commission's current policy, articulated in Order No. 16-174, as to when a QF locks in its avoided cost prices. The names of the two pricing options were changed to more clearly describe the options.</p>
<p>1) Non-Renewable Fixed Price Options</p>	<p>Non-Renewable Fixed Price Options are available to all QFs meeting the Eligibility Requirements and that are ineligible for, or do not elect to enter into, a Renewable Standard PPA, provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Non-Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. This fixed price option is available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date. Prices will be equal to the Non-Renewable prices in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF.</p> <p>If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 2a and 2b.</p> <p>A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Market Index Price based on the interval that the energy is generated and delivered for the remainder of the term after the 15-year fixed price option period expires.</p>	<p>The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Standard Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both the Base Load QF resources (Tables 1a and 1b) and the avoided proxy resource, the basis used to determine Standard Avoided Costs for the Standard Fixed Price Option, are assumed to have a capacity contribution to peak of 100%. The capacity contribution for Wind QF resources (Tables 2a and 2b) is assumed to be 5%. The capacity contribution for Solar QF resources (Tables 3a and 3b) is assumed to be 5%.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option for Wind QFs (Tables 2a and 2b) include a reduction for the wind integration costs in Table 7. However, if the Wind QF is outside of PGE's Balancing Authority Area as contemplated in the Commission's Order No. 14-058, the Seller is paid the wind integration charges in Table 7, in addition to the prices listed in Tables 2a and 2b, for a net-zero effect.</p>	<p>The section was revised for clarity. However, the only substantive change is the language stating that Non-Renewable Fixed Price Options are not available to QFs that are eligible for a Renewable PPA if the non-renewable fixed prices are higher than the renewable fixed prices. PGE recognizes that this is an issue the Commission plans to address in a future generic investigation. Docket No. UM 1729, Order No. 18-289 at 1 & 6.</p>

<p>2) Renewable Fixed Price Options</p>	<p>Renewable Fixed Price Options are available to QFs that meet the Eligibility Requirements and that are eligible for and elect to enter into a Renewable Standard PPA; provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. These fixed price options are available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date.</p> <p>If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 5a and 5b.</p> <p>A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of the Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Market Index Price based on the interval the energy is generated for the remainder of the term after the 15-year fixed price option period expires.</p>	<p>The Renewable Fixed Price Option is based on Renewable Avoided Costs. It is available only to Renewable QFs that generate electricity from a renewable energy source that may be used by the Company to comply with the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.210.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Renewable Avoided Costs in Tables 4a and 4b, 5a and 5b, or 6a and 6b, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p>	<p>This section was revised to provide additional clarity and detail about the Renewable Fixed Price Option.</p>
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<p>3) Pricing Tables</p>	<p>The prices paid to QFs under a Standard PPA are set forth in the tables provided in Section XV. The chart provided below describes which QFs are eligible for the available pricing options.</p> <p>PRICING TABLES ELIGIBLE QFs (in all cases must be eligible for a Standard PPA) Tables 1a, 1b: Non-Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF All QFs, other than Wind QFs and Solar QFs, that are either ineligible for or elect not to enter into a Renewable Standard PPA. Tables 2a, 2b: Non-Renewable Fixed Price Option for Wind QF All Wind QFs that elect not to enter into a Renewable Standard PPA. Tables 3a, 3b: Non-Renewable Fixed Price Option for Solar QF All Solar QFs sized at or below 3 MW (calculated as described in Section V above) that elect not to enter into a Renewable Standard PPA. Tables 4a, 4b: Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF All QFs, other than Wind QFs and Solar QFs, that are eligible for and elect to enter into a Renewable Standard PPA. Tables 5a, 5b: Renewable Fixed Price Option for Wind QF Wind QFs that are eligible for and elect to enter into a Renewable Standard PPA. Tables 6a, 6b: Renewable Fixed Price Option for Solar QF Solar QFs sized at or below 3 MW (calculated as described in Section V above) that are eligible for and elect to enter into a Renewable Standard PPA. Table 7: Wind Integration Costs Wind QFs not directly interconnected to PGE's transmission or distribution system.</p>	<p>The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Standard Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both the Base Load QF resources (Tables 1a and 1b) and the avoided proxy resource, the basis used to determine Standard Avoided Costs for the Standard Fixed Price Option, are assumed to have a capacity contribution to peak of 100%. The capacity contribution for Wind QF resources (Tables 2a and 2b) is assumed to be 5%. The capacity contribution for Solar QF resources (Tables 3a and 3b) is assumed to be 5%.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option for Wind QFs (Tables 2a and 2b) include a reduction for the wind integration costs in Table 7. However, if the Wind QF is outside of PGE's Balancing Authority Area as contemplated in the Commission's Order No. 14-058, the Seller is paid the wind integration charges in Table 7, in addition to the prices listed in Tables 2a and 2b, for a net-zero effect.</p>	<p>This section was added to make it easier for Sellers to understand which pricing tables are applicable to each type of QF.</p>
<p>XII. Monthly Service Charge</p>	<p>Each separately metered QF not associated with a retail customer account will be charged the basic meter charge set forth in Schedule 300 of PGE's Retail Tariff.</p>	<p>Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.</p>	<p>This section was revised to reference the section of the tariff containing the basic meter charge.</p>

<p>XIII. Dispute Resolution</p>	<p>In the event that any dispute arises between the Company and the owner of a QF in connection with the provisions of this Schedule, the Company and the owner of the QF will promptly meet and use all reasonable efforts to negotiate in good faith a resolution to the matter. If the Company and the owner of the QF cannot resolve the dispute within five business days after the dispute arose, then either party may file a complaint asking the Commission to adjudicate the dispute. Disputes arising in connection with an executed Standard PPA will be resolved in accordance with the terms of the Standard PPA.</p>	<p>Upon request, the QF will provide the purchasing utility with documentation verifying the ownership, management and financial structure of the QF in reasonably sufficient detail to allow the utility to make an initial determination of whether or not the QF meets the above-described criteria for entitlement to pricing under the Standard PPA. The QF may present disputes to the Commission for resolution using the following process:</p> <p>The QF may file a complaint asking the Commission to adjudicate disputes regarding the formation of the standard contract. The QF may not file such a complaint during any 15-day period in which the utility has the obligation to respond, but must wait until the 15-day period has passed.</p> <p>The utility may respond to the complaint within ten days of service. The Commission will limit its review to the issues identified in the complaint and response, and utilize a process similar to the arbitration process adopted to facilitate the execution of interconnection agreements among telecommunications carriers. See OAR 860, Division 016. The administrative law judge will not act as an arbitrator.</p>	<p>This section was revised to incorporate a new process for the resolution of disputes. It is intended to (i) ensure that the parties attempt to resolve disputes informally before going to the Commission; and (ii) provide a timely process for getting the dispute in front of the Commission, if it cannot be resolved informally. The former language detailing how the Commission handles Complaints has been removed, because such information is in the Commission's rules and does not need to be included here.</p>
<p>XIV. Special Conditions</p>	<p>1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company.</p> <p>2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer.</p> <p>3. Unless required by state or federal law, if the Public Utility Regulatory Policies Act of 1978 (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard PPA's termination date.</p>	<p>1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company.</p> <p>2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer.</p> <p>3. Unless required by state or federal law, if the 1978 Public Utility Regulatory Policies Act (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard or Negotiated PPA's termination date.</p>	<p>This section has not been changed, except to remove the reference to Negotiated PPAs, because Schedule 201 addresses Standard PPAs only.</p>
<p>XV. Pricing Options</p>	<p>The following tables set forth the pricing approved by the Commission for use in the Standard PPAs. The following tables will not apply to Solar QFs with a Facility Nameplate Capacity Rating (calculated as described in Section V above) exceeding 3 MW.</p> <p>For purposes of the following tables, "On-Peak Hours" are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays, and "Off-Peak Hours" are all hours other than On-Peak Hours. These time periods will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April and for the period between the last Sunday in October and the first Sunday in November.</p>	<p>Monthly On-Peak prices are included in both the Standard Avoided Costs as listed in Tables 1a, 2a, and 3a and Renewable Avoided Costs as listed in Tables 4a, 5a, and 6a. Monthly Off-Peak prices are included in both the Standard Avoided Costs as listed in Tables 1b, 2b, and 3b and Renewable Avoided Costs as listed in Tables 4b, 5b, and 6b.</p> <p>ON-PEAK PERIOD The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.</p> <p>OFF-PEAK PERIOD The Off-Peak period is 10:00 p.m. until 6:00 a.m., Monday through Saturday, and all day on Sunday.</p>	<p>This section has been revised to incorporate the eligibility requirements for solar QFs adopted in Docket No. UM 1854. In addition, table descriptions were revised for clarity, and the definition of "On-Peak Hours" was clarified to exclude NERC holidays and to address daylight savings time.</p>

**Power Purchase Agreement
Explanatory Matrix**

PPA Matrix
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Section	New Provision	Former Provision	Why Was this Provision Added/Changed	Type of Change
	<p>This STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“Agreement”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“Seller”) and Portland General Electric Company, an Oregon corporation (“PGE”) (hereinafter each a “Party” and collectively, “Parties”).</p> <p><input type="checkbox"/> Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or</p> <p><input type="checkbox"/> Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an Exhibit G containing the negotiated prices agreed to by the Parties].</p>	<p>THIS AGREEMENT is between (“Seller”) and Portland General Electric Company (“PGE”) (hereinafter each a “Party” or collectively, “Parties”) and is effective upon execution by both Parties (“Effective Date”).</p>	<p>The introductory portion of the PPA has been revised to provide additional detail regarding the parties to the PPA and to include Options A and B, which implement the settlement in UM 1854, which makes permanent the lowering of the solar-project eligibility threshold for standard rates to 3 MW or less.</p>	<p>detail/clarity, implement agreed-upon policy change</p>
RECITALS	<p>A. [New QF] Seller is a New QF and intends to construct, own, operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in Exhibit A and Exhibit B (“Facility”).</p> <p>A. [Existing QF] Seller is an Existing QF and owns and intends to operate and maintain a _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in Exhibit A and Exhibit B (“Facility”).</p> <p>B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.</p> <p>C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement.</p>	<p>Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt (“kW”), as further described in Exhibit A (“Facility”); and</p> <p>Seller intends to operate the Facility as a “Qualifying Facility,” as such term is defined in Section 3.1.3, below.</p> <p>Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.21, below, from the Facility in accordance with the terms and conditions of this Agreement.</p>	<p>The Recitals have been revised slightly to clarify that the relevant definition of “Qualifying Facility” is FERC’s definition, as codified in 18 CFR 292. In addition, there are two options for Part A to account for the fact that existing QFs are already constructed. The language of Part C has been revised to be more consistent with a recital instead of the mandatory “shall.”</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“Affiliate” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.</p>	<p>n/a</p>	<p>This definition is adapted from the definition of “Affiliated Person” contained in the partial stipulation adopted in Order No. 06-586. The definition is used in QF and PGE representations and warranties provisions (Sections 8.1.4 and 8.2.4), the post-termination PURPA status provision (Section 10.5), and in the indemnity provisions (Sections 11.1 and 11.2).</p>	<p>implement Commission order</p>
1.1 Defined Terms	<p>“Agreement” means this Standard Renewable Off-System Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.</p>	<p>n/a</p>	<p>This standard commercial definition was added to the Definitions for clarity, but does not represent a substantive change from the former PPA.</p>	<p>commercially reasonable and standard, detail/clarity</p>
1.1 Defined Terms	<p>“Ancillary Services” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services” including energy imbalance services, generation imbalance services, regulation and frequency response services, reactive supply services, voltage control services, inadvertent energy flow services, control area services, system integration services, operating spinning reserve services, and operating supplemental reserve services.</p>	<p>n/a</p>	<p>This new definition is used in the definitions of Imbalance Energy, Lost Energy Value, and Transmission Agreement (Section 1.1) and in the scheduling provisions (Section 3.6.1.3). It was added to increase detail and in turn clarify each of these concepts.</p>	<p>detail/clarity</p>

