

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1931

PORTLAND GENERAL ELECTRIC)
COMPANY,)
)
Complainant,)
)
v.)
)
ALFALFA SOLAR I LLC, et al.)
)
Defendants.)

**DEFENDANTS' MOTION FOR
SUMMARY DISPOSITION**

TABLE OF CONTENTS

MOTION..... 1

INTRODUCTION AND SUMMARY 2

BACKGROUND 6

LEGAL STANDARD..... 14

ARGUMENT 16

 I. Common Law Contract Interpretation Rules Apply 17

 II. When Read in Context, the NewSun PPAs Unambiguously Provide Fixed Prices
 for 15 Years After the Commercial Operation Date 19

 A. The Context of the Agreements Supports Fifteen Years of Fixed Prices
 Commencing on the Commercial Operation Date 20

 B. The Plain Terms of the NewSun PPAs Require Fifteen Years of Fixed
 Prices Commencing on the Commercial Operation Date 26

 III. PGE’s Interpretation Defies Standard Understanding in the Industry 36

CONCLUSION..... 43

TABLE OF AUTHORITIES

Cases

<i>Alfa Solar I LLC v. Portland Gen. Elec. Co.</i> , 2018 WL 2452947 (D Or May 31, 2018)	11, 12, 13, 17
<i>Crossroads Cogeneration Corp. v. Orange & Rockland Utilities, Inc.</i> , 159 F3d 129 (3rd Cir 1998).....	18
<i>Deerfield Commodities, Ltd. v. Nerco, Inc.</i> , 72 Or App 305, 696 P2d 1096 (1985).....	33
<i>Eagle Industries, Inc. v. Thompson</i> , 321 Or 398, 900 P2d 475 (1995).....	14, 15
<i>Harty v. Bye</i> , 258 Or 398, 483 P2d 458 (1971).....	18
<i>Heinzel v. Backstrom</i> , 310 Or 89, 794 P2d 775 (1990).....	16, 43
<i>Hekker v. Sabre Construction Co.</i> , 510 P2d 347, 265 Or 552 (1973).....	14
<i>Hoffman Constr. Co. v. Fred S. James & Co.</i> , 313 Or 464, 836 P2d 703 (1992).....	33
<i>Indep. Energy Producers Ass'n, Inc. v. California Pub. Utilities Comm'n</i> , 36 F3d 848 (9th Cir 1994).....	17, 18
<i>Jones v. General Motors Corp.</i> , 325 Or 404 (1997).....	14
<i>Kabil Devs. Corp. v. Mignot</i> , 279 Or 151, 566 P2d 505 (1977).....	18
<i>Lone Rock Timberland Co v. Nicholls</i> , 2012 WL 2836880 (D Or July 10, 2012)	37
<i>Manley v. City of Coburg</i> , 282 Or App 834, 387 P3d 419 (2016).....	15

<i>May v. Chicago Ins. Co.</i> , 260 Or 285, 490 P2d 150 (1971).....	19, 37
<i>Meskimen v. Larry Angell Salvage Co.</i> , 592 P2d 1014, 286 Or 87 (1979).....	16
<i>New Zealand Ins. Co. v. Griffith Rubber Mills</i> , 270 Or 71, 526 P2d 567 (1974).....	33
<i>Pac. First Bank v. New Morgan Park Corp.</i> , 319 Or 342, 876 P2d 761 (1994).....	15
<i>Quillin v. Peloquin</i> , 237 Or 343, 391 P2d 603 (1964).....	16
<i>Ross Bros. Constr. Co. v. State</i> , 59 Or App 374, 650 P2d 1080 (1982).....	15, 19
<i>Seal Rock Water Dist. v. Toledo</i> , 77 Or App 251, 712 P2d 174 (1986).....	37
<i>Windham Solar LLC</i> , 157 FERC (Nov 22, 2016)	20, 21
<i>Yogman v. Parrott</i> , 325 Or 358, 937 P2d 1019 (1997).....	14, 15, 16

Statutes

ORS 42.240.....	33
ORS 42.250.....	19, 37
ORS 469A.....	29
ORS 758.525.....	20

Rules

OAR 860-001-0420	1
ORCP 47	14

Other Authorities

16 USC § 824a-3.....	20, 21
17A Am Jur 2d <i>Contracts</i> (2d ed 2004).....	19, 35
18 CFR § 292.304.....	20
45 Fed Reg	21
<i>Restatement (Second) of Contracts (1981)</i>	37
<i>Restatement of Contracts</i>	18
Samuel Williston, 11 <i>Williston on Contracts</i> § 30:4 (4th ed 2016).....	15

Regulatory Proceedings

<i>Electric Lightwave, Inc. v. U.S. West Communications, Inc.</i> , OPUC Docket No UC 377, Order No 99-770 (Dec 22, 1999).....	14
<i>In re Pub. Util. Comm’n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing</i> , OPUC Docket No UM 1610, Order No 14-295 (Aug 19, 2014)	24
<i>In re Pub. Util. Comm’n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing</i> , OPUC Docket No UM 1610, Order No 14-435 (Dec 16, 2014).....	25
<i>In re Pub. Util. Comm’n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing</i> , OPUC Docket No UM 1610, Order No 15-130 (April 15, 2016).....	25
<i>In Re: Complaint by Oak Tree Energy LLC</i> , S Dakota Pub Serv Comm’n, Case No EL11-006, 2013 SD PUC LEXIS 84 (May 17, 2013) 43	
<i>In Re: Midland Cogeneration Partnership</i> , Mich Pub Serv Comm’n Case No U-8871 et al.; Case No U-10127, 1993 Mich PSC LEXIS 58 (March 31, 1993).....	42
<i>In re: Value of Distributed Energy Resources</i> , NY Pub Serv Comm’n, Case Nos 15-E-0751 & 15-E-0082, 2017 NY PUC LEXIS 121 (March 9, 2017).....	42

<i>In the Matter of Pub. Util. Comm’n of Or., Investigation Into Resource Sufficiency Pursuant to Order No 06-538,</i> OPUC Docket No UM 1396, Order No 11-505 (Dec 13, 2011).....	23
<i>Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.,</i> OPUC Docket No UM 1805, Order No 17-465 (Nov 13, 2017)	10
<i>Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.,</i> OPUC Docket No UM 1805, Order No 18-079 (Mar 5, 2018)	3, 5, 11, 22
<i>Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.,</i> OPUC Docket No UM 1805, Order No 17-256 (July 13, 2017)	passim
<i>Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program,</i> Cal Pub Util Comm’n Decision 07-07-027, 2007 Cal PUC LEXIS 348 (Jan 1, 2001)	42
<i>PGE’s Motion for Summary Judgment,</i> OPUC Docket No UM 1805 (April 24, 2017)	31
<i>Portland General Elec. Co. v. Oregon Energy Co., LLC et al.,</i> OPUC Docket No UC 315, Order No 98-238 (June 12, 1998).....	14
<i>Portland General Elec. Co. v. Pacific Northwest Solar, LLC,</i> OPUC Docket No UM 1894, Order No 18-025 (Jan. 25, 2018).....	12
<i>Re Application of Idaho Power Co. for Approval of an Agreement to Purchase Capacity and Energy from USG Oregon, LLC,</i> IPUC Case No IPC-E-09-34, Order No 31087, 2010 Ida. PUC LEXIS 167 (May 20, 2010)..	42
<i>Re Investigation Related to Electric Utility Purchases from Qualifying Facilities,</i> OPUC Docket No UM 1129, Order No 05-584 (May 13, 2005).....	passim
<i>Re Review of the Idaho Public Utilities Commission’s Policies Establishing Avoided Costs Under the Public Utility Regulatory Policies Act of 1978,</i> IPUC Case No U-1500-170, Order No 22636, Ida PUC LEXIS 146 (July 27, 1989).....	42
<i>Re Standard offer contract for the purchase of firm capacity and energy from a qualifying facility between Panda-Kathleen, L.P. and Florida Power Corp.,</i> Florida Pub Serv Comm’n. Order No PSC-96-0221-PHO-EI, 1996 Fla. PUC LEXIS 368 (Feb 15, 1996).....	43

Re: Proceedings to Implement Cogeneration Rules,
Florida Pub Serv Comm'n, Order No 13247, 1984 Fla PUC LEXIS 637 (May 1, 1984) 43

Small Power Prod. and Cogeneration Facilities; Regulations Implementing Sec. 210 of the Pub. Util. Reg. Pol. Act of 1978,
Order No 69 (Feb 25, 1980) 21

Wantel Telecommunications v. Qwest Corp.,
OPUC Docket Nos IC 8 & IC 9, Order No 05-874 (July 26, 2005) 14, 16

MOTION

Pursuant to OAR 860-001-0420, defendants Alfalfa Solar I LLC (“Alfalfa”), Dayton Solar I LLC (“Dayton”), Fort Rock Solar I LLC (“Fort Rock I”), Fort Rock Solar II LLC (Fort Rock II”), Fort Rock Solar IV LLC (“Fort Rock IV”), Harney Solar I LLC (“Harney”), Riley Solar I LLC (“Riley”), Starvation Solar I LLC (“Starvation”), Tygh Valley Solar I LLC (“Tygh Valley”), and Wasco Solar I LLC (“Wasco”) (collectively, the “NewSun Parties”), each being party to a standard form power purchase agreement with Portland General Electric Company (“PGE”) as described herein (the “NewSun PPAs”) (form PPAs which exist solely due to the Commission requiring PGE provide them), hereby respectfully move the Oregon Public Utility Commission (the “Commission”) for an order:

(1) ruling that—in accordance with both the unambiguous text and context of the agreements and the Commission’s longstanding related policy, as well as general industry understanding and usage, and because the NewSun PPAs contain no language explicitly contradicting the clear Commission policy predating their execution which requires Oregon regulated utilities to provide qualified facilities (“QFs”) fixed pricing for a term of fifteen years starting when the QF becomes operational (but set and thus known at the time of PPA execution)—the fixed-price period of on-peak and off-peak prices in the NewSun PPAs does in fact commence when the relevant NewSun Party begins commercial operation (the “Commercial Operation Date”);¹

(2) rejecting PGE’s burdensome attempt to evade clear Commission policy by asserting an illogical and unsupportable interpretation of the NewSun PPAs directly contrary to the Commission’s express, longstanding policy (as now confirmed, clarified, and

¹ Unless otherwise defined herein, capitalized terms are used as defined in the NewSun PPAs.

reconfirmed by the Commission's orders in UM 1805 *both before and again after* PGE initiated this proceeding); and

(3) granting summary disposition in favor of the NewSun Parties.

Summary disposition is necessary to bring an expedited resolution to this unnecessarily prolonged dispute which arguably never should have required Commission resources and attention to resolve.

INTRODUCTION AND SUMMARY

Three times within the past year, this Commission has confirmed its longstanding policy that the fifteen-year fixed-price period Oregon utilities are required to offer to QFs commences when the QF begins operation. Nevertheless, PGE continues its attempts to frustrate the Commission's clearly articulated policy, contending that the fixed-price period in the power purchase agreements that each of the ten NewSun Parties entered into with PGE commenced on the date the parties executed the PPA. The unambiguous text and context of the NewSun PPAs, however, establishes that the fixed-price period commences on the Commercial Operation Date.

Given the Commission's unequivocal recent Orders in UM 1805 regarding its fixed-price policy, and the fact that nothing in the NewSun PPAs expressly contradicts the Commission's policy, there is no reason for further, protracted litigation of this matter, which will only serve to waste the Commission's, Staff's, and the parties' time and resources. PGE will be unable to identify any purported factual dispute that might affect the Commission's interpretation of the NewSun PPAs. Accordingly, this dispute is ripe for summary disposition.

As explained below, the NewSun Parties' interpretation of the NewSun PPAs is supported by: (1) the text and context of PGE's standard form contracts at issue, the provisions of which all make sense only if the fixed-price period begins on the Commercial Operation Date;

(2) the fact that neither PGE’s Commission-approved standard form contracts at issue nor PGE’s associated Schedule 201, expressly state that the 15-year fixed-price period begins on the date the contract is executed; (3) the objectively reasonable understanding of the policy articulated in the Commission’s Order No 05-584, which Order No 17-256 and Order No 18-079 reconfirmed as this Commission’s longstanding policy; (4) the fact the same Commission policy was implemented and adhered to by Oregon’s two other investor-owned utilities in a manner consistent with this same objectively reasonable understanding; and (5) the common industry practice and understanding that a term of years of fixed prices in power purchase agreements for new power generation facilities generally runs from the time the seller begins operating and delivering power to the buyer, not from the date—generally years earlier—on which the seller executes the agreement.

As the Commission recently confirmed, “prices paid to a QF *are only meaningful when a QF is operational and delivering power to the utility,*” and that, therefore, “to provide a QF the full benefit of the [Commission’s] fixed price requirement, *the 15-year term must commence on the date of power delivery.*” *Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.*, OPUC Docket No UM 1805, Order No 17-256, at 4 (July 13, 2017) (emphasis added). For a regulated utility, such as PGE, to unilaterally implement a contrary policy would undermine this Commission’s authority and obligation to implement the federal and state laws at issue. Such a result cannot be allowed through implication and alleged ambiguity.

Absent unambiguously clear language to the contrary, the NewSun PPAs must be interpreted consistently with this Commission’s long-standing policy that the fifteen-year fixed-price period commences when the QF begins operation and delivering power to PGE. Because

the NewSun PPAs contain *no language* evidencing intent to sell power at fixed prices for a period shorter than fifteen years after operation or (more importantly) explicitly implementing such a deviation from the Commission policy, PGE's arguments fail.

Moreover, if the NewSun PPAs were interpreted per PGE's position such that the fifteen-year fixed-price period begins on the date the contract is executed, the NewSun PPAs would contain inconsistent and contradictory terms regarding whether the applicable NewSun Party or PGE owns the Environmental Attributes of the facility in certain years of the contract. In contrast, if the fixed-price period begins on the Commercial Operation Date, there is no inconsistency within the contract as to the ownership of each facility's Environmental Attributes in any year of the contract. In order words, PGE's position would create an unnecessary internal inconsistency within the NewSun PPAs that does not exist under a natural and Commission-policy-consistent interpretation of the fifteen-year fixed-price term.

Simply put, there is nothing in the NewSun PPAs themselves or in the context from which they arise that compel or require the conclusion that the NewSun Parties should be deprived of the full fifteen years of fixed prices to which the Commission has determined all Qualified Facilities should be entitled. For these reasons, and as explained in further detail below, the NewSun Parties request that the Commission issue an order determining that each NewSun PPA requires PGE to pay the On-Peak and Off-Peak prices contained in the tables titled "Renewable Fixed Price Option for Solar QF" in PGE's Schedule 201 in effect at the time of execution of each of the NewSun PPAs for fifteen years after the Commercial Operation Date.

To provide full clarity on this matter, the NewSun Parties' request that the Commission's order expressly include the following:

The NewSun PPAs are based on PGE’s standard form power purchase agreements. These standard form contracts and the requirements regarding term length and fixed pricing duration for QFs exist entirely because required by the Commission in its implementation of PURPA. Thus, because the NewSun PPAs contain no language directly contradicting the applicable Commission policy effective at the time the NewSun PPAs were executed regarding term length and pricing,² the NewSun PPAs should be interpreted consistently with this same Commission policy. This policy requires that all QFs contracting with Oregon regulated utilities have a right to receive fifteen years of fixed pricing from commercial operations with such pricing set at the time of creation of a legally enforceable obligation between the parties.

An order containing this language would bring this dispute between the NewSun Parties and PGE to a conclusion without need for further protracted and unnecessary proceedings, while addressing all the issues surrounding this matter—*an exceedingly simple matter that never should have been contested* and that, since originally ordered by the Commission over a decade ago in 2005, has been “neither a source of controversy nor litigation by either a QF or a utility,” *see Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.*, OPUC Docket No UM 1805, Order No 18-079, at 3 (Mar 5, 2018), except related solely to PGE and as a result of PGE unilaterally asserting a position directly contradictory to the Commission’s longstanding fixed-price policy.

Having already extensively litigated this issue in UM 1805, PGE’s insistence on further litigating this matter—when PGE should have withdrawn its Complaint after the Commission issued Order 18-079—demonstrates a continued disregard for the time and resources of other

² In this case, as originally set forth in Order No. 05-584, and as the Commission recently confirmed has remained unchanged since.

affected parties, unduly burdening those (including the NewSun Parties) whose position on the underlying policy is consistent with the applicable Commission policy. The NewSun Parties therefore request that the Commission grant their motion for summary disposition and bring this matter to an expedited and focused resolution.

BACKGROUND

In 2005, pursuant to authority delegated to it by the Public Utility Regulatory Policies Act of 1978 (“PURPA”) and related federal regulations, this Commission determined that the PURPA contracts Oregon’s regulated utilities, including PGE, are required offer to QFs must include a period of fixed prices sufficient to reasonably ensure that most QFs are able to obtain financing. *See Re Investigation Related to Electric Utility Purchases from Qualifying Facilities*, OPUC Docket No UM 1129, Order No 05-584 at 20 (May 13, 2005). Specifically, the Commission expressly determined that Oregon regulated utilities must offer and enter into standard form power purchase agreements with qualifying facilities that provide QFs fixed prices for fifteen years with the option to sell energy and capacity for an additional five years at a market-index price. *Id.*

The Commission’s 2005 order relied heavily on “persuasive” testimony from the Oregon Department of Energy (“ODOE”) that a term of twenty years was the minimum necessary to allow financing for most qualifying facilities, and the Commission adopted twenty years—with fifteen years of fixed prices—as the term utilities would be required to offer in standard contracts. *Id.* at 18-20. This testimony was based on ODOE’s experience as the financier of State Energy Loan Program (“SELP”) projects as evidence of the financing prospects for QFs. *Id.* The evidence considered by the Commission included “past representations by the ODOE that fifteen years is a sufficient financing period for some QF projects, and that certain QF project

developers have requested 15-year loans in the recent past,” as well as a 2003 letter “from the loan program manager for ODOE’s SELP to the Commission that indicates 15 years was a usual term for QF contracts.” *Id.*

The Commission explained that “it is necessary to ensure that the terms of the standard contract facilitate appropriate financing for a QF project.” *Id.* at 19. Because the Commission also was concerned that a utility’s forecasted avoided costs could diverge from its actual avoided costs at the time the QF delivers energy, its “fundamental objective” in the 2005 order was “to establish a maximum standard contract term that enables eligible QFs to obtain adequate financing, but limits the possible divergence of standard contract rates from actual avoided costs.” *Id.* Accordingly, the Commission found that “the contract term length minimally necessary to ensure that most QF projects can be financed should be the maximum term for standard contracts.” *Id.* Based on evidence submitted in UM 1129, the Commission determined that utilities must offer twenty-year contracts, with prices fixed for the first fifteen years. *Id.* at 20.

The Commission recently confirmed in UM 1805 what was readily apparent from the 2005 order—namely, that “prices paid to a QF *are only meaningful when a QF is operational and delivering power to the utility.*” *Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.*, OPUC Docket No UM 1805, Order No 17-256, at 4 (July 13, 2017) (emphasis added). Accordingly, “to provide a QF the full benefit of the fixed price requirement, *the 15-year term must commence on the date of power delivery.*” *Id.* (emphasis added).

Following issuance of the Commission’s 2005 order, each Oregon regulated utility submitted standard form contracts for Commission approval. These standard form contracts,

which are periodically updated with Commission approval, must comply with the Commission's fixed-price policy.

Each of the NewSun PPAs is based on PGE's Standard Renewable Off-System Variable Power Purchase Agreement or PGE's Renewable In-System Variable Power Purchase Agreement, which the Commission approved for use by PGE in Order No 15-289 (hereafter collectively referred to as the "2015 Standard Renewable Contract Form"). The 2015 Standard Renewable Contract Form contains only seventeen blanks to be filled in with information provided by the QF. Accordingly, all the NewSun PPAs have similar terms and conditions related to the matter in dispute here, with some minor differences explained further below.

The ten NewSun PPAs were executed during the period January through June 2016. Dayton, Starvation, Tygh Valley, and Wasco each entered into a PPA with PGE on January 25, 2016. Fort Rock I and Fort Rock II each entered into a PPA with PGE on April 27, 2016. Alfalfa and Fort Rock IV each entered into a PPA with PGE on June 26, 2016. Harney and Riley each entered into a PPA with PGE on June 27, 2016.

The NewSun PPAs provide that the associated NewSun Party intends to develop a solar electric power generation facility and, upon successful construction and achievement of commercial operation, will sell one hundred percent of the net electric power generated by the facility ("Net Output") to PGE. *See* NewSun PPAs at Recitals & § 4.1. The NewSun PPAs further provide that PGE will only begin purchasing Net Output from the relevant NewSun Party once the Facility begins delivering power to PGE. Each of the NewSun PPAs provides that the agreement will terminate on the last day of the sixteenth "Contract Year," which is defined in relevant part, as "each twelve (12) month period commencing upon the Commercial Operation

Date or its anniversary during the Term” *Id.* at §§ 1.7 & 2.3.³ Accordingly, each PPA obligates the associated NewSun Party to sell all Net Output to PGE for sixteen years following the Commercial Operation Date, which is the date “the Facility is deemed by PGE to be fully operational and reliable.” *Id.* at 1.5.

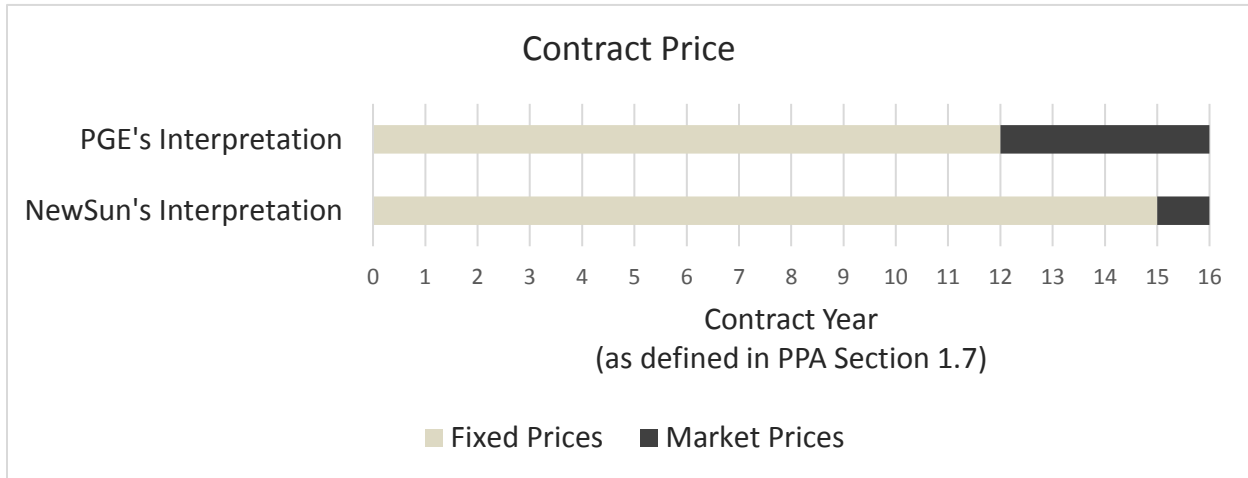
Section 2.2.2 of the NewSun PPAs contemplates that the applicable NewSun Party will achieve commercial operation within 36 months after the date of execution of the contract. Thus, each PPA expressly recognizes that the associated Facility will not be operational and selling power to PGE for approximately three years after the agreement is executed.

The NewSun PPAs provide that PGE will purchase electric power from the relevant NewSun Party at the “Contract Price,” which is defined as “the applicable price, including on-peak and off-peak prices, as specified in the Schedule.” *Id.* at §§ 1.6 & 4.2. The “Schedule” is defined as “PGE Schedule 201 filed with the 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.” *Id.* at § 1.33.

PGE has taken the position that the fifteen-year fixed-price period in its standard form contracts ends fifteen years after the Effective Date of the contract. *See, e.g., Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.*, OPUC Docket No UM 1805, Order No 17-256, at 3 (July 13, 2017). PGE’s fifteen-year-from-effective-date argument would effectively shorten the period during which a QF actually receives a forecasted, fixed price for power delivered to PGE by the length of time it takes the QF to develop its power generation facility (which is likely at least three years). As illustrated by the following chart,

³ The PPAs for Dayton, Starvation, Tygh Valley, Wasco, Fort Rock I, Fort Rock II, and Harney do not capitalize the term “contract year” in section 2.3, whereas the PPAs for Alfalfa, Fort Rock IV, Riley capitalize the term “Contract Year” in section 2.3.

adopting PGE’s interpretation would deprive each NewSun Party of approximately three years of fixed pricing:



The Commission has now repeatedly rejected PGE’s argument. On July 13, 2017, the Commission issued Order Number 17-256 in UM 1805, in which it “clarif[ied] [its] policy in Order No 05-584 to explicitly require standard contracts, on a going-forward basis, to provide for 15 years of fixed prices *that commence when the QF transmits power to the utility.*” *Id.* at 4 (July 13, 2017) (emphasis added).

In response to a petition to amend and clarify Order 17-256, the Commission issued a second order (Order 17-456) on November 13, 2017, which again confirmed its “requirement that the 15-year term of fixed prices commences when the QF transmits power to the utility.” *Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.*, OPUC Docket No UM 1805, Order No 17-465 at 4 (Nov 13, 2017) (emphasis added). The Commission also clarified that, in reaching its previous decision, it “neither examined nor addressed the specific terms and conditions of any past QF contract,” and stated that its decision did “not address any existing executed contracts or PGE’s current or existing standard contracts.” *Id.* This includes the NewSun PPAs.

Upon PGE’s application for rehearing or reconsideration of Order 17-465 (filed after the NewSun Parties initiated the federal court action described below), the Commission explained, in a third order dated March 5, 2018, that its decision in UM 1805 did not “constitute[] the adoption of a ‘new policy.’ Rather, ... [the Commission’s] decision was simply to affirm the policy with respect to the commencement date for the 15-year period of fixed prices.” *Northwest and Intermountain Power Producers Coalition v. Portland General Electric Co.*, OPUC Docket No UM 1805, Order No 18-079, at 3 (Mar 5, 2018). The Commission further stated that its “policy, which had been reflected explicitly in standard contract forms for PacifiCorp and Idaho Power Company, had been, up until the filing of PGE’s most recent standard contracts, neither a source of controversy nor litigation by either a QF or a utility.” *Id.*

PGE has appealed the UM 1805 orders and continues to contend the fifteen-year fixed-price period in the executed NewSun PPAs ends fifteen years after execution of the agreements—which would effectively provide each NewSun Party with only twelve years or less of fixed prices thereby depriving them of 20% of the fifteen years of fixed prices the Commission determined appropriate. The NewSun Parties disagree with PGE’s position and contend, consistent with the Commission’s longstanding policy, their executed PPAs require PGE to pay the fixed prices set forth in the Schedule for fifteen years commencing on the Commercial Operation Date, i.e. the date on which PGE agrees the relevant Facility meets the requirements in the contract for Commercial Operation.

On January 8, 2018, after the Commission had resolved the policy issue relevant to understanding the fixed-price term in the NewSun PPAs, the NewSun Parties filed a declaratory judgment action in the United States District Court for the District of Oregon. *Alfalfa Solar I LLC, et al. v. Portland General Electric Company*, No 3:18-cv-00040-SI, Complaint (D Or Jan

8, 2018). Over two weeks after the NewSun Parties filed their federal declaratory judgment action, this Commission issued its order in *Portland General Elec. Co. v. Pacific Northwest Solar, LLC*, OPUC Docket No UM 1894, Order No 18-025 (Jan. 25, 2018), ruling for the first time to the NewSun Parties' knowledge that this Commission has jurisdiction to adjudicate complaints filed by a utility against a QF over the meaning of executed PURPA contracts.

PGE filed its Complaint and Request for Dispute Resolution against the NewSun Parties in this docket on January 25, 2018—the same day the Commission issued its *Pacific Northwest Solar* order. After the NewSun Parties moved to stay or dismiss PGE's complaint, this Commission issued its Order No 18-174, asserting that this Commission has concurrent jurisdiction over this dispute. The Commission agreed that the United States District Court also has concurrent jurisdiction. Order No 18-174 at 3-5. But the Commission asserted “deference [to the Commission] is warranted here” due to “the desire for uniform resolution, and the risk that a judicial decision could adversely impact the performance of our regulatory duties and responsibilities” and the Commission's belief that its “interpretation has special significance.” *Id.* at 4. The Commission's order suggested the Commission will not attempt to resolve any factual disputes and recommended that the federal court abate its proceedings, explaining that, “because we do not claim exclusive jurisdiction, we need not resolve NewSun QFs' claim that our exercise of jurisdiction violates its constitutional right to a jury.” *Id.* at 5.

On May 31, 2018, the United States District Court stayed the federal court action to allow the Commission to proceed first under the doctrine of primary jurisdiction. *Alfalfa Solar I LLC v. Portland Gen. Elec. Co.*, No 3:18-CV-40-SI, 2018 WL 2452947, at *7 (D Or May 31, 2018). The court did so, however, *only* after PGE represented it “would not oppose [the NewSun

Parties’] motion for expedited consideration by the PUC, and further agreed not to collaterally attack any [final] decision announced in this dispute by the PUC.” *Id.* at *25.

At oral argument, the court expressed skepticism of the Commission’s ability to deprive the NewSun Parties of a jury trial on any disputed factual issues to which a jury trial may be available, and PGE’s counsel conceded there could be jury trial issues in the case. Tr. at 20-24, 57-58 [Declaration of Gregory Adams in Support of Defendants’ Motion for Summary Disposition (“Adams Declaration”), Ex A]. The court also relied heavily on this Commission’s—and PGE’s—assertion of a need for uniformity in the interpretation and implementation of PURPA contracts. *See Alfalfa Solar I LLC*, 2018 WL 2452947, at *6-7. This counsels against any evaluation of factual circumstances unique to the NewSun PPAs in this proceeding. Accordingly, the court has deferred to this Commission to weigh in, on an expedited basis, regarding the meaning of the NewSun PPAs if such meaning can be ascertained without detailed factual inquiries.

The NewSun Parties filed their answer and affirmative defenses on June 6, 2018. The facts necessary for the Commission’s disposition of this matter appear on the pleadings themselves. Both parties agree that the NewSun PPAs are enforceable agreements. *Complaint* at ¶¶ 16-17, *Answer* at ¶ 15. The NewSun Parties have provided complete copies of the ten NewSun PPAs with the applicable rate tables in effect at the time of execution. *See* Declaration of Jacob Stephens in Support of Defendants’ Motion for Summary Disposition (“Stephens Declaration”).⁴ Resolution of the meaning of those executed contracts is now ripe for prompt summary disposition in the first instance by the Commission.

⁴ PGE attached 18 different copies of PPAs as exhibits to its complaint. Many of these copies contain incorrect rate tables from Schedule 201, and in some cases two different sets of rate tables. Thus, to ensure the ten NewSun PPAs are easily available to the Commission in one

LEGAL STANDARD

Summary disposition is proper where, as here, there are no material issues of fact in dispute and no reasonably objective factfinder could find in favor of the nonmoving party on the issues that are the subject of the motion. *Portland General Elec. Co. v. Oregon Energy Co., LLC et al.*, OPUC Docket No UC 315, Order No 98-238, at 1-2 (June 12, 1998) (citing ORCP 47; *Jones v. General Motors Corp.*, 325 Or 404, 420 (1997)). “If there are no genuine issues of material fact, no hearing need be held. That is the principle on which summary disposition is posited.” *Id.* Likewise, discovery is unnecessary where the matter can be resolved as a matter of law based on the undisputed facts. *See id.*

As a general rule, the construction of a contract is a question of law for the court. *Wantel Telecommunications v. Qwest Corp.*, OPUC Docket Nos IC 8 & IC 9, Order No 05-874, at 5 (July 26, 2005) (citing *Hekker v. Sabre Construction Co.*, 510 P2d 347, 349, 265 Or 552 (1973)). Indeed, this Commission has resolved disputes over the meaning of a contract under summary judgment standards. *See Electric Lightwave, Inc. v. U.S. West Communications, Inc.*, OPUC Docket No UC 377, Order No 99-770, at 5-9 (Dec 22, 1999).

First, the court must attempt to ascertain the contract’s meaning from its text considered as a whole with emphasis on the provision or provisions in question and the context of those provisions within the contract. *See Yogman v. Parrott*, 325 Or 358, 361, 937 P2d 1019 (1997); *see also Eagle Industries, Inc. v. Thompson*, 321 Or 398, 405, 900 P2d 475 (1995) (“When considering a written contractual provision, the court’s first inquiry is what the words of the

location, the NewSun Parties have supplied complete and correct versions of the ten NewSun PPAs with the rate tables in effect at the time of execution in the Stephens Declaration. The versions of the NewSun PPAs in the Stephens Declaration are the same versions that were attached to the NewSun Parties’ complaint in the United States District Court.

contract say, not what the parties say about it.” “In making [this] determination, the court inquires whether the provision at issue is ambiguous.” *Eagle Industries*, 321 Or at 405 (citations omitted). If the court determines that the provision at issue is unambiguous, “the court construes the words of [the] contract as a matter of law.” *Id.*; see also *Pac. First Bank v. New Morgan Park Corp.*, 319 Or 342, 347, 876 P2d 761 (1994) (determining whether the terms of a contract are ambiguous is a question of law). Significantly, where the text is capable of only one reasonable interpretation, extrinsic evidence cannot contravene the agreement’s terms. *Manley v. City of Coburg*, 282 Or App 834, 839, 387 P3d 419 (2016).

A contract term is unambiguous if its meaning is so clear as to preclude doubt by a reasonable person; it is ambiguous if, after considering the contract as a whole, as well as the circumstances under which it was formed, it is susceptible to more than one sensible and reasonable interpretation. *Id.*; see also *Pac. First Bank*, 319 Or at 348 (words or terms of a contract are ambiguous when they reasonably can, in context, be given more than one meaning). “The mere fact that parties to a contract urge competing interpretations of that agreement does not compel a conclusion of ambiguity.” *Manley*, 282 Or App at 839. “[A] contract is not ambiguous merely because a party to it, often with 20/20 hindsight colored by self-interest, disputes an interpretation which is logically compelled” by the terms of the contract itself. *Id.* at 839-40 (quoting Samuel Williston, 11 *Williston on Contracts* § 30:4 (4th ed 2016)).

Second, if the court determines that the contract provision at issue is ambiguous, the next step “is to examine extrinsic evidence of the contracting parties’ intent.” *Yogman*, 325 Or at 363. The trier of fact must “ascertain the intent of the parties and construe the contract consistent with the intent of the parties.” *Pac. First Bank*, 319 Or at 347-48; see also *Ross Bros. Constr. Co. v. State*, 59 Or App 374, 376-77, 650 P2d 1080 (1982) (“If a term is found to be ambiguous, it is

the jury's function to resolve its meaning."); *Wantel Telecommunications*, OPUC Order No 05-874 at 5 (interpreting an ambiguous provision is an issue for the trier of the fact) (citing *Meskimen v. Larry Angell Salvage Co.*, 592 P2d 1014, 1018, 286 Or 87 (1979)).

Third, if extrinsic evidence does not resolve the dispute, "the court relies on appropriate maxims of construction." *Yogman*, 325 Or. at 364. One such maxim is that "[a]ny ambiguity in an agreement is resolved against the party who drafted it." *Heinzel v. Backstrom*, 310 Or 89, 96, 794 P2d 775 (1990) (citing *Quillin v. Peloquin*, 237 Or 343, 346-47, 391 P2d 603 (1964)).

As discussed below, the provisions of the NewSun PPAs at issue here are unambiguous. The Commission therefore may resolve this dispute on summary disposition and without need to consider extrinsic evidence. If, however, the Commission determines that the NewSun PPAs are ambiguous, the NewSun Parties have invoked their right to a jury trial on any disputed issues of fact and are entitled to have any ambiguity resolved by a jury. Accordingly, the Commission may resolve this dispute *only* if it is able to be resolved under the summary judgment standard.

ARGUMENT

The basic rules of contract interpretation apply to this dispute. Applying these rules, the NewSun Parties' interpretation is the only reasonable construction of the NewSun PPAs. The text and context of the NewSun PPAs unambiguously require PGE to pay the applicable NewSun Party the fixed prices set forth in its contract for fifteen years beginning on the Commercial Operation Date. Moreover, unlike PGE's interpretation, NewSun Parties' interpretation is consistent with the Commission's longstanding policy that the fifteen-year fixed-price period commences when a QF is operational and delivering power.

There are no genuine issues of material fact that would require resolution by a jury or warrant protracted discovery into such factual matters. PGE's fifteen-years-from-effective-date

argument contradicts the text and context of the NewSun PPAs, defies logic, and contravenes industry usage. PGE’s arguments regarding unsubstantiated harm to its ratepayers are irrelevant. Accordingly, the NewSun Parties are entitled to summary disposition reconfirming that the fifteen-year fixed-price period in the NewSun PPAs commences on the Commercial Operation Date.

I. Common Law Contract Interpretation Rules Apply

At the outset, the Commission should reject PGE’s inappropriate arguments attempting to subject the NewSun PPAs to ongoing ratemaking standards. The Commission must interpret the executed NewSun PPAs under common law contract principles. In so doing, the question the Commission must answer is whether a prospective QF would *objectively* understand whether the standard contract forms—as completed and executed—provide for fifteen years of fixed prices beginning on the date of execution or fifteen years of fixed prices beginning on the Commercial Operation Date.

Although the United States District Court referred this matter to the Commission for expedited resolution under the doctrine of primary jurisdiction, the court rejected PGE’s attempted reliance on traditional ratemaking standards as a basis for reaching a particular interpretation of the contracts. As the court explained, “state utility commissions do not have authority to modify rates or other terms established in contracts between utilities and QFs after those contracts have been executed.” *Alfalfa Solar I LLC*, 2018 WL 2452947, at *5. Thus, a state commission may not take action adverse to the QF where the state commission’s “underlying motivation” is “to lower the avoided cost rates specified in the contract because those rates were higher than the utility’s *current* avoided cost rate.” *Id.* (citing *Indep. Energy Producers Ass’n, Inc. v. California Pub. Utilities Comm’n*, 36 F3d 848, 858 (9th Cir 1994)). The Commission may

only “interpret terms in executed PPAs using traditional common law interpretive methods[,]” and may not weigh traditional ratemaking factors or intervene in the public interest to adopt an interpretation designed to protect PGE and its ratepayers. *See id.* at *6.

The Commission’s orders, however, provide relevant context for construing the disputed contract language. As the United States District Court explained, the Commission’s orders “are relevant only in the context of the understanding of the parties as reflected in an *objective reading* of the agreement and its approval.” *Id.* at *7 (quoting *Crossroads Cogeneration Corp. v. Orange & Rockland Utilities, Inc.*, 159 F3d 129, 138 (3rd Cir 1998)) (emphasis added). The court, however, rejected PGE’s argument that “correct interpretation requires review of ... *[PGE’s] drafting of various provisions in response to [the Commission’s] orders and [policy] decisions.*” *Id.* (emphasis added).

PGE’s subjective beliefs it allegedly held at the time of execution are not relevant. Nor are public arguments PGE made to deter QFs from executing PPAs with PGE. Rather, consistent with the United States District Court’s ruling, the Oregon Supreme Court has held “in cases involving the interpretation of the parties’ agreement, that it ‘subscribes to the objective theory of contracts.’” *Kabil Devs. Corp. v. Mignot*, 279 Or 151, 156, 566 P2d 505 (1977) (quoting *Harty v. Bye*, 258 Or 398, 403, 483 P2d 458 (1971)). The Commission must determine “the meaning that would be attached to the integration by a reasonably intelligent person acquainted with all operative usages and knowing all the circumstances prior to and contemporaneous with the making of the integration, other than oral statements by the parties of what they intended it to mean.” *Harty*, 258 Or at 404 (quoting *Restatement of Contracts*, § 230). The Commission should “not attempt to ascertain the actual mental processes of the parties in entering into the particular contract; rather the law presumes that parties understood the import of their contract and the that

they had the intention which its terms manifest.” 17A Am Jur 2d *Contracts* § 348 (2d ed 2004). In a similar circumstance, the Oregon Court of Appeals rejected a party’s alleged subjective beliefs as to the meaning of a contract, reasoning, “[w]hatever plaintiff’s subjective intent and understanding might have been,” that belief “could not, as a matter of law, create uncertainty in the mind of a reasonable person as to the meaning of the contract terms.” *Ross Bros. Constr. Co. v. State*, 59 Or App 374, 379, 650 P2d 1080 (1982).

Additionally, under Oregon law, a special meaning in a trade within which the transaction arose is always relevant to the interpretation of the term. ORS 42.250; *May v. Chicago Ins. Co.*, 260 Or 285, 294, 490 P2d 150 (1971).

As demonstrated below, applying general rules of contract interpretation, the only reasonable conclusion is that the fifteen-year fixed-price period in the NewSun PPAs begins on the Commercial Operation Date as a matter of law.

II. When Read in Context, the NewSun PPAs Unambiguously Provide Fixed Prices for 15 Years After the Commercial Operation Date

Viewed in context, the NewSun PPAs *unambiguously require* PGE to pay the fixed prices for fifteen years after the Commercial Operation Date. The Commission’s orders giving rise to the underlying standard contract forms provide relevant context for understanding these PPAs and inform an objective analysis of the meaning of their plain terms. This regulatory context unambiguously supports the conclusion that the fifteen-year period of fixed prices begins on the Commercial Operation Date.

A. The Context of the Agreements Supports Fifteen Years of Fixed Prices Commencing on the Commercial Operation Date

1. The Commission’s Longstanding Policy Requires Fifteen Years of Fixed Prices Commencing when the QF’s Operation and Deliveries Commence

When the NewSun PPAs were executed, the Commission’s longstanding policy—developed in 2005—was that utilities must offer fifteen years of fixed prices commencing when the QF becomes operational and is delivering power to the utility. *See Re Investigation Related to Electric Utility Purchases from Qualifying Facilities*, OPUC Docket No UM 1129, Order No 05-584, at 19-20 (May 13, 2005). The purpose of offering fixed prices in a power purchase agreement for a qualifying facility is to provide predictability as to the likely revenue stream of the facility necessary to support financing and construction of the facility. Accordingly, based on the Commission’s 2005 order, the only objectively reasonable interpretation of the NewSun PPAs is that PGE must pay fixed prices for fifteen years after the qualifying facility begins operating and selling energy.

The Commission’s policy reflects its implementation of federal and state law requiring the Commission to ensure that each utility it regulates makes available to QFs long-term contracts with fixed prices set at the utility’s forecasted avoided cost rates. *See* 18 CFR § 292.304(d)(2)(ii); ORS 758.525(2)(b). Under PURPA, this Commission must implement the Federal Energy Regulatory Commission’s (“FERC”) rules governing mandatory purchase provisions of Section 210 of PURPA, including 18 CFR § 292.304(d)(2)(ii). 16 USC § 824a-3(f). Since 1980, FERC consistently has explained that the purpose of the requirement in 18 CFR § 292.304(d)(2)(ii) that utilities must offer long-term contracts to QFs at fixed, avoid-cost rates is to support financing of new facilities developed by QFs. *Windham Solar LLC*, 157 FERC ¶ 61,134, at pp 6-8 (Nov 22, 2016).

In *Windham Solar*, FERC stated that the regulation is “intended to reconcile the requirement that the rates for purchases equal to the utilities’ avoided cost with the need for qualifying facilities to be able to enter into contractual commitments, by necessity, on estimates of future avoided costs” and FERC “has explicitly agreed with previous commenters that ‘stressed the need for certainty with regard to return on investment in new technologies.’” *Id.* at p 8 (quoting *Small Power Prod. and Cogeneration Facilities; Regulations Implementing Sec. 210 of the Pub. Util. Reg. Pol. Act of 1978*, Order No 69, 45 Fed Reg 12,214, 12,224 (Feb 25, 1980)). FERC further explained, “[g]iven this ‘need for certainty with regard to return on investment,’ coupled with Congress’ directive that the Commission ‘encourage’ QFs, a legally enforceable obligation should be long enough to allow QFs reasonable opportunities to attract capital from potential investors.” *Id.* (quoting 45 Fed Reg at 12,224 & 16 USC § 824a-3 (a)).