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1.1 Defined Terms	“Applicable Law” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.	n/a	This standard commercial definition was added to the Definitions for clarity.	commercially reasonable and standard, detail/clarity
1.1 Defined Terms	“As-built Supplement” means a supplement to Exhibit A provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.	“As-built Supplement” means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.	This definition was modified slightly to clarify that an As-built Supplement is required following modification of the Facility--a concept which also is present in PacifiCorp's agreements. The change ensures that PGE will always have an accurate As-built Supplement.	detail/clarity
1.1 Defined Terms	“Balancing Authority” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area in which the Facility is located.	n/a	This new definition is used in the definitions of Delivery Point, Imbalance Energy, and Reliability Entity (Section 1.1) and in the scheduling provisions (Section 3.6.3). The term "balancing authority" was present in the former PPA but was not defined, and the addition of this definition increases clarity in the revised PPA.	detail/clarity
1.1 Defined Terms	“Bankrupt” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they become due.	n/a	This standard commercial definition was added because it is a commercial best practice to have a clear definition of bankruptcy in a contract to avoid doubt or potential disputes. This definition is used in the representations and warranties provisions (Sections 8.1.6.1 and 8.2.5).	commercially reasonable and standard, detail/clarity
1.1 Defined Terms	“Base Hours” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years).	“Base Hours” is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year).	This definition has not been substantively changed. However, the term "Base Hours" has been replaced with "Base Year" for clarity.	detail/clarity
1.1 Defined Terms	“Billing Period” means one calendar month or such other period (not to exceed three months) as PGE may establish by written notice to Seller, during the Delivery Period, in the event that PGE reasonably determines that changing the length of a Billing Period will have a de minimis effect on the cost of Seller's Net Output to PGE.	"Billing Period" means from the start of the first day of each calendar month to the end of the last day of each calendar month.	This definition was revised to allow flexibility in the length of the billing period and the netting period for imbalance energy (discussed below in Section 3.2), so long as altering the length of the billing period will have a de minimis effect. PacifiCorp's agreements also provide for flexibility in the length of the netting period (up to one year) if the effect will be de minimis. It is important for the billing period and netting period to align, because it would be difficult to bill without completing the netting calculation (settlement).	improves PGE's contract administration practices

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1.1 Defined Terms	<p>“Capacity Attributes” means any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility’s capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Notwithstanding any other provision of this Agreement, “Capacity Attributes” do not include: (i) tax credits, deductions, or tax benefits associated with the Facility, (ii) any state, federal, local, or private cash payments or grants relating in any way to the Facility or the Net Output, or (iii) Environmental Attributes.</p>	n/a	<p>This new definition is intended to clarify what is included in the “Product” sold and paid for under the PPA.</p>	detail/clarity
1.1 Defined Terms	<p>“Cash Escrow” means an agreement among Seller, PGE, and a third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.</p>	<p>“Cash Escrow” means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.</p>	<p>This definition was revised in two substantive ways. First, it now requires the third-party escrow agent to be reasonably acceptable to PGE, which is a commercially reasonable and standard term. Second, it provides that amounts in the cash escrow will earn interest, which is also a commercially reasonable and standard term, and which represents a benefit to QFs that was not present in the former PPA.</p>	commercially reasonable and standard
1.1 Defined Terms	<p>“Claims” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.</p>	n/a	<p>This new definition was added to specifically define the claims encompassed in the indemnity provisions (Sections 11.1 and 11.2). The new definition is a standard commercial definition.</p>	detail/clarity, commercially reasonable and standard
1.1 Defined Terms	<p>“Commercial Operation” has the meaning given to it in Section 2.5.</p>	n/a	<p>This new definition refers to the description of Commercial Operation in Section 2.5. However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.</p>	detail/clarity
1.1 Defined Terms	<p>“Commercial Operation Date” has the meaning given to it in Section 2.6.</p>	<p>The requirements for COD (that are now in Section 2.5) were contained in the Definitions in the old PPA.</p>	<p>This definition now refers to the requirements for COD specified in Section 2.6, rather than listing the requirements in the Definitions. This results in a clearer, more organized agreement.</p>	detail/clarity
1.1 Defined Terms	<p>“Commission” means the Public Utility Commission of Oregon.</p>	n/a	<p>This new definition was added for clarity and avoidance of doubt.</p>	detail/clarity

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1.1 Defined Terms	<p>“Contract Price” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for _____ [specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule], as published in the Schedule and attached as Exhibit F (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as Exhibit G, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.</p>	<p>“Contract Price” means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.</p>	<p>This definition was revised to incorporate the Commission's guidance regarding the 15-year fixed-price term, to clarify the applicable prices over the entire term of the PPA, and to implement the revised eligibility cap for standard contract prices for solar facilities agreed upon in Docket No. UM 1854. In addition, this definition aligns with the approach advocated by QF parties in UM 1805--for QFs whose actual Commercial Operation Date occurs before the Scheduled Commercial Operation Date, the 15-year fixed-price term begins on the actual Commercial Operation Date, which benefits QFs. See Order No. 17-373, App'x A at 3.</p>	<p>detail/clarity, implement Commission order and agreed-upon policy change</p>
1.1 Defined Terms	<p>“Contract Year” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending at 24:00 hours PPT on December 31; provided, however, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.</p>	<p>“Contract Year” means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final Contract Year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.</p>	<p>This definition was revised to align the Contract Year with the calendar year (except during the first and last years of the term), because this approach is easier to administer than the approach in the former PPA of measuring the contract year from the Commercial Operation Date, on a rolling basis.</p>	<p>improves PGE's contract administration practices</p>
1.1 Defined Terms	<p>“Credit Support” has the meaning given to it in Section 9.1.</p>	<p>n/a</p>	<p>This new definition is used in the commercial operation provisions (Section 2.5.7), representations and warranties provisions (Section 8.1.6), credit support provisions (Sections 9.1 and 9.2), and default provisions (Section 10.1.6). This definition refers to the description of Credit Support in Section 9.1. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“Creditworthiness Requirements” has the meaning given to it in Section 8.1.6.</p>	<p>n/a</p>	<p>This new definition is used in the representations and warranties provisions (Section 8.1.6) and in the credit support provisions (Section 9.1). This definition refers to the description of the Creditworthiness Requirements in Section 8.1.6. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“Delay Damages” has the meaning given to it in Section 2.7 .</p>	<p>n/a</p>	<p>This new definition is used in the provision regarding scheduled Commercial Operation Date (Section 2.7) and the provision regarding invoicing and payment for delay damages (Section 4.2). This definition refers to the description of Delay Damages in Section 2.7. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.</p>	<p>detail/clarity</p>

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1.1 Defined Terms	"Delivery Point" means the point of delivery on the PGE side of the interface with the applicable Balancing Authority, where the Parties have agreed that Seller will deliver energy to PGE from the Facility, as specified in Exhibit B .	Point of Delivery means the PGE system.	This definition replaces the definition for "Point of Delivery" in the former PPA. The term "Delivery Point" replaces "Point of Delivery" to avoid confusion with the technical scheduling term "Point of Delivery." Moreover, this definition has been revised to clarify that a QF must be able to achieve delivery.	detail/clarity
1.1 Defined Terms	"e-Tags" has the meaning given to it in Section 3.6.1.2.	n/a	This new definition is used in the scheduling provisions (Sections 3.6.1.2, 3.6.1.3, 3.6.1.4, and 3.6.2.2). The term "E-Tag" appeared in the former PPA but was not defined. This definition, a standard commercial definition, is included in this PPA because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity, commercially reasonable and standard
1.1 Defined Terms	"Effective Date" has the meaning given to it in Section 2.1.	same	This definition is unchanged.	n/a
1.1 Defined Terms	"Environmental Attributes" means any and all claims, credits, benefits, emissions reductions, offsets, and allowances, however named, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the Facility, regardless of whether or not (i) such environmental attributes have been verified or certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the Effective Date or at any time during the Term. Environmental Attributes include: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; (2) any credit, allowance or instrument issued or issuable pursuant to a state implementation plan under the Clean Power Plan promulgated by the Environmental Protection Agency under the Clean Air Act; (3) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (4) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the Facility and REC Reporting Rights. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.	"Environmental Attributes" shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere.	This definition has been revised to clarify that it includes all attributes arising out of generation from the Facility, regardless of whether they are currently verified, certified, or recognized. It also clarifies that it includes any credits, allowances, or other instruments received as a result of the project and reporting rights. In addition, the definition now clarifies what are <i>not</i> environmental attributes.	detail/clarity
1.1 Defined Terms	"Estimated Monthly Average Net Output" means the relevant amounts specified in the table in Exhibit C .	n/a	This new definition is used in the definition of Lost Energy and Required Credit Support (Section 9.1), and the definition is added here for detail and clarity.	detail/clarity
1.1 Defined Terms	"Existing QF" means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.	n/a	This new definition is added to provide clarity regarding the portions of the PPA that do not apply to Existing QFs.	detail/clarity
1.1 Defined Terms	"Facility" has the meaning given to it in the Recitals.	Facility has the meaning set forth in the Recitals.	This definition has not been substantively changed.	non-substantive

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1.1 Defined Terms	“Facility Nameplate Capacity Rating” means the sum of the Nameplate Capacity Ratings for all Generators comprising the Facility.	n/a	This new definition was added in an effort to achieve absolute clarity and avoid any future disputes about a Facility's nameplate capacity rating. PacifiCorp's agreements also define "Facility Capacity Rating."	improves PGE's contract administration practices
1.1 Defined Terms	“FERC” means the Federal Energy Regulatory Commission or any successor government agency.	n/a	The former PPA included a reference to the Federal Energy Regulatory Commission ("FERC") but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“Firm Energy” means energy scheduled and delivered hourly to the Delivery Point on an uninterruptible basis via firm transmission rights in accordance with the Transmission Agreement(s).	n/a	This new definition is used in the definitions of Adjusted Delivered Net Output, Imbalance Energy, and Transmission Provider (Section 1.1), as well as in the delivery provisions (Sections 3.1 and 3.2), prices and payment provision (Section 4.1.1) and representations and warranties provisions (Section 8.1.10). This definition was added to make clear the QF's obligation under this agreement to deliver firm energy.	detail/clarity
1.1 Defined Terms	“Generator” means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.	n/a	This new definition is used in the definitions of Facility Nameplate Capacity Rating, Generation Unit, and Nameplate Capacity Rating. The term "generator" was used in the former PPA but is defined here for clarity.	detail/clarity
1.1 Defined Terms	“Generation Unit” means each separate electrical Generator of the Facility that contributes to the Specified Facility Nameplate Capacity Rating included in Exhibit A .	“Generation Unit” means each separate electrical generator that contributes toward Nameplate Capacity Rating included in Exhibit A. For solar facilities, a generating unit is a complete solar electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility	This defined term is used in the definitions of Mechanical Availability Percentage and Mechanical Availability Guarantee. Now that "Generator" is itself a defined term in this PPA, the additional language in the prior definition is extraneous and has been removed.	detail/clarity
1.1 Defined Terms	“Governmental Authority” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.	n/a	This standard commercial definition was added to the Definitions for clarity.	detail/clarity
1.1 Defined Terms	“Imbalance Energy” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.	n/a	This new definition is used in the definition of Product (Section 1.1) and the provisions related to delivery and sale (Section 3.1), obligation to minimize delivery of imbalance energy (Section 3.2), scheduling (Section 3.5.2), prices and payment (Section 4.1.1), and representations and warranties (Section 8.1.10.1). This definition was added to clarify the approach to pricing and netting imbalance energy, discussed in more depth in Sections 3 and 4 below. PacifiCorp also takes a netting approach to imbalance energy.	improves PGE's contract administration practices

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1.1 Defined Terms	<p>“Interconnection Agreement” means an agreement governing the interconnection of the Facility with _____’s [<i>specify relevant Transmission Provider or distribution system owner</i>] electric system, having a term ending no earlier than the expiration date of this Agreement.</p>	<p>“Generation Interconnection Agreement” means an agreement governing the interconnection of the Facility with _____electric system.</p>	<p>This definition was revised to clarify that the term of the interconnection agreement must end no earlier than the expiration of the PPA.</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“Interconnection Rating” means the Facility capacity rating specified in the Interconnection Agreement, or, if no Interconnection Agreement exists, in the application seeking interconnection.</p>	<p>n/a</p>	<p>This new definition is used in the definition of Net Available Capacity and in Exhibit C. This definition adds detail and increases clarity.</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“kW” and “kWh” mean kilowatt and kilowatt hour, respectively.</p>	<p>n/a</p>	<p>The terms kW and kWh were used in the former PPA but were not defined in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“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 PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.</p>	<p>“Letter of Credit” means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.</p>	<p>This definition was revised to conform to the definition in PacifiCorp’s agreements, which is more commercially reasonable and standard than the definition in the former PPA.</p>	<p>commercially reasonable and standard</p>
1.1 Defined Terms	<p>“Licensed Professional Engineer” means a person who is licensed to practice engineering in the state where the Facility is located, 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 and be acceptable to PGE in its reasonable judgment.</p>	<p>same</p>	<p>This definition is unchanged.</p>	<p>n/a</p>
1.1 Defined Terms	<p>“Lost Energy” means (in kWh) either A. In connection with a Facility after the Commercial Operation Date, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or B. In connection with a Facility before the Commercial Operation Date, if the Seller fails to meet the Scheduled Commercial Operation Date, the sum of the Estimated Monthly Average Net Output for each month during the period from the Scheduled Commercial Operation Date until the actual Commercial Operation Date. The Estimated Monthly Average Net Output may be pro-rated for any partial months; or C. In connection with a Facility whose Agreement has been terminated for default, the lesser of the sum of the Estimated Monthly Average Net Output for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output for each month from the date of termination through the end of the term. The Estimated Monthly Average Net Output may be pro-rated for any partial months.</p>	<p>“Lost Energy” means ((the Guarantee of Mechanical Availability as set forth in 3.1.10 / MAP) X Net Output for a Calendar Year) – Net Output for the Calendar Year. Lost Energy shall be zero unless the result of the calculation in this subsection results in a positive number; see also section 9.2 of standard PPA (“Seller shall have one year in which to cure the default [which include failure to meet Scheduled Commercial Operation Date] during which time the Seller shall pay PGE damages equal to the Lost Energy Value”).</p>	<p>This change simply clarifies three circumstances under which the QF may be liable to PGE for failure to deliver (1) failure to meet the Commercial Operation Date, (2) failure to meet the Mechanical Availability Guarantee, and (3) default. These concepts previously were addressed separately, but are now addressed in the same provision for clarity.</p>	<p>detail/clarity</p>
1.1 Defined Terms	<p>“Lost Energy Value” means, with respect to a given period, an amount calculated as follows: Lost Energy for the applicable period <i>multiplied by</i> (the greater of zero (0) or the Replacement Price for the period <i>less</i> the time-weighted average of the Contract Price for On-Peak and Off-Peak Hours for the period), <i>plus</i> any commercially reasonable costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.</p>	<p>“Lost Energy Value” means Lost Energy X the excess of the annual time-weighted average Mid-C Index Price for On Peak Hours and Off Peak Hours over the time weighted average Contract Price for On Peak and Off Peak Hours for the corresponding time period (provided that such excess shall not exceed the Contract Price and further provided that Lost Energy is deemed to be zero prior to reaching the Commercial Operation Date) plus any reasonable costs incurred by PGE to purchase replacement power and/or transmission to deliver the replacement power to the Point of Delivery (For Start-Up Lost Energy Value See 1.35).</p>	<p>This definition has been re-worded and reorganized for clarity, and details regarding the Replacement Price have been moved to a separate definition (discussed below).</p>	<p>detail/clarity</p>

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1.1 Defined Terms	"Market Index Price" means the applicable Powerdex hourly Mid-Columbia Index price for firm energy at the time the energy is delivered. In the event Powerdex no longer publishes this index or PGE elects to use nodal pricing, PGE will select an alternative successor index or other published pricing (or independent system operator or regional transmission organization settlement pricing) representative of the Delivery Point.	"Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") index price for the bilateral OTC market for energy at the Mid-C Physical for Average On Peak Power and Average Off Peak Power found on the following website: https://www.theice.com/products/OTC/Physical-Energy/Electricity . In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.	This new definition is used in the definitions of Contract Price and Replacement Price (Section 1.1). The related definition in the former PPA was "Mid-C Index Price." However, in the revised PPA the index price will be Powerdex instead of the Day Ahead ICE. This change stems from the switch to using hourly index prices, rather than day-ahead, which increases accuracy. This new definition also allows PGE the option to elect to use nodal pricing, which is locationally specific and also would increase accuracy.	change in PGE's contract administration practices
1.1 Defined Terms	"Mechanical Availability Percentage" or "MAP" means that percentage for any Contract Year for the Facility calculated in accordance with the following formula: MAP = 100 X (Operational Hours)/(Base Hours X Number of Units)	"Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula: MAP = 100 X (Operational Hours) / (Base Hours X Number of Units)	This definition has not been substantively changed.	non-substantive
1.1 Defined Terms	"Minimum Availability Guarantee" has the meaning given to it in Section 3.4.	n/a	This new definition is used in the definition of Lost Energy. This definition refers to the description of Minimum Availability Guarantee in Section 3.4. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	"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. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.	"Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.	This definition was revised to increase the level of detail and clarity. The first sentence of the definition mirrors the stipulated definition adopted in Order No. 07-360. The second sentence is substantively similar to the definition in PacifiCorp's agreements.	detail/clarity
1.1 Defined Terms	"NERC" means the North American Electric Reliability Corporation.	n/a	The former PPA included a reference to NERC, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	"Net Available Capacity" means the full (maximum) net energy the Facility is capable of delivering to the electric grid at the Point of Interconnection continuously for at least sixty (60) minutes; which is equivalent to the lesser of: (1) the Specified Facility Nameplate Capacity Rating, or (2) the Interconnection Rating, in either case less station service (parasitic power and electrical losses).	n/a	This new definition provides clarity regarding the maximum amount of energy that the QF may deliver and receive payment for in any given hour. PGE needs this information for planning purposes.	detail/clarity
1.1 Defined Terms	"Net Output" means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.	"Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.	This definition was revised to remove the references to transformation and transmission losses. These changes benefit QFs because line losses are not deducted from Net Output.	detail/clarity
1.1 Defined Terms	"New QF" means any QF that is not an Existing QF.	n/a	This new definition is added to provide clarity regarding the portions of the PPA that specifically apply to New QFs.	detail/clarity
1.1 Defined Terms	"Notice of Proposed REC Transfer" has the meaning given to it in Section 7.1.2.	n/a	This new definition refers to the description of in Section 7.1.2. However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity

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1.1 Defined Terms	" Number of Units " means the number of Generation Units in the Facility, as specified in Exhibit A.	same	This definition is unchanged.	n/a
1.1 Defined Terms	" Off-Peak Hours " has the meaning provided in the Schedule.	same	This definition is unchanged.	n/a
1.1 Defined Terms	" On-Peak Hours " has the meaning provided in the Schedule.	same	This definition is unchanged.	n/a
1.1 Defined Terms	" On-Peak Energy Imbalance Accumulation " and " Off-Peak Energy Imbalance Accumulation " have the meanings given to them in Section 3.2 .	n/a	This new definition is used in the provision regarding seller's obligation to minimize delivery of imbalance energy (Section 3.2). It refers to the description in Section 3.2. However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	" Operational Hours " for the Facility means the total across all Generation Units of the number of hours each of the Facility's Generation Units is capable of producing power at its Nameplate Capacity Rating regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate solar arrays of 1.5 MW each and Array 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Array 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Array 1 Operational Hours = 8,460 + 200 = 8,660. Array 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.	"Operational Hours" for the Facility means the total across all Generation Units of the number of hours each of the Facility's Generation Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather conditions, season and the time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, two hundred (200) hours of Planned Maintenance during a Contract Year for each Generation Unit and hours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example, in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit or Event of Force Majeure, the Operational Hours for a wind farm with five (5) separate two (2) MW turbines would be 43,800 for a Contract Year.	This provision has undergone minor wording changes to conform to other definitions in the PPA and additional detail has been added to the example, but the provision has not been substantively changed.	non-substantive, detail/clarity
1.1 Defined Terms	" Oregon Renewable Portfolio Standard " means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as amended from time to time.	n/a	The former PPA included a reference to Oregon's Renewable Portfolio Standard Act, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include such terms in the Definitions.	detail/clarity
1.1 Defined Terms	" Person " means any individual, corporation, a limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.	n/a	This new commercially reasonable and standard definition was added for clarity.	commercially reasonable and standard, detail/clarity
1.1 Defined Terms	" Planned Maintenance " means outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.	same	This definition is unchanged.	n/a
1.1 Defined Terms	" Point of Interconnection " means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in Exhibit B .	n/a	This new definition is used in the definition of Net Available Capacity (Section 1.1) and in Exhibit B, Seller's Interconnection Facilities. It is not intended to change the substance of the PPA but instead to provide clarity.	detail/clarity
1.1 Defined Terms	" Prime Rate " means the publicly announced prime rate or reference 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 or reference 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, N.Y., selected by the Party to whom interest based on the prime rate is being paid.	same	This definition is unchanged.	n/a

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1.1 Defined Terms	“Product” means, each and together, as a single bundled product, Net Output and Imbalance Energy, together with all associated Capacity Attributes and Transferred RECs.	n/a	This new definition was added to make clear all of the components purchased by the utility under the PPA and compensated by the Contract Price.	detail/clarity
1.1 Defined Terms	“Prudent Electrical Practices” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.	same	This definition is substantively unchanged.	n/a
1.1 Defined Terms	“PURPA” means the Public Utility Regulatory Policies Act of 1978.	n/a	The former PPA defined PURPA, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“Qualifying Facility” has the meaning set forth in the Recitals.	n/a	The former PPA defined QF, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“REC” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the lesser of the final e-Tag or the actual Net Output on an hourly basis. All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.	n/a	The former PPA used the term “REC” but did not define it. This new definition was added to provide detail and clarity.	detail/clarity
1.1 Defined Terms	“REC Reporting Rights” are the right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.	n/a	This concept was present in the former PPA, but this term was not defined. This new definition was added for drafting purposes and to provide detail and clarity.	detail/clarity
1.1 Defined Terms	“Reliability Entity” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC.	n/a	This new definition is used in the provision related to scheduling procedures (Section 3.6.3) and the provision related to loss of interconnection and curtailment (Section 3.7). This definition is included for clarity and because it is commercial best practice to define terms used in the PPA.	detail/clarity
1.1 Defined Terms	“Remedial Action Scheme” means an automatic protection system designed to detect abnormal or predetermined system conditions, and take corrective actions other than or in addition to the isolation of faulted components to maintain system reliability. Such action may include changes in demand, generation, or system configuration to maintain system stability, acceptable voltage, or power flows.	n/a	This new definition is used in the provisions related to Seller’s responsibility for costs (Section 2.3.1). This definition is included for clarity and because it is commercial best practice to define terms used in the PPA.	detail/clarity

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1.1 Defined Terms	“Renewable Resource Deficiency Period” has the meaning given to it in the Schedule.	n/a	This term was present in the former PPA but was not defined. This new definition was added for drafting purposes and to provide detail and clarity.	detail/clarity
1.1 Defined Terms	“Renewable Resource Sufficiency Period” has the meaning given to it in the Schedule.	n/a	This term was present in the former PPA but was not defined. This new definition was added for drafting purposes and to provide detail and clarity.	detail/clarity
1.1 Defined Terms	“Replacement Price” means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Delivery Point replacement energy for any Net Output that Seller fails to deliver as required under this Agreement. If PGE elects not to make such a purchase, the Replacement Price for a given period shall be the greater of zero (0) or the time-weighted average of the Market Index Price for On-Peak Hours and Off-Peak Hours during the period.	n/a	This new definition is used in the calculation of Lost Energy Value and was adapted from PacifiCorp's PPA. The former PPA did not define Replacement Price and simply used the Mid-C Index Price. The new approach of using the actual replacement price if replacement energy is purchased is more accurate.	change in PGE's contract administration practices
1.1 Defined Terms	“Required Facility Documents” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility, including the Interconnection Agreement, the Transmission Agreement, and those set forth in Exhibit D .	"Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.	This definition was present in the former PPA but has been revised to make clear that the Interconnection Agreement and Transmission Agreement are Required Facility Documents that must be received before the Facility achieves Commercial Operation (Section 2.5.4). The revisions to the Required Facility Documents definition do not represent a substantive change from the former PPA. Exhibit B to the former PPA listed the Interconnection Agreement as a Required Facility Document, and the former PPA required that PGE receive a copy of the Transmission Agreement prior to commercial operation.	detail/clarity
1.1 Defined Terms	“ROFR Exercise Notice” has the meaning given to it in Section 7.1.2.	n/a	This new definition is used in the provision regarding REC transfer (Section 7.1.2). It refers to the description of in Section 7.1.2. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“ROFR Period” has the meaning given to it in Section 7.1.2.	n/a	This new definition is used in the provision regarding REC transfer (Section 7.1.2). It refers to the description of in Section 7.1.2. However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“Schedule” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement, the terms of which are hereby incorporated by reference. For ease of reference, a copy of the Schedule is attached hereto as Exhibit F ; however, if there is any difference between Exhibit F and the Schedule, the terms of the Schedule shall apply and prevail.	“Schedule” shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission (“Commission”) in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference.	This definition was present in the former PPA and has been revised to clarify that the Schedule in effect on the date the QF signs the PPA is the Schedule applicable to the agreement. Also, the Schedule will now be attached to the PPA for ease of reference.	detail/clarity