A program designed to encourage development of new renewable energy facilities would be futile, and non-compliant with FERC’s regulation, if the fixed-price term adopted was too short to support financing of such new renewable energy facilities. Given that the Commission determined that fifteen years of fixed prices is the shortest period reasonably necessary to comply with the objective of the applicable FERC regulations and support most QFs’ *financing* of an unbuilt facility, it is self-evident that the fifteen-year fixed-price period cannot commence until the QF is actually *selling* energy to the utility. In the case of an unbuilt facility, this always happens months to years after a QF obtains *financing* and even longer after *execution* of the agreement. Based on the evidence presented in the 2005 proceeding, any other conclusion would have violated the intent and purpose of the FERC regulation underlying the Commission’s 2005 order.

The Commission recently reconfirmed its policy in UM 1805 over the objection of PGE. As the Commission stated, “prices paid to a QF are only meaningful when a QF is operational and delivering power to the utility.” *Northwest and Intermountain Power Producers Coalition*, OPUC Order No 17-256 at 4. Accordingly, utilities must offer “15 years of fixed prices that commence when the QF transmits power to the utility.” *Id.*

This reconfirmation of the Commission’s policy did not “constitute[] the adoption of a ‘new policy.’ Rather, . . . [the Commission’s] decision was simply to affirm the policy with respect to the commencement date for the 15-year period of fixed prices.” *Northwest and Intermountain Power Producers Coalition*, OPUC Order No 18-079 at 3. The Commission further stated that its “policy, which had been reflected explicitly in standard contract forms for PacifiCorp and Idaho Power Company, had been, up until the filing of PGE’s most recent standard contracts [i.e. the generation of standard contract forms *after* those executed by the NewSun Parties], neither a source of controversy nor litigation by either a QF or a utility.” *Id.*

Thus, since 2005, the Commission’s *longstanding policy* has been that the fifteen-year fixed-price period is intended to begin when the QF becomes operational and is delivering power to the utility, *not* at the time the PPA is executed. For a regulated utility, such as PGE, to unilaterally implement some other policy would undermine this Commission’s authority and obligation to implement the federal and state laws at issue. Such a result cannot be allowed through implication and alleged ambiguity. Absent unambiguously clear language in the executed NewSun PPAs to the contrary, the default interpretation must be that PGE’s executed standard contract forms are consistent with this Commission’s long-standing policy that the fifteen-year fixed-price period commences when the QF begins operation and is delivering power to PGE.

2. The Commission’s Renewable Rate Orders Further Support the Conclusion that the Fifteen-Year Fixed-Price Period Commences on the Commercial Operation Date

The Commission’s policy orders developing the renewable-based pricing contained in the NewSun PPAs provide even further contextual support for the objectively reasonable conclusion that the fifteen-year fixed-price period commences when the QF is operational and delivering power.

In a 2011 Order, the Commission ruled that PGE and PacifiCorp must offer a renewable-based price to QFs. Consistent with the Schedule 201 at issue here, the Commission explained:

During periods of renewable resource sufficiency, the rate will be based on market prices. During periods of renewable resource deficiency, the rate will be based on the renewable avoided cost of the next utility scale renewable resource acquisition in that utility's IRP. The renewable resource QF will keep all associated Renewable Energy Certificates (RECs) during periods of renewable resource sufficiency, but will transfer those RECs to the purchasing utility during periods of renewable resource deficiency.

See In the Matter of Pub. Util. Comm’n of Or., Investigation Into Resource Sufficiency Pursuant to Order No 06-538, OPUC Docket No UM 1396, Order No 11-505, at 1 (Dec 13, 2011). The Commission ordered the utilities, including PGE, to file revised standard contract forms and rates that implemented this new policy. *Id.* at 12.

After further contested case proceedings, the Commission first approved PGE’s standard contract form for renewable QFs in 2014. This form contract tied the price PGE would pay for energy delivered by a QF directly to the ownership of Renewable Energy Certificates (or “RECs,” also referred to as “RPS Attributes” and “Environmental Attributes”). This issue was resolved first through a Commission-approved stipulation between PacifiCorp, OPUC Staff, and QF parties, which provided:

Renewable Energy Credit (REC) ownership in the last five years of a 20-year contract. The Stipulating Parties agree that renewable PPAs signed during Phase II [of UM 1610] will include language assigning ownership of all Environmental Attributes to the QF during the last five years of a 20-year contract when prices paid to the QF are at market.

See In re Pub. Util. Comm'n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing, OPUC Docket No UM 1610, Order No 14-295 at Appendix A at 8-9 (Aug 19, 2014).

The Commission approved this arrangement for use in PPAs executed pending resolution of outstanding issues in Phase II of Docket No UM 1610. Pursuant to this Commission-approved policy, a QF that executed a PPA before the outcome of Phase II of Docket No UM 1610 retains ownership of the Environmental Attributes (including RPS Attributes and Renewable Energy Credits) when the utility begins paying the lower market-index price for “brown” power—which occurs fifteen years after the QF’s facility achieves operation. This is consistent with the central bargain underlying this generation of Commission-approved renewable-pricing PPAs.

Although PGE was not a party to that stipulation, the participating parties implemented the same policy through agreed-to revisions to PGE’s standard PPA. These revisions included the Section 4.5 of PGE’s standard contract, which appears in the NewSun PPAs and which unambiguously provides that the QF retains ownership of the Environmental Attributes “after completion of the first fifteen (15) years after the Commercial Operation Date.” *See PGE’s Compliance Filing*, OPUC Docket No 1610 (Nov 25, 2014) (containing agreed-to renewable standard PPAs, a version of Section 4.5 identical to that in the NewSun PPAs) [Adams Declaration, Ex. B at 40.].

If PGE intended that market-index pricing would begin fifteen years after execution of the contract, Section 4.5 should have stated that the QF would retain ownership of the Environmental Attributes beginning fifteen years after the effective date of the contract. PGE,

however, did not obtain approval for such unique treatment pending the outcome of Phase II of Docket No UM 1610. Instead, the Commission approved changes to PGE's standard PPAs that were consistent with the PacifiCorp stipulation. *In re Pub. Util. Comm'n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing*, OPUC Docket No UM 1610, Order No 14-435 (Dec 16, 2014).

The Commission subsequently approved further changes to standard contracts, including expressly allowing a QF up to three years after contract execution to complete development and achieve commercial operation. *In re Pub. Util. Comm'n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing*, OPUC Docket No UM 1610, Order No 15-130, at 2 (April 15, 2016). The Commission then approved PGE's 2015 Standard Renewable Contract Form at issue here, which provides a QF up to three years after the execution date to achieve commercial operation, while retaining the language in Section 4.5 regarding ownership of RPS Attributes/Environmental Attributes. *See In re Pub. Util. Comm'n of Or. Staff Investigation Into Qualifying Facility Contracting and Pricing*, OPUC Docket No UM 1610, Order No 15-289 (Sept 22, 2015) [Adams Declaration, Ex. J].

This regulatory history provides additional context and further confirms that, under the NewSun PPAs, ownership of RPS Attributes/Environmental Attributes is tied to the payment of fixed, renewable pricing based on the avoided cost of the utility's next renewable resource as contained in the rate tables in Schedule 201. Beginning fifteen years after the Commercial Operation Date, the QF receives market-index pricing in exchange for selling "brown power" stripped of all Environmental Attributes.

In sum, the Commission's longstanding policy is that a QF receives fifteen years of fixed prices commencing when the QF's facility achieves commercial operation. Accordingly, PGE's

2015 Standard Renewable Contract Form unambiguously provides QFs with renewable-based fixed prices for fifteen years beginning on the Commercial Operation Date.

B. The Plain Terms of the NewSun PPAs Require Fifteen Years of Fixed Prices Commencing on the Commercial Operation Date

In addition to the relevant regulatory context regarding power purchase agreements for *unbuilt solar-powered generation facilities*, which the Commission mandated must include fifteen years of fixed prices commencing when the QF's facility achieves operation and is delivering energy, the plain terms of the NewSun PPAs also establish that the fifteen years of fixed pricing provided for in the agreements commence on the Commercial Operation Date. As set forth in the Recitals, each PPA obligates the applicable NewSun Party to “construct, own, operate and maintain a photovoltaic solar facility” as described in the applicable Exhibit A to the PPA. *See* NewSun PPAs at Recitals. Once the relevant NewSun Party completes development of its Facility and achieves commercial operation, it is obligated to sell “the entire Net Output” of the Facility to PGE. *See id.*

An unbuilt solar facility obviously cannot generate or sell any output. The fixed prices provided for by the PPAs therefore become relevant *only after* the Facility is developed and achieves commercial operation. This additional context further supports the conclusion that the fifteen-year fixed-price period commences on the Commercial Operation Date, not on the date the PPA was executed.

Each executed NewSun PPA contains identical provisions regarding pricing. Section 4.2 provides: “PGE shall pay Seller the Contract Price for all delivered Net Output.” Accordingly, PGE is not obligated to purchase energy from any NewSun Party until the NewSun Party's Facility begins delivering energy to PGE.

Section 1.6 provides: “‘Contract Price’ means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.” The “Schedule” is defined to “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.” NewSun PPAs at § 1.33. The PPAs contain no further direct statement as to the applicable pricing. They simply reference Schedule 201, attached as Exhibit D, to determine the applicable “Contract Price.”

The Schedule 201 in effect during the relevant timeframe contains several rate tables with non-renewable and renewable-based rates depending on the resource types, including Baseload, Wind, and Solar QFs. Schedule 201 provides that “[t]he Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.” Schedule 201 at 4.⁵ Although not explicitly stated, one can infer from the title of the “Renewable” PPA that the “Renewable Fixed Price Option” applies, as opposed to the “Standard Fixed Price Option.” Schedule 201 further provides that the “[p]rices 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.” Schedule 201 at 12 (emphasis added). Thus, given that each NewSun PPA describes the relevant NewSun Party as a *solar* QF, the applicable fixed prices are contained in the Tables 6a and 6b titled “Renewable Fixed Price Option for Solar QF,” which contain On-Peak and Off-Peak prices for all years through 2040.

⁵ The complete version of the relevant version of Schedule 201 is attached to several of the NewSun PPAs submitted with this motion. *See, e.g.*, Stephens Declaration, Ex. 1 (containing Schedule 201 in Exhibit D to the PPA).

Schedule 201 also describes the renewable pricing scheme incorporated into the Contract

Prices in the PPA. The Schedule states:

Renewable Avoided Costs are based on forward market price estimates through the Renewable Resource Sufficiency Period, the period of time during which the Company's Renewable Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Renewable Resource Deficiency Period, the Renewable Avoided Costs reflect the fully allocated costs of a wind plant including capital costs.

Schedule 201 at 3. The "Renewable Resource Sufficiency Period" is defined as the "period from the current year through 2019," whereas the Renewable Resource Deficiency Period begins in 2020. Schedule 201 at 23.

The prices set forth in Tables 6a and 6b for each year through 2019 are significantly lower than the prices in subsequent years because they reflect only the costs of the "forward market price estimates through the Renewable Resource Sufficiency Period." *Id.* at 3. In 2020, the rates increase significantly because beginning in 2020 the QF is paid "the fully allocated costs of a wind plant including capital costs." *Id.* Thus, the central bargain of the Renewable Fixed Price Option represented by the pricing set forth in Schedule 201 is that each NewSun Party agrees to sell renewable energy in exchange for renewable-based pricing based on the costs of the avoided wind farm.

The PPAs and Schedule 201 also tie ownership of "Environmental Attributes" and "RPS Attributes" to the price that is paid to the NewSun Party. Sections 1.9 and 1.32 of the PPAs and the Schedule 201 (at page 23) contain consistent definitions of "Environmental Attributes" and "RPS Attributes." In short, "Environmental Attributes" includes *all possible* environmental attributes, including greenhouse gas offsets, while the "RPS Attributes" are only the "Environmental Attributes" needed to comply with Oregon's Renewable Portfolio Standard law,

ORS 469A *et seq.*, which does not include certain greenhouse gas offsets. Because a solar-powered QF does not produce any Environmental Attributes other than RPS Attributes, the two terms have the same meaning in the NewSun PPAs and can be considered interchangeably for purposes of the contractual interpretation analysis called for here.

The renewable pricing scheme contained in the NewSun PPAs and provisions regarding ownership of the RPS Attributes/Environmental Attributes relate directly to the parties' dispute regarding the fifteen-year fixed-price period. Section 4.5 of the PPAs and Schedule 201 collectively establish that, for fifteen "Contract Years" *after* the "Commercial Operation Date," PGE must pay the rates set forth under the heading "Renewable Fixed Price Option for Solar QF" in Tables 6a and 6b in exchange for energy delivered during those fifteen years, as well as delivery of the NewSun Party's "RPS Attributes" during the "Renewable Resource Deficiency Period" that occurs within those fifteen years. After the first fifteen Contract Years, the NewSun Party retains ownership of all "Environmental Attributes" (including RPS Attributes) and is paid only a market-index (i.e., brown power) price for the energy it delivers.

Section 4.5 of the PPA provides:

During the Renewable Resource Deficiency Period [i.e., beginning in 2020], 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 [i.e., through 2019], and any period within the Term of this Agreement *after completion of the first fifteen (15) years after the Commercial Operation Date*, 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.

(Emphasis added).

In turn, under the sub-heading “Renewable Fixed Price Option,” Schedule 201 provides:

Sellers will retain all Environmental Attributes generated by the facility during the Renewable Resource Sufficiency Period [i.e., through 2019]. A Renewable QF choosing the Renewable Fixed Price Option must cede all RPS Attributes generated by the facility to the Company during the Renewable Resource Deficiency Period [i.e. beginning in 2020].

* * *

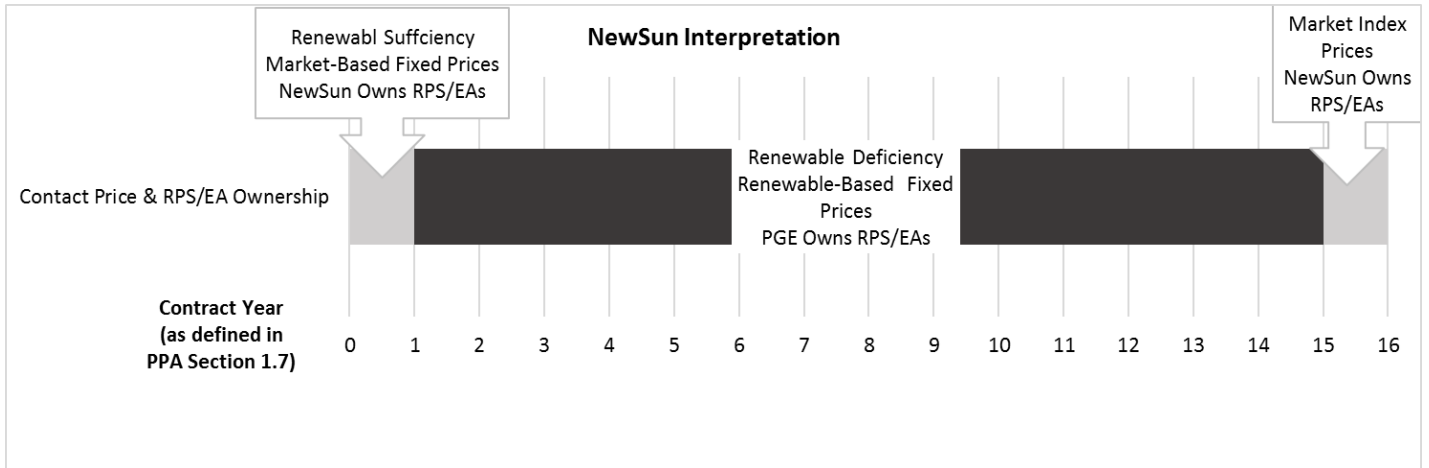
Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and *will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.*

Schedule 201 at 12 (emphasis added). This last clause again links the change in ownership of RPS Attributes/Environmental Attributes to the date when pricing changes from renewable fixed pricing to a market-index price for non-renewable power.

Under Oregon law, a contract must be construed *as a whole* to give meaning to all of its provisions. The only way to accomplish this with respect to the NewSun PPAs is to conclude that the fixed renewable price tables apply for fifteen “Contract Years” after the “Commercial Operation Date.” This is consistent with the central bargain to sell renewable energy and “RPS Attributes” in exchange for renewable-based pricing under the renewable PPA. It is the *only* way to reconcile all of the language in the contract.

The following chart illustrates the intent of these provisions—namely, that PGE must pay a brown power rate during the period where the NewSun Party retains ownership of its RPS Attributes/Environmental Attributes and a green power rate when the NewSun Party conveys its RPS Attributes/Environmental Attributes to PGE.⁶

⁶ For simplicity of illustration, this chart assumes Commercial Operation will be achieved on January 1, 2019.



1. PGE’s Contention that the Fixed Price Period in the NewSun PPAs Begins on the Execution Date Would Create an Irreconcilable Conflict with Section 4.5 of the PPAs

Even though the text and context of the NewSun PPAs and Schedule 201, read as a whole, support the NewSun Parties’ interpretation of the agreements, PGE contends that certain language in Schedule 201 limits the fixed-price period in the NewSun PPAs to fifteen years following execution of the contract. *See PGE’s Motion for Summary Judgment*, OPUC Docket No UM 1805, at 19, 23-24 (April 24, 2017). Specifically, PGE relies on language stating that the Renewable Fixed Price Option “is available for a maximum term of 15 years” and that “[s]ellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.” Schedule 201 at 12.

While PGE places emphasis on the phrase “PPAs exceeding 15 years,” arguing that the market-index pricing applies to all energy delivered more than fifteen calendar years after execution of the applicable PPA, PGE ignores the provisions addressing ownership of Environmental Attributes and the intent to pay renewable pricing for renewable power. Specifically, Section 4.5 of the PPAs provides:

[A]fter completion of the first fifteen (15) years after the Commercial Operation Date, Seller shall retain all Environmental Attributes in accordance with the Schedule.

Schedule 201 states:

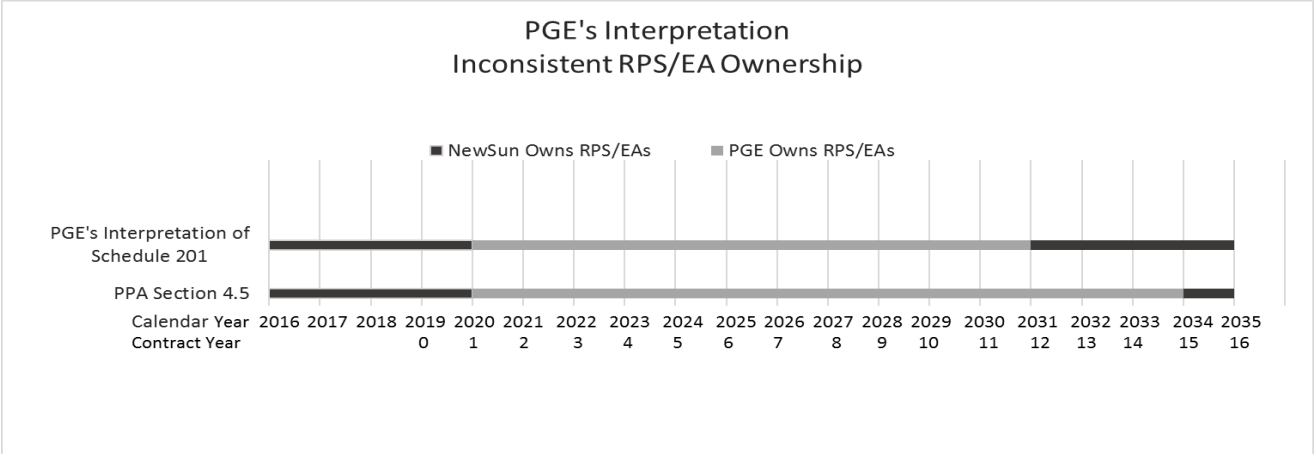
Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.

Schedule 201 at 12.

Adopting PGE’s interpretation of Schedule 201 would result in an irreconcilable conflict with Section 4.5 of the PPAs. Under PGE’s interpretation, Schedule 201 would mean that the NewSun Party begins receiving market-index prices and retains all Environmental Attributes beginning fifteen years after the date of execution. This directly contradicts the express language of Section 4.5, which provides that the NewSun Party would not retain Environmental Attributes until fifteen years after the Commercial Operation Date. The Commission therefore would have to reform Section 4.5 as follows:

[A]fter completion of the first fifteen (15) years after the ~~Commercial Operation Date~~ Effective Date, Seller shall retain all Environmental Attributes in accordance with the Schedule.

The following chart demonstrates the conflict that would be created by PGE’s out-of-context interpretation of phrases in Schedule 201:



Under Oregon law, the Commission must reject an interpretation that creates a conflict between the various provisions of the PPAs and the Schedule. *See Hoffman Constr. Co. v. Fred S. James & Co.*, 313 Or 464, 472, 836 P2d 703 (1992) (rejecting plaintiffs’ interpretation of a contract where that interpretation would create a conflict between two parts of the contract). Indeed, “[i]t is a fundamental rule in the construction of contracts that it is the duty of a court to construe a contract as a whole employing any reasonable method of interpretation so that no part of it is ignored and effect can be given to every word and phrase.” *New Zealand Ins. Co. v. Griffith Rubber Mills*, 270 Or 71, 75, 526 P2d 567 (1974). Accordingly, a court “must reconcile inconsistent provisions if it is at all possible.” *Id.*⁷

By contrast, the NewSun Parties’ interpretation of the PPAs reconciles all of their provisions. If, as the NewSun Parties contend, the phrase “PPAs exceeding 15 years” in Schedule 201 means PPAs with terms exceeding fifteen *Contract Years* (*i.e.*, PPAs that expire more than fifteen years after the Commercial Operation Date), then Schedule 201 and Section 4.5 are entirely consistent and require no modification. During the Renewable Resource Deficiency Period, which begins in 2020, and until the completion of fifteen Contract Years following the Commercial Operation Date, each NewSun Party will transfer all Environmental Attributes to PGE, as Section 4.5 of the PPA unambiguously requires, and will be paid at the rates in the “Renewable Fixed Price Option for Solar QF” in Tables 6a and 6b. During any remaining Contract Years, each NewSun Party will be paid at the Mid-C Index Price—which

⁷ Another basic principle of contract interpretation is that the more specific language using defined and uppercase contractual terms in the PPA’s Section 4.5 controls over the more general language in Schedule 201. *See* ORS 42.240 (“[W]hen a general and particular provision are inconsistent, the latter is paramount to the former. So a particular intent shall control a general one that is inconsistent with it.”); *Deerfield Commodities, Ltd. v. Nerco, Inc.*, 72 Or App 305, 319, 696 P2d 1096 (1985) (holding “general language [in an addendum] cannot be construed to override or conflict with [a] more specific provision of the agreement”).

represents the price for brown energy stripped of all Environmental Attributes—and will retain all Environmental Attributes.

When PGE first publicly raised its 15-years-from-effective-date argument in Docket No UM 1725, this very argument was presented by QF advocates in a clarification motion made. In its response, Commission Staff reject PGE's argument stating:

PGE asserts that its standard contract includes a 20-year term, inclusive of the time between contract execution and the commercial on-line date of the QF. A review of PGE's Standard Renewable Off-System Variable Power Purchase Agreement Form, effective September 23, 2015, does not clearly substantiate PGE's claim. Notably, the form of contract does not have a specified term. Instead, the term of the contract is filled out by the contracting parties....

Second, at least one section of this standard contract form is inconsistent with PGE's assertion that the fifteen-year fixed-price term starts on the effective date of the contract, rather than the COD of the QF. Section 4.5 of PGE's Standard Renewable Off-System Variable Power Purchase Agreement Form provides that QFs keep RECs during the utility's sufficiency period and during any period within the term of the contract after completion of the first fifteen years after the QF's COD:

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, Seller shall retain all Environmental Attributes in accordance with the Schedule.

Section 1.7 of the contract defines "contract year" as "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."

Staff Response to Motion for Clarification, OPUC Docket No UM 1725, at 4 (filed on May 6, 2016) (citations omitted) [Adams Declaration, Ex. C].

Commission Staff's agreement with NewSun's understanding of the specific language of PGE's 2015 Standard Renewable Contract Form is compelling evidence in favor of the objective reasonableness of the NewSun Parties' interpretation.

2. PGE's Contention that Its Interpretation of the NewSun PPAs Is Supported by the Definition of "Term" Is Unpersuasive

PGE apparently contends that the definition of "Term" in the PPAs supports its position because it establishes that the "Term" of the PPAs begins on the "Effective Date." PGE then attempts to insert this definition of "Term" into Schedule 201's description of the "Renewable Fixed Price Option," which states: "[t]his option is available for a *maximum term* of 15 years." Schedule 201 at 12 (emphasis added). Specifically, PGE contends that the use of the word "term" in Schedule 201 must be understood to limit the Renewable Fixed Price Option to fifteen years following execution of a PPA. But the word "term" in Schedule 201 is not capitalized, belying any intent to incorporate by reference the defined use of that word in the PPAs.

Indeed, neither the NewSun PPAs nor the Schedule 201 state that definitions in the PPA apply to Schedule 201. Schedule 201 includes its own list of defined terms (at pages 22-24) but does not cross reference the definitions in the PPA or otherwise suggest that the definitions in the PPA are intended to apply to words used in the Schedule. "When a contract is organized into separate parts, a provision or definition found in one part or section of the contract is not necessarily intended to apply to other parts." 17A Am Jur 2d *Contracts* § 355 (2d ed. 2004). Accordingly, there is no basis to apply the definition of "Term" in the PPA to limit the "maximum term" of the Renewable Fixed Price Option to fifteen years following contract execution.

Schedule 201 simply uses generalized language. As the Commission has stated, “information provided in tariffs will be supplemented with filed standard contract forms that contain full information about the terms, rates and conditions governing the sale and transfer of electrical energy between a utility and a QF project with a design capacity at or under 10 MW.” *Re Investigation Related to Electric Utility Purchases from Qualifying Facilities*, Order No 05-584 at 59. As to pricing, the tariffs only include “*general information* about pricing options.” *Id.* (emphasis added). This general information cannot override the specific language of the contract itself.

Moreover, basic logic also contradicts PGE’s argument. The only way to achieve a “maximum term” of fifteen years of fixed pricing is if the fifteen-year period begins when a QF is operational and thus able to *deliver and sell* energy to PGE. As the Commission recently stated, “[p]rices paid to a QF are only meaningful when a QF is operational and delivering power to the utility[,]” and “to provide a QF the full benefit of the fixed price requirement, the 15-year term must commence on the date of power delivery.” *Northwest and Intermountain Power Producers Coalition*, OPUC Order No 17-256 at 4.

Here, the fixed prices provided for by the Renewable Fixed Price Option are only meaningful on and after the Commercial Operation Date. Common logic and the Commission’s own orders dictate that the fifteen-year fixed-price period in the NewSun PPAs should commence on the Commercial Operation Date.

III. PGE’s Interpretation Defies Standard Understanding in the Industry

PGE’s entire argument rests upon its contention that the language in Schedule 201 stating that the Renewable Fixed Price Option “is available [to a QF] for a maximum term of 15 years” and that “[s]ellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index

Price ... for all years up to five in excess of the initial 15” limits the fixed-price period to fifteen years following contract execution. These words, however, must be understood in the context of, and interpreted consistently with, their common usage in the industry and the accepted industry understanding of fixed-price periods in PURPA contracts. *See* ORS 42.250 (if the terms of a contract “have a technical, local, or otherwise peculiar signification and were used and understood in the particular instance, ... the agreement shall be construed accordingly”); *May*, 260 Or at 294; *see also Seal Rock Water Dist. v. Toledo*, 77 Or App 251, 256 & n5, 712 P2d 174 (1986) (citing ORS 42.250 and adopting meaning of “amortization” generally consistent with the version of the Uniform System of Accounts adopted by the PUC at the time of contract).

Courts may rely on industry understanding to ascertain the objective meaning of a contract at summary judgment. *See Lone Rock Timberland Co v. Nicholls*, No 6:11-cv-6274-TC, 2012 WL 2836880, at *7 (D Or July 10, 2012) (stating that the “phrases ‘transporting logs’ or ‘transporting timber/forest products’ has a distinct meaning within the context of the timber industry”). “If [industry] usage is embodied in a written trade code or similar writing the interpretation of the writing is to be determined by the court as a question of law.” *Restatement (Second) of Contracts* § 222(2). “There is no requirement that an agreement be ambiguous before evidence of a usage of trade can be shown, nor is it required that the usage of trade be consistent with the meaning the agreement would have apart from the usage.” *Id.* at § 222, Comment (b). The usage need not be “universal;” it only “must be reasonable.” *Id.* Moreover, “commercial acceptance by regular observance makes out a prima facie case that a usage of trade is reasonable.” *Id.*

Here, there is a well-established industry usage that contradicts PGE’s position, as this Commission itself recently reconfirmed in its UM 1805 orders restating the purpose and meaning

of Order No 05-584. Specifically, a term of years of fixed prices in a power sale agreement has always been understood in the industry to commence at the project's in-service date. Simply put, when an independent power producer is informed it will receive a fixed-price PPA for a fifteen-year term—as the NewSun Parties were informed by PGE's Schedule 201—the understanding in the industry is that the fifteen-year period begins only *after* the power plant is constructed and begins delivering energy.

This basic industry understanding is confirmed, among other things, by the Commission's orders regarding the fixed-price period and by PacifiCorp's and Idaho Power's Oregon PURPA tariffs. As the Commission's orders in UM 1805 note, it is undisputed that Idaho Power and PacifiCorp have always implemented Order No 05-584 to offer a fifteen-year fixed-price period and a maximum twenty-year contract term, both of which commence when the QF is operational and delivering power, not years earlier when the contract is executed. Yet both Idaho Power and PacifiCorp refer to the "term" of the fixed-price period and the overall contract using language that is strikingly similar to the language in the version of PGE's Schedule 201 at issue here.

PacifiCorp's initial Schedule 37 filing provided, in pertinent part:

Fixed Avoided Cost Prices are available for a *contract term of up to 15 years* and prices under a *longer term contract (up to 20 years)* will thereafter be under either Banded Gas Market Indexed Avoided Cost Prices or Gas Market Indexed Avoided Cost Prices.

See PacifiCorp's Compliance Filing, Power Purchase Agreement, OPUC Docket No UM 1129, Ex. F, Schedule No 37 at page 2 (July 12, 2005) (emphasis added) [Adams Declaration, Ex. D at 38]. Nowhere in PacifiCorp's tariff does it state that either the "contract term of up to 15 years" for Fixed Avoided Cost Prices or the "longer term contract (up to 20 years)" commences when a QF begins delivering energy. Nonetheless, any industry participant would understand that to be

the intended meaning of the tariff, and it cannot be disputed that PacifiCorp also interprets the language in its tariff that way. Indeed, PacifiCorp’s standard contracts offered under this version of Schedule 37 unambiguously provided that the 15-year fixed-price period begins from the “Scheduled Initial Delivery” date. *See id.* at 16.

The version of PacifiCorp’s Schedule 37 in effect when the NewSun PPAs were execution contained similar language. As to the renewable pricing, it provided:

Prices are fixed at the time that the contract is signed by both the Renewable Qualifying Facility and the Company and will not change during the term of the contract. Renewable Fixed Avoided Cost Prices are available for *a contract term of up to 15 years* and prices under *a longer term contract (up to 20 years)* will thereafter be under the Firm Market Indexed Avoided Cost Price. . . . A Renewable Qualifying Facility choosing the Renewable Fixed Avoided Cost pricing option must cede all Green Tags generated by the facility, as defined in the standard contract, to the Company during the Renewable Resource Deficiency Period identified on page 6, except that a *Renewable Qualifying Facility retains ownership of all Environmental Attributes* generated by the facility, as defined in the standard contract, during the Renewable Resource Sufficiency Period identified on page 6 and *during any period after the first 15 years of a longer term contract (up to 20 years)*.

PacifiCorp’s Stipulation and Compliance Filing, OPUC Docket No UM 1610/Advice No 14-007, at Clean Tariff Sheet 3 (August 11, 2014) (emphasis added) [Adams Declaration, Ex. E at 19].

This language is substantively identical to the language in PGE’s Schedule 201, but PacifiCorp interprets this generalized language in the tariffs as providing a 15-year fixed-price period that commences at the time of “Scheduled Initial Delivery,” *not* the date of contract execution. *See id.* at Oregon Standard New Qualifying Facility Power Purchase Agreement at § 5.3 [Adams Declaration, Ex. E at 44].

Idaho Power's Oregon PURPA tariff also contains a similar language with respect to the term of negotiated or "nonstandard" contracts. The Idaho Power Schedule 85 in effect during the relevant time stated: "QFs have the unilateral right to select a contract length of up to 20 years for a PURPA contract." *See Idaho Power Company's Application for Approval of its Replacement Compliance Filing with Order No 14-058*, OPUC Docket No UM 1610, at Schedule 85 Sheet 11 (July 3, 2014) [Adams Declaration, Ex. F at 21].

Again, this language is substantively identical to the language in PGE's Schedule 201. And, again, it cannot be disputed that the Idaho Power's tariff uses this language to describe a period of twenty years commencing on the operation date, as Idaho Power's standard contract confirms. *Id.* at Standard Energy Sales Agreement at § 5.1 [Adams Declaration, Ex. F at 39].

A QF presented with substantively identical language in the three Oregon utilities' tariffs would reasonably conclude that PGE's tariff had the same meaning as the other two Oregon utilities' tariffs, not to mention the rest of the utility industry. Even if unambiguous language to the contrary in a particular version of PGE's standard contract hypothetically could override this industry understanding, no such language exists in PGE's 2015 Standard Renewable Contract Forms, on which the NewSun PPAs are based.

PGE's own recent request for proposals ("RFP") further evidence this common industry usage. In PGE's renewable RFP, issued in 2012, PGE repeatedly refers to the "term" for a power purchase agreement bid as the period commencing with energy deliveries, which could begin no earlier than January 2013 but with a preferred date at the end of 2015. *Portland General Elec. Request for Proposals: Renewable Energy Resources*, OPUC Docket No UM 1613, at 11, 16, 30 (Sept 10, 2012) [Adams Declaration, Ex. G at 18, 23, 37]. Indeed, the sample bid sheet contained in PGE's RFP states:

Term: Bidder to provide. The minimum bid term is 10 years, with a start date no earlier than January 1, 2013.

Example: Commence January 1, 2013, for up to 20 years.

Id. at 30 [Adams Declaration, Ex. G at 37]. More recently, PGE issued an RFP targeting final execution of a power purchase agreement by December 31, 2018, in which it described the “term” of the power purchase agreement as a minimum of “20 years” with an “Online/Contract Start Date” no later than December 31, 2021. *Portland General Elec. Request for Proposals: Final - Renewable Energy Resources*, at 8, 13 (May 22, 2018), [Adams Declaration, Ex. H at 8, 13]. The RFP states: “the minimum term duration is twenty years,” meaning 20 years after commencement of energy sales under the agreement, not 20 years from execution of the contract. *Id.* at 13; *see also id.* at 18. Accordingly, PGE’s own use of the word “term” in its RFPs is consistent with the NewSun Parties’ understanding of the use of the word in Schedule 201.

Precedent from numerous other states also is consistent with this generally understood industry usage of the word “term” in the context of a power purchase agreement to mean the period of years beginning on the facility’s in-service date. For example, during the early stages of implementing PURPA, the Idaho Public Utilities Commission (“IPUC”) determined to make published prices available for a twenty-year contract term, as a means to ensure reasonable comparability to utility-owned generation. To ensure those twenty-year terms were available, the IPUC requires rates offered for twenty-year periods beginning at an in-service date up to six years after execution of the contract:

[W]e find that the avoided cost rates shall be published for on-line dates up to six years in the future. . . . The purpose is to provide developers with adequate rates for facilities with long construction times and to provide utilities with a basis for negotiating delayed QF on-line date contracts where desirable.

Re Review of the Idaho Public Utilities Commission's Policies Establishing Avoided Costs Under the Public Utility Regulatory Policies Act of 1978, IPUC Case No U-1500-170, Order No 22636, Ida PUC LEXIS 146 at *83 (July 27, 1989); *see also id.* at *89; *see also Re Application of Idaho Power Co. for Approval of an Agreement to Purchase Capacity and Energy from USG Oregon, LLC*, IPUC Case No IPC-E-09-34, Order No 31087, 2010 Ida. PUC LEXIS 167, at **6-10 (May 20, 2010) (approving non-QF power purchase agreement for unbuilt geothermal facility with twenty years of fixed rates commencing after in-service date after noting this extensive delay between contract execution and the guaranteed online date).

Other examples from throughout the country, and spanning several decades, are in accord:

- **California:** For purposes of implementing a standard contract under the state's renewable portfolio standard, "[e]ach respondent proposes including a contract term that is materially the same as the Commission-adopted [Standard Terms and Conditions] with regard to delivery for periods of 10, 15 or 20 years. . . . [W]e adopt respondents' proposals." *Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program*, Cal Pub Util Comm'n Decision 07-07-027, 2007 Cal PUC LEXIS 348, *46 (Jan 1, 2001);
- **Michigan:** Approving a settlement PPA where the QF "will receive a rate of 3.62 cents per kWh for the first ten years after commercial operation" and five other QFs will receive a different rate structure for first 10 years after commercial operation. *In Re: Midland Cogeneration Partnership*, Mich Pub Serv Comm'n Case No U-8871 et al.; Case No U-10127, 1993 Mich PSC LEXIS 58, *41 (March 31, 1993);
- **New York:** "For customers served under Phase One [Net Energy Metering], the Commission adopts Staff's recommendation that they receive Phase One NEM compensation for a 20-year term from their in-service date. As noted in the Staff Proposal, this is consistent with other programs and trends in other jurisdictions." *In re: Value of Distributed Energy Resources*, NY Pub Serv Comm'n, Case Nos 15-E-0751 & 15-E-0082, 2017 NY PUC LEXIS 121, *22 (March 9, 2017) (footnotes omitted);
- **South Dakota:** "[T]he appropriate contract term for the Project was 20 years to enable the Project to obtain financing" and the "actual annual calculated value or the levelized value over the 20-year power purchase obligation contract term" adopted was "\$53.31/MWh if operation begins in 2013 and \$55.34/MWh if operation begins

in 2014;” and providing rate tables demonstrating that the twenty-year power purchase obligation ran from the operation date. *see In Re: Complaint by Oak Tree Energy LLC*, S Dakota Pub Serv Comm’n, Case No EL11-006, 2013 SD PUC LEXIS 84, **13-14, 28 & App A (May 17, 2013); and

- **Florida:** “The Panda contract originally provided for a Contract In-Service Date of April 1, 1995 and an expiration date of March 31, 2025, which amounted to a term of 30 years.” *Re Standard offer contract for the purchase of firm capacity and energy from a qualifying facility between Panda-Kathleen, L.P. and Florida Power Corp.*, Florida Pub Serv Comm’n. Order No PSC-96-0221-PHO-EI, 1996 Fla. PUC LEXIS 368 at *8 (Feb 15, 1996). “Assuming a contract term extending ten years beyond the in-service date of the statewide avoided unit, the following standard offer capacity payments result” *Re: Proceedings to Implement Cogeneration Rules*, Florida Pub Serv Comm’n, Order No 13247, 1984 Fla PUC LEXIS 637 at *19 (May 1, 1984).

In sum, the prevailing industry usage and understanding in Oregon and throughout the nation supports the NewSun Parties’ understanding of the NewSun PPAs and further compels rejection of PGE’s argument. This is particularly the case where PGE drafted the standard contract forms and argues for an interpretation that, by all accounts, runs counter to all other common understandings and usages in the industry for a fixed-price term of a PPA. *See Heinzl*, 310 Or at 96-97 (contract construed against drafter).

CONCLUSION

The unambiguous text and context of the NewSun PPAs establish that, consistent with Commission policy, each of the NewSun Parties are entitled to fifteen years of fixed prices commencing on the relevant Facility’s Commercial Operation Date. There are no issues of material fact that might give rise to an ambiguity or otherwise impact the Commission’s resolution of this dispute. Having already issued three orders on the subject in the past year, leaving no doubt that the Commission’s policy is and always has been that QFs are entitled to fifteen years of fixed prices commencing when their facility achieves operation, the Commission is well placed to, and should, summarily resolve this dispute. For these reasons and the other reasons stated above, the NewSun Parties respectfully request that the Commission issue an

order determining that each NewSun PPA requires PGE to pay the On-Peak and Off-Peak prices contained in the tables titled “Renewable Fixed Price Option for Solar QF” in PGE’s Schedule 201 in effect at the time of execution of each NewSun PPA for fifteen years after the Commercial Operation Date.

DATED this 2nd day of July 2018.

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Attorneys for Defendants

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1931

PORTLAND GENERAL ELECTRIC)	
COMPANY,)	
	)	DECLARATION OF GREGORY M.
Complainant,	)	ADAMS IN SUPPORT OF
	)	DEFENDANTS' MOTION FOR
v.	)	SUMMARY DISPOSITION
)	
ALFALFA SOLAR I LLC, et al.)	
)	
Defendants.)	

I, Gregory M. Adams, declare under the penalty of perjury as follows:

1. I am a partner at the law firm Richardson Adams, PLLC in Boise, Idaho, and am one of the attorneys of record for Defendants Alfalfa Solar I LLC (“Alfalfa”), Dayton Solar I LLC (“Dayton”), Fort Rock Solar I LLC (“Fort Rock I”), Fort Rock Solar II LLC (Fort Rock II”), Fort Rock Solar IV LLC (“Fort Rock IV”), Harney Solar I LLC (“Harney”), Riley Solar I LLC (“Riley”), Starvation Solar I LLC (“Starvation”), Tygh Valley Solar I LLC (“Tygh Valley”), and Wasco Solar I LLC (“Wasco”) (collectively, the “NewSun Parties” or “Defendants”) in the above-captioned proceeding before the Oregon Public Utility Commission (“OPUC” or “Commission”). This declaration is based on my personal knowledge and, if called to testify to the following facts, I could and would competently do so. I submit this declaration in support of Defendants’ Motion for Summary Disposition.

2. Attached hereto as **Exhibit A** is a true and correct copy of the transcript of proceedings held before the United States District Court for the District of Oregon on May 30, 2018, in *Alfalfa Solar I LLC v. Portland Gen. Elec. Co.*, No. 3:18-cv-40-SI.

3. Attached as **Exhibit B** hereto is a true and correct copy of an excerpt of *PGE's Compliance Filing*, OPUC Docket No. 1610 (Nov. 25, 2014), available on the Commission's eDockets website.

4. Attached as **Exhibit C** is a true and correct copy of *Staff Response to Motion for Clarification*, OPUC Docket No. UM 1725 (May 6, 2016), available on the Commission's eDockets website.

5. Attached as **Exhibit D** is a true and correct copy of *PacifiCorp's Compliance Filing, Power Purchase Agreement*, OPUC Docket No. UM 1129 (July 12, 2005), available on the Commission's eDockets website.

6. Attached as **Exhibit E** is a true and correct copy of an excerpt of *PacifiCorp's Stipulation and Compliance Filing*, OPUC Docket No. UM 1610/Advice No. 14-007 (August 11, 2014), available on the Commission's eDockets website.

7. Attached as **Exhibit F** is a true and correct copy of an excerpt of *Idaho Power Company's Application for Approval of its Replacement Compliance Filing with Order No. 14-058*, OPUC Docket No. UM 1610 (July 3, 2014), available on the Commission's eDockets website.

8. Attached as **Exhibit G** is a true and correct copy of *Portland General Elec. Request for Proposals: Renewable Energy Resources – Revised Draft*, OPUC Docket No. UM 1613 (Sept. 10, 2012), available on the Commission's eDockets website.

10. Attached as **Exhibit H** is a true and correct copy of *Portland General Elec. Request for Proposals: Final - Renewable Energy Resources* (May 22, 2018), downloaded from <https://www.portlandgeneralrfp2018.com/wp-content/uploads/2018/05/PGE-2018-Renewable-RFP-Main-Document-Final.pdf>.

11. Attached as **Exhibit I** is a true and correct copy of *Portland General Electric Company's Application for Rehearing or Reconsideration and Application to Amend Order No. 17-465*, OPUC Docket No. UM 1805 (Jan 12, 2018), available on the Commission's eDockets website.

12. Attached as **Exhibit J** is an excerpt of *Portland General Electric Company's Application in Compliance with OPUC Order No. 15-130*, OPUC Docket No. UM 1610 (May 27 2015), containing the "Standard Renewable Off-System Variable Power Purchase Agreement," available on the Commission's eDockets website.