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1.1 Defined Terms	“ Scheduled Commercial Operation Date ” has the meaning given to it in Section 2.7.	n/a	This new definition was added to clearly distinguish between the COD and the scheduled COD. This definition refers to Section 2.7, however the term also is listed in the Definitions because it is commercial best practice to include all defined terms in the Definitions. The term also is used in the definition of Contract Price (Section 1.1) and the provisions related to Term (Section 2.1) and events of default (Section 10.1.8).	detail/clarity
1.1 Defined Terms	“ Seller-Retained RECs ” has the meaning given to it in Section 7.1.	n/a	This new definition refers to the provision regarding seller-retained RECs (Section 7.1.1). However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions. The former PPA addressed Seller-Retained Environmental Attributes but did not define the term in the definitions.	detail/clarity
1.1 Defined Terms	“ Senior Lien ” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.	same	This definition is unchanged.	n/a
1.1 Defined Terms	“ Specified Facility Nameplate Capacity Rating ” means the Facility Nameplate Capacity Rating set forth in Exhibit A , as it may be amended from time to time in accordance with this Agreement.	n/a	This new definition refers to Exhibit A in which the Facility Nameplate Capacity is listed. The term is used in the definition of Net Available Capacity (Section 1.1) and the provisions related to facility upgrades (Section 6.3), creditworthiness requirements (Section 8.1.6.4), credit support (Section 9.1) and Required Insurance (Section 12.2). The former PPA specified the nameplate capacity rating of the facility but did not distinguish the specified rating from the actual rating or make clear that the specified rating controls, which could result in confusion.	detail/clarity
1.1 Defined Terms	“ Start-Up Testing ” means the completion of applicable required factory and start-up tests as set forth in Exhibit E during the Test Period.	“Start-Up Testing” means the completion of applicable required factory and start-up tests as set forth in Exhibit C.	This definition was present in the former PPA and has been revised slightly to clarify that start-up testing occurs during the Test Period. This is not a substantive change.	detail/clarity
1.1 Defined Terms	“ Step-in Rights ” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.	same	This definition is unchanged.	n/a

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1.1 Defined Terms	“ Surplus Delivery ” has the meaning given to it in Section 3.2.	n/a	This new definition refers to the provision regarding seller's obligation to minimize delivery of imbalance energy (Section 3.2). However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions. This new definition also is used in the prices and payment for delivered product provisions (Section 4.1.1). This definition was added to clarify the approach to pricing and netting imbalance energy (usually over a monthly period), which is discussed in more depth in Sections 3 and 4 below. PacifiCorp also takes a netting approach to imbalance energy.	commercially reasonable and standard; improves PGE's contract administration practices
1.1 Defined Terms	“ Term ” has the meaning given to it in Section 2.1.	“Term” shall mean the period beginning on the Effective Date and ending on the Termination Date.	This revised definition now refers to the provision regarding the term of the PPA (Section 2.1). However, the term "term" is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“ Test Energy ” means electric energy generated by the Facility during the Test Period, and all RECs and Capacity Rights associated with such electric energy.	n/a	This new definition is used in the provision regarding start-up testing (Section 2.4). This definition was added to provide clarity regarding how the PPA treats test energy, which was lacking from the former PPA.	detail/clarity
1.1 Defined Terms	“ Test Period ” means a period of no more than sixty (60) calendar days, during which Start-Up Testing is to be conducted.	“Test Period” shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.	This revised definition is used in the definitions of Start-Up Testing and Test Energy (Section 1.1). This definition limits the test period to no more than 60 calendar days, which is necessary to limit the length of time during which PGE can be required to accept uncertain and unpredictable test energy.	detail/clarity
1.1 Defined Terms	“ Transferred RECs ” has the meaning given to it in Section 7.2.1.	n/a	This new definition refers to the provision regarding transferred RECs (Section 7.2). However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions. The former PPA addressed Transferred Environmental Attributes but did not define the term in the definitions.	detail/clarity
1.1 Defined Terms	“ Transmission Agreement ” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for long-term, firm, point-to-point transmission and delivery of energy at no less than the Specified Facility Nameplate Capacity Rating from the Facility to the Delivery Point for a term not less than five (5) years, with renewal rights, together with any and all other services (including Ancillary Services) required for transmission and delivery of energy to the Delivery Point, as scheduled in accordance with this Agreement.	“Transmission Agreement” means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.	This definition has been revised to add detail and clarity about what is required in the Transmission Agreement. These revisions are not intended to be substantive changes from PGE's current policy.	detail/clarity

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1.1 Defined Terms	“ Transmission Provider(s) ” means _____, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.	“Transmission Provider(s)” means the signatory (other than the Seller) to the Transmission Agreement.	This definition has been revised to be more detailed and precise. These revisions are not intended to be substantive changes.	detail/clarity
1.1 Defined Terms	“ WECC ” means the Western Electricity Coordinating Council or any successor thereto.	n/a	The former PPA included a reference to the Western Electricity Coordinating Council (WECC) but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.	detail/clarity
1.1 Defined Terms	“ WECC Pre-Scheduling Day ” means the WECC Pre-Scheduling Day prior to the delivery day or day(s) as defined by the most recent WECC Pre-Schedule calendar. For example, Thursday is typically the WECC Pre-Scheduling Day for delivery days of Friday and Saturday.	n/a	This new definition is used in the provisions related to scheduling (Section 3.6.1). This term is defined to provide clarity.	detail/clarity
1.1 Defined Terms	“ WREGIS ” means the Western Renewable Energy Generation Information System.	n/a	This new definition is used in the provisions related to registering the facility as a requirement of commercial operation (Section 2.5.8) and transferred RECs (Section 7.2.3). This definition was added to provide clarity and because the new PPA has more detail about the process associated with RECs.	detail/clarity
1.2 Interpretation	In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.	n/a	This is standard language for commercial contracts, and it was added for clarity.	commercially reasonable and standard, detail/clarity
ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION				
2.1 Term	The term of this Agreement (“ Term ”) commences on the date this Agreement is signed by both Parties (“ Effective Date ”) and ends on the earlier of _____, 20__ [<i>date that is no more than 20 years from the Scheduled Commercial Operation Date</i>] or the date on which this Agreement is terminated.	This Agreement shall become effective upon execution by both Parties (“Effective Date”). This Agreement shall terminate on _____, ____ [date to be chosen by Seller but not to exceed 20 years from the date contained in Section 2.2.2], or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier (“Termination Date”).	This provision combines two sections of the old PPA but does not substantively change them.	detail/clarity

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2.2 Construction of the Facility	Seller shall, at its sole cost, design and construct the Facility, obtain all necessary transmission and interconnection rights, and make or cause to be made all necessary modifications to PGE's or the Transmission Provider's (or Transmission Providers') systems to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices. Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement must be reviewed and approved by PGE, which approval shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE's information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.1.	Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.	This provision has been revised to bring together language from multiple provisions of the old PPA that fit together conceptually and to address them chronologically. It references the requirement discussed in Section 2.3 below for the Seller to make necessary upgrades to enable delivery. It also adds a new requirement that the As-built Supplement must be reviewed and approved by PGE Finally, it clarifies that the As-built Supplement requirement does not authorize modifications to the Facility except as permitted elsewhere in the PPA, which responds to an argument made by a QF and rejected by the Commission in UM 1894.	detail/clarity detail/clarity improves PGE's contract administration practices detail/clarity, implement Commission order
2.3 Seller's Responsibility for Costs	Seller is responsible for all costs associated with the study or construction of necessary modifications and upgrades to the Facility or PGE's or the Transmission Provider's (or Transmission Providers') systems related to the delivery of energy from the Facility to the Delivery Point, or any increase in the Facility Nameplate Capacity Rating or the generating capability of the Facility. Without limiting the generality of the foregoing:	n/a	This new provision incorporates the requirement for the Seller to bear the cost of any necessary upgrades to enable delivery, which has been PGE's policy but was not reflected in the former PPA. This requirement ensures that the QF is responsible for all costs required to allow delivery of its output to PGE and that such costs are not borne by PGE's customers, as required by PURPA.	detail/clarity, implement PGE's current contract administration practices
2.3.1	If the Facility is subject to a Transmission Provider's Remedial Action Scheme and PGE has an obligation to the Transmission Provider for said Remedial Action Scheme, Seller shall make necessary arrangements prior to the Commercial Operation Date, including installing any required equipment and entering into any necessary agreements to enable PGE to include the Facility in the list of resources used to satisfy PGE's obligation under the Transmission Provider's Remedial Action Scheme.	n/a	This new provision was added because PGE's proxy resource for avoided cost calculation assumes all attributes and characteristics of the resource are available to PGE (including Remedial Action Scheme capability), and so PGE should be entitled to this attribute for any QF receiving prices based on the proxy resource.	detail/clarity re issue that was not addressed previously

2.3.2	<p>GE will evaluate available delivery capability on PGE’s transmission system between the Delivery Point and PGE’s load that is required to enable PGE to accept delivery of the Facility’s Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE’s designated sink point. If PGE determines that sufficient delivery capability exists on PGE’s transmission system, PGE will arrange for, be responsible for, and make available transmission service on PGE’s transmission system from the Delivery Point to the designated sink point. If PGE determines that insufficient delivery capability exists on PGE’s transmission system, Seller will be responsible for (i) obtaining and paying for necessary transmission studies and paying for any transmission upgrades necessary to enable PGE to accept deliveries of Net Output from the Facility and to effectuate delivery from the Delivery Point to PGE’s designated sink point, or (ii) paying for any necessary transmission service from Transmission Providers to effectuate delivery from the Delivery Point to PGE’s designated sink point. If any upgrades to PGE’s system are identified pursuant to part (i), PGE and Seller shall enter into a separate agreement to establish the terms under which PGE shall arrange for and Seller will pay for such upgrades; provided, however, that if the costs of such upgrades is reasonably projected to exceed One Hundred Thousand Dollars (\$100,000), Seller may terminate this Agreement by providing written notice to Buyer, unless, within thirty (30) days after Buyer receives such notice, Buyer agrees in its sole discretion to bear costs in excess of that amount. After all necessary upgrades have been completed in accordance with Prudent Electrical Practices, PGE will arrange for, be responsible for, and make available transmission service from the Delivery Point to the designated sink point.</p>	n/a	<p>Recent disputes and constrained delivery points have highlighted the need for PGE to have established processes to evaluate whether transmission capability exists and for clarity regarding a QF's obligation to fund the upgrades required to accept its delivery. This section establishes such processes. This provision is fair and reasonable because it gives the QF an option to terminate the PPA if the necessary upgrades are too expensive.</p>	<p>detail/clarity, implement PGE's current contract administration practices</p>
2.4 Start-Up Testing	<p>Seller shall perform Start-Up Testing of the Facility in accordance with Exhibit E, and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than ten (10) working days’ written notice to PGE prior to the commencement of Start-Up Testing. Seller shall use its best efforts to schedule and deliver Test Energy to its Transmission Provider, to a third-party or to an organized market via its Transmission Provider’s system. Seller shall be entitled to any and all compensation received from its Transmission Provider or any third-party or organized market for such Test Energy. If it is necessary for Seller to schedule and deliver Test Energy to PGE in order to complete Start-Up Testing, Seller may do so pursuant to the scheduling procedures set forth in Section 3.6, but shall not be entitled to compensation from PGE for Test Energy. Seller shall pay any costs or additional expenses that are required for PGE to receive Test Energy, including procurement of any necessary capacity costs or reserves. This Section 2.4 does not apply if the Facility is an Existing QF.</p>	<p>"Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.</p>	<p>This provision provides detail regarding the requirements and procedures for performing Start-Up Testing of the facility. It also clarifies that PGE will accept Test Energy if necessary but does not pay for it and that Seller is responsible for any costs required for PGE to accept Test Energy. These provisions ensure customer indifference is maintained. The former PPA simply listed the types of start-up testing required and did not address procedures for the testing or treatment of Test Energy.</p>	<p>detail/clarity</p>
2.5 Commercial Operation	<p>“Commercial Operation” will be achieved when the Facility is fully constructed and deemed by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:</p>	<p>"Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:</p>	<p>This provision has been revised slightly to clarify that the Facility must be fully constructed and to incorporate other, minor wording changes. It is now substantively consistent with the definition of "Commercial Operation Date" in PacifiCorp's agreements. The requirements for Commercial Operation, detailed in Section 2.5.1-2.5.8, ensure that the facility is operationally and commercially ready and that PGE has all necessary information about the Facility.</p>	<p>detail/clarity</p>

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2.5.1	If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with Exhibit E and PGE has received Seller's written certification of completion of Start-Up Testing.	Start-Up Testing of the Facility has been completed in accordance with Section 1.36;	The former PPA required that Start-Up Testing be complete prior to Commercial Operation. This provision has been revised to require that PGE receive a written certification of completion of Start-Up Testing to document that Start-Up Testing has concluded. In addition, this provision now makes clear that Start-Up Testing is required for New QFs only.	improves PGE's contract administration practices, detail/clarity
2.5.2	PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that interconnection has been completed in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.	<p>(facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);</p> <p>(facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;</p> <p>(facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement and was continuously mechanically available for operation for a minimum of 120 hours. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the mechanical availability of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;</p>	<p>This provision combines three separate requirements from the former PPA but does not change them significantly.</p> <p>The requirement that the Licensed Professional Engineer identify the Facility Nameplate Capacity Rating has been added to ensure that PGE has appropriate support for and documentation of the Rating.</p>	<p>detail/clarity</p> <p>improves PGE's contract administration practices</p>
2.5.3	PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.	n/a	This new provision has been added to ensure that PGE receives adequate documentation of the Facility Nameplate Capacity Rating.	improves PGE's contract administration practices
2.5.4	PGE has received a certificate addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement, and any other Required Facility Documents requested by PGE.	(facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;	This provision has been revised to be consistent with PacifiCorp's agreements. It now requires that an attorney in good standing in the State of Oregon, rather than a Licensed Professional Engineer, provide the certification regarding the Required Facility Documents. An attorney is more likely than an engineer to have the expertise necessary to make such a certification. It also requires that PGE have received the Interconnection and Transmission Agreements and any other Required Facility Documents requested by PGE prior to Commercial Operation.	commercially reasonable and standard; improves PGE contract administration practices

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2.5.5	PGE has received the following documents with respect to the Facility: the As-built Supplement, an electrical single-line diagram, a 12x24 net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.	n/a	This new provision requires the QF to provide documents that help PGE understand the Facility and ensure that it is consistent with the Facility for which PGE contracted, before the Facility begins commercial operation.	improves PGE's contract administration practices
2.5.6	PGE has received copies of all insurance certificates required under Section 12.2.	Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.	The former PPA required that Seller provide insurance certificates to PGE prior to the connection of the Facility to PGE's electric system. This provision has been added to Section 2.5 to make clear that PGE must receive all necessary documents before the Facility achieves Commercial Operation.	improves PGE's contract administration practices
2.5.7	PGE has received any Credit Support required under Section 9.1	In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.	The former PPA required that Seller provide credit support within 10 days after it was unable to represent that it met the creditworthiness requirements. The requirement to provide any Credit Support required by the creditworthiness provisions is now a prerequisite for achieving Commercial Operation. This ensures that PGE and its customers are protected from the outset.	commercially reasonable and standard; change in PGE's contract administration practices
2.5.8	Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.	n/a	This provision has been added as a requirement of Commercial Operation, because the Seller must be prepared to transfer RECs in order to receive the renewable avoided cost rates. The administrative burden and costs of registering are minimal, and requiring the Seller to be registered prior to achieving commercial operation ensures there will not be problems when Seller begins transferring RECs.	improves PGE's contract administration practices
2.5.9	If any upgrades to PGE's system between the Delivery Point and PGE's load are required in order to enable PGE to accept delivery of the Facility's Net Output at the Delivery Point and to effectuate delivery from the Delivery Point to PGE's designated sink point, the Company and the Seller have entered into an agreement concerning such upgrades as required under Section 2.3.2.	n/a	This new provision helps implement the approach to system upgrades, discussed above in Section 2.3.2.	improves PGE's contract administration practices

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2.6 Establishment of Commercial Operation Date	When Seller determines that it has met the requirements for Commercial Operation under Section 2.5, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the " Commercial Operation Date " for all purposes under this Agreement.	n/a	This provision details the process for documenting when Commercial Operation has occurred and clarifies the date that will be deemed the Commercial Operation Date. Providing a detailed process ensures that the Seller and PGE understand relevant timelines and helps avoid disputes.	detail/clarity
2.7 Scheduled Commercial Operation Date	Seller guarantees that Commercial Operation shall occur no later than _____, 20__ (" Scheduled Commercial Operation Date "). If Commercial Operation does not occur by the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value for the period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date (" Delay Damages "). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.2.	By _____ [date to be determined by the Seller subject to Section 2.2.3 below] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement: Seller's failure to meet the Commercial Operation Date. 8.1.6. Seller's failure to meet the Commercial Operation Date. 8.2. In the event of a default under Section 8.1.6, PGE may provide Seller with written notice of default. Seller shall have one year in which to cure the default during which time the Seller shall pay PGE damages equal to the Lost Energy Value. If Seller is unable to cure the default, PGE may immediately terminate this Agreement as provided in Section 8.3. PGE's resource sufficiency/deficiency position shall have no bearing on PGE's right to terminate the Agreement under this Section 8.2.	This provision brings together the Scheduled Commercial Operation Date and the consequences of failing to meet it, which, in the former PPA, were not grouped into a single section. The revisions do not represent substantive changes.	detail/clarity
2.8 Status of the Facility				
2.8.1	Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request, (i) a written legal opinion from an attorney who is in good standing in the state of Oregon and is not employed by a Person having an economic interest in the Facility stating that the Facility is a Qualifying Facility, and (ii) documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.	Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.	The former PPA required Seller to warrant that the Facility complied with FERC's QF requirements and to provide PGE with evidence if asked. This requirement has been moved from the warranties to this section but otherwise is unchanged. In addition, this provision now includes requirements for the QF to provide PGE with support and documentation regarding its qualifying facility status if a question about such status arises.	detail/clarity improves PGE's contract administration practices

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2.8.2	<p>Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide any documentation and information reasonably requested by PGE to establish Seller's continued compliance with such definition. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.</p>	<p>Seller warrants that the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule and 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 Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE 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 PGE will provide all such confidential information to the Commission upon the Commission's request.</p>	<p>The contents of this provision have been moved from the representations and warranties but have not changed except to remove the limitation that PGE will not request documentation more frequently than every 36 months. This limitation was inappropriate, because if PGE has concerns about a QF's eligibility for a standard PPA, it needs to be able to resolve them at any time.</p>	<p>detail/clarity; improves PGE's contract administration practices</p>
ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING				
3.1 Delivery and Sale of Energy	<p>Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "Delivery Period"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 8.1.10, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Notwithstanding the foregoing, Seller shall not deliver and PGE shall not be obligated to receive or purchase energy delivered at a rate, on an hourly basis, greater than the Net Available Capacity. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.</p>	<p>Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.</p>	<p>This provision has been revised for increased clarity, because the former provision was lacking in detail.</p> <p>In addition, this provisions clarifies that PGE will purchase imbalance energy and that it will not purchase an amount greater than the Net Available Capacity on an hourly basis.</p> <p>Finally, this provision clarifies when title and risk of loss transfer, which is a commercially reasonable and standard provision.</p>	<p>detail/clarity</p> <p>detail/clarity</p> <p>commercially reasonable and standard</p>
3.2 Surplus Delivery	<p>For purposes of this Agreement, (i) "On-Peak Energy Imbalance Accumulation" means aggregate energy delivered to the Delivery Point during On-Peak Hours during a Billing Period less aggregate Net Output delivered to the Delivery Point during On-Peak Hours during such Billing Period; and (ii) "Off-Peak Energy Imbalance Accumulation" means aggregate energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period less aggregate Net Output delivered to the Delivery Point during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "Surplus Delivery." PGE shall accept but is not obligated to pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for Net Output that is not delivered as Firm Energy to the Delivery Point.</p>	n/a	<p>This new provision requires Seller to ensure that delivery of imbalance energy nets to zero over the netting period (a concept that also is in PacifiCorp's agreements) and makes clear that imbalance energy is tracked separately for on-peak and off-peak hours. It explains that PGE will accept but will not pay for Surplus Delivery of imbalance energy over the netting period and also will not pay for undelivered Net Output. This change aligns with requests from off-system QFs that PGE permit monthly netting of imbalance energy.</p>	<p>improves PGE's contract administration practices; detail/clarity</p>

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3.3 Estimated Net Output	Seller's good faith, commercially reasonable estimate of the Facility's average monthly and annual maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in Exhibit C . Seller acknowledges that PGE will use these estimates in its resource planning.	Seller and PGE represent, covenant, and warrant as follows: Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.	The concepts in this provision requiring Seller to estimate Net Output and acknowledge the estimate will be used in resource planning were present in the former PPA. The revised provision now requires that the estimate be commercially reasonable, include monthly and annual values, separate on- and off-peak hours, and that the basis for the estimates be provided.	detail/clarity, improves PGE's contract administration practices
3.4 Minimum Availability Guarantee				
3.4.1	Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following ("Minimum Availability Guarantee"): (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.	Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"): Ninety percent (90%) beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; or Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.	This provision has undergone minor wording changes but has not been substantively changed.	non-substantive
3.4.2	Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.	Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.	This provision has undergone minor wording changes for detail and clarity but has not been substantively changed.	non-substantive; detail/clarity
3.4.3	As damages for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE the Lost Energy Value for such Contract Year.	Seller's failure to meet the Guarantee of Mechanical Availability in a Calendar Year shall result in damages payable to PGE by Seller equal to the Lost Energy Value. PGE shall bill Seller for such damages in accordance with Section 7.	This provision has been revised slightly to account for the wording change in Section 3.4.1 ("Minimum Availability Guarantee"), and to make clear that the damages in the form of the Lost Energy Value are owed in the event the Minimum Availability Guarantee is not met.	detail/clarity
3.5 Forecasting and Scheduling				
3.5.1	During the Delivery Period, Seller shall provide PGE with a rolling hourly generation forecast for the next fourteen (14) days, updated hourly (each a " Generation Forecast "). Each Generation Forecast shall be performed by a third-party forecasting agent and shall be provided in a commercially reasonable format specified by PGE.	n/a	This new provisions is necessary, given the volume of QF generation, to aid PGE in planning the dispatch of its own generation to align with expected QF generation.	improves PGE's contract administration
3.5.2	Seller shall schedule, following the procedures set forth in Section 3.6, deliveries of the Product at the Delivery Point in the amount of expected Net Output (less transformation and transmission losses to the Delivery Point), consistent with the Generation Forecast. Seller shall make reasonable efforts to minimize the delivery of Imbalance Energy to PGE. Seller and PGE agree that the intent of this Section is for Seller to schedule and deliver energy resembling actual production from the Facility for each hour.	n/a	The former PPA required Seller to make commercially reasonable efforts to schedule an amount equal to its Net Output for each hour. This provision expands upon and adds detail to that requirement and also reflects changes consistent with the new imbalance energy netting concept discussed above.	detail/clarity
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3.6.1	Seller shall schedule energy in hourly blocks for delivery at the Delivery Point in accordance with the following procedures:	The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. All energy shall be prescheduled according to customer WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour.	The former PPA required QFs to schedule hourly, and this requirement has not been changed, although the provisions below provide significantly more detail than was present in the former PPA.	detail/clarity
3.6.1.1	For each day during the Delivery Period, Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to PGE's Pre-schedule Desk the expected hourly energy to be delivered at the Delivery Point for that day, consistent with the Generation Forecast.	Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices.	This provision has been revised to require QFs to provide pre-schedule information by 5 AM, because this is the time when PGE's real-time desk determines PGE's resources and imports. This provision also has been clarified to state "WECC Pre-Scheduling Day" instead of business day prior, because this is more accurate and aligns with regional practices. The requirement that the schedule tie to the generation forecast is intended to ensure accurate scheduling that is representative of expected generation.	detail/clarity, improves PGE's contract administration practices
3.6.1.2	Seller shall schedule the energy by submitting a NERC e-Tag ("e-Tags") prior to 1:00 p.m. PPT of the applicable WECC Pre-Scheduling Day for all hours of the applicable delivery day or days.	Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices.	This provision has been revised to provide additional detail regarding pre-schedule e-tagging requirements and deadlines so that PGE has adequate information to plan and to meet to its own preschedule e-tagging requirements.	detail/clarity
3.6.1.3	Seller shall schedule the energy with e-Tags according to prevailing WECC, NERC, or Transmission Provider Pre-scheduling provisions and protocols. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.	All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices.	The first sentence of this provision has been re-worded but not significantly changed. The second sentence is new, but simply provides additional detail regarding e-Tag requirements, which do not represent a change from current practice. The third sentence is new and requires that Seller submit separate e-Tags for each Facility, in the event that Seller owns multiple Facilities.	detail/clarity, improves PGE's contract administration practices
3.6.1.4	Seller shall not schedule energy using a Dynamic or Pseudo-Tie e-Tag as such terms are defined and used by NERC.	n/a	This new provision clarifies the import of the hourly scheduling requirements of the PPA, namely that dynamic scheduling and Pseudo-Tie tags are not permitted consistent with the basis of the avoided cost prices offered to QFs.	detail/clarity
3.6.2	Seller may make adjustments to the energy scheduled as described above each hour in real-time. If Seller elects to make such real-time adjustments, Seller shall submit and receive approval of any e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour. Seller shall be responsible for any and all costs, charges, or fees associated with any changes Seller makes to the e-Tag after seventy-five (75) minutes prior to the flow hour.	The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final.	This provision has been revised slightly to accommodate the addition of the following sub-provisions.	detail/clarity