I hereby declare that the above statements are true to the best of my knowledge and belief, and that I understand they are made for use as evidence in the Oregon Public Utility Commission and are subject to penalty of perjury.

DATED this 1st day of July 2018.



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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON

ALFALFA SOLAR I LLC, a Delaware)	
limited liability company,)	
et al.,)	
)	
Plaintiffs,	)	No. 3:18-cv-00040-SI
)	
vs.	)	May 30, 2018
)	
PORTLAND GENERAL ELECTRIC	)	Portland, Oregon
COMPANY, an Oregon corporation,)	
)	
Defendant.)	
-----)	

MOTION HEARING

TRANSCRIPT OF PROCEEDINGS

BEFORE THE HONORABLE MICHAEL H. SIMON

UNITED STATES DISTRICT COURT JUDGE

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P R O C E E D I N G S

THE CLERK: Your Honor, this is the time set for oral argument in Civil Case 18-40-SI, Alfalfa Solar I LLC, et al. versus Portland General Electric Company.

And could I have counsel in court, beginning with plaintiff, please identify yourself for the record.

MR. SHLACHTER: Thank you.

Good morning, Your Honor. Robert Shlachter and Keil Mueller on behalf of the plaintiffs.

THE COURT: Good morning.

MR. DeLUCA: Good morning, Your Honor. Dallas DeLuca, Anit Jindal, and Jeffrey Lovinger on behalf of Defendant Portland General Electric Company.

THE COURT: Good morning.

MR. DeLUCA: We also have Assistant General Counsel David White with us today.

THE COURT: Good morning.

All right. We are here on the defendant's motion to dismiss or, in the alternative, to stay. I have read everything that you all have provided to me. I will have some questions, I expect, but I look forward to defendant's argument.

MR. DeLUCA: Thank you, Your Honor.

We're not here to decide the substance of the question of when the 15-year period begins for the fixed rate

1 in the standard purchase power agreements between Portland
2 General Electric and the 10 plaintiffs.

3 THE COURT: That said, can you show me where the
4 dispute is in the language over that? Is it in basically the
5 Schedule 201, the subsection (2)?

6 So what exactly are the merits of the dispute? And
7 tie it to the language in the contract, if you don't mind,
8 please. And then I know and then I'll let you get back to
9 that's not why we're here.

10 MR. DeLUCA: Actually, Your Honor, where I'd like to
11 start is the document that preceded the contract, that
12 informed the contract, which is where the Public Utility
13 Commission gave its order and said what these contracts have
14 to have.

15 And that's the 2005 order, 05-584, where the Public
16 Utility Commission said, "This is our policy. Going forward,
17 we will have 20-year contracts for these qualified facilities,
18 the first 15 of which will be at the fixed rate in the
19 schedule, in the Schedule 201, and the last five at the market
20 rate."

21 And that's Exhibit 3 to the first Jindal declaration.

22 THE COURT: Let me go back. Let's go back to my
23 question.

24 MR. DeLUCA: Yes.

25 THE COURT: My question is: Can you show me the

1 specific text in the PPA that's at the heart of the dispute on
2 the merits?

3 MR. DeLUCA: Sure. Plaintiffs contend --

4 THE COURT: No. Just show me where the text is.
5 That's all I'm looking for.

6 MR. DeLUCA: The contract term --

7 THE COURT: I've got a PPA. And, frankly, the PPA I
8 have in front of me is in the first-named defendant, Alfalfa
9 Solar, docket 1.1 or 1-1.

10 MR. DeLUCA: Part of it has to do with the definition
11 of "contract year" in 1.7.

12 THE COURT: Okay.

13 MR. DeLUCA: And it's a 12-month period beginning
14 with the commercial operation date.

15 And if I understand their argument correctly, that is
16 part of their argument for why that is in dispute, because the
17 contract terminates, according to Section 2.3, in the
18 sixteenth contract year.

19 THE COURT: All right. One second.

20 So I start with 1.7, "contract year," and note it's
21 "commencing upon the commercial operation date."

22 Okay. And where do I go from there?

23 MR. DeLUCA: 2.3 and 2.1.

24 THE COURT: 2.3. Okay.

25 MR. DeLUCA: "This agreement shall terminate on the

1 completion of the last day of the sixteenth contract year."

2 THE COURT: Got it.

3 MR. DeLUCA: Above that we've got Section 2.1 that
4 the effective date of the contract starts at when it's
5 executed, which was back, for these contracts, in various
6 months in the first half of 2016.

7 THE COURT: Okay.

8 MR. DeLUCA: Then we have the schedules, as you
9 pointed out. I'll have to take my glasses off because it's
10 way too small.

11 THE COURT: I know. I had to do the same thing.

12 And it's the schedule under "Renewable Fixed Price
13 Option"?

14 MR. DeLUCA: Correct, Your Honor.

15 MR. SHLACHTER: We have a -- Your Honor, we have a
16 blow-up copy of it.

17 THE COURT: I'll take it.

18 MR. SHLACHTER: Okay.

19 THE COURT: Thank you. My eye doctor thanks you as
20 well.

21 MR. SHLACHTER: (Handing).

22 THE CLERK: (Handing).

23 THE COURT: Okay. Go ahead, Mr. DeLuca, whenever
24 you're ready.

25 MR. DeLUCA: I'm sorry, Your Honor. I have it

1 highlighted in a different one.

2 (There is a brief pause in the proceedings.)

3 THE COURT: We highlighted the same paragraphs.

4 MR. DeLUCA: And I didn't highlight this one.

5 THE COURT: It's the second paragraph.

6 MR. DeLUCA: Would it be at 201-4, Your Honor?

7 THE COURT: It's on Exhibit 1, page 29, "Pricing
8 Options for Standard PPA," subsection (2), "Renewable" --

9 MR. DeLUCA: Thank you, Your Honor. My colleague,
10 Anit Jindal --

11 THE COURT: -- "Fixed Price Option," second
12 paragraph.

13 MR. DeLUCA: "The option is available for a maximum
14 term of 15 years. Prices will be as established at the time
15 the standard PPA is executed and will be equal to the
16 renewable avoided costs in Tables 4a and 4b, 5a and 5b, or 6a
17 and 6b, depending on the type of QF" -- which is qualifying
18 facility -- "effective at execution."

19 THE COURT: So you're saying that "effective at
20 execution" means that's the effective date, that's when it's
21 signed, and that's when it starts and runs for 15 years,
22 right?

23 MR. DeLUCA: Correct.

24 THE COURT: What's your understanding of what the
25 plaintiffs' argument is on the merits of that interpretation?

1 MR. DeLUCA: That under the beginning parts of the
2 contracts, Sections 1.7 and 2.3, not to put words in their
3 mouth, but my understanding is that because of that, it runs
4 at commercial operation date.

5 THE COURT: Okay. I apologize for the interruption,
6 but I wanted to hear and make sure I understood all of this.

7 And now you're welcome to go back and tell us why
8 we're really here.

9 MR. DeLUCA: Sorry, Your Honor.

10 THE COURT: Now you can begin the argument where you
11 wanted to.

12 MR. DeLUCA: Sure.

13 Ripeness -- because this case is not ripe. They've
14 alleged in their complaint that the chief concerns, the
15 pricing during those out years of the contract -- So PGE's
16 position has been and always has been that it begins at
17 contract execution and runs for 15 years from contract
18 execution. Theirs is that it runs from COD, which could be up
19 to three, maybe even four years after contract execution, COD
20 being commercial operation date.

21 So that puts the dispute for these parties --
22 assuming that they get up and running in the year 2019, that
23 puts the dispute out into 2031. And at that point in time,
24 PGE's position will be, "We will pay these plaintiffs the rate
25 at the Mid-C market." And they want to continue for an

1 additional three years to have the contract rates. They
2 believe at this point in time that it's more likely than not
3 that it will be higher than the rate that is the market rate.

4 But that is a contingent event. It depends on
5 whether these get built at all, whether they continue
6 operating at that point, whether the Mid-C market price is
7 higher or lower. All that is contingent way in the future.

8 THE COURT: I'm not following you why this isn't
9 ripe. Because as of right now, there is a disagreement
10 between the two parties over what does a particular term or
11 set of terms mean in the contract.

12 Now, depending upon what may happen in X number of
13 years in the future, that may or may not make a difference in
14 terms of who has to pay what and how much to whom, but for
15 right now there's a real disagreement.

16 And the plaintiffs appear to take the position that
17 based upon that uncertainty of how this is going to be
18 interpreted, they're either facing difficulties in either
19 getting financing or closing certain deals, and they need it
20 resolved now, because if they have to wait -- if they're told
21 they have to wait to get it resolved, well, then they won't be
22 able to close certain deals or obtain certain financing. And
23 there's no dispute that the parties are in a disagreement
24 right now of what it means.

25 So I don't understand why it's not ripe for a

1 declaratory judgment, either by this Court or by the PUC. And
2 we'll spend a lot more time talking about primary
3 jurisdiction, I expect. But I don't see why it's not ripe.

4 MR. DeLUCA: The cases we've cited all have disputes
5 that engaged in current disputes on a contract term but where
6 the effects would not be felt for years and were contingent.
7 Some of them were only one year in the future. In the *Clinton*
8 *v. Acequia* case, which I'm probably mispronouncing --
9 A-c-e-q-u-i-a -- that case the Ninth Circuit decided in August
10 of 1996 and decided it was not ripe because whether or not the
11 parties liquidated the company was not due until 1997.

12 It was a real dispute. There may have been real
13 hardship to one party or the other, deciding whether to go
14 forward, but it could not bootstrap onto a ripeness issue a
15 financing question, because everything can be financed. You'd
16 basically throw out the doctrine of ripeness. We'd no longer
17 have ripeness.

18 In the *Stewart* case, we had the person who wanted to
19 retire, and he -- or who didn't want to retire yet. He was
20 the longshoreman, and he had said under the policy for
21 retirement, "I've got the benefit of the new policy, not the
22 old policy."

23 THE COURT: I think that's overstating it to say this
24 would throw out the doctrine of ripeness.

25 There's a situation where -- I don't agree with that.

1 I do think that there are some discretionary factors at play
2 in whether a Court should or shouldn't engage in a declaratory
3 judgment; and the argument you're making may relate to one of
4 those factors. But in terms of ripeness as being an
5 on-and-off switch that says if it's not ripe, the Court can't
6 hear it, I think that's too far.

7 I think we should move on to another argument.

8 MR. DeLUCA: Your Honor, there is one other part of
9 ripeness I'd like to address, because if their current harm
10 that they're alleging creates this controversy in dispute is
11 their financing question, they don't meet the \$75,000
12 threshold or they certainly haven't alleged that they meet it,
13 because right now they've got something contingent way in the
14 future, and they're alleging that that will likely be \$75,000
15 in dispute for each plaintiff, although even they admit in
16 their briefing that nobody knows what the price is going to
17 be.

18 But that's not their current dispute. Their current
19 dispute is about financing. And all they say in their brief
20 on page 12 is that it may increase their costs or it may lead
21 to the failure of their ability to get financing.

22 THE COURT: My guess is that you have a stronger
23 argument on primary jurisdiction. If you want to spend your
24 time on the less strong arguments, you go right ahead.

25 MR. DeLUCA: Thank you, Your Honor. I just wanted to

1 put on the record, since it wasn't in the brief, that of
2 course they have the statutory requirement for the \$75,000;
3 and they have not even alleged that they meet the \$75,000.

4 THE COURT: If we ever need to get there, you are
5 always welcome to raise subject matter jurisdiction.

6 MR. DeLUCA: Primary jurisdiction, the doctrine both
7 in federal and state court is to protect the integrity of the
8 regulatory scheme; and that's from the *Syntek Semiconductor*
9 *Company v. Micro Tech* case, Ninth Circuit, 2002. And the
10 quote is "protection of the integrity of the regulatory
11 regime" -- "regulatory scheme," unquote.

12 And that's what we have here. We have a regulatory
13 scheme where, under 16 USC 824a-3(f), the federal legislature
14 has said that the states are implementing this part of PURPA.
15 The states are implementing the regulation of the contracts
16 between the QFs and the public utilities. And in the
17 *Independent Energy Association* case, the Ninth Circuit said
18 that these contracts are definitely part of what the state
19 regulatory agencies are responsible for having a first crack
20 at.

21 The *Independent Energy* case had other issues in it.
22 They were trying to decide that -- also in that case was the
23 question of whether the California PUC could actually modify
24 the rates in the contract, and that was preempted. And we
25 completely agree that that's preempted. And here PGE is not

1 attempting to have the Oregon PUC change the rates. So their
2 case -- they've got many arguments about the PUC can't change
3 the rates, and we completely agree.

4 But this case is from the Ninth Circuit, *Independent*
5 *Energy*, as well as Oregon case law, *Snow Mountain*, saying that
6 these are issues for the PUC.

7 THE COURT: Are they really trying to change the
8 rates, or might that just simply be a consequence, from your
9 perspective or your client's perspective, depending upon how
10 one interprets the terms of the contract? And as they argue,
11 all they want to do is interpret the various terms of the
12 contract. The parties have a dispute on how those terms
13 should be interpreted.

14 And obviously if the terms are interpreted the way
15 the plaintiffs want it, that will have an economic impact that
16 favors the plaintiffs. If it's interpreted the way you want
17 it, it will have an economic impact that disfavors the
18 plaintiffs. But it's contract interpretation, right?

19 MR. DeLUCA: Partially contract interpretation, but
20 partially under Oregon law, these types of contracts, which
21 are not common law contracts, you would look to the statutory
22 history.

23 THE COURT: What do you mean by they're not common
24 law contracts? What is a common law contract?

25 MR. DeLUCA: Two parties voluntarily coming into the

1 contract together is one of the key components of a contract.
2 And here we do not have that.

3 THE COURT: Because it's not --

4 MR. DeLUCA: And that's -- I'm sorry, Your Honor.

5 THE COURT: Because it's not voluntary.

6 MR. DeLUCA: Excuse me?

7 THE COURT: Because it's not voluntary.

8 MR. DeLUCA: Correct. And that's --

9 THE COURT: Interesting.

10 So what's the leading case I should look at that
11 would support the proposition that when we do not have a
12 contract in which both parties have acted voluntarily, but one
13 party is compelled by the law to enter into or provide this
14 contract, the common law of contracts is displaced? What's
15 the leading case on that I should look at?

16 MR. DeLUCA: The *Snow Mountain* case, Your Honor.

17 THE COURT: Okay.

18 MR. DeLUCA: *Snow Mountain v. Maudlin*, M-a-u-l-d-i-n
19 [sic].

20 THE COURT: Okay. And I take it that's why the PUC,
21 in Order 18-174, at the bottom of page 3, says "The instant
22 proceeding is not a common law contract dispute," right?

23 MR. DeLUCA: I would guess that that's their basis
24 for it, yes.

25 THE COURT: So the argument is based on *Snow*

1 *Mountain*, that when two parties voluntarily enter into a
2 contractual arrangement, we look to the common law of
3 contracts. When one party is obligated under the law, state
4 or federal, to provide a contract or to agree to a contract
5 under terms specified by a regulatory authority, then that
6 takes us out of the common law of contracts and into something
7 that is more directly regulated by federal or state laws, as
8 the case may be; and that is all confirmed by *Snow Mountain*.
9 Is that your position?

10 MR. DeLUCA: I wouldn't say as a general position for
11 all such contracts for all regulatory agencies, because I
12 certainly have not briefed all regulatory agencies. But at
13 least in this instance, under the Oregon PUC's statutes, that
14 is accurate, Your Honor.

15 THE COURT: Okay. I get it. I understand.

16 You stated in your reply brief, but I didn't see it
17 in your opening brief -- this is your reply at internal page
18 12; the CM/ECF page is 18 -- that "The provisions in dispute
19 between PGE and the NewSun QFs are present in approximately 72
20 standard PPAs executed before the September 2017 approval of
21 PGE's new standard PPA."

22 Then you continue: "Additionally, there are
23 approximately 25 cases currently pending before the Commission
24 where QFs claim that they're entitled to this older PPA."

25 I didn't see that in your opening brief. I'm not

1 going to complain about that, because I think it's arguably
2 responsive to the plaintiffs' responsive brief. But I'd like
3 you to tell me a little bit more about the 72 PPAs and maybe
4 even the additional 25, where they are in the process at this
5 stage, how many are at issue in this lawsuit. We have 10 or
6 11 in this lawsuit?

7 MR. DeLUCA: Ten, Your Honor.

8 THE COURT: How many?

9 MR. DeLUCA: Ten, Your Honor.

10 THE COURT: Ten in this lawsuit.

11 So what's going on with the remaining 72 -- or
12 remaining 62? I assume our 10 are part of that 72.

13 MR. DeLUCA: Correct, Your Honor.

14 THE COURT: And so what's going on with the remaining
15 62? Where are they in the process of having this issue
16 resolved?

17 MR. DeLUCA: Your Honor, I can give you a brief
18 overview. But if you'd like something more detailed, I would
19 like to be able to turn to my colleague, Jeff Lovinger, who is
20 Portland General Electric Company's counsel before the PUC on
21 these issues.

22 THE COURT: Well, why don't you start with --

23 MR. DeLUCA: Sure. I'm sorry, Your Honor.

24 THE COURT: Go ahead and start with the brief
25 overview.

1 MR. DeLUCA: There were 34 that were executed in this
2 time period for this same --

3 THE COURT: How many again?

4 MR. DeLUCA: Thirty-four standard PPAs that were of
5 this vintage, from the September 2015 order from the Public
6 Utility Commission. So 10 of those 34 are here before us
7 right now. The other 24 are not pending. The rest have
8 similar provisions in the immediately preceding and following
9 versions and vintages of the standard PPAs.

10 The other 25 are ones that would fit into these 34 or
11 add on to these 34, but they're not signed yet because there
12 is a dispute about whether or not they were actually offered
13 to PGE timely. And so that's currently pending before, I
14 believe, the PUC. I look to Mr. Lovinger to correct me if I'm
15 wrong. There is a dispute with those, whether they made it on
16 time before the new Schedule 201s went into effect.

17 THE COURT: So those would be 24 out of the 34?

18 MR. DeLUCA: No. On top of the 34, there would be
19 25.

20 THE COURT: Okay. So in addition to those 34, when
21 you made reference to the approximately 25 cases currently
22 pending before the Commission, those are ones that haven't yet
23 been signed, right?

24 MR. DeLUCA: There are 34 that are the same vintage,
25 including these 10. Of the remaining 63 --

1 THE COURT: Wait. Wait. You know what?

2 MR. DeLUCA: Sorry. Yes.

3 THE COURT: Let's take this one step at a time.

4 MR. DeLUCA: Sure.

5 THE COURT: On page 12 of your reply brief --

6 MR. DeLUCA: Okay.

7 THE COURT: -- tell me about 72. And then you were
8 telling me that there is an additional approximately 25.

9 MR. DeLUCA: Yes, which is 97.

10 THE COURT: Okay. Let's keep them separate.

11 MR. DeLUCA: Okay.

12 THE COURT: Now, these additional 25, are those the
13 ones that haven't yet been signed?

14 MR. DeLUCA: Correct.

15 THE COURT: Okay. Let's take those off the table for
16 a while.

17 Of the remaining 72, those have all been signed?

18 MR. DeLUCA: Yes. And 34 are of this vintage.

19 THE COURT: Okay. Of those 72, 34 are of this
20 vintage. Ten are here. What's going on with the remaining 24
21 of this vintage?

22 MR. DeLUCA: They're not in production yet. They're
23 not delivering electricity yet.

24 THE COURT: Okay. And are they involved in any
25 litigation anywhere to clarify anything?

1 MR. DeLUCA: I do not believe so.

2 THE COURT: Okay. So then 72 minus 34 is 38.
3 What's going on with those 38?

4 MR. DeLUCA: Again, nothing, Your Honor.

5 THE COURT: Okay. So is there any litigation
6 currently -- currently going on before the PUC besides these
7 10 that involve the interpretation that's at issue in this
8 lawsuit?

9 MR. DeLUCA: In UM 1805 we have asked the PUC to
10 actually do this interpretation for all of them of this
11 vintage; and that was their order saying, no, we're not going
12 to do it in 1805. In that case we have filed a notice of
13 appeal, so it will be on petition for judicial review to the
14 Oregon Court of Appeals.

15 THE COURT: And what was the reason that the PUC gave
16 for why they weren't going to resolve the question in that
17 case?

18 MR. DeLUCA: That it wasn't before them, that they
19 felt that it was just a question that NPSI (ph), the
20 association, had put before them.

21 THE COURT: So we do know that after this lawsuit was
22 filed, PGE commenced UM 1931. There the plaintiffs in this
23 case, defendants in that case, filed a motion to dismiss. And
24 last week, in Order 18-174, the PUC denied the motion to
25 dismiss, right?

1 MR. DeLUCA: Right.

2 THE COURT: Okay.

3 One of the statements that the PUC gave there, on
4 page 4, was "the desire for uniform resolution." And they
5 said that "The risk that a judicial decision could adversely
6 impact the performance of our regulatory duties and
7 responsibilities," as well as the need for or the desire for
8 uniform resolution.

9 I'm going to be talking to the plaintiffs a lot more
10 about that aspect of the PUC decision. What I'd like to ask
11 you about is what they discuss on the next page, page 5; and
12 that is how the PUC can resolve these without running afoul of
13 plaintiffs' potential rights to a constitutional right to a
14 jury.

15 And in light of what you said about *Snow Mountain*,
16 I'm not quite sure how this all pans out, and I would like
17 your assistance on that. Because if we look in the world of
18 common law contracts in Oregon for a dispute over how to
19 interpret a contract, we start with *Yogman*. Step 1 is to ask
20 are there ambiguities, are there material ambiguities. If the
21 answer is no, a judge, not a jury, decides that. Well,
22 really, a judge, not a jury, decides whether there is an
23 ambiguity. And if there is no ambiguity, a judge, not a jury,
24 interprets and we are done; there is no jury issue.

25 Under step 2, though, of *Yogman*, if a judge at step 1

1 concludes that there is an ambiguity, then we go to step 2 of
2 *Yogman* where the decider of fact can look at extrinsic
3 evidence to see if they can answer the question, what did the
4 parties intend?

5 Now, this is the common law methodology of
6 adjudicating a disputed interpretation of contracts. Is it
7 the -- and that's where a jury trial could come in. Is it
8 PGE's position that that methodology, the *Yogman* methodology,
9 does not apply in this case, basically under your *Snow*
10 *Mountain* argument?

11 MR. DeLUCA: What we've argued is that this contract
12 would fall under -- similar to how the Oregon courts interpret
13 insurance contract provisions that are dictated by statute,
14 which would follow the *PGE v. BOLI* methodology, as modified by
15 *State v. Gaines*.

16 By the way, *State v. Gaines* is also clear that *Yogman*
17 includes, at step 1, a look at extrinsic evidence.

18 THE COURT: To see if there's an ambiguity. But it's
19 still a judge question, not a jury question.

20 MR. DeLUCA: Correct, still a judge question, not a
21 jury question.

22 I'm sorry. I forgot the original question.

23 THE COURT: The original -- the basic question is
24 does step 2 of *Yogman* apply -- step 2 of *Yogman* would normally
25 apply under a common law contract methodology. Is it PGE's

1 position that it doesn't apply in this context, based upon
2 your *Snow Mountain* argument?

3 MR. DeLUCA: Well, instead of *Yogman* step 2, it would
4 be *PGE v. BOLI* step 2, which would be looking at the
5 equivalent of legislative history, just like under the *Fox*
6 case for the insurance contracts.

7 So we would be looking at, as the PUC said in its
8 order of last week -- its order is considered the equivalent
9 of rules. So we look at the history of this rule, which would
10 be all the versions of this PGE-approved -- PUC-approved PGE
11 standard power purchase agreement going back more than a
12 decade, and all the different orders that the contract, every
13 time they're modified, apply to.

14 For example, as we saw in Jindal declaration, the
15 very first one, the first exhibit, this one was created in
16 September 2015 as a modification to the prior one because of
17 PUC Order 15-130. So we need to look at all the legislative
18 -- the equivalent legislative history before that.

19 THE COURT: Now, I'm not as familiar with that
20 approach as I am with common law interpretation, but it just
21 doesn't sound to me like that's for a jury. Am I right or
22 wrong on that?

23 Does the -- under this *PGE v. BOLI* approach, where
24 their step 2 is substituted for *Yogman* step 2, is that a jury
25 question?

1 MR. DeLUCA: It would not be a jury question even if
2 it was just in this court, because it's looking at the
3 statutory history. And it's declaratory judgment, so it's a
4 judge question anyway.

5 THE COURT: So when the PUC states on page 5 that
6 "We need not resolve NewSun QFs' claim that our exercise of
7 jurisdiction violates its constitutional right to a jury,"
8 what are they talking about? How could there possibly then be
9 a constitutional right to a jury trial on just the issue of
10 how do you interpret the contract under the framework that
11 you're giving me?

12 MR. DeLUCA: I believe that's the plaintiffs, because
13 I believe that would be their burden there.

14 THE COURT: All right. So your position is there's
15 no way, no chance that there's a right to a jury in this
16 particular dispute.

17 MR. DeLUCA: Not on that issue that we're talking
18 about now. There might be other issues that come up in the
19 case where there's a right to a jury.

20 But I'd also like to add, Your Honor, that the
21 constitutional right to a jury, if they have one, is not
22 necessarily displaced by the PUC deciding this because, as the
23 PUC said, it's concurrent jurisdiction. There's the
24 issue preclusion -- there's the factor of issue preclusion,
25 but under federal precedent, issue preclusion would apply to

1 the facts that the PUC finds, not necessarily to the legal
2 conclusions.

3 THE COURT: Right. I understand that.

4 So does it matter, if I agree with you on a primary
5 jurisdiction argument -- and I guess the answer is it doesn't
6 matter to PGE, so we'll have to hear from plaintiff on that,
7 but you can give me a foreshadowing.

8 Does it matter whether I dismiss the case without
9 prejudice or whether I stay it pending further action by the
10 PUC under primary jurisdiction? What's the right approach?

11 MR. DeLUCA: Either approach is equal.

12 THE COURT: If, as you just said a few minutes ago,
13 that there may be a right to a jury on some issue, does it
14 matter, in order to protect the plaintiffs' in this case right
15 to a jury trial, whether I dismiss without prejudice or stay?

16 MR. DeLUCA: If you dismiss without prejudice, as
17 long as it hasn't been dismissed twice, they can refile. It
18 would be -- the issue preclusion analysis, if there is one, it
19 would be the same in either scenario. And it really depends
20 on what the PUC actually decides. They can duck the issue or
21 answer in a way that's not in their complaint to this Court.
22 The issue preclusion is contingent future. I'm not sure it
23 would even apply.

24 THE COURT: How long would you expect, based upon
25 normal practice at the PUC, it to be -- for us to get -- for

1 all of us to get a decision on the merits of the
2 interpretation of the contract under the proceeding of UM
3 1931?

4 MR. DeLUCA: I understand from my co-counsel, most
5 likely under a year --

6 THE COURT: Okay.

7 MR. DeLUCA: -- which is certainly less time than it
8 would take for a Ninth Circuit appeal from a decision from
9 here or a full jury trial here.

10 THE COURT: Well, I just -- I issued an order a few
11 months ago. One of the parties didn't like it at all. They
12 rapidly appealed to the Ninth Circuit, asked for expedited
13 review; and on expedited review, the Ninth Circuit affirmed
14 me. So it happens quickly.

15 Okay. You are welcome to say anything else you want
16 right now if you want to. Otherwise, we'll turn to counsel
17 for the plaintiff; and I'll then give you an opportunity to
18 rebut.

19 MR. DeLUCA: Thank you again, Your Honor. I'll sit
20 down.

21 THE COURT: Thank you.

22 MR. SHLACHTER: Thank you, Your Honor. Again, Robert
23 Shlachter for plaintiffs.

24 Your Honor, I'd like to start with the issue that you
25 focused on having to do with, you know, primary jurisdiction

1 and how does a Court or a jury go about analyzing the
2 interpretation issue.

3 And there actually is a case that we've cited from
4 the Third Circuit that really deals with this issue directly,
5 and it's much different than what has been stated by opposing
6 counsel. And that's the *Crossroads Cogeneration Corporation*
7 case, which is a 1998 Third Circuit case that we cited.

8 And it says, quote, "The rights of the parties to an
9 executed PURPA contract are to be determined by applying
10 normal principles of contract interpretation."

11 And then PGE has said, well, the terms of the
12 agency's approval of a PURPA contract, which is what happened
13 here, may be highly relevant in determining the parties'
14 understanding of the respective rights.

15 But the Court, in *Crossroads*, understood that and
16 said, quote, "When those terms have relevance" -- which would
17 be, you know, the terms of agency approval -- "they are
18 relevant only in the context of the understanding of the
19 parties, as reflected in an objective reading of the agreement
20 and its approval."

21 THE COURT: Is that inconsistent with the way Oregon
22 approaches it under *Snow Mountain*?

23 MR. SHLACHTER: Okay. Well, *Snow Mountain* actually
24 was a case of a potential contract, not the actual contract
25 being entered into.

1 So when we're dealing with PUC and PGE issues, that's
2 the critical difference. Because PURPA was set up to give a
3 lot of authority to FERC and then to utilities like PUC to
4 come up with suggestions and ideas on how to encourage, you
5 know, the cogeneration business, which was really forced upon
6 the utilities, because it wasn't in their financial interest
7 to have these qualifying facilities. They wanted to make
8 their money on their own facilities.

9 And -- and the authority for the PUC to devise these
10 contracts within the construct of PURPA, having fixed
11 contracts for fixed prices for fixed terms, to encourage the
12 building of these cogens -- you needed all that -- they had
13 certain discretion allowed in coming up with those contracts.
14 But once those contracts were entered into and executed, then
15 the ability of PGE to tinker with, interpret, deal with it,
16 ended.

17 THE COURT: So that's how you distinguish *Snow*
18 *Mountain*, because under *Snow Mountain*, you say, it was before
19 the contract was entered into. And although Mr. DeLuca says,
20 well, we don't have two parties voluntarily entering into a
21 contract if state law orders the utility to enter into it,
22 well, under what circumstances the state utility must do it
23 and what terms they must offer, that's governed by state law
24 and not common law of contracts. We do a *PGE v. BOLI*
25 analysis. Fine. That's *Snow Mountain*.

1 But once the contract is entered into, whether
2 voluntarily or involuntarily, you then go back to common law
3 contract interpretation principles. That's what you say and
4 that's what *Crossroads* --

5 MR. SHLACHTER: Right. And under *Crossroads*, what
6 you do is you also take into account the -- you know, the
7 statutory or the PUC intent, which I want to get to in a
8 moment, okay. But it's still a basic contract interpretation
9 issue. It's a little bit different because there's a certain
10 kind of history to it.

11 But I beg to differ a little bit with the
12 characterization that these are involuntary contracts. The
13 contracts are approved by PUC under the PURPA, FERC dynamics,
14 okay. But no one is holding a gun to our head to sign it.

15 THE COURT: Not to yours.

16 MR. SHLACHTER: Okay.

17 THE COURT: But if PUC felt it was not in its
18 economic interest or its rate holders' economic interests to
19 enter into these contracts, do they have the right not to
20 enter into them.

21 MR. SHLACHTER: I believe -- I'm not an electricity
22 expert, okay. My understanding --

23 THE COURT: But you are powerful.

24 (Laughter.)

25 MR. SHLACHTER: But my understanding is they must

1 offer to these QF facilities the contract, and these contracts
2 have to be approved by the PPA -- I mean, the PPAs have to be
3 approved by the PUC.

4 But part of this beautiful PURPA scheme -- which,
5 again, the utilities don't like -- is it keeps the QFs out of
6 this mess at PUC. They're not regulated, okay. And because
7 the drafters back in 1977 and '78 realized that we've got to
8 protect these little start-up companies because we're trying
9 to be energy independent in the light of the oil crisis, okay,
10 that's why there were some restrictions on utilities that are
11 favorable to people like the QFs.

12 So what we have now, 40 years later, though,
13 companies -- utilities like PGE are still quite upset about
14 having to even be in this situation of having to offer
15 contracts to people like these start-up QFs like my client
16 Jack Stevens, who is here. You know, these are people just
17 trying to put together a couple solar energy facilities, which
18 I think is good for the country and for our independence.

19 But we have the situation that once these contracts
20 are executed, then we're back into a different realm of
21 analysis.

22 The other thing I wanted --

23 THE COURT: You know, if you don't mind, I'll ask you
24 the same question I started with Mr. DeLuca, then.

25 MR. SHLACHTER: Right.

1 THE COURT: So once we are into that analysis, what's
2 going to be the plaintiffs' argument that "The option is
3 available for a maximum term of 15 years. Prices will be as
4 established," blah, blah, blah, "effective at execution."

5 That execution doesn't mean execution?

6 MR. SHLACHTER: Right, okay.

7 THE COURT: Not that I want to just get to the end of
8 this whole lawsuit too quickly, but I am curious.

9 MR. SHLACHTER: Well, we could try it, you know,
10 tomorrow if you want to.

11 THE COURT: I have the rest of the day -- no, I don't
12 have the rest of the day.

13 All right.

14 MR. SHLACHTER: One of our concerns is justice
15 delayed is justice denied. And the cases like *Astiana* and
16 others talk about one reason for not exercising or deferring
17 under primary jurisdiction is to avoid further delays. And
18 one of the issues we have here is it's not really clear
19 whether there is claim preclusion or not. We would argue not,
20 with respect to the PUC, as I understand it today.

21 And we may -- you know, we're just delaying more.
22 And I'll get into more of the specifics on primary
23 jurisdiction. But we have a contract term which deals with
24 the timing from the date of operation. You know, they talk
25 about contract years.

1 And then in that section that you focused on, which
2 is on page 29, which I handed you a blowup for, "The option is
3 available for a maximum term of 15 years. Prices will be
4 established at the time the standard PPA is executed."

5 Okay. So at execution, the future prices are set for
6 that -- for that period.

7 Now, probably some of the best evidence we have of
8 the intent, besides what the clients will testify to, is the
9 PUC itself, because that will be part of the analysis, as I
10 said, under *Crossroads*. You'll look at the history.

11 And what I did here was just make a very simple
12 graphic of --

13 THE COURT: If you have two, by the way, that would
14 be great.

15 MR. SHLACHTER: I've even got more.

16 THE COURT: One for me and one for Maile, please.

17 MR. SHLACHTER: (Handing).

18 What I'm about to talk to you about in terms of these
19 quotes is this shows why -- another big reason why we
20 shouldn't defer, whether you call abstention, primary
21 jurisdiction or whatever, is because we have a simple issue
22 and the PUC has already spoken on it.

23 THE COURT: Then it won't take them too long.

24 MR. SHLACHTER: No, but I'll explain why we're not
25 crazy about going back to the PUC and how we love it here in

1 federal court, plus it's very close to my office and other
2 reasons, but --

3 THE COURT: I will share, by the way, the concern I
4 have about that. Even though I think you're perfectly right
5 to want to be in federal court generally and close to your
6 office generally, I'm concerned about the factor that I see
7 discussed by the Oregon Supreme Court in *Dryer* (ph), by the
8 Oregon Court of Appeals in *Adamson*, under primary
9 jurisdiction, namely the desirability of uniform resolution.
10 They talk about that in *Dryer*. The Court of Appeals in
11 *Adamson* says the second factor of primary jurisdiction is "the
12 need for uniform resolution of the issue."

13 And I think it would be a significant problem if I
14 were to decide this case on 10 contracts, 10 PPAs, in one
15 direction; and some other Court or the PUC or
16 somebody -- because I have no binding authority -- would
17 decide it differently on either the remaining 62 that have
18 already been signed -- and I don't know what to do about the
19 other 25. I'll put them out for right now.

20 But we have 62 that have already been signed. If
21 they contain essentially the same material terms, it can't be
22 a good way to run the system to have different Courts
23 interpreting the same language in this context differently.

24 Am I wrong?

25 MR. SHLACHTER: Well, Your Honor, I would respond --

1 I would respond this way. Part of the analysis may be under a
2 contract analysis of the express intent of the parties at the
3 time they enter into it. And there may be some -- some
4 differences in the language between different contracts.

5 What is interesting is that it was PGE who kept
6 parties from intervening in the Northwest matter. And so now
7 they're saying, "Oh, geez, we've got to have everything all
8 together." And I'll get into it. It's what I'll call the
9 chutzpah defense, which I'll define in a minute for the court
10 reporter.

11 Okay. But --

12 THE COURT: You don't have to define it. You just do
13 have to spell it.

14 MR. SHLACHTER: C-h-u-t-z-p-a-h, at least the way I
15 understood it growing up in Cleveland, Ohio.

16 Okay. But let me -- I want to, for a moment -- I
17 will get to the issue of uniformity. But that's one aspect of
18 primary jurisdiction. First of all, you need it -- you need
19 to require expertise. It's got to be something special. And
20 it has to be a situation, which does not exist here, where the
21 federal government, not the state government, but the federal
22 government has delegated or set up a system whereby the
23 administrators -- in this case, the PUC -- would be charged
24 with making a decision as to an executed contract.

25 THE COURT: Why do you say the federal government?

1 Because under primary jurisdiction involving federal agencies,
2 we look to federal law and then they see what Congress has set
3 up. But we're here looking at -- under diversity principles,
4 I think, we're looking at state primary jurisdiction. And
5 that is described very clearly by the state Supreme Court,
6 Oregon Supreme Court, in *Dryer*, by the Oregon Court of Appeals
7 in *Adamson*.

8 It's pretty darn similar to federal primary
9 jurisdiction, with the one big exception is we don't look to
10 see what Congress has done; we look to see what the state
11 legislature has done.

12 So why do you say it has to be whether Congress has
13 delegated --

14 MR. SHLACHTER: I'm going to have to think about the
15 cases on that point.

16 THE COURT: Take a look at *Dryer* and *Adamson*, because
17 they basically adopt the federal version of primary
18 jurisdiction with federal agencies at the state level with
19 state agencies.

20 MR. SHLACHTER: Right, but here the --

21 THE COURT: And I'm trying to decide whether to
22 take --

23 MR. SHLACHTER: To understand, what we're starting
24 with is a federal system. That's PURPA.

25 THE COURT: No. You told me we're starting with an

1 Oregon common law contract --

2 MR. SHLACHTER: No, no, no.

3 THE COURT: -- and the Court has to interpret a
4 common law contract.

5 MR. SHLACHTER: Yes, there's a common law contract
6 that comes out of PURPA. But in terms of primary
7 jurisdiction, you have PURPA, which is the federal statute
8 that basically says, "We own the space."

9 THE COURT: Except what they've delegated to the
10 Oregon PUC.

11 MR. SHLACHTER: Well, they delegated to FERC. And
12 then FERC delegates somewhat to utilities -- I mean, to
13 commissions like PUC.

14 THE COURT: And that's where we get in with state
15 primary jurisdiction.

16 MR. SHLACHTER: But the issue is what that delegation
17 is. It's coming from the federal court. It's not -- I mean,
18 it's coming from the federal system of PURPA. You know, the
19 PUC doesn't have authority to do stuff for these kinds of
20 utility regulations of QFs that don't come from FERC and then
21 from PURPA. So it's different than what I believe you're
22 saying about *Adamson* and *Dryden* -- or *Dryer*.

23 THE COURT: *Dryer*.

24 MR. SHLACHTER: Okay. Because it's a limited
25 delegation, so it's important to the primary jurisdiction

1 issue.

2 So what is being delegated? What has never been
3 delegated from PURPA or FERC is the right to just interpret or
4 change these contracts.

5 THE COURT: Of course. I completely agree with you
6 on that.

7 MR. SHLACHTER: But that goes right to the issue of
8 primary jurisdiction.

9 THE COURT: But you said that -- well, let me take it
10 back. I want to be clear. I'm not sure if you said
11 interpret. You said to change. I agree, the PUC has no
12 authority, delegated or otherwise, to change a contract that's
13 been entered into. But did you also say they have no
14 authority to interpret it?

15 MR. SHLACHTER: Right.

16 THE COURT: I'm not sure I agree with that. What's
17 your basis for that?

18 MR. SHLACHTER: Okay. There is no case that says
19 that the -- something like the PUC has the right to interpret
20 a disputed term after the contract was entered into, okay.

21 THE COURT: If one of the parties to that dispute is
22 a regulated industry, is a public utility under PUC's
23 jurisdiction, then don't they have the authority under --
24 under ORS 756.500 to resolve disputes?

25 MR. SHLACHTER: Well, again, Your Honor, I go back

1 to -- it has to do with how is everything created. The PUC's
2 right to regulate these QF situations comes only from FERC,
3 which then comes from PURPA. And PURPA and FERC never
4 delegated to the PUC the right to make decisions on
5 interpretation of enforcement of executed QF contracts, okay.
6 The only time this has come up is when there's a complicated
7 issue of -- of something like avoided costs and whether it was
8 calculated properly or not.

9 But what we have here is a situation where the
10 PUC -- and that's what I think I handed out to you -- the PUC
11 has already spoken on the intent. So there's no esoteric
12 expertise issue or anything needed to go to the PUC, so -- at
13 this stage.

14 So the PUC, back in 2005, found that fixed rates for
15 15 years was "necessary to ensure the terms of the standard
16 contract, facilitate appropriate financing for a QF project,"
17 which was what FERC had directed. We need stability for the
18 QF projects.

19 Then last year, PUC Order 17-256, PUC ordered that
20 all future PGE standard contracts must expressly state that
21 the 15 years of fixed prices, quote, "commence when the QF
22 transmits power."

23 Then it also stated, quote, "Prices paid to a QF are
24 only meaningful when a QF is operational and delivering power
25 to utility. Therefore, we believe that to provide a QF the

1 full benefit of the fixed price requirement, the 15-year term
2 must commence on date of power delivery," close quote.

3 And then the coup de gras was -- you know, PGE wasn't
4 happy with that, so then they try to have a reconsideration
5 motion. And then the PUC, two months ago, says, "We also" --
6 and this is critical -- "We also reject PGE's characterization
7 that our decision constituted the adoption of a 'new policy.'
8 Rather . . . our decision was simply to affirm the policy with
9 respect to the commencement date for the 15-year period of
10 fixed prices. This policy, which had been reflected
11 explicitly in standard contract forms for PacifiCorp and Idaho
12 Power Company, had been, up until the filing of PGE's most
13 recent standard contracts, neither a source of controversy nor
14 litigation by either a QF or a utility."

15 So what we have here is instead of trying to worry
16 about primary jurisdiction, we have a situation where the PUC
17 has already spoken on the policy issue.

18 THE COURT: So let me make sure I understand your
19 argument.

20 MR. SHLACHTER: Yes.

21 THE COURT: I'm going to try to repeat it back to
22 you. Because what I asked Mr. DeLuca in the beginning, what I
23 just asked you midway through your presentation, was what's
24 the dispute on the merits?

25 And I'm looking at the -- page 29, Schedule 201. It

1 reads -- and I'll just paraphrase it. I'll skip the middle
2 stuff, but it basically reads "This option is available for a
3 maximum term of 15 years."

4 MR. SHLACHTER: Right.

5 THE COURT: "Prices will be as established," blah,
6 blah, blah, "effective at execution."

7 And so I say, "effective at execution" looks like it
8 means signing. That's PGE's position. That's not yours.
9 What's wrong with that?

10 And your response is "Well, I'll tell you what's
11 wrong with that. Look at all the things PUC has said in PUC
12 Order 05-584, PUC Order 17-286, PUC Order 18-079. It will
13 become quite persuasive that when you look at all of those PUC
14 orders and the contract language," that the contract language
15 should be interpreted your way, not PGE's way.

16 Do I have you right?

17 MR. SHLACHTER: Yes. There's even more, though.

18 Okay. Because you were focusing on the issue,
19 "Prices will be established at the time the standard PPA is
20 executed." Okay. So there's schedules attached.

21 THE COURT: By the way, isn't that what the dispute
22 is here?

23 MR. SHLACHTER: Yes.

24 THE COURT: When do prices get established?

25 MR. SHLACHTER: No, I agree. No. No.

1 Okay. Prices are -- okay. There are different
2 things. One is establishing prices, okay. And one is the
3 length of the fixed price aspect of this contract. There are
4 two concepts.