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3.6.3	In the event that the regional market design, Balancing Authority, or other Reliability Entity causes PGE's scheduling practices to change after the Effective Date, PGE shall have the right but not the obligation to update the scheduling procedures described in this Section 3.6 by giving sixty (60) days' prior written notice to Seller of such update.	n/a	This new provision was added to ensure scheduling flexibility in the event that regional scheduling practices change. For example, if the EIM base-schedule deadline changes, PGE needs to be able to update its QF scheduling requirements to account for the revised deadline.	detail/clarity; improves PGE's contract administration practices
3.6.4	Seller shall be responsible for all costs or charges associated with the Product or its delivery to the extent such costs or charges are imposed on Seller's side of the Delivery Point.	The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.	This provision clarifies and adds detail regarding the current, well-established policy that the Seller is responsible for any costs required or imposed for Seller to deliver its output to PGE.	detail/clarity; improves PGE's contract administration practices
3.6.5	Seller shall maintain records of hourly energy schedules for accounting and operating purposes. Seller shall maintain a minimum of two years' records of the Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider(s).	Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes.... Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.	The first sentence of this provision was revised to place the record-maintenance obligation on the Seller alone, because maintaining such records would be administratively burdensome to PGE. The second sentence is unchanged.	detail/clarity; improves PGE's contract administration practices
3.7 Loss of Interconnection and Curtailment	PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to sell the Product to PGE, to the extent that, due to the action of a Reliability Entity, an event of Force Majeure, or PGE's construction and maintenance activities, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.	PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement.	This provision has been revised to clarify that PGE's purchase and the QF's sale obligations under this Agreement do not apply if certain circumstances force curtailment or disconnection of the Facility's interconnection. This provision is now phrased reciprocally, because if PGE is not purchasing the net output, then the Seller has no obligation to sell it.	detail/clarity
3.8 Carbon Emissions	Seller is responsible for and shall pay for all future costs, if any, whether incurred by Seller or PGE, resulting from any carbon emissions generated by or associated with the Product delivered by Seller to the Delivery Point in accordance with this Agreement. Seller may provide PGE with carbon emissions offsets that are reasonably satisfactory to PGE in lieu of a monetary settlement. Within fifteen (15) business days after PGE's request, Seller shall provide PGE with the carbon emissions data for the Product that is delivered during the Delivery Period.	n/a	This new provision ensures that PGE and its customers are not burdened with additional, unanticipated costs related to the purchase from the QF or the delivery of imbalance energy.	detail/clarity re issue that was not addressed previously
ARTICLE 4: PRICE, BILLING AND PAYMENT				
4.1 Prices and Payment for Delivered Product				
4.1.1	PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: Net Output and Imbalance Energy (but not including Surplus Delivery or energy delivered at an hourly rate in excess of the Net Available Capacity) delivered as Firm Energy to the Delivery Point during the Billing Period, <i>multiplied</i> by the Contract Price.	On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment.	This provision has been revised to clarify what PGE will and will not pay for and to incorporate the new policies surrounding Imbalance Energy and Net Available Capacity discussed above.	detail/clarity
4.1.2	Payment under this Section will be due on or before the thirtieth (30th) day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.	On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment.	This provision has been revised slightly to account for PGE's ability to offset payments, which is not a new policy.	detail/clarity
4.2 Invoicing and Payment for Delay Damages	By the thirtieth (30th) day following the end of any calendar month in which Delay Damages accrue, PGE shall deliver to Seller an invoice showing PGE's computation of any amount due to PGE in respect thereof for the preceding calendar month. No later than ten (10) days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future energy deliveries by the amount of such Delay Damages.	n/a	This provision provides detail and clarity regarding the process for PGE to receive payment for amounts owed by the Seller. The former PPA provided only for PGE to offset payments to reflect amounts it was owed, but this did not protect PGE and its customers in situations where the QF owes PGE but is not generating.	detail/clarity

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4.3 Invoicing and Payment for Lost Energy Value	If Seller fails to satisfy the Minimum Availability Guaranty during any Contract Year, on or before the thirtieth (30th) day following the end of such Contract Year, PGE shall deliver to Seller an invoice showing PGE's computation of any deficit in the guaranteed amount. Thereafter, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility.	On or before the thirtieth (30th) day following the end of each Contract Year, PGE shall bill for any Lost Energy Value accrued pursuant to this Agreement.	This provision provides detail and clarity regarding the process for PGE to bill Seller for Lost Energy Value, permits PGE to offset payments to receive the amount payable, and also ensures that PGE will work with Seller to ensure that compensating PGE does not hamper Seller's continued operation of the Facility, which benefits QFs.	detail/clarity, improves PGE's contract administration practices
4.4 Form of Payment and Interest on Late Payments	The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual 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.	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.	The revisions to this provision incorporate commercially reasonable and standard language.	commercially reasonable and standard
4.5 Right to Offset	PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties.	PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.	This provision has been moved, but does not reflect substantive changes.	non-substantive
ARTICLE 5: METERING				
5.1 Metering	Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in Exhibit B . Seller shall provide to PGE all information regarding Net Output and any other energy purchased under this Agreement in hourly increments. Seller shall provide PGE with a real-time ICCP and EIDE communications link to the Facility metered output.	n/a	This provision is necessary for the new policies surrounding Imbalance Energy, so that PGE can discern what portion of the output it receives is Facility output and what portion is imbalance energy and can ensure that it is billing accurately.	improves PGE's contract administration practices
5.2 Meter Installation, Inspection and Correction	Seller shall arrange and pay for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe and obtain documentation regarding all inspection, testing, repair and replacement of the metering equipment. Meters must be tested no less frequently than every six (6) months and Seller shall promptly notify PGE if any metering equipment is not functioning properly. If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed six (6) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. 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. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.	n/a	A similar provision was present in PGE's on-system PPA and this provision is now being added to the off-system PPA, as well, to aid in implementing the metering requirements, for the reasons discussed above. In addition, this provision establishes a process for re-allocation of funds if a meter is discovered to be inaccurate. Both of these concepts are present in PacifiCorp's agreements.	commercially reasonable and standard
ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES				
6.1 Seller's Duty to Operate and Maintain the Facility				

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6.1.1	Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.	Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation interconnection Agreement, and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE 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.	This provision contains minor revisions for detail and clarity.	detail/clarity
6.1.2	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 PGE.	same	This provision is unchanged.	n/a
6.2 Outages				
6.2.1	On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with an annual schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the generating capacity of the Facility for two (2) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13. Seller shall use commercially reasonable efforts to plan scheduled activities (i) to maximize the productive output of the Facility, and (ii) not to occur between July 1 and September 30 or between December 1 and February 28 of any calendar year.	n/a	The former PPA required the Seller to notify PGE of any planned maintenance, but this provision has been revised to require notification only for an outage of more than 25% of the generating capacity for 8 or more hours, which benefits QFs. In addition, this provision now requests an annual schedule of planned maintenance to help PGE plan for outages and requires Seller to use reasonable efforts to plan scheduled maintenance during times when it will have the least impact.	change in PGE's contract administration practices improves PGE's contract administration practices
6.2.2	Seller shall give notice to the interconnecting Transmission Provider of any forced or unplanned outages or reductions in generation capability of the Facility in accordance with such Transmission Provider's outage notice requirements. Seller shall also give PGE's Real-Time Desk immediate telephonic notice (within twenty minutes) of any such events that will curtail or adversely affect scheduled or forecasted Product deliveries. Such notice must include a description of the cause of the outage, the resulting change in capacity, and an estimate of the duration of the outage. Seller shall provide PGE regular and frequent updates regarding any changes of status set forth in the initial notice, and shall notify PGE's Real-Time Desk when the Facility is ready to return to service. Seller shall use reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use best efforts to avoid or mitigate outages during PGE's system emergencies. PGE may, after providing written notice to Seller, make commercially reasonable changes to the means by which Seller provides notice pursuant to this subsection 6.2.2 of this Agreement.	If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.	This provision has been revised to provide more precise information regarding the required notice and mitigation efforts in the event of a forced or unplanned outage. It also provides PGE with the ability to make reasonable adjustments to the method of providing notice during the term of the PPA.	detail/clarity
6.3 Facility Upgrades				
6.3.1	At any time after the Commercial Operation Date upon at least six months' prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in Exhibit C , but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in Exhibit C for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.	Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE.	The former PPA language resulted in a dispute regarding the type of changes permissible under the analogous section of the former PPA. This provision has been revised for clarity to provide additional detail regarding the types of permissible changes, consistent with Commission Order Nos. 06-538 and 18-284.	detail/clarity, implement Commission order

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6.3.2	If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend Exhibit A and Exhibit C as appropriate to reflect the modifications. So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.	n/a	This provision ensures that, in the event of an upgrade or modification, the PPA is amended to reflect the new reality.	detail/clarity
6.3.3	If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law, provided that:	In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.	This provision is consistent with the former PPA, except, it implements the revised eligibility cap for standard contract prices for solar facilities agreed upon in Docket No. UM 1854, and, for avoidance of doubt, it makes clear that the new PPA will be negotiated consistent with then-current applicable law and Commission policies.	detail/clarity, implement agreed-upon policy change
6.3.3.1	If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.	n/a	This provision provides clarity regarding the treatment of a solar QF that permissibly increases output up to 10,000 kW, which is necessary in light of the revised eligibility cap for standard contract prices for solar facilities agreed upon in Docket No. UM 1854.	detail/clarity, implement agreed-upon policy change
6.3.3.2	If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.	n/a	This provision provides clarity regarding the treatment of a solar QF that permissibly increases output to greater than 10,000 kW. Solar QFs in this situation are treated the same as all other QFs (addressed in Section 6.3.3.3), but solar QFs are discussed separately in this section for clarity.	detail/clarity
6.3.3.3	If the Facility produces Net Output through any other resource types and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.	n/a	This provision provides clarity regarding the new, negotiated PPA for any permissible increase in output over 10,000 kW, which was lacking from the former PPA. PGE has not had a QF increase to greater than 10 MW, but believes it is important to provide clarity in advance to avoid disputes if the situation arises.	detail/clarity
ARTICLE 7: ENVIRONMENTAL ATTRIBUTES				
7.1 Seller-Retained RECs				
7.1.1	Seller shall retain ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period (" Seller-Retained RECs "). PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.	During the Renewable Resource Sufficiency Period, Seller shall retain all Environmental Attributes in accordance with the Schedule. The Contract Price includes full payment for the Net Output and any RPS Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement ("Seller-Retained Environmental Attributes") Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained Environmental Attributes, and PGE shall not report under such program that such Seller-Retained Environmental Attributes belong to it.	This provision does not represent a substantive change from the former PPA, although it has been streamlined as portions of the former provision are now addressed elsewhere in the PPA.	detail/clarity

7.1.2	Seller shall give written notice (the “ Notice of Proposed REC Transfer ”) to PGE stating its bona fide intention to transfer Seller-Retained RECs to a third party and specifying the material terms and conditions of such transfer, including the price to be paid to Seller for the Seller-Retained RECs. The Notice of Proposed REC Transfer will constitute Seller’s offer to PGE to transfer the Seller-Retained RECs on the terms therein specified and shall be irrevocable for a period of ten (10) business days (the “ ROFR Period ”). Upon receipt of the REC Transfer Notice, PGE shall have until the end of the ROFR Period to agree to purchase the Seller-Retained RECs by delivering a written notice (a “ ROFR Exercise Notice ”) to Seller stating that it agrees to purchase the Seller-Retained RECs on the terms specified in the Notice of Proposed REC Transfer. Any ROFR Exercise Notice so delivered shall be binding on PGE and irrevocable upon delivery. If PGE delivers a ROFR Exercise Notice to Seller in accordance with this Section, PGE and Seller shall thereafter negotiate in good faith and use their commercially reasonable efforts to enter into all necessary agreements and other arrangements to effectuate the sale of RECs to PGE as soon as practicable thereafter.	n/a	This new provision gives PGE a right of first refusal for RECs at market price during the sufficiency period. PGE is enabling the Facility to be constructed, and therefore PGE should have the ability to acquire the RECs at market price if it chooses to do so. The Seller will not be harmed if PGE pays the market price.	new policy
7.2. Transferred RECs				
7.2.1	Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“ Transferred RECs ”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under § 1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.	From the start of the Renewable Resource Deficiency Period through the remainder of the Term of this Agreement, Seller shall provide and PGE shall acquire the RPS Attributes for the Contract Years as specified in the Schedule and Seller shall retain ownership of all other Environmental Attributes (if any). During the Renewable Resource Sufficiency Period, Seller shall retain all Environmental Attributes in accordance with the Schedule. The Contract Price includes full payment for the Net Output and any RPS Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement (“Seller- Retained Environmental Attributes”) Seller may report under § 1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained Environmental Attributes, and PGE shall not report under such program that such Seller-Retained Environmental Attributes belong to it. With respect to RPS Attributes transferred to PGE under this Agreement (“Transferred RECs”), PGE may report under § 1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to it any of the Transferred RECs, and Seller shall not report under such program that such Transferred RECs belong to it.	This provision has been revised and simplified for clarity. It provides that PGE will acquire all RECs associated with Net Output during the Renewable Resource Deficiency Period and that Seller may not report such RECs, which is substantively consistent with the former PPA. It also clarifies that PGE’s payment under the PPA is for all transferred RECs and that PGE is entitled to all rights associated with Transferred RECs.	detail/clarity
7.2.2	Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility output meter shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs.	n/a	This provision adds clarity by stating that the Facility meter serves as the record for purposes of calculating Transferred RECs.	detail/clarity

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7.2.3	Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE's WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes.	Seller warrants that it will comply with all requirements necessary for all Transferred RECs (as defined in Section 4.5) associated with Net Output to be issued, monitored, accounted for, and transferred by and through the Western Renewable Energy Generation System consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0050. PGE warrants that it will reasonably cooperate in Seller's efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE's balancing authority.	The revisions to this provision require Seller to work with PGE to transfer the RECs in WREGIS. The former PPA stated that PGE would assist by serving as the reporting entity, but that provision has been removed, because it imposed additional administrative requirements on PGE, particularly as the number of QFs online increases.	change in PGE contract administration practices
7.2.4	All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.		This provision makes explicit a requirement that was implied in the former PPA's definition of "RPS Attributes" by referring to the Oregon RPS.	detail/clarity
ARTICLE 8: REPRESENTATIONS AND WARRANTIES				
8.1 Representations and Warranties of Seller	On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:	Seller and PGE represent, covenant, and warrant as follows:	This provision has been revised slightly to separate Seller's and PGE's representations and warranties.	detail/clarity
8.1.1	Seller is a _____ duly organized under the laws of _____.	same	This provision is unchanged.	n/a
8.1.2	The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.	Seller warrants that 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.	This provision was revised slightly to be more commercially standard.	commercially reasonable and standard
8.1.3	This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.1.4	There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.1.5	No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.1.6	Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.4 below (the "Creditworthiness Requirements"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.	n/a	This new representation is another way of ensuring that the QF meets the creditworthiness requirements throughout the term of the PPA. However, the mandate to meet the creditworthiness requirements is not a substantive change.	improves PGE contract administration practices
8.1.6.1	Neither Seller nor any of its principal equity owners is or has been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by them or, to Seller's knowledge, threatened against them that would result in them being or becoming Bankrupt.	Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.	This provision has been revised to incorporate the commercially reasonable and standard definition of Bankrupt, as discussed above in Section 1.1.	commercially reasonable and standard
8.1.6.2	Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.	Seller is and will continue to be for term of agreement current on all of its financial obligations.	The language of this provision has been revised for clarity and to add detail but the concept is unchanged.	detail/clarity

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8.1.6.3	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.	Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility 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 acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.	This provision has been revised and narrowed to a more commercially reasonable and standard provision that is consistent with the language in PacifiCorp's agreements.	commercially reasonable and standard
8.1.6.4	If the Facility has a Specified Facility Nameplate Capacity Rating greater than 3,000 kW, Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (i) "BBB-" or greater from S&P, or (ii) "Baa3" or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least "BBB-" or "Baa3" from S&P or Moody's, respectively, or other indicia of creditworthiness satisfactory to PGE in its reasonable judgment.	n/a	This provision contains commercially reasonable and standard language and is similar to language in PacifiCorp's agreements.	commercially reasonable and standard
8.1.7	No later than the Commercial Operation Date, Seller possesses a valid license or exemption from licensing from FERC for the Facility, if required.		This new provision ensures that the QF has an ongoing obligation throughout the term of the Agreement to possess a valid license or exemption from FERC for the Facility if one is required.	detail/clarity
8.1.8	The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.	Seller warrants that the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule...	The minor revisions to this provision are not intended to alter its meaning. Because the Facility may not have been built at the time the Agreement is entered, the former warranty that "the Facility satisfies the eligibility requirements" has been revised for clarity. In addition, this provision has been separated out from a longer provision in the former PPA. Finally, this provision has been revised in light of the fact that solar QFs greater than 3 MW and not over 10 MW are not eligible to receive the standard prices.	detail/clarity; implement agreed-upon policy change
8.1.9	Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.	n/a	This new provision memorializes the current requirement and is intended to ensure that the Seller complies with all of the eligibility requirements in Schedule 201.	implement current PGE policy
8.1.10	In connection with Seller's delivery of Firm Energy as required under this Agreement:	n/a	The new representations in warranties in Section 8.1.10 relate to the new approach toward imbalance energy reflected in the PPA and discussed above. The former PPA did not address imbalance energy. These representations and warranties address an issue that has arisen in the past in which QFs schedule deliveries significantly in excess of their Net Output and require PGE to accept a significant amount of imbalance energy.	improves PGE's contract administration practices
8.1.10.1	Seller's delivery of Imbalance Energy, if any, results from Seller's purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility;	n/a	see above	improves PGE's contract administration practices

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8.1.10.2	Such Transmission Provider(s) require(s) Seller to schedule deliveries of Net Output in one (1) megawatt increments; and	n/a	see above	improves PGE's contract administration practices
8.1.10.3	Seller is not attempting to sell PGE energy less than or in excess of its Net Output, as generated hourly.	n/a	see above	improves PGE's contract administration practices
8.1.11	Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.2 Representations and Warranties of PGE	On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:	Seller and PGE represent, covenant, and warrant as follows:		detail/clarity
8.2.1	It is a corporation duly organized under the laws of Oregon.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.2.2	This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.2.3	The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.2.4	There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.2.5	It has not within the past two (2) years been Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.	PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.	This provision has been revised to incorporate the commercially reasonable and standard definition of Bankrupt, as discussed above in Section 1.1.	commercially reasonable and standard
8.2.6	No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.	n/a	This provision is a standard commercial representation.	commercially reasonable and standard
8.3 Duty to Notify	If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.	n/a	This new provision ensures that each party to the PPA will be made aware if the other fails to satisfy a requirement. This is a standard commercial provision.	commercially reasonable and standard
ARTICLE 9: CREDIT SUPPORT				

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9.1 Required Credit Support	<p>In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) calendar days after notifying PGE) provide credit support in the form of (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit, in each case in an amount calculated as follows (the “Credit Support”):</p> <p>(i) the net present value of the following amount: the forward power prices at Mid-Columbia for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term), as determined by PGE in good faith using information from a commercially reasonable independent source (e.g., indicative of the most relevant ICE forward price curve for the Mid-Columbia), multiplied by one hundred and ten percent (110%), <i>multiplied by</i> aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term); <i>less</i></p> <p>(ii) the net present value of: the average of the fixed prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to Exhibit G) for both On-Peak Hours and Off-Peak Hours, <i>multiplied by</i> aggregate Estimated Monthly Average Net Output for the next 60 calendar months (or, if the remaining Term is less than 60 calendar months, then for the remainder of the Term).</p> <p>To calculate net present value for purposes of this Section, the Parties shall use the Bloomberg “S23 Corp” (Bloomberg ID “YCSW0023”) interest-rate swap cure as the discount rate.</p> <p>Notwithstanding the foregoing, the amount of Credit Support shall in no event be less than the amount equal to the payments PGE 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 prices specified in the Schedule (or in the case of a solar facility with a Specified Facility Nameplate Capacity Rating over 3 MW, as set forth in the price matrix attached to Exhibit G).</p> <p>If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. The costs of providing Credit Support shall be borne by Seller.</p> <p>Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the construction loan lender that mitigate Seller’s financial risk to PGE.</p>	<p>In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller’s financial risk to PGE.</p>	<p>This provision has been revised to add detail regarding the amount of credit support required, but the available forms of credit support have not changed and the exception for construction-related financial obligations has been retained. In addition, the Creditworthiness Requirements have been moved from this section to their own section and revised (as discussed in Section 8.1.6).</p>	<p>detail/clarity</p>
9.2 Right to Draw on Credit Support	<p>At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.2, PGE may draw on Seller’s Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, Seller shall promptly, and in no event more than fifteen (15) days following notice from PGE, restore the Credit Support to the amount required under Section 9.1.</p>	<p>n/a</p>	<p>This new provision requires Seller to replenish credit support in the event that PGE draws upon it. This is a commercially reasonable and standard provision, and it is necessary to protect PGE. Under the former PPA, if PGE drew upon credit support but the PPA continued, PGE would be left unprotected for the remainder of the PPA term.</p>	<p>commercially reasonable and standard</p>
ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION				
10.1 Events of Default	<p>An “Event of Default” means, with respect to a Party, the occurrence of any of the following:</p>	<p>In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:</p>	<p>This provision has been revised for clarity.</p>	<p>detail/clarity</p>
10.1.1	<p>the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after written notice;</p>	<p>Failure of PGE to make any required payment pursuant to Section 7.1.</p>	<p>This provision has been revised to make clear that either Party’s failure to make required payments is an event of default—not just PGE’s.</p>	<p>change in PGE contract administration practices</p>
10.1.2	<p>any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) days after the non-defaulting Party gives the defaulting Party a notice of default;</p>	<p>Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.</p>	<p>This is a commercially reasonable and standard provision.</p>	<p>commercially reasonable and standard</p>

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10.1.3	the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) days after the other Party gives the defaulting Party notice of the default; provided that if such default is not reasonably capable of being cured within the thirty (30) day cure period but is reasonably capable of being cured within a sixty (60) day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) day cure period the defaulting Party provides the non-defaulting Party a remediation plan, the non-defaulting Party approves such remediation plan in its reasonable discretion, and the Defaulting Party promptly commences and diligently pursues the remediation plan;	n/a	This new provision is a general, catch-all default provision, the inclusion of which is commercially standard.	commercially reasonable and standard
10.1.4	with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility;	If Seller is no longer a Qualifying Facility.	This provision has not been substantively changed.	non-substantive
10.1.5	with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement within the cure period provided under such Agreement;	n/a	This new provision reflects the Seller's ongoing obligation to remain in compliance with other critical agreements in order to be a fit counterparty to the PPA.	commercially reasonable and standard; improves PGE contract administration practices
10.1.6	with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement;	Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.	This provision has been revised slightly for clarity.	detail/clarity
10.1.7	with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee or Seller's failure to provide any written report required by Section 3.4;	Seller's failure to meet the Guarantee of Mechanical Availability established in Section 3.1.10 for two consecutive Contract Years or Seller's failure to provide any written report required by that section.	This provision has been revised slightly for clarity, and the portion regarding failure to provide required written reports has been removed.	detail/clarity
10.1.8	with respect to Seller, Commercial Operation does not occur on or before the first anniversary of the Scheduled Commercial Operation Date.	Seller's failure to meet the Commercial Operation Date. In the event of a default under Section 8.1.6, PGE may provide Seller with written notice of default. Seller shall have one year in which to cure the default during which time the Seller shall pay PGE damages equal to the Lost Energy Value. If Seller is unable to cure the default, PGE may immediately terminate this Agreement as provided in Section 8.3. PGE's resource sufficiency/deficiency position shall have no bearing on PGE's right to terminate the Agreement under this Section 8.2.	The revisions to this provision are not intended to change the meaning, but it has been simplified and rephrased for clarity.	detail/clarity
10.2 Termination for Default	If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below. For avoidance of doubt, PGE's resource sufficiency or deficiency position has no bearing on PGE's right to terminate this Agreement under this Section.	In the event of a default hereunder, except as otherwise provided in this Agreement, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, the nondefaulting Party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 20. The rights provided in this Section 8 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.	This first portion of this provision has not been substantively changed from the former PPA. The last sentence has been added to reflect Commission policy, consistent with Order No. 15-130.	implement Commission order

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10.3 Damages	If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value with respect to the lesser of (i) twenty-four (24) months following the date of termination or (ii) the period from the date of termination until the expiration date of this Agreement. Amounts owed by Seller pursuant to this Section shall be due within five (5) business days after any invoice from PGE for the same.	In the event of a default under Section 8.1.6, PGE may provide Seller with written notice of default. Seller shall have one year in which to cure the default during which time the Seller shall pay PGE damages equal to the Lost Energy Value. If Seller is unable to cure the default, PGE may immediately terminate this Agreement as provided in Section 8.3. PGE's resource sufficiency/deficiency position shall have no bearing on PGE's right to terminate the Agreement under this Section 8.2.	This provision has been revised to eliminate the one-year cure period for all defaults, as Commission policy requires such a cure period only for failure to meet the scheduled COD and it is not commercially reasonable to permit such a lengthy cure period for all types of defaults. In addition, the PPA now makes clear that Seller must pay damages following termination of the PPA for either two years or until the expiration of the Agreement, which is consistent with Commission policy.	implement Commission policy
10.4 Payment of Outstanding Obligations	If this Agreement is terminated pursuant to Section 10.2, then within thirty (30) days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.3 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.	If this Agreement is terminated as provided in this Section 8, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.	This provision has not been substantively changed, except to make clear that PGE may offset any amounts Seller owes to PGE against amounts PGE owes to Seller. This is a commercially reasonable and standard approach.	commercially reasonable and standard
10.5 Post-Termination PURPA Status	In the event (x) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (y) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE following such termination, then PGE may, (but will not be obliged to) require that Seller do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall execute a written document ratifying the terms of this Agreement.	In the event PGE terminates this Agreement pursuant to this Section 8, and Seller wishes to again sell Net Output to PGE following such termination, PGE 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 Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.	This provision has been revised to be more detailed and comprehensive. It now makes clear that it applies if Seller terminates the PPA without cause, as well as if PGE terminates the PPA pursuant to Article 10. It also applies to future sales by Seller or Seller's Affiliate or successor.	detail/clarity, improves PGE's contract administration practices
ARTICLE 11: INDEMNIFICATION AND LIABILITY				
11.1 Seller's Indemnity	Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.	Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, 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 Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of 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 PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.	This provision has been revised to clearly enumerate the scope of Seller's obligation to indemnify PGE, which is beneficial to both parties and is more commercially standard.	detail/clarity, commercially reasonable and standard