5 THE COURT: I thought it's always 15 years, but
6 starting from when.

7 MR. SHLACHTER: Right. That's the issue, is 15 years
8 starting from when, but the price schedule is a little more
9 complicated, okay. Because what you're doing is at the time
10 of execution of the contract, projections are made on avoided
11 costs.

12 Okay. I hope I'm saying this right because, again,
13 I'm not an energy expert. I'm doing the best I can.

14 THE COURT: Maybe we should send it to the PUC.

15 MR. SHLACHTER: I'll deal with my own primary
16 jurisdiction later on that.

17 Okay. So a schedule is set up that has like 25, 30
18 years of pricing, whatever. Okay. And so the key part of
19 this case is the standard fixed pricing. I guess it's called
20 renewable -- standard renewable fixed pricing.

21 Okay. Now, it's set at the time the contract is
22 entered into, the schedule is set. The reason? So you can
23 get financing, okay. I mean, discounted cash flow and, you
24 know, it happens now --

25 THE COURT: I get it. I get it.

1 MR. SHLACHTER: Okay. But the price, the particular
2 price in the schedule, kicks in when you go operational.

3 THE COURT: Right.

4 MR. SHLACHTER: Okay. So Wal-Mart -- if I'm building
5 a building for Wal-Mart and we have a fixed -- the first 15
6 years of the lease is set, you know, if I tell them, "Oh, no,
7 when I build it in three years, you'll only get it for 12
8 years," they'll say, "What are you talking about?" That's
9 what this case is about, okay. It's a Wal-Mart building
10 situation.

11 So for financing purposes they have to set the fixed
12 prices in advance. So that's why our position is even
13 stronger than I think Your Honor has articulated.

14 THE COURT: So when I look at page 29, even though
15 prices will be set at execution, the real dispute is when it
16 says "The option is available for a maximum term of 15 years,"
17 the real dispute is 15 years from when? Execution or
18 commercial operation?

19 MR. SHLACHTER: Right, right.

20 And, of course, we're arguing that to argue against
21 that is nonsensical. You know, the whole industry -- you
22 know, it's like they're the outlier. PGE is the outlier.
23 Why? Because they don't want these QFs. They would love us
24 to fail and not build a facility.

25 THE COURT: And part of your evidence for why the

1 contract should be interpreted the way you're advocating are
2 these three PUC orders, among other evidence.

3 MR. SHLACHTER: Right.

4 THE COURT: Now, if I end up agreeing with you and
5 then some of the other 62 QFs say, "Well, we want that same
6 interpretation," and they file with the court, and maybe
7 either by random assignment they go to a different federal
8 district judge after our case is over, or maybe they go to
9 state court, maybe they go to the PUC, and they get a
10 different ruling, that can't be good.

11 MR. SHLACHTER: Well, okay. So there are two
12 scenarios here. Again, part of the environment is the -- what
13 may be involved are negotiations that go on on these
14 individual contracts, okay. But the basic language for many
15 of these contracts are the same.

16 THE COURT: Right. I get it.

17 MR. SHLACHTER: Okay. So there's a context. In
18 contract cases, there's a context.

19 Okay. Now, in terms of -- I disagree with -- this is
20 an important point. I disagree with Mr. DeLuca's comment on
21 claim preclusion going from the PUC to federal court, because
22 there are tremendous issues here, whether it's a really
23 indelegable decision to the PUC that's binding as opposed to
24 advisory, and we'd be litigating over that.

25 THE COURT: Even if you're right, under the doctrine

1 of primary jurisdiction, even if it's not claim preclusion,
2 the Court gets the benefit of the regulatory agency's
3 expertise on an issue.

4 MR. SHLACHTER: Right.

5 THE COURT: And if we were just talking about how to
6 interpret a normal contract, you know, I'm not sure I'd need
7 the PUC's expertise. But when you're telling me that part of
8 the argument for why I should rule in your favor is when I
9 read three excerpts from three different PUC orders, this is
10 not my area of expertise. This is the PUC's expertise. And
11 maybe I should defer to it, even if there is no claim
12 preclusion.

13 MR. SHLACHTER: Okay. The idea of a narrow,
14 straightforward interpretation issue on the 15-year start date
15 with what the PUC has already spoken about, to give the
16 statutory history, to me, it would be inefficient at a
17 minimum -- I have other words -- to send the case on a
18 non -- you know, esoteric avoided cost analysis kind of case
19 to the PUC for what may very well be an advisory opinion,
20 because it's not done in those kinds of cases.

21 The cases that have the primary jurisdiction is it's
22 clear that the -- that the agency has the right to do this
23 interpretation or the Court, to make the decision, and it's
24 clear from the law. We don't have that here. And what also
25 we don't have is the -- it doesn't need specific expertise.

1 THE COURT: But you're telling me that one of the
2 arguments that show that you're right on the merits is this
3 chart that you've headed or labeled "The Intent and Policies
4 of the PUC Regarding the 15-Year Fixed Price Period Are
5 Already Established."

6 And my guess is that PGE is not going to agree with
7 you on the meaning and interpretation and import of the
8 PUC -- what the PUC has already done. I guess that because if
9 they were to agree with you and if you're right, we wouldn't
10 be here. This case would be resolved.

11 So if they don't agree with you, then I have to
12 figure out, if this case remains with me, what was the meaning
13 of the intent and the policies of the PUC on these various
14 orders? And wouldn't I be benefited -- whether it be issue
15 preclusion or even just advisory, wouldn't I be benefited in
16 having to know -- in learning what the PUC says on that
17 question?

18 MR. SHLACHTER: Well, it's an interesting question,
19 the way you put it. Knowledge is always -- you know, it's
20 always great to learn more. And in every primary jurisdiction
21 case, geez, it would be great if I -- if I get a little more
22 information from the administrative agency, wouldn't that be
23 wonderful. But that's not the standard, because it's not, oh,
24 let me tee up an issue because I may gain some insight so I'll
25 send it back to the agency. That's not the issue. You have

1 to weigh that issue against the *Astiana* standard of delay.

2 And justice delayed is justice denied here, because
3 we can't avoid the construct that we're in. We have -- PGE
4 and utilities like them hate the QF system. It was forced on
5 them, kicking and screaming, okay, in 1978. And I remember
6 the whole -- I was in D.C. at the time, okay. I remember all
7 the brouhaha, okay. So kicking and screaming. They still
8 don't want it, okay.

9 And now any delay here, knowing the financing issue,
10 which PURPA has said is the critical reason why we set it up
11 this way for the QF, with the advisory opinions and going back
12 and forth and whether it's even -- you know, whether it's
13 claim preclusion on behalf of the decision of the PUC, the
14 delay kills us. It kills us. Because we're supposed to be
15 operational, with some -- there's some nuances to the date.
16 But the goal is to be operational within three years, okay.

17 Now, you've got one party here who -- who wouldn't
18 let anybody intervene, by the way. I mean, just think about
19 this, wouldn't let anybody intervene. That's the chutzpah
20 defense: "I want uniformity, but I won't let you intervene."
21 Okay.

22 So what we've got, they don't want us to build these
23 QFs and basically compete with PGE, who makes more money on
24 their own facilities. So the more this gets dragged out, the
25 more likely it is we don't go operational. And then we have

1 zip, okay.

2 Now, my point on the PUC is it has to do with the
3 case authority that talks about whether it's helpful to get
4 some sense from the -- from the agency or not. We're saying,
5 you know, even without these PUC orders, we don't need them,
6 okay. We don't need them. But the fact that they exist shows
7 there's no need to get more intent. They've spoken. That's
8 why I've cited these things, okay.

9 But in our view, we win regardless of the PUC orders,
10 because the whole industry -- it's like PGE is like marching
11 over there to quash these QFs. And they have what I call
12 nonsensical interpretation, that you get 15 years fixed
13 because, you know, that's what you need in order to operate
14 and raise money. But, oh, by the way, it's really not 15
15 years. That's what they're saying.

16 So under primary jurisdiction, Your Honor, on
17 the -- I would argue it's not necessary that -- the delay
18 issue is tremendous. And the case law, you know, talks
19 directly about that delay issue.

20 And if you have other questions --

21 THE COURT: I have one more question.

22 MR. SHLACHTER: Yes.

23 THE COURT: I'm not going to rule from the bench.
24 I'm going to take what both of you have to say, go back and
25 reread some of the key cases, and I'll get you an opinion

1 fairly soon.

2 But if it turns out that I find primary jurisdiction
3 to be persuasive, does it matter to the plaintiffs whether I
4 dismiss without prejudice or just simply stay or abate pending
5 PUC action? And, if so, why?

6 In other words, if you lose, how do you want to lose?

7 MR. SHLACHTER: That's a tough question.

8 THE COURT: I know.

9 MR. SHLACHTER: Okay. I would probably say it would
10 be a stay.

11 THE COURT: By the way -- and we can talk -- let's
12 talk it through right now, because I'm not a hundred percent
13 positive that a stay is immediately appealable, whereas a
14 dismissal without prejudice is a final judgment, and you can
15 appeal that right away.

16 MR. SHLACHTER: Well, so I would need to confer with
17 my colleagues on that, so I'm not going to give you a
18 definitive answer, so I take back what I just said.

19 THE COURT: Okay.

20 MR. SHLACHTER: But the one other comment that I want
21 to make that my colleague, Keil Mueller, mentioned is that the
22 uniformity that we're talking about is the uniformity of a
23 regulatory system, not necessarily -- and not needed -- a
24 uniform interpretation of the contract, because there
25 are -- there are other factors that go into the creation of a

1 contract.

2 And so what I want to avoid is against this deadline
3 that we've got of justice delayed is justice denied and our
4 need to get the financing, that the matter -- because it's
5 always nice to get more information, but to send it to the
6 PUC, which is likely an advisory opinion because there's been
7 no PURPA/FERC delegation to them to decide this kind of issue,
8 even though they would love to because that's what they do --
9 you know, they make decisions. They're trying to tell you
10 that they have primary jurisdiction, but that's not their
11 decision obviously. It was a little bit overreaching, in my
12 view, to even suggest that.

13 So we will have to get back to you on this issue of
14 if you do rule that way against us, how we deal with it.
15 Hopefully I never have to cross that bridge. But we will get
16 back on that.

17 THE COURT: And I guess on the justice delayed is
18 justice denied issue, I suppose if I agree with you on this
19 motion --

20 MR. SHLACHTER: Yes.

21 THE COURT: -- and then agree with you on the merits
22 of the interpretation, whenever we resolve it on the
23 merits -- you know, after a bench trial, motion for summary
24 judgment, whenever -- and if PGE takes it up on appeal and the
25 Ninth Circuit, a year and a half after they get the appeal,

1 then says, you know, primary jurisdiction should have applied,
2 then you're in the worst of all possible situations, right,
3 especially if the PUC stops what they're doing if I rule in
4 your favor on this motion.

5 If I rule -- if I deny the motion to dismiss, we're
6 going forward. There's a possibility the PUC may stop what
7 they're doing. I don't know. I mean, I suppose you may then
8 come back and ask me to order them to stop their proceedings.
9 And if I do and if they stop and the Ninth Circuit eventually
10 says I got it wrong, it should have been back to the PUC under
11 primary jurisdiction, and then they have to start up all over
12 again, we won't get any answer from them, binding or
13 otherwise, binding or advisory, probably for about three
14 years. Then you're in the worst of all possible situations.

15 MR. SHLACHTER: Well, Your Honor, we thought about
16 it. But we would want to move very quickly in federal court,
17 obviously. Okay. We think with a record and common sense,
18 this is a no-brainer issue. Okay.

19 THE COURT: Let's suppose we go to a merits decision
20 in three or four months.

21 MR. SHLACHTER: And we win. Okay. Let's assume --
22 I mean, obviously that's my wish. So we win. Okay. They
23 take it on appeal.

24 Okay. Now we've got a situation where we have the
25 PUC has spoken three different times, okay. We have the

1 federal court and/or a jury deciding it. Now it goes up on
2 appeal. We're in a much better position with our finance
3 people. This whole thing is about financing. We need the
4 financing now. With this cloud -- which PGE loves to have
5 this cloud, because it impedes us every day.

6 So can we get finality? No. I mean, with appeals,
7 you know, it may take at least a year or more. I mean, I used
8 to clerk on the Ninth Circuit. I know how long things take.
9 Okay.

10 THE COURT: And it's taking them even longer when
11 they no longer have your assistance.

12 MR. SHLACHTER: But I was in Hawaii. I didn't have a
13 lot to do. I just wrote opinions all the time. I had the
14 best clerkship in the world, Judge Choy.

15 MR. DeLUCA: Except for Judge Simon.

16 MR. SHLACHTER: Well, but he's not Ninth Circuit. I
17 had the best Ninth Circuit clerkship that anyone could ever
18 have had in the world.

19 Okay. So I guess I'd have to get -- well, first of
20 all, I'm not concerned about the issue you're talking about,
21 about the Ninth Circuit appeal, because I think there's such a
22 body of PUC statements and a ruling positive here, that that
23 will -- we'll be in good shape on the financing.

24 I'm not sure. I could be overruled by my client on
25 that, but --

1 THE COURT: Is there a procedure in the PUC to ask
2 for expedited consideration?

3 MR. SHLACHTER: That I don't know. I'd have to check
4 with my colleague, Greg.

5 UNIDENTIFIED SPEAKER: In theory. I don't know.

6 THE COURT: Because your point about needing
7 certainty for financing is a very legitimate point. I get
8 that.

9 MR. SHLACHTER: All right. Thank you, Your Honor.

10 THE COURT: Okay. Thank you.

11 Mr. DeLuca. Would you start, Mr. DeLuca, by talking
12 about *Snow Mountain*, because Mr. Shlachter said that *Snow*
13 *Mountain* did not involve a completed contract, but contracts
14 that have not yet been entered into, and that's why a *PGE v.*
15 *BOLI* analysis might apply, if we're trying to figure out what
16 does a party have to do or not have to do in terms of a
17 contract. But *Snow Mountain*, it doesn't do what you say it
18 does if it does not involve completed contracts and a question
19 of contract interpretation. Is he wrong?

20 MR. DeLUCA: *Snow Mountain* is accurately, as we all
21 described, about contract formation. But predicting what the
22 Court of Appeals in Oregon would do, which is what a Court in
23 diversity would have to do, I can't see how it could say, "Oh,
24 it's not common law before it's formed, but then becomes
25 common law once it is formed."

1 THE COURT: Well, here's why, because under normal
2 circumstances nobody is forced to enter into a contract. If
3 state law, statutory law, requires a party to enter into a
4 contract, PGE or a regulated industry, and under certain
5 terms, well, in figuring out what does that state law really
6 require them to do, I totally get it's a *PGE v. BOLI* and
7 *Gaines* analysis, because you're interpreting the statute.
8 It's not a common law analysis.

9 But once the contract has been entered into,
10 regardless of how we get there, be it by voluntary marriage or
11 by shotgun marriage, then if somebody wants to enforce or
12 interpret a contract, the Oregon Supreme Court, through *Yogman*
13 and related common law cases, tells us how to do it. And that
14 seems like the right analysis to me. Does *Snow Mountain*
15 really say anything to the contrary?

16 MR. DeLUCA: *Snow Mountain* doesn't go as far as
17 saying what happens once they're signed. But I would take
18 your point two different ways. First, even if it is common
19 law analysis, that's not weighing very heavily against primary
20 jurisdiction. Other courts have said primary, even if it's
21 common law --

22 THE COURT: I agree. That's a different issue.

23 MR. DeLUCA: All right. Second --

24 THE COURT: When I took the bench, I was leaning
25 towards your position on primary jurisdiction, not on

1 ripeness, but I was not really understanding what the PUC was
2 talking about with their statement that the instant proceeding
3 is not a common law contract dispute. I'm not quite sure I
4 understand them. And if I do understand them, I'm not quite
5 sure I agree with them on that.

6 And I think that Mr. Shlachter's comments about *Snow*
7 *Mountain* strikes me as persuasive, but I wanted to give you
8 this opportunity to rebut that. But I agree, that doesn't
9 have anything to do with primary jurisdiction.

10 MR. DeLUCA: So under *Fox*, the Oregon Supreme Court
11 looked at another situation where parties to a contract are
12 not quite in the same shotgun situation as here. *Fox* was the
13 car insurance situation, where the Court said that they're
14 going to look at it under *PGE v. BOLI*.

15 THE COURT: And what was the question in *Fox*? I
16 don't recall that.

17 MR. DeLUCA: The statutory coverage obligation.

18 THE COURT: Right. So if the statute said -- okay.
19 So I guess this is where you're going. If a statute says you
20 must provide the terms of X, Y, Z in an insurance contract,
21 then the insurance company provides it, the parties dispute
22 over what term X, Y, Z means, and the Oregon appellate court
23 in *Fox* says, well, it's a relevant analysis to ask, what was
24 the legislative intent behind the requirement of X, Y, Z, and
25 that's an important consideration in deciding what X, Y, Z

1 means, right?

2 MR. DeLUCA: That's exactly -- pretty much what it
3 says: "Consequently, we attempt to determine the
4 legislature's intention in enacting that statute rather than
5 the parties' contractual intention in entering into the
6 insurance contract."

7 THE COURT: All right. I can see that. All right.
8 That's a good answer.

9 MR. DeLUCA: I'd like to go back a bit about what
10 plaintiffs' counsel ended with, which was the timing. And
11 growing up in Jersey City, we didn't spell "chutzpah," so I'm
12 not sure how to spell it here, but we did submit information
13 that shows that the plaintiffs knew about this issue before
14 they signed this contract, and they voluntarily decided not to
15 get a resolution of it then. And that's in the --

16 THE COURT: I recall that.

17 MR. DeLUCA: Okay.

18 THE COURT: Let me ask you this question -- and feel
19 free and I encourage you to speak with your client before
20 answering me.

21 If I grant your motion on the basis of primary
22 jurisdiction, can you commit to me now that if the plaintiffs
23 in this case, the defendants in UM 1931, seek expedited
24 resolution before the PUC, your client will not oppose that?

25 Take your time.

1 MR. DeLUCA: We would not oppose it.

2 THE COURT: Pardon me?

3 MR. DeLUCA: We would not oppose it.

4 We also have a second commitment that we would make,
5 that if PGE receives a decision adverse to it at the PUC, we
6 will not come back to this Court to make a collateral attack
7 on the PUC decision. It will not come back.

8 We retain our right to appeal to the Court of Appeals
9 if the decision at the PUC is without substantial basis, but
10 we will not collaterally attack it, which is one of the
11 factors in primary jurisdiction, that it could moot the entire
12 case here.

13 I'd also like to address one thing that Mr. Shlachter
14 said about primary jurisdiction, that the Court has to have
15 expertise. But that's not what the *Syntek* case says. It says
16 require expertise or the uniformity in administration.

17 THE COURT: I know. I know.

18 MR. DeLUCA: And there are other instances where the
19 Courts have looked at the Oregon PUC interpreting a contract.
20 We provided the Court in the briefing the *PaTu* case -- which,
21 by coincidence, Mr. Adams was on the briefing in that
22 situation as well -- where the Oregon PUC interpreted the
23 contract between Portland General Electric and PaTu, which is
24 P-a-T-u, and then they went to FERC about the same issue.

25 And then FERC, that decision got appealed to the D.C.

1 Circuit. And the D.C. Circuit, FERC, none of them mentioned
2 any problem with the fact that the Oregon PUC did contract
3 interpretation when they looked at the dispute there. None of
4 them had an issue or dispute or said, "Oh, you guys can't do
5 that" whatsoever. It's clearly within the bounds of them
6 doing that.

7 And I think this case is more similar to the *Verizon*
8 case that Judge Mosman decided, where there was an issue that
9 was -- the pole attachment, a dispute between PGE and a
10 successor to a company that was putting on telecommunications
11 devices. And Judge Mosman said, "Sure, it might become common
12 law contract, but still we're going to push it over -- the
13 primary jurisdiction over to the PUC and get information from
14 them, even if it's advisory."

15 So there's a contention that PGE opposed
16 intervention. PGE opposed a late intervention in the fall of
17 2017. PGE did not file anything to oppose when plaintiffs
18 here, defendants -- or were then defendants below, sat in
19 through a scheduling conference in December 2016 and then
20 voluntarily decided not to participate in that proceeding in
21 UM 1805.

22 And concerning -- about financing, plaintiffs have
23 quoted selectively from the 2005 order, as I'm sure the judge
24 has reviewed in Exhibit 3 to the first Jindal declaration. At
25 the --

1 THE COURT: I may have, but I don't remember it right
2 now.

3 MR. DeLUCA: Sure.

4 It's very clear about the 15-year issue. At the very
5 beginning of the summary, the bullet points about the
6 eligibility -- underlines eligibility for and term of standard
7 contracts, end of underlining.

8 The third bullet point: establishing a maximum
9 standard contract year of 20 years, allowing a QF to select
10 fixed prices for the first 15 years of standard contract,
11 requiring the selection of market pricing for the last five
12 years.

13 It reiterates the same thing on page 20 of its order,
14 which is saying that "Given our desire to calculate avoided
15 costs as accurately as possible and the testimony of several
16 parties that avoided costs should not be fixed beyond 15
17 years, we are persuaded that the standard contract prices
18 should be fixed for only the first 15 years of the 20-year
19 term."

20 We've got it quite clear, going back all the way to
21 2005. And the PUC would be able to look at all the different
22 versions and orders that it had done between then and 2015 to
23 decide what it meant when it approved the contracts in 2015.

24 Also, one other bit about the contract interpretation
25 possibly avoiding a jury trial is in Section 17 of their

1 standard PPA. There is an agreement that they actually remain
2 subject to the authority of the PUC: "This agreement is
3 subject to the jurisdiction of those governmental agencies
4 having control over either party or this agreement."

5 THE COURT: I'm not sure that is an unequivocal
6 waiver of a jury trial sufficient to pass Seventh Amendment
7 muster, so let's not go there.

8 MR. DeLUCA: Sure.

9 Your Honor, any other questions?

10 THE COURT: Not at this time. Thank you.

11 MR. DeLUCA: Thank you, Your Honor.

12 THE COURT: Any further comments, Mr. Shlachter?

13 MR. SHLACHTER: The only thing I'd like to mention is
14 on the *Fox* case, which dealt with incorporating law into
15 insurance policies, one of the differences between that case
16 and our case is there is no statute or regulation that
17 dictates when the 15-year fixed price period begins. So it's
18 much different than the *Fox* situation.

19 But, Your Honor, I appreciate the time. We need
20 to -- I'm sorry.

21 (Plaintiffs' counsel confer off the record.)

22 MR. SHLACHTER: I think I might have mentioned before
23 that the standard in the industry, that PGE does not mention
24 in its papers, is that the 15-year fixed period runs from COD,
25 which I think is the operation date or when we're able to

1 deliver energy.

2 I think you had some questions to us that I'd have to
3 confer with my clients on.

4 THE COURT: The main question would be: If I rule
5 against you, if I grant the motion to dismiss or alternative
6 motion to stay, because that's maybe what it is -- yeah --
7 does the plaintiff have a preference as to whether it should
8 be dismissed without prejudice or the stay should be granted
9 and the Court retains the case under a stay, in light of -- in
10 deference to a PUC action? When do you think you'd be able to
11 give me an answer on that?

12 MR. SHLACHTER: Hopefully soon, within --

13 UNIDENTIFIED SPEAKER: Stay.

14 MR. SHLACHTER: What?

15 UNIDENTIFIED SPEAKER: Stay.

16 MR. SHLACHTER: Hold on one second. Maybe I can give
17 you an answer now.

18 THE COURT: I was going to ask by the end of the day,
19 if possible.

20 MR. SHLACHTER: I'm not going to be around. I'm
21 about to catch a plane.

22 THE COURT: Okay.

23 MR. SHLACHTER: Can I just confer for one minute?

24 THE COURT: Yes.

25 (Plaintiffs' counsel confer off the record.)

1 MR. SHLACHTER: My client and colleague, who really
2 understands energy industry -- that's Greg Adams. I don't
3 know if I introduced him. He's sort of the counterpart to
4 Mr. Lovinger. He works with a lot of QFs, and he knows this
5 stuff.

6 Conferring with them, we would, in the unhappy
7 circumstance, were you going to dismiss or stay, we would
8 prefer the stay route.

9 THE COURT: Understood.

10 And, by the way -- and I'll take it under advisement.
11 And if that unhappy circumstance were to come about, at least
12 you could benefit from the knowledge that you've extracted two
13 major consolation prizes here. Because if I do grant the
14 motion to stay, I will record in the opinion that PGE has
15 committed that it will not oppose plaintiffs' expedited
16 consideration on the merits decision before the PUC, and PGE
17 will not collaterally attack the PUC's decision in this court
18 if it's adverse to PGE.

19 So some people don't walk away with any consolation
20 prizes.

21 MR. SHLACHTER: I would like them to say also they
22 would not appeal, if they really wanted resolution.

23 THE COURT: They didn't say that, and I didn't ask
24 them that. You can discuss that with them on your own.

25 MR. SHLACHTER: Thank you, Your Honor.

1 THE COURT: Thank you.

2 I'll take it under advisement. I'll try to get a
3 decision out in the next few days.

4 MR. SHLACHTER: Thank you.

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7 (Proceedings concluded.)

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I certify, by signing below, that the foregoing is a correct transcript of the record of proceedings in the above-titled cause. A transcript without an original signature, conformed signature or digitally signed signature is not certified.

/s/ Nancy M. Walker

6-11-18

NANCY M. WALKER, CSR, RMR, CRR
Official Court Reporter
Oregon CSR No. 90-0091

DATE

\$	54:23 1977 [1] - 29:7 1978 [1] - 45:5 1996 [1] - 10:10 1997 [1] - 10:11 1998 [1] - 26:7	4	acted [1] - 14:12 action [3] - 24:9, 47:5, 59:10 actual [1] - 26:24 Adams [2] - 55:21, 60:2 Adamson [5] - 32:8, 32:11, 34:7, 34:16, 35:22 add [2] - 17:11, 23:20 addition [1] - 17:20 additional [4] - 9:1, 16:4, 18:8, 18:12 additionally [1] - 15:22 address [2] - 11:9, 55:13 adjudicating [1] - 21:6 administration [1] - 55:16 administrative [1] - 44:22 administrators [1] - 33:23 admit [1] - 11:15 adopt [1] - 34:17 adoption [1] - 38:7 advance [1] - 41:12 adverse [2] - 55:5, 60:18 adversely [1] - 20:5 advisement [2] - 60:10, 61:2 advisory [7] - 42:24, 43:19, 44:15, 45:11, 48:6, 49:13, 56:14 advocating [1] - 42:1 affirm [1] - 38:8 affirmed [1] - 25:13 afoul [1] - 20:12 agencies [7] - 12:19, 15:11, 15:12, 34:1, 34:18, 34:19, 58:3 agency [5] - 26:17, 43:22, 44:22, 44:25, 46:4 agency's [2] - 26:12, 43:2 ago [3] - 24:12, 25:11, 38:5 agree [17] - 10:25, 12:25, 13:3, 15:4, 24:4, 36:5, 36:11, 36:16, 39:25, 44:6, 44:9, 44:11, 48:18, 48:21, 52:22, 53:5, 53:8 agreeing [1] - 42:4 agreement [6] - 5:25, 22:11, 26:19, 58:1,	58:2, 58:4 agreements [1] - 4:1 ahead [3] - 6:23, 11:24, 16:24 al [2] - 1:4, 3:3 Alfalfa [2] - 3:3, 5:8 ALFALFA [1] - 1:3 alleged [3] - 8:14, 11:12, 12:3 alleging [2] - 11:10, 11:14 allowed [1] - 27:13 allowing [1] - 57:9 alternative [2] - 3:19, 59:5 ambiguities [2] - 20:20 ambiguity [4] - 20:23, 21:1, 21:18 Amendment [1] - 58:6 analysis [14] - 24:18, 27:25, 29:21, 30:1, 31:9, 33:1, 33:2, 43:18, 51:15, 52:7, 52:8, 52:14, 52:19, 53:23 analyzing [1] - 26:1 Anit [3] - 2:6, 3:12, 7:10 answer [9] - 20:21, 21:3, 24:5, 24:21, 47:18, 49:12, 54:8, 59:11, 59:17 answering [1] - 54:20 anyway [1] - 23:4 apologize [1] - 8:5 appeal [10] - 19:13, 25:8, 47:15, 48:24, 48:25, 49:23, 50:2, 50:21, 55:8, 60:22 appealable [1] - 47:13 appealed [2] - 25:12, 55:25 appeals [1] - 50:6 Appeals [6] - 19:14, 32:8, 32:10, 34:6, 51:22, 55:8 appear [1] - 9:16 APPEARANCES [1] - 2:1 appellate [1] - 53:22 applied [1] - 49:1 apply [8] - 21:9, 21:24, 21:25, 22:1, 22:13, 23:25, 24:23, 51:15 applying [1] - 26:9 appreciate [1] - 58:19 approach [4] - 22:20, 22:23, 24:10, 24:11 approaches [1] -
'78 [1] - 29:7 'new [1] - 38:7	2	4 [1] - 20:4 40 [1] - 29:12 42nd [1] - 2:10 4a [1] - 7:16 4b [1] - 7:16		
/	2 [10] - 4:5, 7:8, 20:25, 21:1, 21:24, 22:3, 22:4, 22:24 2.1 [2] - 5:23, 6:3 2.3 [4] - 5:17, 5:23, 5:24, 8:2 20 [2] - 57:9, 57:13 20-year [2] - 4:17, 57:18 2000 [1] - 2:10 2002 [1] - 12:9 2005 [4] - 4:15, 37:14, 56:23, 57:21 201 [3] - 4:5, 4:19, 38:25 201-4 [1] - 7:6 2015 [4] - 17:5, 22:16, 57:22, 57:23 2016 [2] - 6:6, 56:19 2017 [2] - 15:20, 56:17 2018 [1] - 1:6 2019 [1] - 8:22 201s [1] - 17:16 2031 [1] - 8:23 209 [1] - 2:3 24 [3] - 17:7, 17:17, 18:20 25 [9] - 15:23, 16:4, 17:10, 17:19, 17:21, 18:8, 18:12, 32:19, 40:17 29 [4] - 7:7, 31:2, 38:25, 41:14	5		
/s [1] - 62:11	3	5 [2] - 20:11, 23:5 500 [1] - 2:4 503 [1] - 2:14 5a [1] - 7:16 5b [1] - 7:16		
0	3 [3] - 4:21, 14:21, 56:24 30 [2] - 1:6, 40:17 3000 [1] - 2:7 301 [1] - 2:13 326-8186 [1] - 2:14 34 [11] - 17:1, 17:6, 17:10, 17:11, 17:17, 17:18, 17:20, 17:24, 18:18, 18:19, 19:2 38 [2] - 19:2, 19:3 3:18-cv-00040-SI [1] - 1:5	6		
05-584 [2] - 4:15, 39:12	1	6-11-18 [1] - 62:11 62 [5] - 16:12, 16:15, 32:17, 32:20, 42:5 63 [1] - 17:25 6a [1] - 7:16 6b [1] - 7:17		
1	1 [4] - 7:7, 20:19, 20:25, 21:17 1-1 [1] - 5:9 1.1 [1] - 5:9 1.7 [3] - 5:11, 5:20, 8:2 10 [8] - 4:2, 16:5, 16:12, 17:6, 17:25, 19:7, 32:14 1000 [1] - 2:13 11 [1] - 16:6 12 [4] - 11:20, 15:18, 18:5, 41:7 12-month [1] - 5:13 1211 [1] - 2:7 131 [1] - 2:10 15 [19] - 4:18, 7:14, 7:21, 8:17, 30:3, 31:3, 37:15, 37:21, 39:3, 40:5, 40:7, 41:5, 41:16, 41:17, 46:12, 46:14, 57:10, 57:16, 57:18 15-130 [1] - 22:17 15-year [8] - 3:25, 38:1, 38:9, 43:14, 44:4, 57:4, 58:17, 58:24 16 [1] - 12:13 17 [1] - 57:25 17-256 [1] - 37:19 17-286 [1] - 39:12 18 [1] - 15:18 18-079 [1] - 39:12 18-174 [2] - 14:21, 19:24 18-40-SI [1] - 3:3 1805 [3] - 19:9, 19:12, 56:21 1931 [3] - 19:22, 25:3,	7		
		7 [8] - 15:19, 16:3, 16:11, 16:12, 18:7, 18:17, 18:19, 19:2 756.500 [1] - 36:24		
		8		
		824a-3(f) [1] - 12:13		
		9		
		90-0091 [1] - 62:13 97 [1] - 18:9 97204 [3] - 2:4, 2:8, 2:13 97213 [1] - 2:11		
		A		
		abate [1] - 47:4 ability [2] - 11:21, 27:15 able [5] - 9:22, 16:19, 57:21, 58:25, 59:10 above-titled [1] - 62:5 abstention [1] - 31:20 according [1] - 5:17 account [1] - 28:6 accurate [1] - 15:14 accurately [2] - 51:20, 57:15 ACEQUIA [1] - 10:9 Acequia [1] - 10:8		

<p>26:22 appropriate [1] - 37:16 approval [4] - 15:20, 26:12, 26:17, 26:20 approved [6] - 22:10, 28:13, 29:2, 29:3, 57:23 area [1] - 43:10 arguably [1] - 16:1 argue [4] - 13:10, 30:19, 41:20, 46:17 argued [1] - 21:11 arguing [1] - 41:20 argument [16] - 3:3, 3:22, 5:15, 5:16, 7:25, 8:10, 11:3, 11:7, 11:23, 14:25, 21:10, 22:2, 24:5, 30:2, 38:19, 43:8 arguments [3] - 11:24, 13:2, 44:2 arrangement [1] - 15:2 articulated [1] - 41:13 aspect [3] - 20:10, 33:17, 40:3 assignment [1] - 42:7 assistance [2] - 20:17, 50:11 Assistant [1] - 3:15 Association [1] - 12:17 association [1] - 19:20 assume [2] - 16:12, 49:21 assuming [1] - 8:22 Astiana [2] - 30:15, 45:1 attached [1] - 39:20 attachment [1] - 56:9 attack [3] - 55:6, 55:10, 60:17 attempt [1] - 54:3 attempting [1] - 13:1 Attorney [1] - 2:9 August [1] - 10:9 authority [10] - 15:5, 27:3, 27:9, 32:16, 35:19, 36:12, 36:14, 36:23, 46:3, 58:2 available [5] - 7:13, 30:3, 31:3, 39:2, 41:16 Avenue [3] - 2:7, 2:10, 2:13 avoid [3] - 30:17, 45:3, 48:2 avoided [6] - 7:16,</p>	<p>37:7, 40:10, 43:18, 57:14, 57:16 avoiding [1] - 57:25</p> <p style="text-align: center;">B</p> <p>based [4] - 9:17, 14:25, 22:1, 24:24 basic [3] - 21:23, 28:8, 42:14 basis [4] - 14:23, 36:17, 54:21, 55:9 beautiful [1] - 29:4 become [2] - 39:13, 56:11 becomes [1] - 51:24 BEFORE [1] - 1:17 beg [1] - 28:11 begin [1] - 8:10 beginning [5] - 3:5, 5:13, 8:1, 38:22, 57:5 begins [3] - 3:25, 8:16, 58:17 behalf [3] - 3:9, 3:12, 45:13 behind [1] - 53:24 below [2] - 56:18, 62:3 bench [3] - 46:23, 48:23, 52:24 benefit [4] - 10:21, 38:1, 43:2, 60:12 benefited [2] - 44:14, 44:15 Berne [1] - 2:3 best [4] - 31:7, 40:13, 50:14, 50:17 better [1] - 50:2 between [9] - 4:1, 9:10, 12:16, 15:19, 33:4, 55:23, 56:9, 57:22, 58:15 beyond [1] - 57:16 big [2] - 31:19, 34:9 binding [4] - 32:16, 42:23, 49:12, 49:13 bit [6] - 16:3, 28:9, 28:11, 48:11, 54:9, 57:24 blah [6] - 30:4, 39:5, 39:6 blow [1] - 6:16 blow-up [1] - 6:16 blowup [1] - 31:2 body [1] - 50:22 BOLI [7] - 21:14, 22:4, 22:23, 27:24, 51:15, 52:6, 53:14 bootstrap [1] - 10:14 bottom [1] - 14:21</p>	<p>bounds [1] - 56:5 brainer [1] - 49:18 bridge [1] - 48:15 brief [10] - 7:2, 11:19, 12:1, 15:16, 15:17, 15:25, 16:2, 16:17, 16:24, 18:5 briefed [1] - 15:12 briefing [3] - 11:16, 55:20, 55:21 brouhaha [1] - 45:7 build [3] - 41:7, 41:24, 45:22 building [4] - 27:12, 41:4, 41:5, 41:9 built [1] - 9:5 bullet [2] - 57:5, 57:8 burden [1] - 23:13 business [1] - 27:5</p> <p style="text-align: center;">C</p> <p>calculate [1] - 57:14 calculated [1] - 37:8 California [1] - 12:23 car [1] - 53:13 Case [1] - 3:3 case [51] - 8:13, 10:8, 10:9, 10:18, 12:9, 12:17, 12:21, 12:22, 13:2, 13:4, 13:5, 14:10, 14:15, 14:16, 15:8, 19:12, 19:17, 19:23, 21:9, 22:6, 23:19, 24:8, 24:14, 26:3, 26:7, 26:24, 32:14, 33:23, 36:18, 40:19, 41:9, 42:8, 43:17, 43:18, 44:10, 44:12, 44:21, 46:3, 46:18, 54:23, 55:12, 55:15, 55:20, 56:7, 56:8, 58:14, 58:15, 58:16, 59:9 cases [10] - 10:4, 15:23, 17:21, 30:15, 34:15, 42:18, 43:20, 43:21, 46:25, 52:13 cash [1] - 40:23 catch [1] - 59:21 certain [6] - 9:19, 9:22, 27:13, 28:9, 52:4 certainly [3] - 11:12, 15:12, 25:7 certainty [1] - 51:7 certified [1] - 62:8 certify [1] - 62:3 chance [1] - 23:15 change [6] - 13:1,</p>	<p>13:2, 13:7, 36:4, 36:11, 36:12 characterization [2] - 28:12, 38:6 charged [1] - 33:23 chart [1] - 44:3 check [1] - 51:3 chief [1] - 8:14 Choy [1] - 50:14 chutzpah [3] - 33:9, 45:19, 54:11 CHUTZPAH [1] - 33:14 Circuit [17] - 10:9, 12:9, 12:17, 13:4, 25:8, 25:12, 25:13, 26:4, 26:7, 48:25, 49:9, 50:8, 50:16, 50:17, 50:21, 56:1 circumstance [2] - 60:7, 60:11 circumstances [2] - 27:22, 52:2 cited [4] - 10:4, 26:3, 26:7, 46:8 City [1] - 54:11 Civil [1] - 3:3 claim [7] - 15:24, 23:6, 30:19, 42:21, 43:1, 43:11, 45:13 clarify [1] - 18:25 clear [7] - 21:16, 30:18, 36:10, 43:22, 43:24, 57:4, 57:20 clearly [2] - 34:5, 56:5 CLERK [2] - 3:2, 6:22 clerk [1] - 50:8 clerkship [2] - 50:14, 50:17 Cleveland [1] - 33:15 client [5] - 29:15, 50:24, 54:19, 54:24, 60:1 client's [1] - 13:9 clients [2] - 31:8, 59:3 Clinton [1] - 10:7 close [4] - 9:22, 32:1, 32:5, 38:2 closing [1] - 9:19 cloud [2] - 50:4, 50:5 CM/ECF [1] - 15:18 co [1] - 25:4 co-counsel [1] - 25:4 COD [3] - 8:18, 8:19, 58:24 Cogeneration [1] - 26:6 cogeneration [1] - 27:5 cogens [1] - 27:12</p>	<p>coincidence [1] - 55:21 collateral [1] - 55:6 collaterally [2] - 55:10, 60:17 colleague [5] - 7:9, 16:19, 47:21, 51:4, 60:1 colleagues [1] - 47:17 coming [4] - 13:25, 27:13, 35:17, 35:18 commence [2] - 37:21, 38:2 commenced [1] - 19:22 commencement [1] - 38:9 commencing [1] - 5:21 comment [2] - 42:20, 47:20 comments [2] - 53:6, 58:12 commercial [5] - 5:14, 5:21, 8:4, 8:20, 41:18 Commission [5] - 4:13, 4:16, 15:23, 17:6, 17:22 commissions [1] - 35:13 commit [1] - 54:22 commitment [1] - 55:4 committed [1] - 60:15 commitment [25] - 13:21, 13:23, 13:24, 14:14, 14:22, 15:2, 15:6, 20:18, 21:5, 21:25, 22:20, 27:24, 28:2, 35:1, 35:4, 35:5, 49:17, 51:24, 51:25, 52:8, 52:13, 52:18, 52:21, 53:3, 56:11 companies [2] - 29:8, 29:13 company [4] - 1:3, 10:11, 53:21, 56:10 Company [4] - 3:4, 3:13, 12:9, 38:12 COMPANY [1] - 1:7 Company's [1] - 16:20 compelled [1] - 14:13 compete [1] - 45:23 complain [1] - 16:1 complaint [2] - 8:14, 24:21 completed [2] - 51:13, 51:18 completely [3] - 12:25, 13:3, 36:5</p>
---	--	--	--	---