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11.2 PGE's Indemnity	PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.	PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, 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 PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of 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 PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.	This provision has been revised to clearly enumerate the scope of PGE's obligation to indemnify Seller, which is beneficial to both parties and is more commercially standard. PGE's indemnification obligation mirrors Seller's, except for as relates to construction of the Facility, which is Seller's responsibility alone.	detail/clarity, commercially reasonable and standard
11.3 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 PGE as an independent public utility corporation or Seller as an independent Person.	same	n/a	n/a
11.4 Disclaimer of Consequential Damages	NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.	NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.	This provision has not been substantively changed.	non-substantive
ARTICLE 12: INSURANCE				
12.1 Certificates of Insurance	Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.	Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.	The provision has been revised slightly to require that, if Seller chooses to provide a certificate of insurance rather than the full policy, Seller must also provide the endorsements. Requesting the endorsements in addition to a certificate of insurance is standard practice, because the endorsements provide more complete information about the policy than just a certificate alone, thereby enabling PGE to fully understand the policy if Seller opts not to provide the full policy to PGE. In addition, to accommodate existing QFs that are already interconnected to the electric system, the provision now applies prior to the start of deliveries to PGE under this PPA.	change in PGE contract administration practices

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12.2 Required Insurance	Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:	Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "B+" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.	This provision was previously contained in a longer provision in the former PPA, from which it has been separated. This provision has not been substantively changed, other than to add the first clause clarifying that the insurance requirements do not affect Seller's other obligations under the PPA, which is standard commercial language.	detail/clarity, commercially reasonable and standard
12.2.1	Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgement, economic conditions or claims experience may warrant, 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.	see above	Although the language of this provision has been updated, the type of insurance required has not changed. "Comprehensive General Liability" insurance encompasses the types of insurance previously listed.	detail/clarity, non-substantive
12.2.2	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 All Risk policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.	Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "B+" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.	The property insurance requirements and terms have been elaborated in greater detail, but have not substantively changed.	detail/clarity
12.3 Required Provisions				
12.3.1	The Comprehensive General Liability policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.	see above	This provision has been separated from a longer provision in the former PPA but has not been substantively changed.	detail/clarity
12.3.2	All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE 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 thirty (30) days' prior written notice to PGE.	see above	This provision has been separated from a longer provision in the former PPA but has not been substantively changed.	detail/clarity

12.3.3	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 length of time necessary to cover liabilities arising out of the activities under this Agreement.	n/a	This new provision allows Seller the flexibility to provide coverage on a claims-made basis, so long as the coverage lasts for a minimum of 5 years after the Agreement ends. This timeline is necessary because claims-made coverage only applies to claims made while the coverage is in place, and therefore to be fully effective, the coverage cannot end immediately upon the conclusion of the Agreement. PGE previously allowed claims-made policies on a case-by-case basis but is now formalizing and clarifying the circumstances under which it will accept such coverage.	improves PGE's contract administration practices
ARTICLE 13: FORCE MAJEURE				
13.1 Definition of "Force Majeure"	As used in this Agreement, " Force Majeure " or " event of Force Majeure " means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant 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. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight.	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 PGE 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 resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.	This provision has been refined to add detail and clarity and to achieve a robust, commercially reasonable and standard definition of Force Majeure.	detail/clarity, commercially reasonable and standard

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13.2 Effect of Force Majeure	If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) 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 recommence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.	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 Force Majeure, after which such Party shall recommence performance of such obligation, provided that: the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.	The only change to this provision was to carve out payment obligations from the performance obligations excused due to an event of Force Majeure, which is commercially standard.	commercially reasonable and standard
ARTICLE 14: GENERAL PROVISIONS				
14.1 Relationship of the Parties	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.	same	n/a	n/a
14.2 No Third Party Beneficiaries	This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.	n/a	This is a commercially reasonable and standard provision.	commercially reasonable and standard
14.3 Governing 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. This Agreement is subject to the jurisdiction of those governmental agencies and courts having control over either party or this Agreement. The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.	same	n/a	n/a
14.4 Dispute Resolution	Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court or governmental agency with jurisdiction over the dispute; provided, however, that any dispute within the jurisdiction of the Commission shall first be brought before the Commission, and each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection it may now or hereafter have to the initial jurisdiction of the Commission with respect to any such dispute.	n/a	This new provision adds clarity about the dispute resolution process and promotes informal dispute resolution efforts prior to litigation. This provision was added in response to the significant volume of QF litigation, much of which presents issues that could have been or are resolved informally through settlement. It also responds to recent rulings from the Commission and courts regarding the Commission's jurisdiction to resolve disputes under the PPA.	improves PGE's contract administration practices; implement Commission orders

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14.5 Severability	If any of the terms of this 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 this 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.	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.	This provision has not been substantively changed.	non-substantive
14.6 Effect of PURPA Repeal	The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.	In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.	This provision has not been substantively changed.	non-substantive
14.7 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.	same	n/a	n/a
14.8 Survival	Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.	Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.	This is a commercially reasonable and standard provision.	commercially reasonable and standard
14.9 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. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that PGE may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) days' prior written notice to Seller, to an entity that acquires all or substantially all of the business or assets of PGE to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement.	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. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent 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.	This provision has been revised to allow PGE to assign its obligations under the PPA upon notice and without consent in the event that PGE is acquired. Otherwise, the provision is unchanged.	commercially reasonable and standard
14.10 Entire Agreement; Amendments; Order of Precedence	This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.	This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE'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.	This provision has not been substantively changed.	non-substantive
14.11 Seller Release	By executing this Agreement, Seller releases PGE from any third-party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.	same	n/a	n/a
14.12 Rights and Remedies Cumulative	Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.	...The rights provided in this Section 8 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.	This provision has been separated from a longer provision in the former PPA but has not been substantively changed.	detail/clarity
14.13 Notices	All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:	same	This provision is unchanged.	n/a

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<p>Exhibit A: Facility Description</p>	<p>EXHIBIT A FACILITY DESCRIPTION Seller's Facility consists of generators fueled by _____. Specifically, each type generator at the Facility is described as: A. Generator Manufacturer's Nameplate Data: Make: Model: Rated Output (kW): Number of Generators with Similar Attributes: Facility Nameplate Capacity Rating: _____ kW Net Available Capacity: _____ kW Interconnection Rating: _____ kW Identify and describe any differences between the Facility Nameplate Capacity Rating and the Net Available Capacity: _____ Station service requirements, and other loads served by the Facility, if any, are described as follows: _____ _____ B. Specified Facility Nameplate Capacity Rating _____(kW) (calculated as the sum of the Nameplate Capacity Ratings for all Generators). C: Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____ The location is more particularly described as follows: [legal description of parcel]</p>	<p>EXHIBIT A DESCRIPTION OF SELLER'S FACILITY [Seller to Complete] [Sellers may include reasonable expected monthly Net Output for purposes of Section 1.35 (Start-Up Lost Energy Value). Amounts may vary by month and shall be assumed repeated for each Contract Year, unless amounts for each Contract Year of this Agreement are set forth in this Exhibit A. Such amounts, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of this Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.]</p>	<p>This Exhibit has been updated to add detail and to conform to the information about the Facility that PGE acquires in its Initial Information Request and to describe key attributes of the resource PGE is acquiring.</p>	<p>detail/clarity</p>
<p>Exhibit B: Sellers' Interconnection Facilities and Transmission Attributes</p>	<p>EXHIBIT B SELLER'S INTERCONNECTION FACILITIES AND TRANSMISSION ATTRIBUTES [Seller to provide diagram and description] Description to include the following: 1. Point(s) of metering, including the type of meter(s) and the owner of the meter(s) 2. Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment 3. Point of Delivery 4. Transmission Provider(s) 5. Specification of Point of Interconnection</p>	<p>n/a</p>	<p>This new Exhibit ensures that PGE has all information needed to understand the Facility.</p>	<p>improves PGE's contract administration practices</p>

<p>Exhibit C: Seller's Net Output Estimates</p>	<p>EXHIBIT C SELLER'S NET OUTPUT ESTIMATES Seller to provide estimate of expected Monthly Average and Maximum Net Output during the Delivery Period, and the resulting Annual Estimated Average and Maximum Net Output. Seller to provide explanation for the basis for the estimates:</p> <p>C.1. Estimated Monthly Average Net Output and Maximum Net Output (as measured at the Facility meter at the Point of Interconnection) Month Estimated Average Net Output (kWh) Maximum Net Output (kW) January February March April May June July August September October November December C.2. Estimated Annual Average Net Output and Maximum Net Output Estimated Average Annual Net Output: _____ kWh Estimated Maximum Annual Net Output: _____ kWh</p>	<p>n/a</p>	<p>This new Exhibit provides information PGE requires for resource planning purposes.</p>	<p>improves PGE contract administration practices</p>
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<p>Exhibit D: Required Facility Documents</p>	<p>EXHIBIT D REQUIRED FACILITY DOCUMENTS [List all agreements, permits and authorizations required for the Facility] Interconnection Agreement Transmission Agreement FERC Qualifying Facility Self-Certification As-Built Operating One Line Diagram As-Built Operating 12x24 Generation Profile As-Built Average Annual Degradation Percentage (only applicable for Solar QFs)</p>	<p>EXHIBIT B REQUIRED FACILITY DOCUMENTS [Seller list all permits and authorizations required for this project] Sellers Generation Interconnection Agreement</p>	<p>The Interconnection Agreement was previously required, so this does not represent a change.</p> <p>This Exhibit has been revised to make clear that the Transmission Agreement is a Required Facility Document for Commercial Operation. The revisions do not represent a substantive change. The former PPA required that PGE receive a copy of the Transmission Agreement prior to Commercial Operation.</p> <p>It has been PGE's practice to require a completed FERC Qualifying Facility Self Certification during the contracting process, but this Exhibit makes clear that, at a minimum, it must be provided prior to COD.</p> <p>The As-Built Operating One Line diagram is now being required so that PGE can understand the project that was constructed and validate project attributes.</p> <p>The As-Built Average 12x24 Generation Profile is now being required for resource planning purposes, because it reflects how much energy is being produced and when. The "as-built" ensures the energy profile is based on the project that is built, which are likely more accurate than the values provided during the contracting process.</p> <p>The As-Built Average Annual Degradation Percentage is now being required for solar projects, because solar generation produces over time and information about the expected degradation is required for resource planning purposes.</p>	<p>n/a</p> <p>detail/clarity</p> <p>improves PGE's contract administration practices</p> <p>improves PGE's contract administration practices</p> <p>improves PGE's contract administration practices</p> <p>improves PGE's contract administration practices</p>
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Exhibit E: Start-Up Testing	<p>EXHIBIT E START-UP TESTING [Seller to identify appropriate tests. This Exhibit is applicable to New QFs only.] 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):</p> <ol style="list-style-type: none"> 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 PGE. <p>Required start-up test 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 PGE's electrical system, which may include but are not limited to (as applicable):</p> <ol style="list-style-type: none"> 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; 13. Saturation tests; 14. Governor system steady state stability test; 15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering; 16. Auto stop/start sequence; 17. Level control system tests; and 18. Completion of all state and federal environmental testing requirements. 	<p>EXHIBIT C START-UP TESTING [Seller identify appropriate tests] 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):</p> <ol style="list-style-type: none"> 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 PGE. <p>Required start-up test 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 PGE's electrical system, which may include but are not limited to (as applicable):</p> <ol style="list-style-type: none"> 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; 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. 	This Exhibit has been revised to correct numbering and formatting and also to clarify that Start-Up Testing applies to New QFs only, but otherwise has not been substantively changed.	non-substantive
Exhibit F: Schedule 201	<p>EXHIBIT F SCHEDULE 201 [Attach Schedule 201]</p>	<p>EXHIBIT D SCHEDULE [Attach currently in-effect Schedule 201]</p>	This exhibit reflects PGE's current practice of attaching Schedule 201 for clarity to ensure there are no disputes regarding the applicable version of Schedule 201.	detail/clarity
Exhibit G: Negotiated Prices for Option B – Solar Standard Terms and Negotiated Price Agreement	<p>EXHIBIT G [Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]</p>	n/a	This new exhibit is for solar projects over 3 MW and not more than 10 MW, which, under UM 1854, are eligible for the standard PPA but with negotiated prices.	detail/clarity; implement agreed-upon policy change

CERTIFICATE OF SERVICE – UM ____

I hereby certify that I served a true and correct copy of **Portland General Electric Company’s Request to Update Schedule 201 and Standard Power Purchase Agreements** via electronic mail to those parties listed below whose email addresses appear on the service lists for OPUC Docket Nos. UM 1610 and UM 1728.

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Dated this 7th day of December, 2018.

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