<p>completion [1] - 6:1 complicated [2] - 37:6, 40:9 components [1] - 14:1 concepts [1] - 40:4 concern [1] - 32:3 concerned [2] - 32:6, 50:20 concerning [1] - 56:22 concerns [2] - 8:14, 30:14 concluded [1] - 61:7 concludes [1] - 21:1 conclusions [1] - 24:2 concurrent [1] - 23:23 confer [5] - 47:16, 58:21, 59:3, 59:23, 59:25 conference [1] - 56:19 conferring [1] - 60:6 confirmed [1] - 15:8 conformed [1] - 62:7 Congress [3] - 34:2, 34:10, 34:12 consequence [1] - 13:8 consequently [1] - 54:3 consideration [3] - 51:2, 53:25, 60:16 considered [1] - 22:8 consolation [2] - 60:13, 60:19 constituted [1] - 38:7 constitutional [4] - 20:13, 23:7, 23:9, 23:21 construct [2] - 27:10, 45:3 contain [1] - 32:21 contend [1] - 5:3 contention [1] - 56:15 context [5] - 22:1, 26:18, 32:23, 42:17, 42:18 contingent [5] - 9:4, 9:7, 10:6, 11:13, 24:22 continue [3] - 8:25, 9:5, 15:22 contract [90] - 4:7, 4:11, 4:12, 5:6, 5:11, 5:17, 5:18, 5:20, 6:1, 6:4, 8:15, 8:17, 8:19, 9:1, 9:11, 10:5, 12:24, 13:10, 13:12, 13:18, 13:19, 13:24, 14:1, 14:12, 14:14, 14:22, 15:4, 20:19, 21:11, 21:13, 21:25,</p>	<p>22:12, 23:10, 25:2, 26:9, 26:10, 26:12, 26:24, 27:19, 27:21, 28:1, 28:3, 28:8, 29:1, 30:23, 30:25, 33:2, 33:24, 35:1, 35:4, 35:5, 36:12, 36:20, 37:16, 38:11, 39:14, 40:3, 40:10, 40:21, 42:1, 42:18, 43:6, 47:24, 48:1, 51:13, 51:17, 51:19, 51:21, 52:2, 52:4, 52:9, 52:12, 53:3, 53:11, 53:20, 54:6, 54:14, 55:19, 55:23, 56:2, 56:12, 57:9, 57:10, 57:17, 57:24 contracts [39] - 4:13, 4:17, 6:5, 8:2, 12:15, 12:18, 13:20, 13:21, 13:24, 14:14, 15:3, 15:6, 15:11, 20:18, 21:6, 22:6, 27:10, 27:11, 27:13, 27:14, 27:24, 28:12, 28:13, 28:19, 29:1, 29:15, 29:19, 32:14, 33:4, 36:4, 37:5, 37:20, 38:13, 42:14, 42:15, 51:13, 51:18, 57:7, 57:23 contractual [2] - 15:2, 54:5 contrary [1] - 52:15 control [1] - 58:4 controversy [2] - 11:10, 38:13 copy [1] - 6:16 Corporation [1] - 26:6 corporation [1] - 1:7 correct [8] - 6:14, 7:23, 14:8, 16:13, 17:14, 18:14, 21:20, 62:4 correctly [1] - 5:15 cost [1] - 43:18 costs [6] - 7:16, 11:20, 37:7, 40:11, 57:15, 57:16 counsel [8] - 3:5, 16:20, 25:4, 25:16, 26:6, 54:10, 58:21, 59:25 Counsel [1] - 3:15 counterpart [1] - 60:3 country [1] - 29:18 coup [1] - 38:3 couple [1] - 29:17 course [3] - 12:2,</p>	<p>36:5, 41:20 court [14] - 3:5, 12:7, 23:2, 32:1, 32:5, 33:9, 35:17, 42:6, 42:9, 42:21, 49:16, 50:1, 53:22, 60:17 COURT [149] - 1:1, 1:18, 2:12, 3:10, 3:14, 3:17, 4:3, 4:22, 4:25, 5:4, 5:7, 5:12, 5:19, 5:24, 6:2, 6:7, 6:11, 6:17, 6:19, 6:23, 7:3, 7:5, 7:7, 7:11, 7:19, 7:24, 8:5, 8:10, 9:8, 10:23, 11:22, 12:4, 13:7, 13:23, 14:3, 14:5, 14:7, 14:9, 14:17, 14:20, 14:25, 15:15, 16:8, 16:10, 16:14, 16:22, 17:3, 17:17, 17:20, 18:1, 18:3, 18:5, 18:7, 18:10, 18:12, 18:15, 18:19, 18:24, 19:2, 19:5, 19:15, 19:21, 20:2, 21:18, 21:23, 22:19, 23:5, 23:14, 24:3, 24:12, 24:24, 25:6, 25:10, 25:21, 26:21, 27:17, 28:15, 28:17, 28:23, 29:23, 30:1, 30:7, 30:11, 31:13, 31:16, 31:23, 32:3, 33:12, 33:25, 34:16, 34:21, 34:25, 35:3, 35:9, 35:14, 35:23, 36:5, 36:9, 36:16, 36:21, 38:18, 38:21, 39:5, 39:21, 39:24, 40:5, 40:14, 40:25, 41:3, 41:14, 41:25, 42:4, 42:16, 42:25, 43:5, 44:1, 46:21, 46:23, 47:8, 47:11, 47:19, 48:17, 48:21, 49:19, 50:10, 51:1, 51:6, 51:10, 52:1, 52:22, 52:24, 53:15, 53:18, 54:7, 54:16, 54:18, 55:2, 55:17, 57:1, 58:5, 58:10, 58:12, 59:4, 59:18, 59:22, 59:24, 60:9, 60:23, 61:1 Court [29] - 10:1, 11:2, 11:5, 16:24, 19:14, 24:21, 26:1, 26:15, 32:7, 32:8, 32:10, 32:15, 34:5, 34:6, 35:3, 43:2, 43:23,</p>	<p>51:22, 52:12, 53:10, 53:13, 55:6, 55:8, 55:14, 55:20, 59:9, 62:13 Courthouse [1] - 2:12 Courts [2] - 32:22, 55:19 courts [2] - 21:12, 52:20 coverage [1] - 53:17 crack [1] - 12:19 crazy [1] - 31:25 created [2] - 22:15, 37:1 creates [1] - 11:10 creation [1] - 47:25 crisis [1] - 29:9 critical [3] - 27:2, 38:6, 45:10 cross [1] - 48:15 Crossroads [5] - 26:6, 26:15, 28:4, 28:5, 31:10 CRR [2] - 2:12, 62:12 CSR [3] - 2:12, 62:12, 62:13 curious [1] - 30:8 current [4] - 10:5, 11:9, 11:18</p>	<p>decides [3] - 20:21, 20:22, 24:20 deciding [4] - 10:13, 23:22, 50:1, 53:25 decision [19] - 20:5, 20:10, 25:1, 25:8, 33:24, 38:7, 38:8, 42:23, 43:23, 45:13, 48:11, 49:19, 55:5, 55:7, 55:9, 55:25, 60:16, 60:17, 61:3 decisions [2] - 37:4, 48:9 declaration [3] - 4:21, 22:14, 56:24 declaratory [3] - 10:1, 11:2, 23:3 defendant [1] - 5:8 Defendant [2] - 1:8, 3:13 DEFENDANT [1] - 2:5 defendant's [2] - 3:18, 3:21 defendants [4] - 19:23, 54:23, 56:18 defense [2] - 33:9, 45:20 defer [2] - 31:20, 43:11 deference [1] - 59:10 deferring [1] - 30:16 define [2] - 33:9, 33:12 definitely [1] - 12:18 definition [1] - 5:10 definitive [1] - 47:18 Delaware [1] - 1:3 delay [5] - 45:1, 45:9, 45:14, 46:17, 46:19 delayed [4] - 30:15, 45:2, 48:3, 48:17 delaying [1] - 30:21 delays [1] - 30:17 delegated [8] - 33:22, 34:13, 35:9, 35:11, 36:2, 36:3, 36:12, 37:4 delegates [1] - 35:12 delegation [3] - 35:16, 35:25, 48:7 deliver [1] - 59:1 delivering [2] - 18:23, 37:24 delivery [1] - 38:2 DeLuca [92] - 2:5, 3:11, 3:12, 3:15, 3:23, 4:10, 4:24, 5:3, 5:6, 5:10, 5:13, 5:23, 5:25, 6:3, 6:8, 6:14, 6:23, 6:25, 7:4, 7:6,</p>
D				
<p>D.C [3] - 45:6, 55:25, 56:1 Dallas [2] - 2:5, 3:11 darn [1] - 34:8 DATE [1] - 62:12 date [12] - 5:14, 5:21, 6:4, 7:20, 8:4, 8:20, 30:24, 38:2, 38:9, 43:14, 45:15, 58:25 David [1] - 3:16 days [1] - 61:3 de [1] - 38:3 deadline [1] - 48:2 deal [3] - 27:15, 40:15, 48:14 dealing [1] - 27:1 deals [4] - 9:19, 9:22, 26:4, 30:23 dealt [1] - 58:14 decade [1] - 22:12 December [1] - 56:19 decide [7] - 3:24, 12:22, 32:14, 32:17, 34:21, 48:7, 57:23 decided [5] - 10:9, 10:10, 54:14, 56:8, 56:20 decider [1] - 21:2</p>				

7:9, 7:13, 7:23, 8:1, 8:9, 8:12, 10:4, 11:8, 11:25, 12:6, 13:19, 13:25, 14:4, 14:6, 14:8, 14:16, 14:18, 14:23, 15:10, 16:7, 16:9, 16:13, 16:17, 16:23, 17:1, 17:4, 17:18, 17:24, 18:2, 18:4, 18:6, 18:9, 18:11, 18:14, 18:18, 18:22, 19:1, 19:4, 19:9, 19:18, 20:1, 21:11, 21:20, 22:3, 23:1, 23:12, 23:17, 24:11, 24:16, 25:4, 25:7, 25:19, 27:19, 29:24, 38:22, 50:15, 51:11, 51:20, 52:16, 52:23, 53:10, 53:17, 54:2, 54:9, 54:17, 55:1, 55:3, 55:18, 57:3, 58:8, 58:11	directly [3] - 15:7, 26:4, 46:19 disagree [2] - 42:19, 42:20 disagreement [3] - 9:9, 9:15, 9:23 discounted [1] - 40:23 discretion [1] - 27:13 discretionary [1] - 11:1 discuss [2] - 20:11, 60:24 discussed [1] - 32:7 disfavors [1] - 13:17 dismiss [10] - 3:19, 19:23, 19:25, 24:8, 24:15, 24:16, 47:4, 49:5, 59:5, 60:7 dismissal [1] - 47:14 dismissed [2] - 24:17, 59:8 displaced [2] - 14:14, 23:22 dispute [29] - 4:4, 4:6, 5:1, 5:16, 8:21, 8:23, 9:23, 10:12, 11:10, 11:15, 11:18, 11:19, 13:12, 14:22, 15:18, 17:12, 17:15, 20:18, 23:16, 36:21, 38:24, 39:21, 41:15, 41:17, 53:3, 53:21, 56:3, 56:4, 56:9 disputed [2] - 21:6, 36:20 disputes [3] - 10:4, 10:5, 36:24 distinguish [1] - 27:17 DISTRICT [3] - 1:1, 1:2, 1:18 district [1] - 42:8 District [1] - 2:12 diversity [2] - 34:3, 51:23 docket [1] - 5:9 doctor [1] - 6:19 doctrine [4] - 10:16, 10:24, 12:6, 42:25 document [1] - 4:11 done [6] - 20:24, 34:10, 34:11, 43:20, 44:8, 57:22 down [1] - 25:20 drafters [1] - 29:7 dragged [1] - 45:24 Dryden [1] - 35:22 Dryer [5] - 32:7, 32:10, 34:6, 34:16, 35:22 dryer [1] - 35:23 duck [1] - 24:20	due [1] - 10:11 during [1] - 8:15 duties [1] - 20:6 dynamics [1] - 28:13	Established [1] - 44:5 established [6] - 7:14, 30:4, 31:4, 39:5, 39:19, 39:24 establishing [2] - 40:2, 57:8 et [2] - 1:4, 3:3 event [1] - 9:4 eventually [1] - 49:9 evidence [5] - 21:3, 21:17, 31:7, 41:25, 42:2 exactly [2] - 4:6, 54:2 example [1] - 22:14 except [2] - 35:9, 50:15 exception [1] - 34:9 excerpts [1] - 43:9 excuse [1] - 14:6 executed [11] - 6:5, 7:15, 15:20, 17:1, 26:9, 27:14, 29:20, 31:4, 33:24, 37:5, 39:20 execution [14] - 7:18, 7:20, 8:17, 8:18, 8:19, 30:4, 30:5, 31:5, 39:6, 39:7, 40:10, 41:15, 41:17 exercise [1] - 23:6 exercising [1] - 30:16 Exhibit [3] - 4:21, 7:7, 56:24 exhibit [1] - 22:15 exist [2] - 33:20, 46:6 expect [3] - 3:21, 10:3, 24:24 expedited [5] - 25:12, 25:13, 51:2, 54:23, 60:15 expert [2] - 28:22, 40:13 expertise [9] - 33:19, 37:12, 43:3, 43:7, 43:10, 43:25, 55:15, 55:16 explain [1] - 31:24 explicitly [1] - 38:11 express [1] - 33:2 expressly [1] - 37:20 extracted [1] - 60:12 extrinsic [2] - 21:2, 21:17 eye [1] - 6:19	29:17, 45:24 facility [2] - 7:18, 41:24 facing [1] - 9:18 fact [3] - 21:2, 46:6, 56:2 factor [3] - 23:24, 32:6, 32:11 factors [4] - 11:1, 11:4, 47:25, 55:11 facts [1] - 24:1 fail [1] - 41:24 failure [1] - 11:21 fairly [1] - 47:1 fall [2] - 21:12, 56:16 familiar [1] - 22:19 far [2] - 11:6, 52:16 favor [2] - 43:8, 49:4 favorable [1] - 29:11 favors [1] - 13:16 federal [23] - 12:7, 12:13, 15:4, 15:7, 23:25, 32:1, 32:5, 33:21, 33:25, 34:1, 34:2, 34:8, 34:17, 34:18, 34:24, 35:7, 35:17, 35:18, 42:7, 42:21, 49:16, 50:1 felt [3] - 10:6, 19:19, 28:17 FERC [12] - 27:3, 28:13, 35:11, 35:12, 35:20, 36:3, 37:2, 37:3, 37:17, 55:24, 55:25, 56:1 few [3] - 24:12, 25:10, 61:3 Fifth [1] - 2:7 figure [2] - 44:12, 51:15 figuring [1] - 52:5 file [2] - 42:6, 56:17 filed [3] - 19:12, 19:22, 19:23 filing [1] - 38:12 final [1] - 47:14 finality [1] - 50:6 finance [1] - 50:2 financed [1] - 10:15 financial [1] - 27:6 financing [16] - 9:19, 9:22, 10:15, 11:11, 11:19, 11:21, 37:16, 40:23, 41:11, 45:9, 48:4, 50:3, 50:4, 50:23, 51:7, 56:22 fine [1] - 27:25 first [14] - 4:18, 4:21, 5:8, 6:6, 12:19, 22:15, 33:18, 41:5,
		E		
		economic [4] - 13:15, 13:17, 28:18 effect [1] - 17:16 effective [7] - 6:4, 7:18, 7:19, 7:20, 30:4, 39:6, 39:7 effects [1] - 10:6 either [9] - 9:18, 10:1, 24:11, 24:19, 32:17, 38:14, 42:7, 58:4 ELECTRIC [1] - 1:7 Electric [5] - 3:4, 3:13, 4:2, 16:20, 55:23 electricity [2] - 18:23, 28:21 eligibility [2] - 57:6 enacting [1] - 54:4 encourage [3] - 27:4, 27:11, 54:19 end [4] - 30:7, 42:4, 57:7, 59:18 ended [2] - 27:16, 54:10 Energy [3] - 12:17, 12:21, 13:5 energy [5] - 29:9, 29:17, 40:13, 59:1, 60:2 enforce [1] - 52:11 enforcement [1] - 37:5 engage [1] - 11:2 engaged [1] - 10:5 ensure [1] - 37:15 enter [8] - 14:13, 15:1, 27:21, 28:19, 28:20, 33:3, 52:2, 52:3 entered [9] - 26:25, 27:14, 27:19, 28:1, 36:13, 36:20, 40:22, 51:14, 52:9 entering [2] - 27:20, 54:5 entire [1] - 55:11 entitled [1] - 15:24 environment [1] - 42:12 equal [2] - 7:15, 24:11 equivalent [3] - 22:5, 22:8, 22:18 esoteric [2] - 37:11, 43:18 especially [1] - 49:3 essentially [1] - 32:21	F	
			facilitate [1] - 37:16 facilities [6] - 4:17, 27:7, 27:8, 29:1,	

<p>50:19, 52:18, 56:24, 57:10, 57:18</p> <p>first-named [1] - 5:8</p> <p>fit [1] - 17:10</p> <p>five [2] - 4:19, 57:11</p> <p>Fixed [3] - 6:12, 7:11, 44:4</p> <p>fixed [20] - 3:25, 4:18, 27:10, 27:11, 37:14, 37:21, 38:1, 38:10, 40:3, 40:19, 40:20, 41:5, 41:11, 46:12, 57:10, 57:16, 57:18, 58:17, 58:24</p> <p>flow [1] - 40:23</p> <p>focused [2] - 25:25, 31:1</p> <p>focusing [1] - 39:18</p> <p>follow [1] - 21:14</p> <p>following [2] - 9:8, 17:8</p> <p>FOR [3] - 1:2, 2:2, 2:5</p> <p>forced [3] - 27:5, 45:4, 52:2</p> <p>foregoing [1] - 62:4</p> <p>foreshadowing [1] - 24:7</p> <p>forgot [1] - 21:22</p> <p>formation [1] - 51:21</p> <p>formed [2] - 51:24, 51:25</p> <p>forms [1] - 38:11</p> <p>forth [1] - 45:12</p> <p>forward [4] - 3:21, 4:16, 10:14, 49:6</p> <p>four [3] - 8:19, 17:4, 49:20</p> <p>Fox [7] - 22:5, 53:10, 53:12, 53:15, 53:23, 58:14, 58:18</p> <p>framework [1] - 23:10</p> <p>frankly [1] - 5:7</p> <p>free [1] - 54:19</p> <p>front [1] - 5:8</p> <p>full [2] - 25:9, 38:1</p> <p>future [7] - 9:7, 9:13, 10:7, 11:14, 24:22, 31:5, 37:20</p>	<p>generally [2] - 32:5, 32:6</p> <p>Given [1] - 57:14</p> <p>glasses [1] - 6:9</p> <p>goal [1] - 45:16</p> <p>governed [1] - 27:23</p> <p>government [4] - 33:21, 33:22, 33:25</p> <p>governmental [1] - 58:3</p> <p>grant [3] - 54:21, 59:5, 60:13</p> <p>granted [1] - 59:8</p> <p>graphic [1] - 31:12</p> <p>gras [1] - 38:3</p> <p>great [3] - 31:14, 44:20, 44:21</p> <p>Greg [2] - 51:4, 60:2</p> <p>growing [2] - 33:15, 54:11</p> <p>guess [9] - 11:22, 14:23, 24:5, 40:19, 44:6, 44:8, 48:17, 50:19, 53:19</p> <p>gun [1] - 28:14</p> <p>guys [1] - 56:4</p>	<p>holding [1] - 28:14</p> <p>Honor [36] - 3:2, 3:8, 3:11, 3:23, 4:10, 6:14, 6:15, 6:25, 7:6, 7:9, 8:9, 11:8, 11:25, 14:4, 14:16, 15:14, 16:7, 16:9, 16:13, 16:17, 16:23, 19:4, 23:20, 25:19, 25:22, 25:24, 32:25, 36:25, 41:13, 46:16, 49:15, 51:9, 58:9, 58:11, 58:19, 60:25</p> <p>HONORABLE [1] - 1:17</p> <p>hope [1] - 40:12</p> <p>hopefully [2] - 48:15, 59:12</p> <p>hundred [1] - 47:12</p>	<p>insight [1] - 44:24</p> <p>instance [1] - 15:13</p> <p>instances [1] - 55:18</p> <p>instant [2] - 14:21, 53:2</p> <p>instead [2] - 22:3, 38:15</p> <p>insurance [7] - 21:13, 22:6, 53:13, 53:20, 53:21, 54:6, 58:15</p> <p>integrity [2] - 12:7, 12:10</p> <p>intend [1] - 21:4</p> <p>Intent [1] - 44:3</p> <p>intent [7] - 28:7, 31:8, 33:2, 37:11, 44:13, 46:7, 53:24</p> <p>intention [2] - 54:4, 54:5</p> <p>interest [2] - 27:6, 28:18</p> <p>interesting [3] - 14:9, 33:5, 44:18</p> <p>interests [1] - 28:18</p> <p>internal [1] - 15:17</p> <p>interpret [12] - 13:11, 20:19, 21:12, 23:10, 27:15, 35:3, 36:3, 36:11, 36:14, 36:19, 43:6, 52:12</p> <p>interpretation [23] - 7:25, 13:18, 13:19, 19:7, 19:10, 21:6, 22:20, 25:2, 26:2, 26:10, 28:3, 28:8, 37:5, 42:6, 43:14, 43:23, 44:7, 46:12, 47:24, 48:22, 51:19, 56:3, 57:24</p> <p>interpreted [7] - 9:18, 13:13, 13:14, 13:16, 39:15, 42:1, 55:22</p> <p>interpreting [3] - 32:23, 52:7, 55:19</p> <p>interprets [2] - 13:10, 20:24</p> <p>interruption [1] - 8:5</p> <p>intervene [3] - 45:18, 45:19, 45:20</p> <p>intervening [1] - 33:6</p> <p>intervention [2] - 56:16</p> <p>introduced [1] - 60:3</p> <p>involuntarily [1] - 28:2</p> <p>involuntary [1] - 28:12</p> <p>involve [3] - 19:7, 51:13, 51:18</p> <p>involved [2] - 18:24, 42:13</p> <p>involving [1] - 34:1</p>	<p>issue [49] - 10:14, 16:5, 16:15, 19:7, 20:24, 23:9, 23:17, 23:24, 23:25, 24:13, 24:18, 24:20, 24:22, 25:24, 26:2, 26:4, 28:9, 31:21, 32:12, 33:17, 35:16, 36:1, 36:7, 37:7, 37:12, 38:17, 39:18, 40:7, 43:3, 43:14, 44:14, 44:24, 44:25, 45:1, 45:9, 46:18, 46:19, 48:7, 48:13, 48:18, 49:18, 50:20, 52:22, 54:13, 55:24, 56:4, 56:8, 57:4</p> <p>issued [1] - 25:10</p> <p>issues [7] - 12:21, 13:6, 16:21, 23:18, 27:1, 30:18, 42:22</p> <p>itself [1] - 31:9</p>
	H		I	J
	<p>half [2] - 6:6, 48:25</p> <p>handed [2] - 31:2, 37:10</p> <p>handing [3] - 6:21, 6:22, 31:17</p> <p>happy [1] - 38:4</p> <p>hardship [1] - 10:13</p> <p>harm [1] - 11:9</p> <p>hate [1] - 45:4</p> <p>haw [1] - 27:23</p> <p>Hawaii [1] - 50:12</p> <p>head [1] - 28:14</p> <p>headed [1] - 44:3</p> <p>hear [3] - 8:6, 11:6, 24:6</p> <p>HEARING [1] - 1:15</p> <p>heart [1] - 5:1</p> <p>heavily [1] - 52:19</p> <p>helpful [1] - 46:3</p> <p>Herbold [1] - 2:6</p> <p>higher [2] - 9:3, 9:7</p> <p>highlight [1] - 7:4</p> <p>highlighted [2] - 7:1, 7:3</p> <p>highly [1] - 26:13</p> <p>history [8] - 13:22, 22:5, 22:9, 22:18, 23:3, 28:10, 31:10, 43:16</p> <p>hold [1] - 59:16</p> <p>holders' [1] - 28:18</p>	<p>Idaho [1] - 38:11</p> <p>idea [1] - 43:13</p> <p>ideas [1] - 27:4</p> <p>identify [1] - 3:6</p> <p>immediately [2] - 17:8, 47:13</p> <p>impact [3] - 13:15, 13:17, 20:6</p> <p>impedes [1] - 50:5</p> <p>implementing [2] - 12:14, 12:15</p> <p>import [1] - 44:7</p> <p>important [3] - 35:25, 42:20, 53:25</p> <p>IN [1] - 1:1</p> <p>includes [1] - 21:17</p> <p>including [1] - 17:25</p> <p>inconsistent [1] - 26:21</p> <p>incorporating [1] - 58:14</p> <p>increase [1] - 11:20</p> <p>indelegable [1] - 42:23</p> <p>independence [1] - 29:18</p> <p>Independent [3] - 12:17, 12:21, 13:4</p> <p>independent [1] - 29:9</p> <p>individual [1] - 42:14</p> <p>industry [6] - 36:22, 41:21, 46:10, 52:4, 58:23, 60:2</p> <p>inefficient [1] - 43:16</p> <p>information [4] - 44:22, 48:5, 54:12, 56:13</p> <p>informed [1] - 4:12</p>	<p>Jack [1] - 29:16</p> <p>Jeff [1] - 16:19</p> <p>Jeffrey [2] - 2:9, 3:12</p> <p>Jersey [1] - 54:11</p> <p>Jindal [6] - 2:6, 3:12, 4:21, 7:10, 22:14, 56:24</p> <p>judge [9] - 20:21, 20:22, 20:23, 20:25, 21:19, 21:20, 23:4, 42:8, 56:23</p> <p>JUDGE [1] - 1:18</p> <p>Judge [4] - 50:14, 50:15, 56:8, 56:11</p> <p>judgment [5] - 10:1, 11:3, 23:3, 47:14, 48:24</p> <p>judicial [2] - 19:13, 20:5</p> <p>jurisdiction [42] - 10:3, 11:23, 12:5, 12:6, 23:7, 23:23, 24:5, 24:10, 25:25, 30:17, 30:23, 31:21, 32:9, 32:11, 33:18, 34:1, 34:4, 34:9, 34:18, 35:7, 35:15, 35:25, 36:8, 36:23, 38:16, 40:16, 43:1, 43:21, 44:20, 46:16, 47:2, 48:10, 49:1, 49:11, 52:20, 52:25, 53:9, 54:22, 55:11, 55:14, 56:13, 58:3</p> <p>jury [23] - 20:14,</p>	
G				
<p>gain [1] - 44:24</p> <p>Gaines [3] - 21:15, 21:16, 52:7</p> <p>geez [2] - 33:7, 44:21</p> <p>general [1] - 15:10</p> <p>GENERAL [1] - 1:7</p> <p>General [6] - 3:4, 3:13, 3:15, 4:2, 16:20, 55:23</p>				

20:21, 20:22, 20:23, 20:24, 21:7, 21:19, 21:21, 22:21, 22:24, 23:1, 23:7, 23:9, 23:15, 23:19, 23:21, 24:13, 24:15, 25:9, 26:1, 50:1, 57:25, 58:6 justice [8] - 30:14, 30:15, 45:2, 48:3, 48:17, 48:18	16:6, 16:10, 19:8, 19:21, 30:8 lead [1] - 11:20 leading [2] - 14:10, 14:15 leaning [1] - 52:24 learn [1] - 44:20 learning [1] - 44:16 lease [1] - 41:6 least [4] - 15:13, 33:14, 50:7, 60:11 legal [1] - 24:1 legislative [4] - 22:5, 22:17, 22:18, 53:24 legislature [2] - 12:13, 34:11 legislature's [1] - 54:4 legitimate [1] - 51:7 length [1] - 40:3 less [2] - 11:24, 25:7 level [1] - 34:18 liability [1] - 1:3 light [3] - 20:15, 29:9, 59:9 likely [5] - 9:2, 11:14, 25:5, 45:25, 48:6 limited [2] - 1:3, 35:24 liquidated [1] - 10:11 litigating [1] - 42:24 litigation [3] - 18:25, 19:5, 38:14 LLC [2] - 1:3, 3:3 Lokting [1] - 2:3 longshoreman [1] - 10:20 look [2] - 3:21, 13:21, 14:10, 14:15, 15:2, 17:14, 20:17, 21:2, 21:17, 22:9, 22:17, 31:10, 34:2, 34:9, 34:10, 34:16, 39:11, 39:13, 41:14, 53:14, 57:21 looked [3] - 53:11, 55:19, 56:3 looking [7] - 5:5, 22:4, 22:7, 23:2, 34:3, 34:4, 38:25 looks [1] - 39:7 lose [2] - 47:6 love [3] - 31:25, 41:23, 48:8 loves [1] - 50:4 Lovinger [4] - 2:9, 3:12, 16:19, 60:4 lovinger [1] - 17:14 lower [1] - 9:7	M Maile [1] - 31:16 main [1] - 59:4 major [1] - 60:13 marching [1] - 46:10 market [5] - 4:19, 8:25, 9:3, 9:6, 57:11 Markowitz [1] - 2:6 marriage [2] - 52:10, 52:11 Mart [3] - 41:4, 41:5, 41:9 material [2] - 20:20, 32:21 matter [8] - 12:5, 24:4, 24:6, 24:8, 24:14, 33:6, 47:3, 48:4 Maudlin [1] - 14:18 MAULDIN [1] - 14:18 maximum [6] - 7:13, 30:3, 31:3, 39:3, 41:16, 57:8 mean [12] - 9:11, 13:23, 29:2, 30:5, 35:12, 35:17, 40:23, 45:18, 49:7, 49:22, 50:6, 50:7 meaning [2] - 44:7, 44:12 meaningful [1] - 37:24 means [5] - 7:20, 9:24, 39:8, 53:22, 54:1 meant [1] - 57:23 meet [3] - 11:11, 11:12, 12:3 mention [2] - 58:13, 58:23 mentioned [3] - 47:21, 56:1, 58:22 merits [10] - 4:6, 5:2, 7:25, 25:1, 38:24, 44:2, 48:21, 48:23, 49:19, 60:16 mess [1] - 29:6 methodology [5] - 21:5, 21:8, 21:14, 21:25 MICHAEL [1] - 1:17 micro [1] - 12:9 Mid [2] - 8:25, 9:6 Mid-C [2] - 8:25, 9:6 middle [1] - 39:1 midway [1] - 38:23 might [5] - 13:8, 23:18, 51:15, 56:11, 58:22 mind [2] - 4:7, 29:23 minimum [1] - 43:17 minus [1] - 19:2	minute [2] - 33:9, 59:23 minutes [1] - 24:12 mispronouncing [1] - 10:8 modification [1] - 22:16 modified [2] - 21:14, 22:13 modify [1] - 12:23 moment [2] - 28:8, 33:16 money [3] - 27:8, 45:23, 46:14 months [4] - 6:6, 25:11, 38:5, 49:20 moot [1] - 55:11 morning [5] - 3:8, 3:10, 3:11, 3:14, 3:17 Mosman [2] - 56:8, 56:11 most [2] - 25:4, 38:12 MOTION [1] - 1:15 motion [12] - 3:18, 19:23, 19:24, 38:5, 48:19, 48:23, 49:4, 49:5, 54:21, 59:5, 59:6, 60:14 Mountain [20] - 13:5, 14:16, 14:18, 15:1, 15:8, 20:15, 21:10, 22:2, 26:22, 26:23, 27:18, 27:25, 51:12, 51:13, 51:17, 51:20, 52:14, 52:16, 53:7 mouth [1] - 8:3 move [2] - 11:7, 49:16 MR [154] - 3:7, 3:11, 3:15, 3:23, 4:10, 4:24, 5:3, 5:6, 5:10, 5:13, 5:23, 5:25, 6:3, 6:8, 6:14, 6:15, 6:18, 6:21, 6:25, 7:4, 7:6, 7:9, 7:13, 7:23, 8:1, 8:9, 8:12, 10:4, 11:8, 11:25, 12:6, 13:19, 13:25, 14:4, 14:6, 14:8, 14:16, 14:18, 14:23, 15:10, 16:7, 16:9, 16:13, 16:17, 16:23, 17:1, 17:4, 17:18, 17:24, 18:2, 18:4, 18:6, 18:9, 18:11, 18:14, 18:18, 18:22, 19:1, 19:4, 19:9, 19:18, 20:1, 21:11, 21:20, 22:3, 23:1, 23:12, 23:17, 24:11, 24:16, 25:4,	25:7, 25:19, 25:22, 26:23, 28:5, 28:16, 28:21, 28:25, 29:25, 30:6, 30:9, 30:14, 31:15, 31:17, 31:24, 32:25, 33:14, 34:14, 34:20, 34:23, 35:2, 35:5, 35:11, 35:16, 35:24, 36:7, 36:15, 36:18, 36:25, 38:20, 39:4, 39:17, 39:23, 39:25, 40:7, 40:15, 41:1, 41:4, 41:19, 42:3, 42:11, 42:17, 43:4, 43:13, 44:18, 46:22, 47:7, 47:9, 47:16, 47:20, 48:20, 49:15, 49:21, 50:12, 50:15, 50:16, 51:3, 51:9, 51:20, 52:16, 52:23, 53:10, 53:17, 54:2, 54:9, 54:17, 55:1, 55:3, 55:18, 57:3, 58:8, 58:11, 58:13, 58:22, 59:12, 59:14, 59:16, 59:20, 59:23, 60:1, 60:21, 60:25, 61:4 Mueller [3] - 2:2, 3:9, 47:21 must [6] - 27:22, 27:23, 28:25, 37:20, 38:2, 53:20 muster [1] - 58:7
K				
keep [1] - 18:10 keeps [1] - 29:5 Keil [3] - 2:2, 3:8, 47:21 kept [1] - 33:5 key [3] - 14:1, 40:18, 46:25 kicking [2] - 45:5, 45:7 kicks [1] - 41:2 kills [2] - 45:14 kind [3] - 28:10, 43:18, 48:7 kinds [2] - 35:19, 43:20 knowing [1] - 45:9 knowledge [2] - 44:19, 60:12 knows [2] - 11:16, 60:4				
L				
labeled [1] - 44:3 language [7] - 4:4, 4:7, 32:23, 33:4, 39:14, 42:14 last [6] - 4:19, 6:1, 19:24, 22:8, 37:19, 57:11 late [1] - 56:16 Laughter [1] - 28:24 Law [1] - 2:9 law [36] - 13:5, 13:20, 13:21, 13:24, 14:13, 14:14, 14:22, 15:2, 15:3, 15:6, 20:18, 21:5, 21:25, 22:20, 27:21, 27:24, 28:2, 34:2, 35:1, 35:4, 35:5, 43:24, 46:18, 51:24, 51:25, 52:3, 52:5, 52:8, 52:13, 52:19, 52:21, 53:3, 56:12, 58:14 laws [1] - 15:7 lawsuit [6] - 16:5,				
			N	
			named [1] - 5:8 namely [1] - 32:9 Nancy [1] - 62:11 nancy [1] - 2:12 NANCY [1] - 62:12 narrow [1] - 43:13 necessarily [3] - 23:22, 24:1, 47:23 necessary [2] - 37:15, 46:17 need [19] - 9:19, 12:4, 20:7, 22:17, 23:6, 32:12, 33:18, 37:17, 43:6, 43:25, 46:5, 46:6, 46:7, 46:13, 47:16, 48:4, 50:3, 58:19 needed [3] - 27:12, 37:12, 47:23 needing [1] - 51:6 negotiations [1] - 42:13 never [3] - 36:2, 37:3,	

<p>48:15 new [3] - 10:21, 15:21, 17:16 NewSun [2] - 15:19, 23:6 next [2] - 20:11, 61:3 nice [1] - 48:5 Ninth [13] - 10:9, 12:9, 12:17, 13:4, 25:8, 25:12, 25:13, 48:25, 49:9, 50:8, 50:16, 50:17, 50:21 no-brainer [1] - 49:18 nobody [2] - 11:16, 52:2 non [1] - 43:18 none [2] - 56:1, 56:3 nonsensical [2] - 41:21, 46:12 normal [4] - 24:25, 26:10, 43:6, 52:1 normally [1] - 21:24 Northwest [1] - 33:6 note [1] - 5:20 nothing [1] - 19:4 notice [1] - 19:12 NPSI [1] - 19:19 nuances [1] - 45:15 number [1] - 9:12</p>	<p>30:16, 30:18, 31:16, 32:14, 33:17, 34:9, 36:21, 40:2, 44:1, 45:17, 46:21, 47:20, 55:10, 55:13, 57:24, 58:15, 59:16, 59:23 ones [3] - 17:10, 17:22, 18:13 oOo [1] - 62:1 opening [2] - 15:17, 15:25 operate [1] - 46:13 operating [1] - 9:6 operation [7] - 5:14, 5:21, 8:4, 8:20, 30:24, 41:18, 58:25 operational [5] - 37:24, 41:2, 45:15, 45:16, 45:25 opinion [4] - 43:19, 46:25, 48:6, 60:14 opinions [2] - 45:11, 50:13 opportunity [2] - 25:17, 53:8 oppose [5] - 54:24, 55:1, 55:3, 56:17, 60:15 opposed [3] - 42:23, 56:15, 56:16 opposing [1] - 26:5 option [5] - 7:13, 30:2, 31:2, 39:2, 41:16 Option [2] - 6:13, 7:11 Options [1] - 7:8 OR [4] - 2:4, 2:8, 2:11, 2:13 oral [1] - 3:2 order [12] - 4:13, 4:15, 17:5, 19:11, 22:8, 24:14, 25:10, 46:13, 49:8, 56:23, 57:13 Order [7] - 14:21, 19:24, 22:17, 37:19, 39:12 ordered [1] - 37:19 orders [9] - 22:12, 27:21, 39:14, 42:2, 43:9, 44:14, 46:5, 46:9, 57:22 OREGON [1] - 1:2 Oregon [24] - 1:7, 1:7, 13:1, 13:5, 13:20, 15:13, 19:14, 20:18, 21:12, 26:21, 32:7, 32:8, 34:6, 35:1, 35:10, 51:22, 52:12, 53:10, 53:22, 55:19, 55:22, 56:2, 62:13 original [3] - 21:22,</p>	<p>21:23, 62:6 ORS [1] - 36:24 otherwise [3] - 25:16, 36:12, 49:13 outlier [2] - 41:22 overreaching [1] - 48:11 overruled [1] - 50:24 overstating [1] - 10:23 overview [2] - 16:18, 16:25 own [5] - 27:8, 35:8, 40:15, 45:24, 60:24</p>	<p>pending [6] - 15:23, 17:7, 17:13, 17:22, 24:9, 47:4 people [5] - 29:11, 29:15, 29:16, 50:3, 60:19 percent [1] - 47:12 perfectly [1] - 32:4 performance [1] - 20:6 period [7] - 3:25, 5:13, 17:2, 31:6, 38:9, 58:17, 58:24 Period [1] - 44:4 person [1] - 10:18 perspective [2] - 13:9 persuaded [1] - 57:17 persuasive [3] - 39:13, 47:3, 53:7 petition [1] - 19:13 PGE [38] - 12:25, 15:19, 17:13, 19:22, 21:14, 22:4, 22:10, 22:23, 24:6, 26:11, 27:1, 27:15, 27:24, 29:13, 33:5, 37:20, 38:3, 41:22, 44:6, 45:3, 45:23, 46:10, 48:24, 50:4, 51:14, 52:4, 52:6, 53:14, 55:5, 56:9, 56:15, 56:16, 56:17, 58:23, 60:14, 60:16, 60:18 PGE's [9] - 8:15, 8:24, 15:21, 21:8, 21:25, 38:6, 38:12, 39:8, 39:15 PGE-approved [1] - 22:10 ph [2] - 19:19, 32:7 plaintiff [5] - 3:6, 11:15, 24:6, 25:17, 59:7 Plaintiffs [1] - 1:5 plaintiffs [17] - 3:9, 4:2, 5:3, 8:24, 9:16, 13:15, 13:16, 13:18, 19:22, 20:9, 23:12, 25:23, 47:3, 54:13, 54:22, 56:17, 56:22 PLAINTIFFS [1] - 2:2 Plaintiffs' [2] - 58:21, 59:25 plaintiffs' [7] - 7:25, 16:2, 20:13, 24:14, 30:2, 54:10, 60:15 plane [1] - 59:21 play [1] - 11:1 plus [1] - 32:1 point [10] - 8:23, 9:2,</p>	<p>9:6, 34:15, 42:20, 46:2, 51:6, 51:7, 52:18, 57:8 pointed [1] - 6:9 points [1] - 57:5 pole [1] - 56:9 Policies [1] - 44:3 policies [2] - 44:13, 58:15 policy [8] - 4:16, 10:20, 10:21, 10:22, 38:7, 38:8, 38:10, 38:17 PORTLAND [1] - 1:7 Portland [10] - 1:7, 2:4, 2:8, 2:11, 2:13, 3:4, 3:13, 4:1, 16:20, 55:23 position [12] - 8:16, 8:24, 9:16, 15:9, 15:10, 21:8, 22:1, 23:14, 39:8, 41:12, 50:2, 52:25 positive [2] - 47:13, 50:22 possibility [1] - 49:6 possible [4] - 49:2, 49:14, 57:15, 59:19 possibly [2] - 23:8, 57:25 potential [2] - 20:13, 26:24 Power [1] - 38:12 power [5] - 4:1, 22:11, 37:22, 37:24, 38:2 powerful [1] - 28:23 PPA [11] - 5:1, 5:7, 7:8, 7:15, 15:21, 15:24, 29:2, 31:4, 39:19, 58:1 PPAs [6] - 15:20, 16:3, 17:4, 17:9, 29:2, 32:14 practice [1] - 24:25 preceded [1] - 4:11 precedent [1] - 23:25 preceding [1] - 17:8 preclusion [11] - 23:24, 23:25, 24:18, 24:22, 30:19, 42:21, 43:1, 43:12, 44:15, 45:13 predicting [1] - 51:21 preempted [2] - 12:24, 12:25 prefer [1] - 60:8 preference [1] - 59:7 prejudice [6] - 24:9, 24:15, 24:16, 47:4, 47:14, 59:8</p>
O		P		
<p>Oak [1] - 2:3 objective [1] - 26:19 obligated [1] - 15:3 obligation [1] - 53:17 obtain [1] - 9:22 obviously [4] - 13:14, 48:11, 49:17, 49:22 OF [2] - 1:2, 1:16 offer [3] - 27:23, 29:1, 29:14 offered [1] - 17:12 office [2] - 32:1, 32:6 Official [1] - 62:13 Ohio [1] - 33:15 oil [1] - 29:9 old [1] - 10:22 older [1] - 15:24 on-and-off [1] - 11:5 once [7] - 27:14, 28:1, 29:19, 30:1, 51:25, 52:9, 52:17 one [41] - 5:19, 7:1, 7:4, 10:7, 10:13, 11:3, 11:8, 13:10, 14:1, 14:12, 15:3, 18:3, 20:3, 22:15, 22:16, 23:21, 24:18, 25:11, 28:14, 30:14,</p>		<p>PacifiCorp [1] - 38:11 page [14] - 7:7, 11:20, 14:21, 15:17, 15:18, 18:5, 20:4, 20:11, 23:5, 31:2, 38:25, 41:14, 57:13 paid [1] - 37:23 pans [1] - 20:16 papers [1] - 58:24 paragraph [2] - 7:5, 7:12 paragraphs [1] - 7:3 paraphrase [1] - 39:1 pardon [1] - 55:2 part [13] - 5:10, 5:16, 11:8, 12:14, 12:18, 16:12, 29:4, 31:9, 33:1, 40:18, 41:25, 42:12, 43:7 partially [2] - 13:19, 13:20 participate [1] - 56:20 particular [3] - 9:10, 23:16, 41:1 parties [19] - 8:21, 9:10, 9:23, 10:11, 13:12, 13:25, 14:12, 15:1, 21:4, 25:11, 26:8, 26:19, 27:20, 33:2, 33:6, 36:21, 53:11, 53:21, 57:16 parties' [2] - 26:13, 54:5 parts [1] - 8:1 party [7] - 10:13, 14:13, 15:3, 45:17, 51:16, 52:3, 58:4 pass [1] - 58:6 PaTu [2] - 55:20, 55:23 PATU [1] - 55:24 pause [1] - 7:2 pay [2] - 8:24, 9:14 PC [1] - 2:6</p>		

<p>present [1] - 15:19</p> <p>presentation [1] - 38:23</p> <p>pretty [2] - 34:8, 54:2</p> <p>price [8] - 9:6, 11:16, 38:1, 40:3, 40:8, 41:1, 41:2, 58:17</p> <p>Price [3] - 6:12, 7:11, 44:4</p> <p>prices [15] - 7:14, 27:11, 30:3, 31:3, 31:5, 37:21, 38:10, 39:5, 39:24, 40:1, 40:2, 41:12, 41:15, 57:10, 57:17</p> <p>Prices [2] - 37:23, 39:19</p> <p>Pricing [1] - 7:7</p> <p>pricing [5] - 8:15, 40:18, 40:19, 40:20, 57:11</p> <p>primary [38] - 10:2, 11:23, 12:6, 24:4, 24:10, 25:25, 30:17, 30:22, 31:20, 32:8, 32:11, 33:18, 34:1, 34:4, 34:8, 34:17, 35:6, 35:15, 35:25, 36:8, 38:16, 40:15, 43:1, 43:21, 44:20, 46:16, 47:2, 48:10, 49:1, 49:11, 52:19, 52:20, 52:25, 53:9, 54:21, 55:11, 55:14, 56:13</p> <p>principles [3] - 26:10, 28:3, 34:3</p> <p>prizes [2] - 60:13, 60:20</p> <p>problem [2] - 32:13, 56:2</p> <p>procedure [1] - 51:1</p> <p>proceeding [4] - 14:22, 25:2, 53:2, 56:20</p> <p>proceedings [4] - 7:2, 49:8, 61:7, 62:5</p> <p>PROCEEDINGS [1] - 1:16</p> <p>process [2] - 16:4, 16:15</p> <p>production [1] - 18:22</p> <p>project [1] - 37:16</p> <p>projections [1] - 40:10</p> <p>projects [1] - 37:18</p> <p>properly [1] - 37:8</p> <p>proposition [1] - 14:11</p> <p>protect [3] - 12:7, 24:14, 29:8</p>	<p>protection [1] - 12:10</p> <p>provide [4] - 14:13, 15:4, 37:25, 53:20</p> <p>provided [2] - 3:20, 55:20</p> <p>provides [1] - 53:21</p> <p>provisions [3] - 15:18, 17:8, 21:13</p> <p>Public [3] - 4:12, 4:15, 17:5</p> <p>public [2] - 12:16, 36:22</p> <p>PUC [96] - 10:1, 12:23, 13:1, 13:2, 13:6, 14:20, 16:20, 17:14, 19:6, 19:9, 19:15, 19:24, 20:3, 20:10, 20:12, 22:7, 22:10, 22:17, 23:5, 23:22, 23:23, 24:1, 24:10, 24:20, 24:25, 27:1, 27:3, 27:9, 28:7, 28:13, 28:17, 29:3, 29:6, 30:20, 31:9, 31:22, 31:25, 32:15, 33:23, 35:10, 35:13, 35:19, 36:11, 36:19, 37:4, 37:10, 37:12, 37:14, 37:19, 38:5, 38:16, 39:11, 39:12, 39:13, 40:14, 42:2, 42:9, 42:21, 42:23, 43:9, 43:15, 43:19, 44:4, 44:8, 44:13, 44:16, 45:13, 46:2, 46:5, 46:9, 47:5, 48:6, 49:3, 49:6, 49:10, 49:25, 50:22, 51:1, 53:1, 54:24, 55:5, 55:7, 55:9, 55:19, 55:22, 56:2, 56:13, 57:21, 58:2, 59:10, 60:16</p> <p>PUC's [6] - 15:13, 36:22, 37:1, 43:7, 43:10, 60:17</p> <p>PUC-approved [1] - 22:10</p> <p>purchase [2] - 4:1, 22:11</p> <p>PURPA [16] - 12:14, 26:9, 26:12, 27:2, 27:10, 28:13, 29:4, 34:24, 35:6, 35:7, 35:18, 35:21, 36:3, 37:3, 45:10</p> <p>PURPA/FERC [1] - 48:7</p> <p>purposes [1] - 41:11</p> <p>push [1] - 56:12</p>	<p>put [6] - 8:2, 12:1, 19:20, 29:17, 32:19, 44:19</p> <p>puts [2] - 8:21, 8:23</p> <p>putting [1] - 56:10</p>	<p>realm [1] - 29:20</p> <p>reason [5] - 19:15, 30:16, 31:19, 40:22, 45:10</p> <p>reasons [1] - 32:2</p> <p>rebut [2] - 25:18, 53:8</p> <p>receives [1] - 55:5</p> <p>recent [1] - 38:13</p> <p>reconsideration [1] - 38:4</p> <p>record [7] - 3:6, 12:1, 49:17, 58:21, 59:25, 60:14, 62:4</p> <p>reference [1] - 17:21</p> <p>refile [1] - 24:17</p> <p>reflected [2] - 26:19, 38:10</p> <p>Regarding [1] - 44:4</p> <p>regardless [2] - 46:9, 52:10</p> <p>regime [1] - 12:11</p> <p>regulate [1] - 37:2</p> <p>regulated [4] - 15:7, 29:6, 36:22, 52:4</p> <p>regulation [2] - 12:15, 58:16</p> <p>regulations [1] - 35:20</p> <p>regulatory [11] - 12:8, 12:10, 12:11, 12:12, 12:19, 15:5, 15:11, 15:12, 20:6, 43:2, 47:23</p> <p>reiterates [1] - 57:13</p> <p>reject [1] - 38:6</p> <p>relate [1] - 11:3</p> <p>related [1] - 52:13</p> <p>relevance [1] - 26:16</p> <p>relevant [3] - 26:13, 26:18, 53:23</p> <p>remain [1] - 58:1</p> <p>remaining [7] - 16:11, 16:12, 16:14, 17:25, 18:17, 18:20, 32:17</p> <p>remains [1] - 44:12</p> <p>remember [3] - 45:5, 45:6, 57:1</p> <p>Renewable [2] - 6:12, 7:8</p> <p>renewable [3] - 7:16, 40:20</p> <p>repeat [1] - 38:21</p> <p>reply [3] - 15:16, 15:17, 18:5</p> <p>reporter [1] - 33:10</p> <p>REPORTER [1] - 62:13</p> <p>REPORTER [1] - 2:12</p> <p>require [3] - 33:19, 52:6, 55:16</p> <p>requirement [3] - 12:2, 38:1, 53:24</p>	<p>requires [1] - 52:3</p> <p>requiring [1] - 57:11</p> <p>reread [1] - 46:25</p> <p>resolution [7] - 20:4, 20:8, 32:9, 32:12, 54:15, 54:24, 60:22</p> <p>resolve [5] - 19:16, 20:12, 23:6, 36:24, 48:22</p> <p>resolved [4] - 9:20, 9:21, 16:16, 44:10</p> <p>respect [2] - 30:20, 38:9</p> <p>respective [1] - 26:14</p> <p>respond [2] - 32:25, 33:1</p> <p>response [1] - 39:10</p> <p>responsibilities [1] - 20:7</p> <p>responsible [1] - 12:19</p> <p>responsive [2] - 16:2</p> <p>rest [3] - 17:7, 30:11, 30:12</p> <p>restrictions [1] - 29:10</p> <p>retain [1] - 55:8</p> <p>retains [1] - 59:9</p> <p>retire [2] - 10:19</p> <p>retirement [1] - 10:21</p> <p>review [3] - 19:13, 25:13</p> <p>reviewed [1] - 56:24</p> <p>rights [3] - 20:13, 26:8, 26:14</p> <p>ripe [6] - 8:13, 9:9, 9:25, 10:3, 10:10, 11:5</p> <p>ripeness [8] - 8:13, 10:14, 10:16, 10:17, 10:24, 11:4, 11:9, 53:1</p> <p>risk [1] - 20:5</p> <p>RMR [2] - 2:12, 62:12</p> <p>Robert [3] - 2:2, 3:8, 25:22</p> <p>Room [1] - 2:13</p> <p>route [1] - 60:8</p> <p>rule [7] - 22:9, 43:8, 46:23, 48:14, 49:3, 49:5, 59:4</p> <p>rules [1] - 22:9</p> <p>ruling [2] - 42:10, 50:22</p> <p>run [1] - 32:22</p> <p>running [2] - 8:22, 20:12</p> <p>runs [5] - 7:21, 8:3, 8:17, 8:18, 58:24</p>
Q				
<p>QF [14] - 7:17, 29:1, 37:2, 37:5, 37:16, 37:18, 37:21, 37:23, 37:24, 37:25, 38:14, 45:4, 45:11, 57:9</p> <p>QFs [12] - 12:16, 15:19, 15:24, 29:5, 29:11, 29:15, 35:20, 41:23, 42:5, 45:23, 46:11, 60:4</p> <p>QFs' [1] - 23:6</p> <p>qualified [1] - 4:17</p> <p>qualifying [2] - 7:17, 27:7</p> <p>quash [1] - 46:11</p> <p>questions [4] - 3:21, 46:20, 58:9, 59:2</p> <p>quickly [3] - 25:14, 30:8, 49:16</p> <p>quite [7] - 20:16, 29:13, 39:13, 53:3, 53:4, 53:12, 57:20</p> <p>quote [6] - 12:10, 26:8, 26:16, 37:21, 37:23, 38:2</p> <p>quoted [1] - 56:23</p> <p>quotes [1] - 31:19</p>				
R				
<p>raise [2] - 12:5, 46:14</p> <p>random [1] - 42:7</p> <p>rapidly [1] - 25:12</p> <p>rate [7] - 3:25, 4:18, 4:20, 8:24, 9:3, 28:18</p> <p>rates [6] - 9:1, 12:24, 13:1, 13:3, 13:8, 37:14</p> <p>rather [2] - 38:8, 54:4</p> <p>read [2] - 3:19, 43:9</p> <p>reading [1] - 26:19</p> <p>reads [2] - 39:1, 39:2</p> <p>ready [1] - 6:24</p> <p>real [5] - 9:15, 10:12, 41:15, 41:17</p> <p>realized [1] - 29:7</p> <p>really [14] - 8:8, 13:7, 20:22, 24:19, 26:4, 27:5, 30:18, 42:22, 46:14, 52:5, 52:15, 53:1, 60:1, 60:22</p>				

S				
<p>sat [1] - 56:18 saw [1] - 22:14 scenario [1] - 24:19 scenarios [1] - 42:12 Schedule [4] - 4:5, 4:19, 17:16, 38:25 schedule [6] - 4:19, 6:12, 40:8, 40:17, 40:22, 41:2 schedules [2] - 6:8, 39:20 scheduling [1] - 56:19 scheme [4] - 12:8, 12:11, 12:13, 29:4 screaming [2] - 45:5, 45:7 second [7] - 5:19, 7:5, 7:11, 32:11, 52:23, 55:4, 59:16 section [1] - 31:1 Section [3] - 5:17, 6:3, 57:25 Sections [1] - 8:2 see [11] - 10:3, 15:16, 15:25, 21:3, 21:18, 32:6, 34:2, 34:10, 51:23, 54:7 seek [1] - 54:23 select [1] - 57:9 selection [1] - 57:11 selectively [1] - 56:23 Semiconductor [1] - 12:8 send [4] - 40:14, 43:17, 44:25, 48:5 sense [2] - 46:4, 49:17 separate [1] - 18:10 September [3] - 15:20, 17:5, 22:16 set [13] - 3:2, 9:11, 27:2, 31:5, 33:22, 34:2, 40:17, 40:21, 40:22, 41:6, 41:11, 41:15, 45:10 Seventh [1] - 58:6 several [1] - 57:15 shall [1] - 5:25 shape [1] - 50:23 share [1] - 32:3 Shlachter [7] - 2:2, 2:3, 3:8, 25:23, 51:12, 55:13, 58:12 SHLACHTER [70] - 3:7, 6:15, 6:18, 6:21, 25:22, 26:23, 28:5, 28:16, 28:21, 28:25, 29:25, 30:6, 30:9, 30:14, 31:15, 31:17,</p>	<p>31:24, 32:25, 33:14, 34:14, 34:20, 34:23, 35:2, 35:5, 35:11, 35:16, 35:24, 36:7, 36:15, 36:18, 36:25, 38:20, 39:4, 39:17, 39:23, 39:25, 40:7, 40:15, 41:1, 41:4, 41:19, 42:3, 42:11, 42:17, 43:4, 43:13, 44:18, 46:22, 47:7, 47:9, 47:16, 47:20, 48:20, 49:15, 49:21, 50:12, 50:16, 51:3, 51:9, 58:13, 58:22, 59:12, 59:14, 59:16, 59:20, 59:23, 60:1, 60:21, 60:25, 61:4 Shlachter's [1] - 53:6 shotgun [2] - 52:11, 53:12 show [4] - 4:3, 4:25, 5:4, 44:2 shows [3] - 31:19, 46:6, 54:13 sic [1] - 14:19 sign [1] - 28:14 signature [3] - 62:6, 62:7 signed [10] - 7:21, 17:11, 17:23, 18:13, 18:17, 32:18, 32:20, 52:17, 54:14, 62:7 significant [1] - 32:13 signing [2] - 39:8, 62:3 similar [4] - 17:8, 21:12, 34:8, 56:7 SIMON [1] - 1:17 Simon [1] - 50:15 simple [2] - 31:11, 31:21 simply [3] - 13:8, 38:8, 47:4 sit [1] - 25:19 situation [13] - 10:25, 29:14, 29:19, 33:20, 37:9, 38:16, 41:10, 49:24, 53:11, 53:12, 53:13, 55:22, 58:18 situations [3] - 37:2, 49:2, 49:14 sixteenth [2] - 5:18, 6:1 skip [1] - 39:1 small [1] - 6:10 Snow [20] - 13:5, 14:16, 14:18, 14:25, 15:8, 20:15, 21:9, 22:2, 26:22, 26:23,</p>	<p>27:17, 27:18, 27:25, 51:12, 51:17, 51:20, 52:14, 52:16, 53:6 solar [1] - 29:17 SOLAR [1] - 1:3 Solar [2] - 3:3, 5:9 somewhat [1] - 35:12 soon [2] - 47:1, 59:12 sorry [7] - 6:25, 8:9, 14:4, 16:23, 18:2, 21:22, 58:20 sort [1] - 60:3 sound [1] - 22:21 source [1] - 38:13 space [1] - 35:8 SPEAKER [3] - 51:5, 59:13, 59:15 special [1] - 33:19 specific [2] - 5:1, 43:25 specifics [1] - 30:22 specified [1] - 15:5 spell [3] - 33:13, 54:11, 54:12 spend [2] - 10:2, 11:23 spoken [6] - 31:22, 37:11, 38:17, 43:15, 46:7, 49:25 stability [1] - 37:17 stage [2] - 16:5, 37:13 Standard [1] - 7:8 standard [23] - 4:1, 7:15, 15:20, 15:21, 17:4, 17:9, 22:11, 31:4, 37:15, 37:20, 38:11, 38:13, 39:19, 40:19, 40:20, 44:23, 45:1, 57:6, 57:9, 57:10, 57:17, 58:1, 58:23 start [11] - 4:11, 5:20, 16:22, 16:24, 20:19, 25:24, 29:8, 29:15, 43:14, 49:11, 51:11 start-up [2] - 29:8, 29:15 started [1] - 29:24 starting [4] - 34:23, 34:25, 40:6, 40:8 starts [2] - 6:4, 7:21 state [18] - 12:7, 12:18, 15:3, 15:7, 27:21, 27:22, 27:23, 33:21, 34:4, 34:5, 34:10, 34:18, 34:19, 35:14, 37:20, 42:9, 52:3, 52:5 State [2] - 21:15, 21:16</p>	<p>statement [1] - 53:2 statements [2] - 20:3, 50:22 states [3] - 12:14, 12:15, 23:5 States [1] - 2:12 STATES [2] - 1:1, 1:18 statute [7] - 21:13, 35:7, 52:7, 53:18, 53:19, 54:4, 58:16 statutes [1] - 15:13 statutory [7] - 12:2, 13:21, 23:3, 28:7, 43:16, 52:3, 53:17 stay [14] - 3:19, 24:9, 24:15, 47:4, 47:10, 47:13, 59:6, 59:8, 59:9, 59:13, 59:15, 60:7, 60:8, 60:14 step [12] - 18:3, 20:19, 20:25, 21:1, 21:17, 21:24, 22:3, 22:4, 22:24 Stevens [1] - 29:16 Stewart [1] - 10:18 still [6] - 21:19, 21:20, 28:8, 29:13, 45:7, 56:12 Stoll [2] - 2:3 stop [3] - 49:6, 49:8, 49:9 stops [1] - 49:3 straightforward [1] - 43:14 Street [1] - 2:3 strikes [1] - 53:7 strong [1] - 11:24 stronger [2] - 11:22, 41:13 stuff [3] - 35:19, 39:2, 60:5 subject [3] - 12:5, 58:2, 58:3 submit [1] - 54:12 subsection [2] - 4:5, 7:8 substance [1] - 3:24 substantial [1] - 55:9 substituted [1] - 22:24 successor [1] - 56:10 sufficient [1] - 58:6 suggest [1] - 48:12 suggestions [1] - 27:4 Suite [3] - 2:4, 2:7, 2:10 summary [2] - 48:23, 57:5 support [1] - 14:11 suppose [3] - 48:18, 49:7, 49:19</p>	<p>supposed [1] - 45:14 Supreme [5] - 32:7, 34:5, 34:6, 52:12, 53:10 switch [1] - 11:5 Syntek [2] - 12:8, 55:15 system [6] - 32:22, 33:22, 34:24, 35:18, 45:4, 47:23</p>
T				
<p>table [1] - 18:15 Tables [1] - 7:16 talks [2] - 46:3, 46:18 Tech [1] - 12:9 tee [1] - 44:24 telecommunications [1] - 56:10 ten [4] - 16:7, 16:9, 16:10, 18:20 term [14] - 5:6, 7:14, 9:10, 10:5, 30:3, 30:23, 31:3, 36:20, 38:1, 39:3, 41:16, 53:22, 57:6, 57:19 terminate [1] - 5:25 terminates [1] - 5:17 terms [21] - 9:11, 9:14, 11:4, 13:10, 13:11, 13:12, 13:14, 15:5, 26:11, 26:16, 26:17, 27:11, 27:23, 31:18, 32:21, 35:6, 37:15, 42:19, 51:16, 52:5, 53:20 testify [1] - 31:8 testimony [1] - 57:15 text [2] - 5:1, 5:4 THE [154] - 1:1, 1:2, 1:17, 2:2, 2:5, 3:2, 3:10, 3:14, 3:17, 4:3, 4:22, 4:25, 5:4, 5:7, 5:12, 5:19, 5:24, 6:2, 6:7, 6:11, 6:17, 6:19, 6:22, 6:23, 7:3, 7:5, 7:7, 7:11, 7:19, 7:24, 8:5, 8:10, 9:8, 10:23, 11:22, 12:4, 13:7, 13:23, 14:3, 14:5, 14:7, 14:9, 14:17, 14:20, 14:25, 15:15, 16:8, 16:10, 16:14, 16:22, 16:24, 17:3, 17:17, 17:20, 18:1, 18:3, 18:5, 18:7, 18:10, 18:12, 18:15, 18:19, 18:24, 19:2, 19:5, 19:15, 19:21,</p>	<p></p>			

<p>20:2, 21:18, 21:23, 22:19, 23:5, 23:14, 24:3, 24:12, 24:24, 25:6, 25:10, 25:21, 26:21, 27:17, 28:15, 28:17, 28:23, 29:23, 30:1, 30:7, 30:11, 31:13, 31:16, 31:23, 32:3, 33:12, 33:25, 34:16, 34:21, 34:25, 35:3, 35:9, 35:14, 35:23, 36:5, 36:9, 36:16, 36:21, 38:18, 38:21, 39:5, 39:21, 39:24, 40:5, 40:14, 40:25, 41:3, 41:14, 41:25, 42:4, 42:16, 42:25, 43:5, 44:1, 46:21, 46:23, 47:8, 47:11, 47:19, 48:17, 48:21, 49:19, 50:10, 51:1, 51:6, 51:10, 52:1, 52:22, 52:24, 53:15, 53:18, 54:7, 54:16, 54:18, 55:2, 55:17, 57:1, 58:5, 58:10, 58:12, 59:4, 59:18, 59:22, 59:24, 60:9, 60:23, 61:1</p> <p>theirs [1] - 8:18</p> <p>theory [1] - 51:5</p> <p>therefore [1] - 37:25</p> <p>they've [5] - 8:13, 11:13, 13:2, 35:9, 46:7</p> <p>third [1] - 57:8</p> <p>Third [3] - 2:13, 26:4, 26:7</p> <p>thirty [1] - 17:4</p> <p>thirty-four [1] - 17:4</p> <p>three [10] - 8:19, 9:1, 41:7, 42:2, 43:9, 45:16, 49:13, 49:20, 49:25</p> <p>threshold [1] - 11:12</p> <p>throw [2] - 10:16, 10:24</p> <p>tie [1] - 4:7</p> <p>timely [1] - 17:13</p> <p>timing [2] - 30:24, 54:10</p> <p>tinker [1] - 27:15</p> <p>titled [1] - 62:5</p> <p>today [2] - 3:16, 30:20</p> <p>together [3] - 14:1, 29:17, 33:8</p> <p>tomorrow [1] - 30:10</p> <p>took [1] - 52:24</p> <p>top [1] - 17:18</p> <p>totally [1] - 52:6</p>	<p>tough [1] - 47:7</p> <p>towards [1] - 52:25</p> <p>TRANSCRIPT [1] - 1:16</p> <p>transcript [2] - 62:4, 62:6</p> <p>transmits [1] - 37:22</p> <p>tremendous [2] - 42:22, 46:18</p> <p>trial [7] - 21:7, 23:9, 24:15, 25:9, 48:23, 57:25, 58:6</p> <p>try [4] - 30:9, 38:4, 38:21, 61:2</p> <p>trying [8] - 12:22, 13:7, 29:8, 29:17, 34:21, 38:15, 48:9, 51:15</p> <p>turn [2] - 16:19, 25:16</p> <p>turns [1] - 47:2</p> <p>twice [1] - 24:17</p> <p>two [10] - 9:10, 13:25, 15:1, 27:20, 31:13, 38:5, 40:4, 42:11, 52:18, 60:12</p> <p>type [1] - 7:17</p> <p>types [1] - 13:20</p>	<p>uniformity [5] - 33:17, 45:20, 47:22, 55:16</p> <p>UNITED [2] - 1:1, 1:18</p> <p>United [1] - 2:12</p> <p>unquote [1] - 12:11</p> <p>up [22] - 6:16, 8:18, 8:22, 23:18, 27:2, 27:4, 27:13, 29:8, 29:15, 33:15, 33:22, 34:3, 37:6, 38:12, 40:17, 42:4, 44:24, 45:10, 48:24, 49:11, 50:1, 54:11</p> <p>upset [1] - 29:13</p> <p>USC [1] - 12:13</p> <p>utilities [8] - 12:16, 27:3, 27:6, 29:5, 29:10, 29:13, 35:12, 45:4</p> <p>utility [6] - 27:21, 27:22, 35:20, 36:22, 37:25, 38:14</p> <p>Utility [3] - 4:12, 4:16, 17:6</p>	<p>wants [1] - 52:11</p> <p>ways [1] - 52:18</p> <p>week [2] - 19:24, 22:8</p> <p>weigh [1] - 45:1</p> <p>weighing [1] - 52:19</p> <p>welcome [3] - 8:7, 12:5, 25:15</p> <p>whatsoever [1] - 56:5</p> <p>whereas [1] - 47:13</p> <p>whereby [1] - 33:22</p> <p>White [1] - 3:16</p> <p>whole [5] - 30:8, 41:21, 45:6, 46:10, 50:3</p> <p>win [3] - 46:9, 49:21, 49:22</p> <p>wish [1] - 49:22</p> <p>wonderful [1] - 44:23</p> <p>words [3] - 8:2, 43:17, 47:6</p> <p>works [1] - 60:4</p> <p>world [3] - 20:17, 50:14, 50:18</p> <p>worry [1] - 38:15</p> <p>worst [2] - 49:2, 49:14</p> <p>wrote [1] - 50:13</p>	
	U		V	
	<p>UM [5] - 19:9, 19:22, 25:2, 54:23, 56:21</p> <p>uncertainty [1] - 9:17</p> <p>under [43] - 6:12, 8:1, 10:20, 12:13, 13:20, 15:3, 15:5, 15:13, 20:25, 21:9, 21:12, 21:25, 22:5, 22:23, 23:10, 23:25, 24:10, 25:2, 25:5, 26:22, 27:18, 27:22, 28:5, 28:13, 30:17, 31:10, 32:8, 33:1, 34:1, 34:3, 36:22, 36:23, 36:24, 42:25, 46:16, 49:10, 52:1, 52:4, 53:10, 53:14, 59:9, 60:10, 61:2</p> <p>underlines [1] - 57:6</p> <p>underlining [1] - 57:7</p> <p>understood [4] - 8:6, 26:15, 33:15, 60:9</p> <p>unequivocal [1] - 58:5</p> <p>unhappy [2] - 60:6, 60:11</p> <p>UNIDENTIFIED [3] - 51:5, 59:13, 59:15</p> <p>uniform [5] - 20:4, 20:8, 32:9, 32:12, 47:24</p>	<p>various [3] - 6:5, 13:11, 44:13</p> <p>Verizon [1] - 56:7</p> <p>version [1] - 34:17</p> <p>versions [3] - 17:9, 22:10, 57:22</p> <p>versus [1] - 3:4</p> <p>view [2] - 46:9, 48:12</p> <p>vintage [6] - 17:5, 17:24, 18:18, 18:20, 18:21, 19:11</p> <p>vintages [1] - 17:9</p> <p>violates [1] - 23:7</p> <p>voluntarily [7] - 13:25, 14:12, 15:1, 27:20, 28:2, 54:14, 56:20</p> <p>voluntary [3] - 14:5, 14:7, 52:10</p> <p>vs [1] - 1:6</p>		Y
			<p>year [11] - 5:11, 5:18, 5:20, 6:1, 8:22, 10:7, 25:5, 37:19, 48:25, 50:7, 57:9</p> <p>years [32] - 7:14, 7:21, 8:15, 8:17, 8:19, 9:1, 9:13, 10:6, 29:12, 30:3, 30:25, 31:3, 37:15, 37:21, 39:3, 40:5, 40:7, 40:18, 41:6, 41:7, 41:8, 41:16, 41:17, 45:16, 46:12, 46:15, 49:14, 57:9, 57:10, 57:12, 57:17, 57:18</p> <p>Yogman [10] - 20:19, 20:25, 21:2, 21:8, 21:16, 21:24, 22:3, 22:24, 52:12</p> <p>yourself [1] - 3:6</p>	
			Z	
			<p>zip [1] - 46:1</p>	
		W		
		<p>wait [4] - 9:20, 9:21, 18:1</p> <p>waiver [1] - 58:6</p> <p>Wal [3] - 41:4, 41:5, 41:9</p> <p>Wal-Mart [3] - 41:4, 41:5, 41:9</p> <p>walk [1] - 60:19</p> <p>Walker [2] - 2:12, 62:11</p> <p>WALKER [1] - 62:12</p>		



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November 25, 2014

Via Electronic Filing and U.S. Mail

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
P.O. Box 1088
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**RE: UM 1610 – PGE’s Supplemental Filing of Application to Update
Schedule 201 Qualifying Facility Information**

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205, 757.210, and 758.505 through 758.555; Oregon Administrative Rules 860-029-0001 through 860-029-0100; Order No. 11-505; and Order No. 14-058. In addition to the electronic filing, enclosed are the original and three courtesy copies with a requested extension of the effective date to **December 17, 2014**:

Sheet Nos. 201-1 through Sheet Nos. 201-23
Standard Off-System Variable Power Purchase Agreement
Standard Off-System Non-Variable Power Purchase Agreement
Standard In-System Non-Variable Power Purchase Agreement
Standard In-System Variable Power Purchase Agreement
Standard Renewable Off-System Variable Power Purchase Agreement
Standard Renewable Off-System Non-Variable Power Purchase Agreement
Standard Renewable In-System Non-Variable Power Purchase Agreement
Standard Renewable In-System Variable Power Purchase Agreement

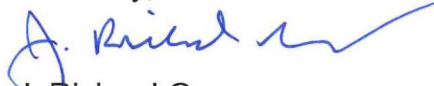
PGE originally submitted this filing on May 30, 2014 and provided corrected redlines for some of the agreements on June 18, 2014. PGE also made supplemental filings on July 10, 2014, August 4, 2014, August 27, 2014, September 16, 2014, and November 10, 2014 extending the effective dates. During this lengthy period, PGE has participated with the other parties to this docket in several workshops and exchanges to revise the compliance filings to meet the compliance requirements of both Order No. 14-058 from Phase I of this docket and Order No. 11-505 implementing renewable avoided costs, but also to reach consensus on several other non-material changes and corrections. The enclosed documents reflect the consensus reached in those meetings. They include courtesy copies of red-lined versions of the Standard Power Purchase Agreements comparing them to the currently in-effect versions. Because no renewable versions are currently in effect, there are no red-lines of those agreements.

UM 1610 – PGE's Supplemental Filing
Application to Update Schedule 201 Qualifying Facility Information
November 25, 2014
Page 2

Should you have any questions or comments regarding this filing, please contact Rich George at (503) 464-7611 or Rob MacFarlane at (503) 464-8954.

Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com

Sincerely,



J. Richard George
Assistant General Counsel

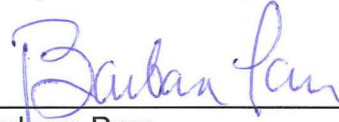
Enclosures

cc: Service List – UM 1610

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **PORTLAND GENERAL ELECTRIC COMPANY'S SUPPLEMENTAL FILING OF APPLICATION TO UPDATE SCHEDULE 201 QUALIFYING FACILITY INFORMATION** to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket No. UM 1610 Phase.

Dated at Portland, Oregon, this 25th day of November, 2014.



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**SERVICE LIST – 11/25/2014
OPUC DOCKET #UM 1610**

**W=Waive Paper service C=Confidential
HC=Highly Confidential**

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

PURPOSE

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.

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.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security deemed sufficient by the Company as set forth in the Standard PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 464-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

PPA

In accordance with terms set forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller.

A Seller must execute a PPA with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard PPA.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Continued)

PPA (Continued)

Any Seller may elect to negotiate a PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-360, and Schedule 202. Negotiations for power purchase pricing will be based on either the filed Standard Avoided Costs or Renewable Avoided Costs in effect at that time.

STANDARD PPA (Nameplate capacity of 10 MW or less)

A Seller choosing a Standard PPA will complete all informational and price option selection requirements in the applicable Standard PPA and submit the executed Agreement to the Company prior to service under this schedule. The Standard PPA is available at www.portlandgeneral.com. The available Standard PPAs are:

- Standard In-System Non-Variable Power Purchase Agreement
- Standard Off-System Non-Variable Power Purchase Agreement
- Standard In-System Variable Power Purchase Agreement
- Standard Off-System Variable Power Purchase Agreement
- Standard Renewable In-System Non-Variable Power Purchase Agreement
- Standard Renewable Off-System Non-Variable Power Purchase Agreement
- Standard Renewable In-System Variable Power Purchase Agreement
- Standard Renewable Off-System Variable Power Purchase Agreement

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.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

To execute the Standard PPA the Seller must complete all of the general project information requested in the applicable Standard PPA.

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.

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.

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. 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.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Continued)**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.

BASIS FOR POWER PURCHASE PRICE**AVOIDED COST SUMMARY**

The power purchase prices are based on either the Company's Standard Avoided Costs or Renewable Avoided Costs in effect at the time the agreement is executed. Avoided Costs are defined in 18 CFR 292.101(6) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

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.

ON-PEAK PERIOD

The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.

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.

Standard Avoided Costs are based on forward market price estimates through the Resource Sufficiency Period, the period of time during which the Company's Standard Avoided Costs are associated with incremental purchases of Energy and capacity from the market. For the Resource Deficiency Period, the Standard Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of Energy plus capitalized Energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

Renewable Avoided Costs are based on forward market price estimates through the Renewable Resource Sufficiency Period, the period of time during which the Company's Renewable Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Renewable Resource Deficiency Period, the Renewable Avoided Costs reflect the fully allocated costs of a wind plant including capital costs.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Continued)**PRICING FOR STANDARD PPA**

Pricing represents the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.

The Company will pay the Seller either the Off-Peak Standard Avoided Cost pursuant to Tables 1b, 2b, or 3b or the Off-Peak Renewable Avoided Costs pursuant to Tables 4b, 5b, or 6b for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard PPA; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller either the On-Peak Standard Avoided Cost pursuant to Tables 1a, 2a, or 3a or the On-Peak Renewable Avoided Costs pursuant to Tables 4a, 5a, or 6a for all other Net Output. (See the PPA for defined terms.)

1) Standard Fixed Price Option

The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.

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.

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%.

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.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1a												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	61.12	58.27	52.09	43.99	37.53	35.13	54.43	62.06	55.00	52.74	54.48	58.78
2021	83.08	82.73	81.25	79.21	79.28	79.32	79.11	79.15	79.34	79.80	83.82	85.55
2022	86.66	86.03	84.34	82.31	82.46	82.52	82.71	82.73	82.93	83.42	88.08	90.31
2023	91.20	90.41	88.76	86.86	86.34	86.36	86.66	86.48	86.85	87.37	92.37	95.36
2024	96.86	95.81	93.35	91.39	90.70	90.78	91.16	91.09	91.49	92.15	95.30	98.71
2025	99.69	97.48	94.10	92.12	92.10	92.18	92.56	92.48	92.85	93.52	96.54	100.08
2026	100.47	99.38	96.00	93.83	93.32	93.40	93.80	93.72	94.12	94.68	98.25	101.90
2027	101.02	99.29	96.15	93.26	93.22	93.29	93.66	93.56	93.97	94.55	99.45	102.71
2028	101.10	99.49	95.85	93.39	93.31	93.37	93.58	93.64	93.87	94.58	102.56	105.58
2029	107.98	107.22	103.29	100.04	100.08	100.00	100.54	100.64	100.90	101.50	107.20	110.79
2030	112.59	109.12	104.07	99.81	99.56	99.58	100.09	100.18	100.44	101.29	110.03	113.81
2031	115.26	111.15	106.88	103.09	103.23	103.23	104.04	104.14	104.41	105.06	111.68	115.10
2032	117.17	112.98	108.63	104.76	104.90	104.90	105.73	105.83	106.11	106.77	113.52	117.00
2033	119.82	115.54	111.10	107.17	107.31	107.31	108.16	108.26	108.54	109.21	116.10	119.64
2034	122.26	117.90	113.38	109.36	109.51	109.51	110.37	110.48	110.77	111.45	118.47	122.08

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1b												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	53.92	51.66	46.15	31.05	22.57	17.61	32.64	46.96	43.50	46.77	48.01	51.78
2021	43.71	43.36	41.88	39.84	39.91	39.95	39.74	39.78	39.97	40.43	44.45	46.18
2022	46.52	45.90	44.20	42.18	42.33	42.38	42.58	42.60	42.80	43.29	47.95	50.18
2023	50.16	49.37	47.72	45.82	45.30	45.32	45.62	45.44	45.81	46.33	51.34	54.32
2024	55.29	54.25	51.79	49.83	49.14	49.22	49.60	49.52	49.92	50.59	53.74	57.15
2025	57.19	54.98	51.60	49.62	49.59	49.67	50.06	49.98	50.35	51.02	54.04	57.58
2026	57.15	56.06	52.68	50.51	50.00	50.08	50.48	50.40	50.80	51.36	54.93	58.58
2027	56.86	55.13	51.99	49.10	49.07	49.13	49.50	49.41	49.81	50.39	55.29	58.55
2028	56.09	54.48	50.84	48.38	48.30	48.36	48.57	48.63	48.86	49.57	57.55	60.57
2029	62.10	61.34	57.41	54.16	54.20	54.12	54.66	54.76	55.02	55.62	61.33	64.92
2030	65.82	62.35	57.31	53.05	52.79	52.82	53.33	53.42	53.68	54.53	63.27	67.05
2031	67.60	63.48	59.21	55.42	55.56	55.56	56.37	56.47	56.75	57.39	64.02	67.43
2032	68.90	64.70	60.35	56.48	56.63	56.63	57.46	57.56	57.84	58.49	65.24	68.73
2033	70.29	66.02	61.58	57.64	57.79	57.79	58.63	58.73	59.02	59.69	66.57	70.12
2034	71.62	67.26	62.74	58.72	58.87	58.87	59.73	59.84	60.13	60.81	67.83	71.44

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	44.43	53.18	44.93	26.68	27.18	27.33	41.83	51.08	46.68	43.18	44.93	50.68
2015	46.36	44.02	38.95	32.30	27.00	25.03	40.87	47.13	41.33	39.48	40.91	44.44
2016	45.93	43.62	38.61	32.04	26.81	24.86	40.50	46.69	40.96	39.13	40.54	44.03
2017	48.52	46.08	40.79	33.85	28.32	26.26	42.79	49.32	43.27	41.34	42.83	46.51
2018	52.38	49.75	44.05	36.58	30.62	28.41	46.21	53.25	46.73	44.65	46.26	50.22
2019	55.26	52.49	46.49	38.62	32.35	30.02	48.76	56.17	49.31	47.12	48.81	52.99
2020	56.97	54.12	47.94	39.84	33.38	30.98	50.28	57.91	50.85	48.59	50.33	54.63
2021	41.45	41.10	39.61	37.58	37.65	37.69	37.48	37.52	37.70	38.17	42.19	43.92
2022	44.22	43.60	41.90	39.88	40.03	40.08	40.28	40.29	40.49	40.99	45.65	47.87
2023	47.82	47.03	45.38	43.48	42.96	42.98	43.28	43.11	43.47	43.99	49.00	51.98
2024	52.90	51.85	49.40	47.44	46.75	46.83	47.21	47.13	47.53	48.19	51.35	54.75
2025	54.76	52.54	49.16	47.18	47.16	47.24	47.62	47.54	47.91	48.59	51.61	55.14
2026	54.66	53.58	50.20	48.02	47.52	47.60	47.99	47.91	48.32	48.87	52.44	56.10
2027	54.33	52.60	49.46	46.57	46.53	46.60	46.97	46.87	47.28	47.86	52.76	56.02
2028	53.51	51.90	48.26	45.80	45.72	45.78	45.99	46.05	46.28	46.99	54.97	57.99
2029	59.48	58.72	54.79	51.54	51.57	51.49	52.03	52.13	52.40	52.99	58.70	62.29
2030	63.14	59.67	54.62	50.37	50.11	50.13	50.64	50.74	51.00	51.85	60.59	64.36
2031	64.86	60.74	56.47	52.68	52.82	52.82	53.64	53.74	54.01	54.65	61.28	64.69
2032	66.10	61.90	57.55	53.69	53.83	53.83	54.66	54.76	55.04	55.69	62.45	65.93
2033	67.46	63.18	58.75	54.81	54.95	54.95	55.80	55.90	56.19	56.85	63.74	67.29
2034	68.73	64.37	59.85	55.83	55.98	55.98	56.84	56.95	57.24	57.92	64.94	68.55

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2b												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	34.43	47.68	39.18	11.53	6.18	5.68	18.08	33.33	36.83	35.93	37.68	43.68
2015	39.42	37.64	33.22	20.08	12.92	8.57	20.35	32.82	30.41	33.72	34.67	37.69
2016	39.59	37.81	33.39	20.24	13.08	8.73	20.51	32.99	30.58	33.89	34.84	37.86
2017	41.65	39.78	35.13	21.30	13.76	9.18	21.58	34.70	32.17	35.65	36.65	39.83
2018	44.41	42.41	37.46	22.75	14.74	9.87	23.06	37.02	34.32	38.02	39.09	42.47
2019	47.37	45.25	39.99	24.33	15.80	10.62	24.65	39.51	36.64	40.58	41.72	45.31
2020	49.77	47.51	42.00	26.90	18.42	13.46	28.49	42.81	39.35	42.62	43.86	47.63
2021	39.48	39.13	37.65	35.61	35.68	35.72	35.51	35.55	35.74	36.20	40.22	41.95
2022	42.21	41.59	39.89	37.87	38.02	38.07	38.27	38.29	38.49	38.98	43.64	45.87
2023	45.77	44.98	43.33	41.43	40.91	40.93	41.23	41.05	41.42	41.94	46.95	49.93
2024	50.82	49.78	47.32	45.36	44.67	44.75	45.13	45.05	45.45	46.12	49.27	52.68
2025	52.63	50.42	47.04	45.06	45.03	45.11	45.50	45.42	45.79	46.46	49.48	53.02
2026	52.50	51.41	48.03	45.86	45.35	45.43	45.83	45.75	46.15	46.71	50.28	53.93
2027	52.12	50.39	47.25	44.36	44.33	44.39	44.76	44.67	45.07	45.65	50.55	53.81
2028	51.26	49.65	46.01	43.55	43.47	43.53	43.74	43.80	44.03	44.74	52.72	55.74
2029	57.18	56.42	52.49	49.24	49.28	49.20	49.74	49.84	50.10	50.70	56.41	60.00
2030	60.80	57.33	52.29	48.03	47.77	47.80	48.31	48.40	48.66	49.51	58.25	62.03
2031	62.48	58.36	54.09	50.30	50.44	50.44	51.25	51.35	51.63	52.27	58.90	62.31
2032	63.69	59.49	55.14	51.27	51.42	51.42	52.25	52.35	52.63	53.28	60.03	63.52
2033	64.98	60.71	56.27	52.33	52.48	52.48	53.32	53.42	53.71	54.38	61.26	64.81
2034	66.20	61.84	57.32	53.30	53.45	53.45	54.31	54.42	54.71	55.39	62.41	66.02

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
 Standard Fixed Price Option (Continued)

TABLE 3a												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	61.12	58.27	52.09	43.99	37.53	35.13	54.43	62.06	55.00	52.74	54.48	58.78
2021	45.68	45.33	43.84	41.81	41.88	41.92	41.71	41.75	41.93	42.40	46.42	48.15
2022	48.53	47.91	46.21	44.19	44.34	44.39	44.59	44.60	44.80	45.30	49.96	52.18
2023	52.21	51.42	49.77	47.87	47.35	47.37	47.67	47.50	47.86	48.38	53.39	56.37
2024	57.37	56.32	53.87	51.91	51.22	51.30	51.68	51.60	52.00	52.66	55.82	59.22
2025	59.32	57.10	53.72	51.74	51.72	51.80	52.18	52.10	52.47	53.15	56.17	59.70
2026	59.31	58.23	54.85	52.67	52.17	52.25	52.64	52.56	52.97	53.52	57.09	60.75
2027	59.07	57.34	54.20	51.31	51.27	51.34	51.71	51.61	52.02	52.60	57.50	60.76
2028	58.34	56.73	53.09	50.63	50.55	50.61	50.82	50.88	51.11	51.82	59.80	62.82
2029	64.40	63.64	59.71	56.46	56.49	56.41	56.95	57.05	57.32	57.91	63.62	67.21
2030	68.16	64.69	59.64	55.39	55.13	55.15	55.66	55.76	56.02	56.87	65.61	69.38
2031	69.98	65.86	61.59	57.80	57.94	57.94	58.76	58.86	59.13	59.77	66.40	69.81
2032	71.31	67.11	62.76	58.90	59.04	59.04	59.87	59.97	60.25	60.90	67.66	71.14
2033	72.77	68.49	64.06	60.12	60.26	60.26	61.11	61.21	61.50	62.16	69.05	72.60
2034	74.15	69.79	65.27	61.25	61.40	61.40	62.26	62.37	62.66	63.34	70.36	73.97

Effective for service
 on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 3b												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	53.92	51.66	46.15	31.05	22.57	17.61	32.64	46.96	43.50	46.77	48.01	51.78
2021	43.71	43.36	41.88	39.84	39.91	39.95	39.74	39.78	39.97	40.43	44.45	46.18
2022	46.52	45.90	44.20	42.18	42.33	42.38	42.58	42.60	42.80	43.29	47.95	50.18
2023	50.16	49.37	47.72	45.82	45.30	45.32	45.62	45.44	45.81	46.33	51.34	54.32
2024	55.29	54.25	51.79	49.83	49.14	49.22	49.60	49.52	49.92	50.59	53.74	57.15
2025	57.19	54.98	51.60	49.62	49.59	49.67	50.06	49.98	50.35	51.02	54.04	57.58
2026	57.15	56.06	52.68	50.51	50.00	50.08	50.48	50.40	50.80	51.36	54.93	58.58
2027	56.86	55.13	51.99	49.10	49.07	49.13	49.50	49.41	49.81	50.39	55.29	58.55
2028	56.09	54.48	50.84	48.38	48.30	48.36	48.57	48.63	48.86	49.57	57.55	60.57
2029	62.10	61.34	57.41	54.16	54.20	54.12	54.66	54.76	55.02	55.62	61.33	64.92
2030	65.82	62.35	57.31	53.05	52.79	52.82	53.33	53.42	53.68	54.53	63.27	67.05
2031	67.60	63.48	59.21	55.42	55.56	55.56	56.37	56.47	56.75	57.39	64.02	67.43
2032	68.90	64.70	60.35	56.48	56.63	56.63	57.46	57.56	57.84	58.49	65.24	68.73
2033	70.29	66.02	61.58	57.64	57.79	57.79	58.63	58.73	59.02	59.69	66.57	70.12
2034	71.62	67.26	62.74	58.72	58.87	58.87	59.73	59.84	60.13	60.81	67.83	71.44

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)

2) Renewable Fixed Price Option

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.

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.

Sellers will retain all Environmental Attributes generated by the facility during the Renewable Resource Sufficiency Period. A Renewable QF choosing the Renewable Fixed Price Option must cede all RPS Attributes generated by the facility to the Company during the Renewable Resource Deficiency Period.

Prices paid to the Seller under the Renewable Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both Wind QF resources (Tables 5a and 5b) and the avoided proxy resource, the basis used to determine Renewable Avoided Costs for the Renewable Fixed Price Option, are assumed to have a capacity contribution to peak of 5%. The capacity contribution for Solar QF resources (Tables 6a and 6b) is assumed to be 5%. The capacity contribution for Base Load QF resources (Tables 4a and 4b) is assumed to be 100%.

The Renewable Avoided Costs during the Renewable Resource Deficiency Period reflect an increase for avoided wind integration costs, shown in Table 7.

Prices paid to the Seller under the Renewable Fixed Price Option for Wind QFs (Tables 5a and 5b) include a reduction for the wind integration costs in Table 7, which cancels out wind integration costs included in the Renewable Avoided Costs during the Renewable Resource Deficiency Period. 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 5a and 5b.

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	130.42	130.40	129.50	130.04	133.82	132.76	132.39	132.24	130.72	129.58	130.57	129.37
2021	133.36	133.64	131.86	133.13	136.49	135.59	134.91	135.51	133.73	132.54	134.08	132.51
2022	136.24	136.10	133.85	135.90	139.41	138.20	137.67	137.62	136.32	135.14	136.83	135.12
2023	139.39	138.88	136.54	138.99	141.88	141.01	140.60	140.17	139.18	137.81	139.83	138.52
2024	141.20	141.38	139.07	141.45	144.67	143.46	143.33	143.02	142.81	139.99	141.17	141.32
2025	144.44	144.83	142.24	145.02	149.08	147.69	146.57	146.72	145.76	143.11	144.48	144.07
2026	148.08	147.69	145.96	148.54	153.80	149.69	149.69	150.17	149.84	146.23	148.39	147.27
2027	150.98	150.46	148.51	151.01	158.07	152.64	152.20	153.90	152.54	149.20	150.73	150.17
2028	153.78	152.55	150.16	154.12	160.66	154.93	155.77	155.78	154.75	152.38	153.65	152.73
2029	157.02	156.74	153.60	157.59	169.40	159.30	159.39	159.39	159.45	155.48	156.44	156.31
2030	160.28	159.94	157.24	160.66	173.84	164.43	161.89	161.75	163.38	158.51	159.18	159.23
2031	163.23	162.64	160.72	164.67	177.15	169.11	164.90	166.01	166.26	161.75	163.06	162.54
2032	165.75	165.16	163.21	167.22	179.91	171.73	167.46	168.59	168.84	164.26	165.59	165.06
2033	169.59	168.98	166.98	171.09	184.06	175.70	171.33	172.48	172.74	168.06	169.41	168.88
2034	173.01	172.39	170.36	174.55	187.76	179.24	174.79	175.97	176.23	171.46	172.84	172.29

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	74.05	74.35	76.18	74.70	70.70	70.98	71.32	72.70	73.76	75.21	74.98	75.50
2021	76.61	75.69	77.70	76.08	72.65	72.71	73.48	73.88	75.25	77.66	74.78	76.80
2022	77.70	77.31	79.96	77.27	73.68	74.12	75.90	74.74	76.69	79.10	76.00	78.21
2023	78.70	78.76	81.53	79.38	74.14	75.53	77.17	76.51	78.04	80.71	77.14	79.80
2024	79.35	79.42	83.14	79.16	74.55	77.78	76.40	76.83	78.61	81.03	79.55	80.29
2025	80.96	80.94	84.88	80.33	74.54	78.20	78.02	79.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	85.28	80.89	75.34	79.31	79.11	79.94	79.12	83.91	82.41	82.47
2027	84.14	84.11	86.28	82.99	75.15	80.77	81.16	80.43	80.90	86.39	83.38	83.99
2028	85.29	86.01	88.97	85.07	74.43	82.57	82.76	81.19	82.83	87.06	84.33	86.62
2029	85.87	86.84	90.61	86.72	68.73	82.93	84.21	82.59	84.39	88.00	86.85	88.12
2030	87.21	88.28	92.46	86.89	68.43	83.64	84.98	85.17	84.95	89.66	88.91	89.94
2031	89.10	90.50	93.69	87.32	69.81	83.38	86.78	86.97	85.14	91.14	90.93	90.04
2032	90.57	92.00	95.23	88.76	70.97	84.75	88.21	88.41	86.54	92.64	92.44	91.53
2033	92.57	94.03	97.34	90.72	72.53	86.63	90.16	90.36	88.46	94.69	94.48	93.55
2034	94.36	95.84	99.22	92.47	73.93	88.30	91.90	92.10	90.16	96.52	96.30	95.36

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	44.43	53.18	44.93	26.68	27.18	27.33	41.83	51.08	46.68	43.18	44.93	50.68
2015	46.36	44.02	38.95	32.30	27.00	25.03	40.87	47.13	41.33	39.48	40.91	44.44
2016	45.93	43.62	38.61	32.04	26.81	24.86	40.50	46.69	40.96	39.13	40.54	44.03
2017	48.52	46.08	40.79	33.85	28.32	26.26	42.79	49.32	43.27	41.34	42.83	46.51
2018	52.38	49.75	44.05	36.58	30.62	28.41	46.21	53.25	46.73	44.65	46.26	50.22
2019	55.26	52.49	46.49	38.62	32.35	30.02	48.76	56.17	49.31	47.12	48.81	52.99
2020	89.69	89.67	88.77	89.31	93.09	92.03	91.66	91.52	90.00	88.85	89.84	88.64
2021	91.73	92.00	90.23	91.50	94.85	93.96	93.28	93.88	92.10	90.91	92.44	90.88
2022	93.81	93.66	91.42	93.47	96.98	95.77	95.23	95.19	93.89	92.71	94.39	92.68
2023	96.01	95.50	93.17	95.61	98.50	97.64	97.23	96.79	95.80	94.43	96.45	95.15
2024	97.25	97.43	95.12	97.50	100.71	99.51	99.38	99.07	98.85	96.03	97.21	97.37
2025	99.51	99.89	97.31	100.08	104.15	102.76	101.63	101.79	100.82	98.17	99.55	99.13
2026	102.27	101.88	100.16	102.74	108.00	103.89	103.89	104.37	104.03	100.42	102.58	101.47
2027	104.29	103.77	101.82	104.32	111.38	105.95	105.51	107.22	105.85	102.51	104.04	103.48
2028	106.19	104.96	102.57	106.53	113.07	107.34	108.18	108.19	107.16	104.79	106.06	105.14
2029	108.51	108.23	105.09	109.08	120.90	110.80	110.89	110.89	110.94	106.98	107.94	107.81
2030	110.84	110.49	107.80	111.21	124.40	114.99	112.45	112.31	113.94	109.07	109.73	109.79
2031	112.82	112.24	110.32	114.27	126.75	118.70	114.50	115.61	115.86	111.35	112.66	112.14
2032	114.68	114.08	112.13	116.15	128.84	120.66	116.38	117.51	117.77	113.18	114.51	113.99
2033	117.23	116.62	114.62	118.73	131.70	123.34	118.97	120.13	120.39	115.70	117.06	116.52
2034	119.48	118.86	116.83	121.02	134.24	125.71	121.26	122.44	122.70	117.93	119.31	118.76

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	34.43	47.68	39.18	11.53	6.18	5.68	18.08	33.33	36.83	35.93	37.68	43.68
2015	39.42	37.64	33.22	20.08	12.92	8.57	20.35	32.82	30.41	33.72	34.67	37.69
2016	39.59	37.81	33.39	20.24	13.08	8.73	20.51	32.99	30.58	33.89	34.84	37.86
2017	41.65	39.78	35.13	21.30	13.76	9.18	21.58	34.70	32.17	35.65	36.65	39.83
2018	44.41	42.41	37.46	22.75	14.74	9.87	23.06	37.02	34.32	38.02	39.09	42.47
2019	47.37	45.25	39.99	24.33	15.80	10.62	24.65	39.51	36.64	40.58	41.72	45.31
2020	69.90	70.20	72.03	70.55	66.55	66.83	67.17	68.55	69.61	71.06	70.83	71.35
2021	72.38	71.46	73.47	71.85	68.42	68.48	69.25	69.65	71.02	73.43	70.55	72.57
2022	73.39	73.00	75.65	72.96	69.37	69.81	71.59	70.43	72.38	74.79	71.69	73.90
2023	74.31	74.37	77.14	74.99	69.75	71.14	72.78	72.12	73.65	76.32	72.75	75.41
2024	74.88	74.95	78.67	74.69	70.08	73.31	71.93	72.36	74.14	76.56	75.08	75.82
2025	76.40	76.38	80.32	75.77	69.98	73.64	73.46	74.63	74.76	78.25	77.65	76.92
2026	76.70	77.77	80.63	76.24	70.69	74.66	74.46	75.29	74.47	79.26	77.76	77.82
2027	79.40	79.37	81.54	78.25	70.41	76.03	76.42	75.69	76.16	81.65	78.64	79.25
2028	80.46	81.18	84.14	80.24	69.60	77.74	77.93	76.36	78.00	82.23	79.50	81.79
2029	80.95	81.92	85.69	81.80	63.81	78.01	79.29	77.67	79.47	83.08	81.93	83.20
2030	82.19	83.26	87.44	81.87	63.41	78.62	79.96	80.15	79.93	84.64	83.89	84.92
2031	83.98	85.38	88.57	82.20	64.69	78.26	81.66	81.85	80.02	86.02	85.81	84.92
2032	85.36	86.79	90.02	83.55	65.76	79.54	83.00	83.20	81.33	87.43	87.23	86.32
2033	87.26	88.72	92.03	85.41	67.22	81.32	84.85	85.05	83.15	89.38	89.17	88.24
2034	88.94	90.42	93.80	87.05	68.51	82.88	86.48	86.68	84.74	91.10	90.88	89.94

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	97.99	97.97	97.07	97.61	101.39	100.33	99.96	99.82	98.30	97.15	98.14	96.94
2021	100.19	100.46	98.69	99.96	103.31	102.42	101.74	102.34	100.56	99.37	100.90	99.34
2022	102.43	102.28	100.04	102.09	105.60	104.39	103.85	103.81	102.51	101.33	103.01	101.30
2023	104.79	104.28	101.95	104.39	107.28	106.42	106.01	105.57	104.58	103.21	105.23	103.93
2024	106.19	106.37	104.06	106.44	109.65	108.45	108.32	108.01	107.79	104.97	106.15	106.31
2025	108.63	109.01	106.43	109.20	113.27	111.88	110.75	110.91	109.94	107.29	108.67	108.25
2026	111.57	111.18	109.46	112.04	117.30	113.19	113.19	113.67	113.33	109.72	111.88	110.77
2027	113.77	113.25	111.30	113.80	120.86	115.43	114.99	116.70	115.33	111.99	113.52	112.96
2028	115.85	114.62	112.23	116.19	122.73	117.00	117.84	117.85	116.82	114.45	115.72	114.80
2029	118.35	118.07	114.93	118.92	130.74	120.64	120.73	120.73	120.78	116.82	117.78	117.65
2030	120.88	120.53	117.84	121.25	134.44	125.03	122.49	122.35	123.98	119.11	119.77	119.83
2031	123.06	122.48	120.56	124.51	136.99	128.94	124.74	125.85	126.10	121.59	122.90	122.38
2032	125.10	124.50	122.55	126.57	139.26	131.08	126.80	127.93	128.19	123.60	124.93	124.41
2033	127.85	127.24	125.24	129.35	142.32	133.96	129.59	130.75	131.01	126.32	127.68	127.14
2034	130.32	129.70	127.67	131.86	145.08	136.55	132.10	133.28	133.54	128.77	130.15	129.60

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	78.20	78.50	80.33	78.85	74.85	75.13	75.47	76.85	77.91	79.36	79.13	79.65
2021	80.84	79.92	81.93	80.31	76.88	76.94	77.71	78.11	79.48	81.89	79.01	81.03
2022	82.01	81.62	84.27	81.58	77.99	78.43	80.21	79.05	81.00	83.41	80.31	82.52
2023	83.09	83.15	85.92	83.77	78.53	79.92	81.56	80.90	82.43	85.10	81.53	84.19
2024	83.82	83.89	87.61	83.63	79.02	82.25	80.87	81.30	83.08	85.50	84.02	84.76
2025	85.52	85.50	89.44	84.89	79.10	82.76	82.58	83.75	83.88	87.37	86.77	86.04
2026	86.00	87.07	89.93	85.54	79.99	83.96	83.76	84.59	83.77	88.56	87.06	87.12
2027	88.88	88.85	91.02	87.73	79.89	85.51	85.90	85.17	85.64	91.13	88.12	88.73
2028	90.12	90.84	93.80	89.90	79.26	87.40	87.59	86.02	87.66	91.89	89.16	91.45
2029	90.79	91.76	95.53	91.64	73.65	87.85	89.13	87.51	89.31	92.92	91.77	93.04
2030	92.23	93.30	97.48	91.91	73.45	88.66	90.00	90.19	89.97	94.68	93.93	94.96
2031	94.22	95.62	98.81	92.44	74.93	88.50	91.90	92.09	90.26	96.26	96.05	95.16
2032	95.78	97.21	100.44	93.97	76.18	89.96	93.42	93.62	91.75	97.85	97.65	96.74
2033	97.88	99.34	102.65	96.03	77.84	91.94	95.47	95.67	93.77	100.00	99.79	98.86
2034	99.78	101.26	104.64	97.89	79.35	93.72	97.32	97.52	95.58	101.94	101.72	100.78

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2014	3.70
2015	3.77
2016	3.84
2017	3.91
2018	3.99
2019	4.07
2020	4.15
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.56
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)**MONTHLY SERVICE CHARGE**

Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

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.

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Continued)**INTERCONNECTION REQUIREMENTS (Continued)**

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.

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA

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.

Definition of Person(s) or Affiliated Person(s)

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.

Definition of Same Site

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.

Effective for service
on and after December 17, 2014

SCHEDULE 201 (Concluded)**DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA (Continued)****Definition of Shared Interconnection and Infrastructure**

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.

OTHER DEFINITIONS**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.

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.

Definition of Environmental Attributes

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.

**Effective for service
on and after December 17, 2014**

SCHEDULE 201 (Concluded)

OTHER DEFINITIONS (Continued)

Definition of Resource Sufficiency Period

This is the period from the current year through 2020.

Definition of Resource Deficiency Period

This is the period from 2021 through 2034.

Definition of Renewable Resource Sufficiency Period

This is the period from the current year through 2019.

Definition of Renewable Resource Deficiency Period

This is the period from 2020 through 2034.

DISPUTE RESOLUTION

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. Disputes may be presented to the Commission for resolution.

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 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.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

**Effective for service
on and after December 17, 2014**

Pages Omitted From Excerpt

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____
20____, is between _____ ("Seller")
and Portland General Electric Company ("PGE") (hereinafter each a "Party" or
collectively, "Parties").

RECITALS

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

Seller intends to operate the Facility as a "Qualifying Facility," as such term is
defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract
Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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 (For Start-Up Lost Energy Value See 1.35)

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period – the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2. By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, and if PGE is resource deficient (as defined by the Commission) PGE may terminate this Agreement in accordance with Section 8. Otherwise, PGE may not terminate this Agreement but Seller shall pay PGE the Start-Up Lost Energy Value.

2.3. This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9. 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.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6 CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. Seller's failure to meet the Guarantee of Mechanical Availability established in Section 3.1.10 for any single Contract Year or Seller's failure to provide any written report required by that section.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

8.2. 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 non-defaulting 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. Provided, however, PGE may not terminate this Agreement for Seller's failure to meet the Guarantee of Mechanical Availability established in Section 3.1.10.

8.3. 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.

8.4. 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.

8.5. Sections 8.1, 8.3, 8.4, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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
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.]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

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):

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

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 **UM 1725**

4 In the Matter of

5 IDAHO POWER COMPANY,

6 Application to Lower Standard Contract
7 Eligibility Cap and to Reduce the Standard
8 Contract Term, for Approval of Solar
9 Integration Charge, and For Change in
Resource Sufficiency Determination.

STAFF RESPONSE TO MOTION FOR
CLARIFICATION

10 **I. REC and CREA's Motion.**

11 In Order No. 16-129, the Commission reduced the eligibility cap for solar qualifying
12 facilities (QFs) seeking standard contracts with Idaho Power Company (Idaho Power) under the
13 Public Utility Regulatory Policy Act (PURPA), authorized Idaho Power to file new avoided cost
14 prices based on an updated resource deficiency date and denied Idaho Power's requests to lower
15 the eligibility cap for standard contracts for wind QFs and shorten the term of all negotiated
16 PURPA contracts from 20 to 2 years. The Community Renewable Energy Association
17 ("CREA") and the Renewable Energy Coalition ("REC") seek an order clarifying that Order No.
18 16-129 rejecting Idaho Power's request to shorten the term of all negotiated PURPA contracts
19 does not modify the start date of the fixed-price portion of such contracts. REC and CREA
20 explain that the following language in Order No. 16-129 could be construed to mean that that the
21 fixed-price term of a contract must begin at the date of execution, rather than the QF's
22 commercial on-line date (COD):

23 Longer term contracts help align the financing period with an asset's useful
24 life, making the investment less risky and likelier to obtain far more
25 reasonable financing terms . . . [W]e conclude that our current policy
26 appropriately balances these interest. The policy for 20-year contracts, with
prices fixed at avoided cost rates in place at the time of signing remaining in

1 effect for a 15-year period, and indexed pricing for the remaining five years,
2 continues to have merit.¹

3 REC and CREA explain that under the Commission's current policy, the fixed-price term
4 of a QF contract begins on the QF's COD. REC and CREA note that in Order No. 05-584, the
5 Commission concluded that 15 years is the minimum term "to ensure the terms of the standard
6 contract facilitate appropriate financing for a QF project."² CREA and REC explain that
7 "[b]ecause the minimum period of fixed revenue must be 15 years and QFs cannot sell electric
8 energy for revenue prior to construction and operation, the 15 years must commence when the
9 QF achieves operation – not the date up to three years earlier, prior to financing and construction,
10 when the standard contract is initially executed."³

11 **II. PGE's Response.**

12 Portland General Electric Company (PGE) opposes REC's and CREA's request to clarify
13 its existing policy on when the fixed-price term of a contract begins. PGE argues that REC and
14 CREA are mistaken about the Commission's policy regarding the fixed-price term of a contract,
15 asserting that the Commission has been clear that QFs can select a contract of up to 20 years, and
16 the first fifteen years of the contract (meaning from contract execution) are fixed term.⁴ PGE
17 also asserts that its standard contracts and associated tariff Schedule 201 have always limited the
18 payment of fixed rates to the first 15 years of a contract term, and notes that the Commission has
19 repeatedly approved Schedule 201, finding that it complies with Commission policy.⁵

20 ///

21 ///

22 ¹ OPUC Order at 8.

23 ² Motion for Clarification of the Community Renewable Energy Association and the Renewable
24 Energy Coalition 2-3.

25 ³ Motion for Clarification of the Community Renewable Energy Association and the Renewable
26 Energy Coalition 3.

⁴ PGE's Response in Opposition to Motion for Clarification of CREA and REC 3-4.

⁵ PGE's Response in Opposition to Motion for Clarification of CREA and REC 5.

1 **III. Staff's Response.**

2 Staff believes that assumption underlying the motion for clarification is correct—the
3 Commission did not intend to modify any terms of Idaho Power's PURPA contracts other than to
4 reduce the eligibility cap for standard contracts with solar QFs and to allow a pricing update.
5 Accordingly, to the extent the language singled out by REC and CREA may create ambiguity as
6 to whether the Commission intended to make any other change regarding terms of Idaho Power's
7 QF contracts, Staff believes that clarification of the Commission's intent is appropriate.

8 As REC and CREA explain, Idaho Power's Schedule 85 already provides for fixed
9 avoided cost prices for "contract years one (1) through (15) fifteen" and market-based prices for
10 "all periods after the end of the fifteenth (15th) contract year[,]" and provides that "contract
11 years" begin on the date of commercial operation, not the much earlier date of contract
12 execution.⁶ Staff believes REC and CREA are correct that the Commission did not intend to
13 change when the fixed-price term of Idaho Power's QF contracts begins. The language in Order
14 No. 16-129 that has been identified by CREA and REC could invite dispute in future
15 proceedings as to whether Order No. 16-129 specifies that the 15-year fixed-price term of a
16 negotiated PURPA contract commences at the time of contract execution rather than on the date
17 the QF achieves operation.⁷

18 PGE's assertions that the Commission has allowed PGE to use a different start date for
19 the fixed-price terms of its QF contracts and that PGE's practice is consistent with the
20 Commission's policy is not pertinent to the issues presented in this docket regarding Idaho
21 Power contracts. And, the Commission could clarify that it did not intend to modify the use of
22 the fixed-price term in Idaho Power's contracts without addressing whether it has a general
23 policy regarding the start date of the fixed-price term of QF contracts. To the extent the

24 _____
25 ⁶ Motion for Clarification of the Community Renewable Energy Association and the Renewable
Energy Coalition 2.

26 ⁷ Motion for Clarification of the Community Renewable Energy Association and the Renewable
Energy Coalition 4.

1 Commission believes it is necessary to address its policy regarding the start date of the fixed-
2 price term of QF contracts and PGE's interpretation of that policy, the Commission could do so
3 in a more general docket as PGE suggests.

4 PGE asserts that its standard contract includes a 20-year term, inclusive of the time
5 between contract execution and the commercial on-line date of the QF.⁸ A review of PGE's
6 Standard Renewable Off-System Variable Power Purchase Agreement Form, effective
7 September 23, 2015, does not clearly substantiate PGE's claim. Notably, the form of contract
8 does not have a specified term. Instead, the term of the contract is filled out by the contracting
9 parties. While PGE may have completed and executed these contracts so that the fifteen-year
10 fixed-price term starts from the effective date of the contract rather than the QF's COD, this
11 cannot be known from the form of the contract reviewed and approved by the Commission.

12 Second, at least one section of this standard contract form is inconsistent with PGE's
13 assertion that the fifteen-year fixed-price term starts on the effective date of the contract, rather
14 than the COD of the QF. Section 4.5 of PGE's Standard Renewable Off-System Variable Power
15 Purchase Agreement Form provides that QFs keep RECs during the utility's sufficiency period
16 and during any period within the term of the contract after completion of the first fifteen years
17 after the QF's COD:

18 4.5. During the Renewable Resource Deficiency Period, Seller shall provide
19 and PGE shall acquire the RPS Attributes for the Contract Years as specified in
20 the Schedule and Seller shall retain ownership of all other Environmental
21 Attributes (if any). ***During the Renewable Resource Sufficiency Period, and
22 any period within the Term of this Agreement after completion of the first
23 fifteen (15) years after the Commercial Operation Date, Seller shall retain all
24 Environmental Attributes in accordance with the Schedule.***⁹

24 ⁸ PGE's Response in Opposition to Motion for Clarification of CREA and REC 5-6.

25 ⁹ Standard Renewable Off-System Variable Power Purchase Agreement Form Effective
26 September 23, 2015

1 Section 1.7 of the contract defines "contract year" as "each twelve (12) month period
2 commencing upon the Commercial Operation Date or its anniversary during the Term, except the
3 final Contract Year will be the period from the last anniversary of the Commercial Operation
4 Date during the Term until the end of the Term."

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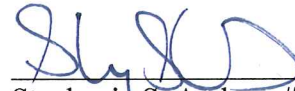
IV. Conclusion

Staff recommends that the Commission clarify it intended only to lower the eligibility cap for standard contracts with solar QFs and allow Idaho Power to update its avoided cost prices to take into account a new resource deficiency date and did not intend to change the start date for the fixed-price term of PURPA contracts with Idaho Power.

DATED this 6th of May, 2016.

Respectfully submitted,

ELLEN F. ROSENBLUM
Attorney General


Stephanie S. Andrus #925123
Sr. Assistant Attorney General
Of Attorneys for Staff of the Public Utility
Commission of Oregon

July 12, 2005

VIA ELECTRONIC FILING

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

Attention: Vikie Bailey-Goggins, Administrator
Regulatory and Technical Support

Re: Docket UM 1129

Pursuant to Commission Order No. 05-584 issued in UM-1129, enclosed for filing are an original and five (5) copies of PacifiCorp's Application for approval of its proposed tariff Schedule No. 37, Avoided Cost Purchases From Qualifying Facilities Of 10,000 kW Or Less, Schedule No. 38, Avoided Cost Purchases From Qualifying Facilities Of Greater Than 10,000 kW, as well as PacifiCorp's proposed standard form power purchase agreements for new and existing qualifying facilities contracting under Schedule No. 37.

A CD containing the filing in both pdf and original formats will be provided. Copies of this filing have been served on all parties of record as noted in the attached certificate of service.

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

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

By Fax: (503) 813-6060

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 800
Portland, OR 97232

With copies to:

John M. Eriksson
James F. Fell
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2600
Portland, OR 97204-1268
Tel. (503) 294-9343
Fax (503) 220-2480
jmeriksson@stoel.com

jffell@stoel.com

Informal inquiries may be directed to Laura Beane, Regulatory Manager at (503) 813-5542.

Sincerely yours,

D Douglas Larson
Vice President, Regulation

Attachments

cc: UM 1129 Service List

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

DOCKET NO. _____

In the Matter of the Application of
PACIFICORP for Approval of Proposed
Schedule Nos. 37 and 38 and Standard Form
Power Purchase Agreements for Qualifying
Facilities up to 10 MW.

APPLICATION OF PACIFICORP

In accordance with Order No. 05-584, issued by the Oregon Public Utility Commission (the "Commission") in Docket No. UM 1129, ORS 756.040 and 758.525, and OAR 860-013-0010, PacifiCorp seeks approval from the Commission of (1) PacifiCorp's proposed Schedule No. 37, Avoided Cost Purchases From Qualifying Facilities of 10,000 kW or Less ("Schedule 37"), and (2) PacifiCorp's proposed standard form contracts for qualifying facilities of 10,000 kW or less. In support of its application, PacifiCorp states as follows:

A. Address

The applicant's exact name and business address are:

PacifiCorp
Lloyd Center Tower
825 NE Multnomah Blvd.
Portland, OR 97232

B. Communications and Notices

All notices and communications with respect to this application should be addressed to:

Jeff Larsen
Director of Regulatory Policy
PacifiCorp
825 NE Multnomah Blvd., Suite 800
Portland, OR 97232
Tel. (503) 813-6092
Fax (503) 813-6060
christy.omohundro@pacificorp.com

John M. Eriksson
James F. Fell
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2600
Portland, OR 97204-1268
Tel. (503) 294-9343
Fax (503) 220-2480
jmeriksson@stoel.com
jffell@stoel.com

1 In addition, PacifiCorp respectfully requests that all data requests regarding this matter be
2 addressed to:

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

4 By regular mail : Data Request Response Center
5 PacifiCorp
6 825 NE Multnomah, Suite 800
7 Portland, Oregon, 97232

8 By facsimile : (503) 813-6060

9 Informal inquiries may also be directed to Laura Beane, Manager, Regulation at
10 (503) 813-5542.

11 **C. Schedules 37 and 38**

12 Presently, PacifiCorp's standard avoided cost rates for purchases in Oregon from
13 qualifying facilities ("QFs") are published in its Schedule No. 5. Schedule 37 is designed to
14 replace PacifiCorp's Schedule No. 5 and be consistent with the Commission's determinations in
15 Order No. 05-584 (the "Order"). In particular, Schedule 37 is applicable to QF's with total
16 nameplate capacity of no greater than 10,000 kW, and incorporates the pricing options ordered
17 by the Commission, utilizing avoided cost determination methodologies adopted by the
18 Commission. Further, Schedule 37 includes a description of the process for QFs to follow to
19 enter into a standard form agreement. Proposed Schedule 38 describes the process for QFs larger
20 than 10 MW to enter into a negotiated power purchase agreement.

21 **D. Standard Form Power Purchase Agreements**

22 Appended to Schedule 37 are PacifiCorp's proposed standard form Power Purchase
23 Agreements for use with new and existing QFs with a Facility Capacity Rating of 10,000 kW or
24 less (the "PPAs"). PacifiCorp has drafted the PPAs to conform with the requirements adopted by
25 the Commission in the Order. The PPAs are also drafted in a manner that will allow their use
26 with a variety of projects, whether on- or off-system. The proposed PPA for existing QFs is
based on the PPA for new QFs, modified mainly by the deletion of a number of inapplicable

1 provisions. PacifiCorp submits that the PPAs reasonably incorporate the Commission's
2 determinations and should be approved as the form agreements for use with eligible QFs.

3 PacifiCorp has met with Commission Staff regarding drafts of Schedules 37 and 38, and
4 the PPA for new QFs, and has made modifications in an effort to address concerns raised by
5 Staff and reflect suggested changes.

6 WHEREFORE, for the reasons set forth above, PacifiCorp respectfully requests that the
7 Commission issue an order approving Schedules 37 and 38 and the PPAs submitted herewith.

8 DATED: July 12, 2005.

9 STOEL RIVES LLP

10
11

James F. Fell

12 Attorneys for PacifiCorp
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POWER PURCHASE AGREEMENT

BETWEEN

[a Qualifying Facility with 10MW Design Capacity, or Less]

AND

PACIFICORP

Section 1: Definitions2
Section 2: Term; Commercial Operation Date6
Section 3: Representations and Warranties6
Section 4: Delivery of Power9
Section 5: Purchase Prices9
Section 6: Operation and Control10
Section 7: Fuel/Motive Force11
Section 8: Metering11
Section 9: Billings, Computations, and Payments12
Section 10: Security12
Section 11: Defaults and Remedies14
Section 12: Indemnification and Liability17
Section 13: Insurance (*Facilities over 200kW only*)18
Section 14: Force Majeure19
Section 15: Several Obligations20
Section 16: Choice of Law20
Section 17: Partial Invalidation20
Section 18: Waiver20
Section 19: Governmental Jurisdictions and Authorizations20
Section 20: Repeal of PURPA21
Section 21: Successors and Assigns21
Section 22: Entire Agreement21
Section 23: Notices21

POWER PURCHASE AGREEMENT

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

RECITALS

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

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

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

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

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

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

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

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

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

1.3 **"Billing Period"** means the time period between PacifiCorp's consecutive readings of its power purchase billing meter at the Facility in the normal course of PacifiCorp's business. Such periods typically range between twenty-seven (27) and thirty-four (34) days and may not coincide with calendar months.

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

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

1.4.2 The Facility has completed Start-Up Testing;

1.4.3 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating that, (a), in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed, all required interconnection tests have been completed and the Facility is physically interconnected with PacifiCorp's electric system, or (b) if the Facility is interconnected with another electric utility that will wheel Net Output to PacifiCorp, all required interconnection facilities have been completed and tested and are in place to allow for such wheeling;

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

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

1.5 “**Commission**” means the Oregon Public Utilities Commission.

1.6 “**Contract Price**” means the applicable price for capacity or energy, or both capacity and energy, stated in Sections 5.1 and 5.2.

1.7 “**Contract Year**” means a twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending on 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Expiration Date.

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

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

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

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

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

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

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

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

1.16 “**Generation Interconnection Agreement**” means the generation interconnection agreement to be entered into separately between Seller and PacifiCorp’s transmission or distribution department, as applicable, providing for the construction, operation, and maintenance of PacifiCorp’s interconnection facilities required to accommodate deliveries of Seller’s Net Output if the Facility is to be interconnected directly with PacifiCorp rather than another electric utility.

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

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

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

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

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

1.22 **"Nameplate Capacity Rating"** means the maximum generating capacity, as provided by the manufacturer, in kW, of any qualifying small power or cogeneration unit supplying all or part of the Facility's Net Output. Voluntary curtailment by Seller of a generating unit cannot reduce the Nameplate Capacity Rating of that unit.

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

1.24 **"Net Output"** means all energy and capacity produced by the Facility, less station use and less transformation and transmission losses and other adjustments (e.g., Seller's load other than station use), if any. For purposes of calculating payment under this Agreement, Net Output of energy shall be the amount of energy flowing through the Point of Delivery.

1.25 **"Net Replacement Power Costs"** shall have the meaning set forth in Section 11.3.1.

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

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

1.28 **"Point of Delivery"** means the high side of the Seller's step-up transformer(s) located at the point of interconnection between the Facility and PacifiCorp's distribution/transmission system, as specified in the Generation Interconnection Agreement, or, if the Facility is not interconnected directly with PacifiCorp, the point at which another utility will deliver the Net Output to PacifiCorp as specified in **Exhibit B**.

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

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

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

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

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

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

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

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

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

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

SECTION 2: TERM; COMMERCIAL OPERATION DATE

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

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

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

2.2.2 By _____, Seller, in accordance with Section 6.1, shall provide PacifiCorp with an As-built Supplement acceptable to PacifiCorp;

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

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

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

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 PacifiCorp represents, covenants, and warrants to Seller that:

3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.

3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.

3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.1.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on PacifiCorp or any valid order of any

court, or any regulatory agency or other body having authority to which PacifiCorp is subject.

3.1.5 This Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2 Seller represents, covenants, and warrants to PacifiCorp that:

3.2.1 Seller is a [corporation, partnership, or limited liability company] duly organized and validly existing under the laws of _____.

3.2.2 Seller has the requisite power and authority to enter into this Agreement and to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.

3.2.3 Seller's shareholders, directors and officers have taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.2.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF, and Seller will operate the Facility in a manner consistent with its FERC QF certification. Seller has provided to PacifiCorp the appropriate QF certification (which may include a FERC self-certification) prior to PacifiCorp's execution of this Agreement. At any time during the term of this Agreement, PacifiCorp may require Seller to provide PacifiCorp with evidence satisfactory to PacifiCorp in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements and, if PacifiCorp is not satisfied that the Facility qualifies for such status,

a written legal opinion from an attorney who is (a) in good standing in the state of Oregon, and (b) who has no economic relationship, association or nexus with the Seller or the Facility, stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained and will continue to maintain the Facility as a QF.

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

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

Seller hereby declares (Seller initial one only):

_____ Seller affirms and adopts all warranties of this Section 3.2.7, and therefore is not required to post security under Section 10; or

_____ Seller does not affirm and adopt all warranties of this Section 3.2.7, and therefore Seller elects to post the security specified in Section 10 .

3.3 Notice. If at any time during this Agreement, any Party obtains actual knowledge of any event or information which would have caused any of the representations and warranties in this Section 3 to have been materially untrue or misleading when made, such Party shall

provide the other Party with written notice of the event or information, the representations and warranties affected, and the action, if any, which such Party intends to take to make the representations and warranties true and correct. The notice required pursuant to this Section shall be given as soon as practicable after the occurrence of each such event.

SECTION 4: DELIVERY OF POWER

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

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

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

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

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

SECTION 5: PURCHASE PRICES

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

- _____ Fixed Price
- _____ Gas Market
- _____ Banded Gas Market

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

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

- _____ Gas Market
- _____ Banded Gas Market

- 5.3 If the Seller elects a gas market indexed price option, the index shall be the Opal Gas Market Index as provided in Schedule 37. In the event that Platt ceases to publish the Opal Gas Market Index, the Company shall replace the index with a similar gas index.
- 5.4 PacifiCorp shall pay Seller the Off-peak Price for all Excess Output and for all Net Output delivered prior to the Commercial Operation Date. Such payment will be accomplished by adjustments pursuant to Section 9.2.

SECTION 6: OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of construction of the Facility, Seller shall provide PacifiCorp an As-built Supplement to specify the actual Facility as built. The As-built Supplement must be reviewed and approved by PacifiCorp, which approval shall not unreasonably be withheld, conditioned or delayed. Seller shall not increase the Facility 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 Facility Capacity Rating through any means including, but not limited to, replacement of, modification of, or addition of existing equipment, except with the written consent of PacifiCorp.

6.2 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement (if applicable), Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. PacifiCorp shall have no obligation to purchase Net Output from the Facility to the extent the interconnection between the Facility and PacifiCorp'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 non-compliance with the Generation Interconnection Agreement. PacifiCorp shall have the right to inspect the Facility to confirm that Seller is operating the Facility in accordance with the provisions of this Section 6.2 upon reasonable notice to Seller. Seller is solely responsible for the operation and maintenance of the Facility. PacifiCorp shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

6.3 Scheduled Outages. Seller may cease operation of the entire Facility or individual units, if applicable, for maintenance or other purposes. Seller shall exercise its best efforts to notify PacifiCorp of planned outages at least ninety (90) days prior, and shall reasonably

accommodate PacifiCorp's request, if any, to reschedule such planned outage in order to accommodate PacifiCorp's need for Facility operation.

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

SECTION 7: FUEL/MOTIVE FORCE

Prior to the Effective Date of this Agreement, Seller provided to PacifiCorp a fuel or motive force plan acceptable to PacifiCorp in its reasonable discretion and attached hereto as **Exhibit D-1**, together with a certification from a Licensed Professional Engineer to PacifiCorp attached hereto as **Exhibit D-2**, certifying that the implementation of the fuel or motive force plan can reasonably be expected to provide fuel or motive force to the Facility for the duration of this Agreement adequate to generate power and energy in quantities necessary to deliver the Minimum Annual Delivery set forth by Seller in Section 4.

SECTION 8: METERING

8.1 PacifiCorp shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment required pursuant to the Generation Interconnection Agreement, if applicable.

8.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement, or, if the Net Output is to be wheeled to PacifiCorp by another utility, metering will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such other utility. All quantities of energy purchased hereunder shall be adjusted to account for electrical losses, if any between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of energy flowing into PacifiCorp's system at the Point of Delivery.

8.3 PacifiCorp shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement, if applicable. If the Net Output is to be wheeled to PacifiCorp by another utility, meter inspection, testing, repair and replacement will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such utility. If any of the inspections or tests disclose an error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) Billing Periods, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered following the repair of the meter.

SECTION 9: BILLINGS, COMPUTATIONS, AND PAYMENTS

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

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

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

SECTION 10: SECURITY

Unless Seller has adopted the creditworthiness warranties contained in Section 3.2.7, Seller must provide security (if requested by PacifiCorp) in the form of a cash escrow, letter of credit, senior lien, or step-in rights. Seller hereby elects to provide, in accordance with the applicable terms of this Section 10, the following security (Seller to initial one selection only):

- Cash Escrow
- Letter of Credit
- Senior Lien
- Step-in Rights
- Seller has adopted the Creditworthiness Warranties of Section 3.2.7.

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

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

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

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

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

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

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

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

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

10.4.4 During any period that PacifiCorp is in possession of and operating the Facility, Seller shall retain legal title to and ownership of the Facility and PacifiCorp shall assume possession, operation, and control solely as agent for Seller.

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

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

10.5 As a condition to providing a Senior Lien or Step-in Rights, Seller shall, before the Scheduled Commercial Operation Date, post and maintain, in an amount reasonably determined by PacifiCorp, a Letter of Credit in favor of PacifiCorp, which PacifiCorp, during the term of this Agreement, can draw upon to satisfy amounts PacifiCorp might reasonably incur in order to satisfy environmental remediation requirements.

SECTION 11: DEFAULTS AND REMEDIES

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

- 11.1.1 Breach of Material Term. Failure of a Party to perform any material obligation imposed upon that Party by this Agreement (including but not limited to failure by Seller to meet any deadline set forth in Section 2) or

breach by a Party of a representation or warranty set forth in this Agreement.

- 11.1.2 Default on Other Agreements. Seller's failure to cure any default under any commercial or financing agreements or instrument (including the Generation Interconnection Agreement) within the time allowed for a cure under such agreement or instrument.
- 11.1.3 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.
- 11.1.4 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller and Seller fails to provide such performance assurances as are reasonably requested by PacifiCorp, including without limitation the posting of additional Default Security, within thirty (30) days from the date of such request;
- 11.1.5 Delayed Commercial Operations. Seller's failure to achieve the Commercial Operation Date by the Scheduled Commercial Operation Date.
- 11.1.6 Underdelivery. Seller's failure to satisfy the minimum delivery obligation of Section 4.3.

11.2 Notice; Opportunity to Cure.

- 11.2.1 Notice. In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default.
- 11.2.2 Opportunity to Cure. A Party defaulting under Section 11.1.1 or 11.1.5 shall have thirty (30) days to cure after receipt of proper notice from the non-defaulting Party. This thirty (30) day period shall be extended by an additional ninety (90) days if (a) the failure cannot reasonably be cured within the thirty (30) day period despite diligent efforts, (b) the default is capable of being cured within the additional ninety (90) day period, and (c) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently and continuously proceeding to cure the failure.
- 11.2.3 Seller Default Under Other Agreements. Seller shall cause any notices of default under any of its commercial or financing agreements or instruments to be sent by the other party to such agreements or

instruments, or immediately forwarded, to PacifiCorp as a notice in accordance with Section 23.

11.3 Termination.

- 11.3.1 Notice of Termination. If a default described herein has not been cured within the prescribed time, above, the non-defaulting Party may terminate this Agreement at its sole discretion by delivering written notice to the other Party and may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement; provided, however that PacifiCorp shall not terminate for a default under Section 11.1.6 unless such default is material. The rights provided in Section 10 and this Section 11 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights. Further, the Parties may by mutual written agreement amend this Agreement in lieu of a Party's exercise of its right to terminate.
- 11.3.2 Seller Disqualification. If this Agreement is terminated because of Seller's default, Seller may not require PacifiCorp to purchase energy or capacity from the Facility prior to the Termination Date, and Seller hereby waives its rights to require PacifiCorp to do so. This subsection shall survive the termination of this Agreement.
- 11.3.3 Damages. If this Agreement is terminated as a result of Seller's default, Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Replacement Price for the Minimum Annual Delivery that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination plus any cost incurred for transmission purchased to deliver the replacement power to the Point of Delivery, and the estimated administrative cost to the utility to acquire replacement power. Amounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PacifiCorp for the same.
- 11.3.4 If this Agreement is terminated because of Seller's default, PacifiCorp may foreclose upon any security provided pursuant to Section 10 to satisfy any amounts that Seller owes PacifiCorp arising from such default.

11.4 Damages.

- 11.4.1 Failure to Deliver Net Output. In the event of Seller default under Subsection 11.1.5 or Subsection 11.1.6, then Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price from the Replacement Price for any energy and capacity that Seller was otherwise obligated to provide during the period of default ("**Net Replacement Power Costs**"). Amounts owed by Seller pursuant to this

paragraph shall be due within fifteen (15) days after any invoice from PacifiCorp for the same.

11.4.2 Recoupment of Damages.

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

SECTION 12: INDEMNIFICATION AND LIABILITY

12.1 Indemnities.

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

destruction or economic loss of property, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of Seller, its directors, officers, employees, agents, Lenders or representatives.

12.2 No Dedication. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

12.3 No Consequential Damages. EXCEPT TO THE EXTENT SUCH DAMAGES ARE INCLUDED IN THE LIQUIDATED DAMAGES, DELAY DAMAGES, COST TO COVER DAMAGES OR OTHER SPECIFIED MEASURE OF DAMAGES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, NEITHER PARTY SHALL NOT BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

SECTION 13: INSURANCE (FACILITIES OVER 200KW ONLY)

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

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

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

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

guidelines. The Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities.

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

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

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

SECTION 14: FORCE MAJEURE

14.1 As used in this Agreement, “**Force Majeure**” or “**an event of Force Majeure**” means any cause beyond the reasonable control of the Seller or of PacifiCorp which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of fuel or motive force resources to operate the Facility or changes in market conditions that affect the price of energy or transmission. If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that:

14.1.1 the non-performing Party, shall, within two (2) weeks after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

14.1.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the event of Force Majeure; and

14.1.3 the non-performing Party uses its best efforts to remedy its inability to perform.

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

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

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

SECTION 15: SEVERAL OBLIGATIONS

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

SECTION 16: CHOICE OF LAW

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

SECTION 17: PARTIAL INVALIDITY

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

SECTION 18: WAIVER

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

SECTION 19: GOVERNMENTAL JURISDICTIONS AND AUTHORIZATIONS

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

operation and maintenance of the Facility, and shall provide upon request copies of the same to PacifiCorp.

SECTION 20: REPEAL OF PURPA

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

SECTION 21: SUCCESSORS AND ASSIGNS

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

SECTION 22: ENTIRE AGREEMENT

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

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

SECTION 23: NOTICES

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

Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone: (503) 813 - 5952 Facsimile: (503) 813 - 6291 Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	
All Invoices:	(same as street address above) Attn: Back Office, Suite 600 Phone: (503) 813 - 5585	

Notices	PacifiCorp	Seller
	Facsimile: (503) 813 – 5580	
Scheduling:	(same as street address above) Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813 – 6265	
Payments:	(same as street address above) Attn: Back Office, Suite 600 Phone: (503) 813 - 5585 Facsimile: (503) 813 – 5580	
Wire Transfer:	Bank One N.A. ABA: 071000013 ACCT: 55-44688 NAME: PacifiCorp Wholesale	
Credit and Collections:	(same as street address above) Attn: Credit Manager, Suite 1800 Phone: (503) 813 - 5684 Facsimile: (503) 813 – 5609	
With Additional Notices of an Event of Default or Potential Event of Default to:	(same as street address above) Attn: General Counsel. and Legal Counsel Phone: (503) 813-6266 and (801) 220-4568 Facsimile: (503) 813-7262 and (801) 220-3299	

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

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

PacifiCorp

Seller

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY
[Seller to Complete]

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

Type (synchronous or inductive):

Model:

Number of Phases:

Rated Output (kW):

Rated Output (kVA):

Rated Voltage (line to line):

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

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

Minimum kW Output: _____ kW

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

Facility Capacity Rating: _____ kW at _____

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

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

_____.

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

[legal description of parcel]

Power factor requirements:

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

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES

[Seller to provide its own diagram and description]

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

Instructions to Seller:

1. Include description of point of metering, and Point of Delivery
2. Provide interconnection single line drawing of Facility including any transmission facilities on Seller's side of the Point of Delivery.

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

Interconnection Agreement, Wheeling Agreement [if applicable], and [others to be identified]

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

A. MONTHLY DELIVERY SCHEDULES AND SCHEDULED MAINTENANCE

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

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

B. MINIMUM ANNUAL DELIVERY CALCULATION

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

C. MAXIMUM ANNUAL DELIVERY CALCULATION

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

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

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

EXHIBIT E

START-UP TESTING

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

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

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

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

EXHIBIT F
SCHEDULE 37 and PRICING SUMMARY TABLE

**PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS**

**OREGON
SCHEDULE 37**
Page 1

Available

To owners of Qualifying Facilities making sales of electricity to the Company in the State of Oregon.

Applicable

For power purchased from Qualifying Facilities with a nameplate capacity of 10,000 kW or less. Owners of these Qualifying Facilities will be required to enter into a written power sales contract with the Company.

Definitions

Cogeneration Facility

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

Qualifying Facilities

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Small Power Production Facility

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

On-Peak Hours or Peak Hours

On-peak hours are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays.

Holidays include only New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. When a holiday falls on a Saturday or Sunday, the Friday before the holiday (if the holiday falls on a Saturday) or the Monday following the holiday (if the holiday falls on a Sunday) will be the holiday and will be Off-peak.

Off-Peak Hours

All hours other than On-Peak.

Opal Gas Market Index

The monthly indexed gas price shall be from Platts "Gas Daily Price Guide" for gas deliveries to Northwest Pipeline Corp at the Rocky Mountains.

Excess Output

Excess output shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding the Facility Nameplate Capacity. PacifiCorp shall pay Seller the Off-peak Price for all Excess Output.

(Continued)

Issued:	July 12, 2005	P.U.C. OR No. 35
Effective:	With service rendered on and after August 11, 2005	Original Sheet No. 37-1

(N)

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Pricing Options

1. Fixed Avoided Cost Prices

Prices are fixed at the time that the contract is signed by both the Qualifying Facility and the Company and will not change during the term of the contract. Fixed Avoided Cost Prices are available for a contract term of up to 15 years and prices under a longer term contract (up to 20 years) will thereafter be under either Banded Gas Market Indexed Avoided Cost Prices or Gas Market Indexed Avoided Cost Prices.

2. Gas Market Indexed Avoided Cost Prices

Fixed prices apply during the resource sufficiency period (2005 through 2009), thereafter a portion of avoided cost prices are indexed to actual Opal monthly gas market index prices. The remaining portion of avoided cost prices will be fixed at the time that the contract is signed by both the Qualifying Facility and the Company and will not change during the term of the contract. Prices are available for a term of up to 20 years.

3. Banded Gas Market Indexed Avoided Cost Prices

Fixed prices apply during the resource sufficiency period (2005 through 2009), thereafter a portion of avoided cost prices are indexed to actual Opal monthly gas market index prices. The remaining portion of avoided cost prices will be fixed at the time that the contract is signed by both the Qualifying Facility and the Company and will not change during the term of the contract. The gas indexed portion of the avoided cost prices are banded to limit the amount that prices can vary with changes in gas prices. Prices are available for a term of up to 20 years.

Monthly Payments

A Qualifying Facility shall select the option of payment at the time of signing the contract under one of three Pricing Options as specified above. Once an option is selected the option will remain in effect for the duration of the Facility's contract.

Fixed Avoided Cost Prices

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at the fixed prices as provided in this tariff. The definition of On-Peak and Off-Peak is as defined in the definitions section of this tariff.

Gas Market Indexed Avoided Cost Prices

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at On-Peak and Off-Peak prices calculated each month.

To calculate the Off-Peak price, multiply the Opal Gas Market Index price in \$/MMBtu by 0.76 to get actual gas price in cents/kWh. The Off-Peak Energy Adder is added to the actual gas price to get the Off-Peak Price.

The On-Peak price is the Off-Peak price plus the On-Peak Capacity Adder.

(Continued)

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PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS

OREGON
SCHEDULE 37
Page 2

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PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS

OREGON
SCHEDULE 37

Monthly Payments (Continued)

Banded Gas Indexed Avoided Cost Prices

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at On-Peak and Off-Peak prices calculated each month.

To calculate the Off-Peak price, multiply the Opal Gas Market Index price in \$/MMBtu by 0.76 to get actual gas price in cents/kWh. This price is banded such that the actual gas price shall be no lower than the Gas Market Index Floor nor greater than the Gas Market Index Ceiling as listed in the price section of this tariff. The Off-Peak Energy Adder is added to the actual gas price to get the Off-Peak Price.

The On-Peak price is the Off-Peak price plus the On-Peak Capacity Adder.

Avoided Cost Prices

Pricing Option 1 – Fixed Avoided cost Prices ¢/kWh

Deliveries During Calendar Year	On-Peak Energy Price	Off-Peak Energy Price
	(a)	(b)
2005	7.13	5.98
2006	6.36	5.27
2007	5.96	4.87
2008	5.58	4.63
2009	5.26	4.33
2010	6.21	4.30
2011	6.54	4.57
2012	7.13	5.11
2013	7.43	5.35
2014	7.52	5.37
2015	7.66	5.45
2016	7.86	5.59
2017	8.07	5.73
2018	8.27	5.86
2019	8.50	6.02
2020	8.72	6.17
2021	8.97	6.33
2022	9.23	6.49
2023	9.49	6.66
2024	9.75	6.82
2025	10.03	7.00
2026	10.31	7.18
2027	10.60	7.36
2028	10.90	7.55

(Continued)

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PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS

OREGON
SCHEDULE 37
 Page 4

Avoided Cost Prices (Continued)

Pricing Option 2 – Gas Market Indexed Avoided Cost Prices ¢/kWh

(N)

Deliveries During Calendar Year	Fixed Prices		Gas Market Index		Forecast Opal Gas Index Price (2) \$/MMBtu	Estimated Prices (3)	
	On-Peak Energy Price	Off-Peak Energy Price	On-Peak Capacity Adder (1)	Off-Peak Energy Adder		On-Peak Energy Price	Off-Peak Energy Price
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
			Avoided Firm Capacity Costs / (0.876 * 84.2% * 57%)	Total Avoided Energy Costs - ((e) * 0.76)		(g) + (c)	((e) * 0.76) + (d)
2005	7.13	5.98	Market Based Prices 2005 through 2009				
2006	6.36	5.27					
2007	5.96	4.87					
2008	5.58	4.63					
2009	5.26	4.33					
2010			1.91	0.38	\$5.16	6.21	4.30
2011			1.97	0.40	\$5.49	6.54	4.57
2012			2.02	0.42	\$6.17	7.13	5.11
2013			2.08	0.42	\$6.48	7.43	5.35
2014			2.14	0.42	\$6.51	7.52	5.37
2015			2.21	0.44	\$6.60	7.66	5.45
2016			2.27	0.45	\$6.77	7.86	5.59
2017			2.34	0.45	\$6.95	8.07	5.73
2018			2.41	0.45	\$7.12	8.27	5.86
2019			2.48	0.46	\$7.31	8.50	6.02
2020			2.55	0.47	\$7.50	8.72	6.17
2021			2.64	0.48	\$7.70	8.97	6.33
2022			2.73	0.49	\$7.90	9.23	6.49
2023			2.83	0.50	\$8.10	9.49	6.66
2024			2.93	0.51	\$8.31	9.75	6.82
2025			3.03	0.52	\$8.53	10.03	7.00
2026			3.13	0.53	\$8.75	10.31	7.18
2027			3.24	0.54	\$8.98	10.60	7.36
2028			3.35	0.55	\$9.21	10.90	7.55

- (1) Avoided Firm Capacity Costs are equal to the fixed costs of a SCCT as identified in the Company's 2004 IRP.
- (2) A heat rate of 0.76 is used to adjust gas prices from \$/MMBtu to ¢/kWh
- (3) Estimated avoided cost prices based upon forecast Opal Gas Market Index prices.
Actual prices will be calculated each month using actual Opal Gas Market Index prices.

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(N)

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 August 11, 2005

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Advice No. 05-006

PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS

Avoided Cost Prices (Continued)
Pricing Option 3 – Banded Gas Market Indexed Avoided Cost Prices ¢/kWh

Deliveries During Calendar Year	Fixed Prices		Banded Gas Market Index				Forecast	Estimated Prices (3)		
	On-Peak	Off-Peak	On-Peak	Off-Peak	Gas Market Index		Opal Gas	On-Peak	Off-Peak	
	Energy	Energy	Capacity	Energy	Floor	Ceiling	Index Price (2)	Energy	Energy	
	Price	Price	Adder (1)	Adder	90%	110%	\$/MMBtu	Price	Price	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
			Avoided Firm Capacity Costs / (0.876 * 84.2% * 57%)	Total Avoided Energy Costs - ((e) * 0.76)	(g) * 0.76 * 90%	(g) * 0.76 * 110%		(i) + (c)	MIN(MAX(((g) * 0.76), (e)), (f)) + (d)	
2005	7.13	5.98	Market Based Prices 2005 through 2009							
2006	6.36	5.27								
2007	5.96	4.87								
2008	5.58	4.63								
2009	5.26	4.33								
2010			1.91	0.38	3.53	4.31	\$5.16	6.21	4.30	
2011			1.97	0.40	3.75	4.59	\$5.49	6.54	4.57	
2012			2.02	0.42	4.22	5.16	\$6.17	7.13	5.11	
2013			2.08	0.42	4.43	5.42	\$6.48	7.43	5.35	
2014			2.14	0.42	4.45	5.44	\$6.51	7.52	5.37	
2015			2.21	0.44	4.51	5.51	\$6.60	7.66	5.45	
2016			2.27	0.45	4.63	5.66	\$6.77	7.86	5.59	
2017			2.34	0.45	4.75	5.81	\$6.95	8.07	5.73	
2018			2.41	0.45	4.87	5.96	\$7.12	8.27	5.86	
2019			2.48	0.46	5.00	6.11	\$7.31	8.50	6.02	
2020			2.55	0.47	5.13	6.27	\$7.50	8.72	6.17	
2021			2.64	0.48	5.27	6.44	\$7.70	8.97	6.33	
2022			2.73	0.49	5.40	6.60	\$7.90	9.23	6.49	
2023			2.83	0.50	5.54	6.77	\$8.10	9.49	6.66	
2024			2.93	0.51	5.69	6.95	\$8.31	9.75	6.82	
2025			3.03	0.52	5.83	7.13	\$8.53	10.03	7.00	
2026			3.13	0.53	5.99	7.32	\$8.75	10.31	7.18	
2027			3.24	0.54	6.14	7.51	\$8.98	10.60	7.36	
2028			3.35	0.55	6.30	7.70	\$9.21	10.90	7.55	

- (1) Avoided Firm Capacity Costs are equal to the fixed costs of a SCCT as identified in the Company's 2004 IRP.
- (2) A heat rate of 0.76 is used to adjust gas prices from \$/MMBtu to ¢/kWh
- (3) Estimated avoided cost prices based upon forecast Opal Gas Market Index prices.
Actual prices will be calculated each month using actual Opal Gas Market Index prices.

(Continued)

Issued: July 12, 2005 P.U.C. OR No. 35
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Issued By
 D. Douglas Larson, Vice President, Regulation

TF1 37-5.NEW

Advice No. 05-006

Example of Pricing Options available to the Qualifying Facility

An example of the three pricing options using different assumed gas prices is available at the Company web site.

Qualifying Facilities Contracting Procedure

1. Qualifying Facilities up to 10,000 kW

APPLICATION: To owners of existing or proposed QFs with a design capacity less than or equal to 10,000 kW who desire to make sales to the Company in the state of Oregon. Such owners will be required to enter into a written power purchase agreement with the Company pursuant to the procedures set forth below.

I. Process for Completing a Power Purchase Agreement

A. Communications

Unless otherwise directed by the Company, all communications to the Company regarding QF power purchase agreements should be directed in writing as follows:

Pacific Power & Light Company
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

The Company will respond to all such communications in a timely manner. If the Company is unable to respond on the basis of incomplete or missing information from the QF owner, the Company shall indicate what additional information is required. Thereafter, the Company will respond in a timely manner following receipt of all required information.

B. Procedures

1. The Company's approved generic or standard form power purchase agreements may be obtained from the Company's website at www.pacificorp.com, or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request.
2. In order to obtain a project specific draft power purchase agreement the owner must provide in writing to the Company, general project information required for the completion of a power purchase agreement, including, but not limited to:
 - a) demonstration of ability to obtain QF status;

(Continued)

Issued:	July 12, 2005	P.U.C. OR No. 35
Effective:	With service rendered on and after August 11, 2005	Original Sheet No. 37-6

TF1 37-6.NEW
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D. Douglas Larson, Vice President, Regulation

Advice No. 05-006

B. Procedures (Continued)

- b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system;
 - c) generation technology and other related technology applicable to the site;
 - d) proposed site location;
 - e) schedule of monthly power deliveries;
 - f) calculation or determination of minimum and maximum annual deliveries;
 - g) motive force or fuel plan;
 - h) proposed on-line date and other significant dates required to complete the milestones;
 - i) proposed contract term and pricing provisions (i.e., fixed, deadband, gas indexed);
 - j) status of interconnection or transmission arrangements;
 - k) point of delivery or interconnection;
3. The Company shall provide a draft power purchase agreement when all information described in Paragraph 2 above has been received in writing from the QF owner. Within 15 business days following receipt of all information required in Paragraph 2, the Company will provide the owner with a draft power purchase agreement including current standard avoided cost prices and/or other optional pricing mechanisms as approved by the Oregon Public Utilities Commission in this Schedule 37.
4. If the owner desires to proceed with the power purchase agreement after reviewing the Company's draft power purchase agreement, it may request in writing that the Company prepare a final draft power purchase agreement. In connection with such request, the owner 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 power purchase agreement.
5. After reviewing the final draft power purchase agreement, the owner may either prepare another set of written comments and proposals or approve the final draft power purchase agreement. If the owner prepares written comments and proposals the Company will respond in 14 days to those comments and proposals.
6. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner a final executable version of the agreement. Following the Company's execution a completely executed copy will be returned to the owner. Prices and other terms and conditions in the power purchase

(N)

(N)

Issued:	July 12, 2005	P.U.C. OR No. 35
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PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS

OREGON
SCHEDULE 37
Page 7

agreement will not be final and binding until the power purchase agreement has been executed by both parties.

Issued:	July 12, 2005	P.U.C. OR No. 35
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TF1 37-7.NEW

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Advice No. 05-006

PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF GREATER THAN 10,000 KW

OREGON
SCHEDULE 38

Page 1

Available

To owners of Qualifying Facilities making sales of electricity to the Company in the State of Oregon.

Applicable

For power purchased from Qualifying Facilities with a nameplate capacity greater than 10,000 kW. Owners of these Qualifying Facilities will be required to enter into a negotiated written power purchase agreement with the Company. Pursuant to Order No. 05-584, the pricing options specified in Schedule 37 should serve as a starting point for prices under a negotiated power purchase agreement.

Definitions

Cogeneration Facility

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

Qualifying Facilities

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Small Power Production Facility

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

On-Peak Hours or Peak Hours

On-peak hours are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays.

Holidays include only New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. When a holiday falls on a Saturday or Sunday, the Friday before the holiday (if the holiday falls on a Saturday) or the Monday following the holiday (if the holiday falls on a Sunday) will be the holiday and will be Off-peak.

Off-Peak Hours

All hours other than On-Peak.

Excess Output

Excess output shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding the Facility Nameplate Capacity. PacifiCorp shall pay Seller the Off-peak Price for all Excess Output.

(Continued)

Issued:	July 12, 2005	P.U.C. OR No. 35
Effective:	With service rendered on and after August 11, 2005	Original Sheet No. 38-1

TF1 38-1.NEW

Issued By
D. Douglas Larson, Vice President, Regulation

Advice No. 05-006

(N)

(N)

Qualifying Facilities Contracting Procedure

A. Communications

Unless otherwise directed by the Company, all communications to the Company regarding QF power purchase agreements should be directed in writing as follows:

Pacific Power & Light Company
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

The Company will respond to all such communications in a timely manner. If the Company is unable to respond on the basis of incomplete or missing information from the QF owner, the Company shall indicate what additional information is required. Thereafter, the Company will respond in a timely manner following receipt of all required information.

B. Procedures

1. The Company's proposed generic power purchase agreement may be obtained from the Company's website at www.pacificcorp.com, or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request."
2. To obtain an indicative pricing proposal with respect to a proposed project, the owner must provide in writing to the Company, general project information reasonably required for the development of indicative pricing, including, but not limited to:
 - a) generation technology and other related technology applicable to the site
 - b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system
 - c) quantity and timing of monthly power deliveries (including project ability to respond to dispatch orders from the Company)
 - d) proposed site location and electrical interconnection point
 - e) proposed on-line date and outstanding permitting requirements
 - f) demonstration of ability to obtain QF status
 - g) fuel type (s) and source (s)
 - h) plans for fuel and transportation agreements
 - i) proposed contract term and pricing provisions (i.e., fixed, deadband, gas indexed)
 - j) status of interconnection arrangements

(Continued)

Issued:	July 12, 2005	P.U.C. OR No. 35
Effective:	With service rendered on and after August 11, 2005	Original Sheet No. 38-2

B. Procedures (Continued)

3. The Company shall not be obligated to provide an indicative pricing proposal until all information described in Paragraph 2 has been received in writing from the QF owner. Within 30 days following receipt of all information required in Paragraph 2, the Company will provide the owner with an indicative pricing proposal, which may include other indicative terms and conditions, tailored to the individual characteristics of the proposed project. Such proposal may be used by the owner to make determinations regarding project planning, financing and feasibility. However, such prices are merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties. The Company will provide with the indicative prices a description of the methodology used to develop the prices. Prices specified in Schedule 37 will provide a starting point for negotiated prices, and will be modified to address specific factors mandated by federal and state law, including the following factors, to the extent practicable:
- a) The data provided pursuant to 18 CFR § 292.302(b), (c), or (d), including State review of any such data;
 - b) The availability of capacity or energy from a qualifying facility during the system daily and seasonal peak periods, including:
 - i. The ability of PacifiCorp to dispatch the qualifying facility;
 - ii. The expected or demonstrated reliability of the qualifying facility;
 - iii. The terms of any contract or other legally enforceable obligation, including the duration of the obligation, termination notice requirement and sanctions for non-compliance;
 - iv. The extent to which scheduled outages of the qualifying facility can be usefully coordinated with scheduled outages of PacifiCorp's facilities;
 - v. The usefulness of energy and capacity supplied from a qualifying facility during system emergencies, including its ability to separate its load from its generation;
 - vi. The individual and aggregate value of energy and capacity from qualifying facilities on PacifiCorp's system; and
 - vii. The smaller capacity increments and the shorter lead times available with additions of capacity from qualifying facilities; and
 - c) The relationship of the availability of energy or capacity from the qualifying facility as derived in part (3) (b) of this Paragraph, to the ability of PacifiCorp to avoid costs, including the deferral of capacity additions and the reduction of fossil fuel use; and
 - d) The costs or savings resulting from variations in line losses from those that would have existed in the absence of purchases from a qualifying facility, if PacifiCorp generated an equivalent amount of energy itself or purchased an equivalent amount of electric energy or capacity.

(Continued)

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Issued By
D. Douglas Larson, Vice President, Regulation

TF1 38-3.NEW

Advice No. 05-006

(N)

(N)

**PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF GREATER THAN 10,000 KW**

**OREGON
SCHEDULE 38**

Page 4

B. Procedures (Continued)

4. If the owner desires to proceed forward with the project after reviewing the Company's indicative proposal, it may request in writing that the Company prepare a draft power purchase agreement to serve as the basis for negotiations between the parties. In connection with such request, the owner must provide the Company with any additional project information that the Company reasonably determines to be necessary for the preparation of a draft power purchase agreement, which may include, but shall not be limited to:
- a) updated information of the categories described in Paragraph B.2,
 - b) evidence of adequate control of proposed site
 - c) identification of, and timelines for obtaining any necessary governmental permits, approvals or authorizations
 - d) assurance of fuel supply or motive force
 - e) anticipated timelines for completion of key project milestones
 - f) evidence that any necessary interconnection studies have been completed and assurance that the necessary interconnection arrangements are being made in accordance with Part II.
5. The Company shall not be obligated to provide the owner with a draft power purchase agreement until all information required pursuant to Paragraph 4 has been received by the Company in writing. Within 30 days following receipt of all information required pursuant to paragraph 4, the Company shall provide the owner with a draft power purchase agreement containing a comprehensive set of proposed terms and conditions, including a specific pricing proposal for purchases from the project. Such draft shall serve as the basis for subsequent negotiations between the parties and, unless clearly indicated, shall not be construed as a binding proposal by the Company.
6. After reviewing the draft power purchase agreement, the owner may prepare an initial set of written comments and proposals regarding the draft power purchase agreement and forward such comments and proposals to the Company. The Company shall not be obligated to commence negotiations with a QF owner until the Company has received an initial set of written comments and proposals from the QF owner. Following the Company's receipt of such comments and proposals, the owner may contact the Company to schedule contract negotiations at such times and places as are mutually agreeable to the parties. In connection with such negotiations, the Company:
- a) will not unreasonably delay negotiations and will respond in good faith to any additions, deletions or modifications to the draft power purchase agreement that are proposed by the owner
 - b) may request to visit the site of the proposed project if such a visit has not previously occurred

(Continued)

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Issued By
D. Douglas Larson, Vice President, Regulation

TF1 38-4.NEW

Advice No. 05-006

(N)

(N)

PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF GREATER THAN 10,000 KW

OREGON
SCHEDULE 38
Page 5

B. Procedures (Continued)

- c) will update its pricing proposals at appropriate intervals to accommodate any changes to the Company's avoided-cost calculations, the proposed project or proposed terms of the draft power purchase agreement
 - d) may request any additional information from the owner necessary to finalize the terms of the power purchase agreement and satisfy the Company's due diligence with respect to the project.
7. When both parties are in full agreement as to all terms and conditions of the power purchase agreement, the Company will prepare and forward to the owner a final, executable version of the agreement. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties.

(N)

(N)

Issued:	July 12, 2005	P.U.C. OR No. 35
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TF1 38-5.NEW

Issued By
D. Douglas Larson, Vice President, Regulation

Advice No. 05-006

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of July, 2005, I caused to be served, via US Mail or email to those with an email address, a true and correct copy of PacifiCorp's filing in Docket No. UM-1129.

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Debbie DePetris
Regulatory Operations Coordinator

August 11, 2014

***VIA ELECTRONIC FILING
AND HAND DELIVERY***

Public Utility Commission of Oregon
3930 Fairview Industrial Dr. S.E.
Salem, OR 97302-1166

Attn: Filing Center

RE: UM 1610/Advice No. 14-007—Stipulation

PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) encloses for filing in this docket the following documents:

- Stipulation between PacifiCorp, Staff of the Public Utility Commission of Oregon¹, the Renewable Energy Coalition, and the Community Renewable Energy Coalition, with the following attachments:
 - Representative Power Purchase Agreement (PPA) showing redlined changes
 - Schedule 37 with redlined changes
- Joint Motion to Waive OAR 860-01-00350(7)(a)
- Clean, updated replacement sheets for Schedule 37
- PPA Change Matrix
- Clean, updated PPAs

PacifiCorp understands that Commission Staff will present this filing to the Commission at the next regularly scheduled public meeting on August 19, 2014.

Please direct informal correspondence and questions regarding this filing to Natasha Siores, Director, Regulatory Affairs and Revenue Requirement, at (503) 813-6583.

Copies of these filings have been served on all parties to this proceeding, as indicated on the attached certificate of service.

Sincerely,


R. Bryce Dalley
Vice President, Regulation

cc: UM 1610 Service List

¹ Staff will file its signature page to the stipulation on August 12, 2014.

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of PacifiCorp's Stipulation on the parties listed below via electronic mail and/or US mail in compliance with OAR 860-001-0180.

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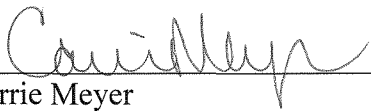
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Dated this 11th day of August, 2014.



Carrie Meyer
Supervisor, Regulatory Operations

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1610

In the Matter of

PUBLIC UTILITY COMMISSION OF OREGON

Staff Investigation Into Qualifying Facility
Contracting and Pricing.

PARTIAL STIPULATION

1 Parties to this docket enter into this Partial Stipulation (Stipulation) to resolve issues
2 related to the April 10, 2014 compliance filing filed by PacifiCorp d/b/a Pacific Power
3 (PacifiCorp or the Company).

PARTIES

4
5 1. The parties to this Stipulation are PacifiCorp, Staff of the Public Utility
6 Commission of Oregon (Staff); the Community Renewable Energy Coalition (CREA); and
7 the Renewable Energy Coalition (the Coalition) (collectively the Stipulating Parties). This
8 Stipulation will be made available to the other parties to this docket, who may participate by
9 signing and filing a copy of the Stipulation.

BACKGROUND

10
11 2. On April 10, 2014, PacifiCorp made a compliance filing in dockets UM 1610
12 and UM 1396. The compliance filing included updated Schedule 37 (Avoided Cost
13 Purchases from Qualifying Facilities of 10,000 KW or Less) tariff sheets and updated
14 Schedule 37 power purchase agreements (PPAs). The Company's compliance filing
15 incorporated amendments to Schedule 37 and Schedule 37 PPAs necessary to comply
16 with Order No. 14-058 in docket UM 1610, Order No. 11-505 in docket UM 1396, and
17 ORS 758.525, which requires the Company to update avoided cost rates . PacifiCorp
18 requested a May 10, 2014 rate effective date.

1 3. Following an April 29, 2014 public meeting, the Commission issued Order
2 No. 14-148 (Apr. 30, 2014), which rejected PacifiCorp’s request for a May 10, 2014 rate
3 effective date and opened an investigation into PacifiCorp’s compliance filing.

4 4. The parties held workshops to discuss PacifiCorp’s compliance filings on
5 June 27, July 1, and July 14, 2014. During the workshops, the Stipulating Parties agreed to
6 explore a multi-phase approach to allowing PacifiCorp to update its avoided costs pending a
7 full investigation into unresolved issues related to Schedule 37 and the PPAs. The
8 Stipulating Parties ultimately agreed to address certain compliance issues during Phase II of
9 UM 1610. The Stipulating Parties also agreed that updated avoided costs and the temporary
10 settlement of certain disputed issues will be in effect while certain issues—including a
11 number of issues temporarily settled—are litigated before the Commission during Phase II.
12 The parties will have an opportunity to submit testimony, conduct cross examination and file
13 briefs during Phase II. The Stipulating Parties intend for Phase II to start immediately after
14 the compliance Schedule 37 and PPAs are approved by the Commission. All issues, except
15 those the Stipulating Parties have retained their rights to object to or that the Stipulating
16 Parties expressly agree otherwise, will be addressed in Phase II of docket UM 1610, subject
17 to the Commission’s approval. The Stipulation Parties preserve their rights to litigate all
18 issues except those that are expressly agreed upon.

19 5. As a result of the settlement conferences, the Stipulating Parties reached a
20 compromise settlement of several of the issues in this docket, as described in detail below.
21 The issues resolved by this Stipulation result in new avoided cost rates going into effect
22 immediately upon approval by the Commission.

1 **AGREEMENT**

2 6. This Partial Stipulation resolves several disputes regarding PacifiCorp’s
3 proposed revisions to its avoided cost rates, Schedule 37, and its PPAs for QFs that qualify
4 for Schedule 37 rates. The Stipulating Parties have attached redlined edits to the existing
5 approved Schedule 37 and a representative PPA that shows the changes that the Stipulating
6 Parties agree should go into effect during Phase II, as discussed in subpart i. below. In
7 addition to agreement to the changes to Schedule 37 and the PPA represented in the
8 attachments, this Stipulation identifies the resolution of the following issues:

9 **a. Definition of “Baseload Renewable Resource.”** The Stipulating Parties
10 agree that the definition of “Baseload Renewable Resource” in Schedule 37 will be revised to
11 be consistent with the definition of renewable resources for purposes of qualifying with the
12 Oregon renewable portfolio standard (RPS).

13 **b. Definitions of “Environmental Attributes” and “Green Tags.”** The
14 Stipulating Parties agree that the Schedule 37 in effect during Phase II will include
15 definitions of “Environmental Attributes” and “Green Tags” that conform with the
16 definitions set forth in the attached representative PPA.

17 **c. Calculation of non-firm market prices.** The Stipulating Parties agree that
18 Schedule 37 will be revised to show that non-firm prices are calculated at 93 percent of daily
19 firm market index prices for a blend of market hubs provided by the Intercontinental
20 Exchange (ICE).

21 **d. Identification of resource sufficiency and deficiency periods.** The
22 Stipulating Parties agree that the terms “Renewable Resource Sufficiency Period” and
23 “Renewable Resource Deficiency Period” will be specifically defined in Schedule 37 and the

1 associated PPAs to assign ownership of Environmental Attributes and Green Tags in the
2 renewable fixed price PPA. These terms were added for the purpose of determining:
3 (1) when the QF is entitled to renewable avoided costs prices, and (2) the ownership of
4 Environmental Attributes and the transfer of Green Tags to PacifiCorp. Provided, however,
5 that the inclusion of these specifically defined terms in Schedule 37 and the PPAs will not
6 affect the proper interpretation of sections of the Commission-approved standard form Power
7 Purchase Agreement for New Firm Qualifying Facilities with 10,000 kW Facility Capacity
8 Rating, or Less and not an Intermittent Resource (Small Firm Contract) regarding
9 termination due to default for delayed commercial operation date, as raised in OPUC docket
10 DR 48.

11 A dispute remains pending before the Commission about the proper interpretation of
12 resource deficiency for purposes of determining the Company's termination rights under the
13 Small Firm Contract. The inclusion of specific dates in Schedule 37 and the associated Small
14 Firm Contract is a compromise position and does not affect the appropriate interpretation of
15 the termination provisions, subject to Commission order in this proceeding.

16 **e. Refinement of the passive investor exemption.** The Stipulating Parties
17 agree that the Schedule 37 in effect during Phase II will include a revised definition of
18 "Person(s) or Affiliated Person(s)" that: (1) addresses the applicability of the passive investor
19 exemption with respect to independent family owned or community-based projects; and (2)
20 clarifies that a unit of Oregon local government may also qualify as a "passive investor" in a
21 community-based project.

22 **f. Renewable Energy Credit (REC) ownership in the last five years of a 20-**
23 **year contract.** The Stipulating Parties agree that renewable PPAs signed during Phase II

1 will include language assigning ownership of all Environmental Attributes to the QF during
2 the last five years of a 20-year contract when prices paid to the QF are at market.

3 **g. Market blending and the production tax credit (PTC).** For PPAs executed
4 during Phase II, the Stipulating Parties agree that the Schedule 37 avoided cost rates in effect
5 will be based on a blended market price rather than just Mid-Columbia market prices, and the
6 Scheduled 37 avoided cost rates in effect during the Renewable Resource Deficiency Period
7 will assume no PTC.

8 **h. Solar capacity adder workshop.** The Stipulating Parties agree that Staff will
9 conduct a workshop regarding the solar capacity adder for renewable standard rates. The
10 Stipulating Parties further agree that PacifiCorp's participation in this workshop does not
11 limit or otherwise waive PacifiCorp's right to argue in testimony in Phase II, or in subsequent
12 phases or dockets, that the solar capacity adder for renewable standard rates is an issue
13 previously resolved by the Commission and not appropriately subject to re-litigation at this
14 time.

15 **j. Phase II issues.** The Stipulating Parties agree that the following issues may
16 be addressed during Phase II of docket UM 1610, subject to Commission resolution of
17 PacifiCorp's June 24, 2014 Request for Certification filed in docket UM 1610:

- 18 • Taxes applicable to PacifiCorp's proxy wind plant in Wyoming;
- 19 • Ownership of Green Tags under a renewable fixed price PPA during the last
20 five years of a 20-year contract when prices paid to the QF are at market;
- 21 • The assumption of no PTC for the Renewable Resource Deficiency Period
22 Rates;
- 23 • Solar capacity adder calculation for renewable resources;

- 1 • Whether the market prices used during the Resource Sufficiency Period
- 2 sufficiently compensates for capacity;
- 3 • Impact of partial acknowledgment of the Company’s Integrated Resource Plan
- 4 on the demarcation of the resource sufficiency period and resource deficiency
- 5 period for purposes of calculating avoided cost rates;
- 6 • Avoided point-to-point or network transmission costs for standard and
- 7 renewable proxy resources utilized for purposes of calculating avoided cost
- 8 rates;
- 9 • Sourcing of gas prices;
- 10 • Forum for disputed inputs and assumptions about wind integration costs;
- 11 • Language changes to the PPAs, including but not limited to the contracts
- 12 proposed in PacifiCorp’s compliance filing;
- 13 • Criteria and process to determine eligibility for use of the new “community-
- 14 based” and “independent family-owned” exception added to the UM 1129
- 15 Partial Stipulation by Order No. 14-058;
- 16 • The use of blended market prices versus Mid-Columbia market prices; and
- 17 • Whether the capacity contributions adjustment for non-renewable standard
- 18 rates should be modified to mirror changes to the solar capacity contribution
- 19 calculation.

20 k. Any party may raise any of the issues listed in subpart 6(j) of this Stipulation
21 in Phase II of docket UM 1610, and no Stipulating Party will raise a procedural objection to
22 these issues being raised or otherwise assert that raising these issues is beyond the scope of
23 Phase II.

1 7. The Stipulating Parties further agree that the agreement to allow parties to
2 raise these issues during Phase II of docket UM 1610 does not constitute a limitation or
3 waiver of the right to raise other issues or to argue that an issue has been previously resolved
4 by the Commission and is not appropriately subject to re-litigation.

5 8. This Stipulation will be offered into the record in docket UM 1610 as
6 evidence of the Stipulating Parties agreement. The Stipulating Parties agree to support this
7 Stipulation throughout these proceedings and any appeal, provide witnesses to sponsor this
8 Stipulation at hearing, if needed.

9 9. If this Stipulation is challenged by any other party to these proceedings, the
10 Stipulating Parties agree that they will continue to support the terms of this Stipulation. The
11 Stipulating Parties reserve the right to cross-examine witnesses and introduce evidence as
12 they deem appropriate to respond fully to the issues presented.

13 10. The Stipulating Parties have negotiated this Stipulation as an integrated
14 document. If the Commission rejects all or any material portion of this Stipulation or
15 imposes additional material conditions in approving this Stipulation, any of the Stipulating
16 Parties is entitled to withdraw from the Stipulation or exercise any other rights provided in
17 OAR 860-001-0350(9), including the right to present evidence and argument on the record in
18 support of the Stipulation.

19 11. By entering into this Stipulation, no Stipulating Party approves, admits, or
20 consents to the facts, principles, methods, or theories employed by any other party in arriving
21 at the terms of this Stipulation, other than as specifically identified in this Stipulation.

22 12. Each signatory to this Stipulation avers that they are signing this Stipulation in
23 good faith and that they intend to abide by the terms of this Stipulation. The Stipulating

1 Stipulation is rejected or adopted only in part by the Commission. The Stipulating Parties
2 agree that the Commission has exclusive jurisdiction to enforce or modify the Stipulation. If
3 the Commission rejects or modifies this Stipulation, the Stipulating Parties reserve the right
4 to seek reconsideration or rehearing of the Commission order under ORS 756.561 and OAR
5 860-001-0720 or to appeal the Commission order under ORS 756.610.

6 13. This Stipulation may be executed in counterparts and each signed counterpart
7 will constitute an original document.

8 This Stipulation is entered into by each party on the date entered below that party's
9 signature.

PACIFICORP

STAFF

By: 


By: _____

Date: August 11, 2014

Date: _____

COALITION

CREA

By: 

By: _____

Date: August 11, 2014

Date: _____

1 Parties agree that the Commission has exclusive jurisdiction to enforce or modify the
2 Stipulation. If the Commission rejects or modifies this Stipulation, the Stipulating Parties
3 reserve the right to seek reconsideration or rehearing of the Commission order under ORS
4 756.561 and OAR 860-001-0720 or to appeal the Commission order under ORS 756.610.

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6 will constitute an original document.

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8 signature.

PACIFICORP

STAFF

By: _____

By: _____

Date: _____

Date: _____

COALITION

CREA

By: _____

By:  _____

Date: _____

Date: 8-11-14

Pages Omitted From Excerpt

TARIFFS CLEAN

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

Available

To owners of Qualifying Facilities making sales of electricity to the Company in the State of Oregon.

Applicable

For power purchased from Qualifying Facilities with a nameplate capacity of 10,000 kW or less or that, 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, has a nameplate capacity of 10,000 kW or less. Owners of these Qualifying Facilities will be required to enter into a written power sales contract with the Company.

Definitions

Cogeneration Facility

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

Qualifying Facilities

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Qualifying Electricity

Electricity that meets the requirements of "qualifying electricity" set forth in the Oregon Renewable Portfolio Standards: ORS 469A.010, 469A.020, and 469A.025.

Renewable Qualifying Facility

A Qualifying Facility that generates Qualifying Electricity.

Wind Qualifying Facility

A Renewable Qualifying Facility that generates Qualifying Electricity using wind as its motive force.

Baseload Renewable Qualifying Facility

A Renewable Qualifying Facility that generates Qualifying Electricity using any qualifying resource other than wind or solar.

Small Power Production Facility

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

On-Peak Hours or Peak Hours

On-Peak hours are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays.

Due to the expansions of Daylight Saving Time (DST) as adopted under Section 110 of the U.S. Energy Policy Act of 2005, the time periods shown above 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.

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page 2

Definitions (continued)

(M) from
page 1

Off-Peak Hours

All hours other than On-Peak.

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Excess Output

Excess Output shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding the Facility Nameplate Capacity. PacifiCorp shall pay Seller the Off-Peak Price as described and calculated under pricing option 4 (Non-Firm Market Index Avoided Cost Price) for all Excess Output.

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Same Site

Generating facilities are considered to be located at the same site as the QF for which qualification for the standard rates and standard contract 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 rates and standard contract is sought.

Person(s) or Affiliated Person(s)

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. 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. 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.

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Shared Interconnection and Infrastructure

QFs otherwise meeting the separate ownership test and thereby qualified for entitlement to the standard rates and standard contract 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 the standard rates and standard contract 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.

Dispute Resolution

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 the standard rates and standard contract.

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Page 3

(continued)

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

Dispute Resolution (continued)

Any dispute concerning a QF's entitlement to the standard rates and standard contract shall be presented to the Commission for resolution.

(M) from
Page 2

Self Supply Option

Owner shall elect to sell all Net Output to PacifiCorp and purchase its full electric requirements from PacifiCorp or sell Net Output surplus to its needs at the Facility site to PacifiCorp and purchase partial electric requirements service from PacifiCorp, in accordance with the terms and conditions of the power purchase agreement and the appropriate retail service.

(M) from
Page 2

Pricing Options

1. Standard Fixed Avoided Cost Prices

Prices are fixed at the time that the contract is signed by both the Qualifying Facility and the Company and will not change during the term of the contract. Standard Fixed Avoided Cost Prices are available for a contract term of up to 15 years and prices under a longer term contract (up to 20 years) will thereafter be under the Firm Market Indexed Avoided Cost Price. The Standard Fixed Avoided Cost pricing option is available to all Qualifying Facilities. The Standard Fixed Avoided Cost Price for Wind Qualifying Facilities will reflect integration costs as set forth on page 5.

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2. Renewable Fixed Avoided Cost Prices

Prices are fixed at the time that the contract is signed by both the Renewable Qualifying Facility and the Company and will not change during the term of the contract. Renewable Fixed Avoided Cost Prices are available for a contract term of up to 15 years and prices under a longer term contract (up to 20 years) will thereafter be under the Firm Market Indexed Avoided Cost Price. The Renewable Fixed Avoided Cost pricing option is available only to Renewable Qualifying Facilities. A Renewable Qualifying Facility choosing the Renewable Fixed Avoided Cost pricing option must cede all Green Tags generated by the facility, as defined in the standard contract, to the Company during the Renewable Resource Deficiency Period identified on page 6, except that a Renewable Qualifying Facility retains ownership of all Environmental Attributes generated by the facility, as defined in the standard contract, during the Renewable Resource Sufficiency Period identified on page 6 and during any period after the first 15 years of a longer term contract (up to 20 years).

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3. Firm Market Indexed Avoided Cost Prices

Firm Market Index Avoided Cost Prices are available to Qualifying Facilities that contract to deliver firm power. Monthly on-peak / off-peak prices paid are a blending of Intercontinental Exchange (ICE) Day Ahead Power Price Report at market hubs for on-peak and off-peak prices. The monthly blending matrix is available upon request.

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4. Non-Firm Market Index Avoided Cost Prices

Non-Firm Market Index Avoided Cost Prices are available to Qualifying Facilities that do not elect to provide firm power. Qualifying Facilities taking this option will have contracts that do not include minimum delivery requirements, default damages for construction delay or, for under delivery or early termination, or default security for these purposes. Monthly On-Peak / Off-Peak prices paid are 93 percent of a blending of ICE Day Ahead Power Price Report at market hubs for on-peak and off-peak firm index prices. The monthly blending matrix is available upon request. The Non-Firm Market Index Avoided Cost pricing option is available to all Qualifying Facilities. The Non-Firm Market Index Avoided Cost Price for Wind Qualifying Facilities will reflect integration costs.

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

Monthly Payments

A Qualifying Facility shall select the option of payment at the time of signing the contract under one of the Pricing Options specified above. Once an option is selected the option will remain in effect for the duration of the Facility's contract. (C)

Renewable or Standard Fixed Avoided Cost Prices (C)

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at the renewable or standard fixed prices as provided in this schedule. On-Peak and Off-Peak are defined in the definitions section of this schedule. (C)

Firm Market Indexed and Non-Firm Market Index Avoided Cost Prices (D)

In accordance with the terms of a contract with a Qualifying Facility, the Company shall pay for all separately metered kilowatt-hours of On-Peak and Off-Peak generation at the market prices calculated at the time of delivery. On-Peak and Off-Peak are defined in the definitions section of this schedule. (C)

(continued)

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

(N)(D)

Standard Fixed Avoided Cost Prices

Deliveries During Calendar Year	Base Load QF (1)		Wind QF (2)		Solar QF	
	On-Peak Energy Price	Off-Peak Energy Price	On-Peak Energy Price	Off-Peak Energy Price	On-Peak Energy Price	Off-Peak Energy Price
	(a)	(b)	(c)	(d)	(e)	(f)
2014	3.98	2.62	3.71	2.35	3.98	2.62
2015	3.94	2.86	3.67	2.59	3.94	2.86
2016	3.85	2.84	3.58	2.57	3.85	2.84
2017	4.06	3.01	3.79	2.73	4.06	3.01
2018	4.33	3.20	4.04	2.92	4.33	3.20
2019	4.55	3.41	4.26	3.12	4.55	3.41
2020	4.78	3.84	4.48	3.54	4.78	3.84
2021	4.92	4.25	4.62	3.95	4.92	4.25
2022	5.58	4.83	5.28	4.53	5.58	4.83
2023	5.79	5.02	5.48	4.71	5.79	5.02
2024	6.97	3.91	3.72	3.59	4.32	3.91
2025	7.11	4.00	3.81	3.68	4.42	4.00
2026	7.31	4.13	3.94	3.80	4.56	4.13
2027	7.52	4.29	4.09	3.96	4.73	4.29
2028	7.74	4.44	4.24	4.11	4.89	4.44
2029	8.00	4.64	4.44	4.30	5.10	4.64
2030	8.25	4.83	4.62	4.48	5.30	4.83
2031	8.42	4.93	4.72	4.57	5.40	4.93
2032	8.59	5.03	4.81	4.66	5.51	5.03
2033	8.76	5.13	4.91	4.75	5.62	5.13
2034	8.94	5.23	5.01	4.85	5.74	5.23
2035	9.11	5.33	5.10	4.94	5.84	5.33
2036	9.30	5.44	5.21	5.05	5.97	5.44
2037	9.50	5.56	5.32	5.16	6.09	5.56
2038	9.70	5.68	5.44	5.27	6.22	5.68
2039	9.90	5.80	5.55	5.38	6.35	5.80
2040	10.11	5.91	5.66	5.48	6.48	5.91

- (1) Capacity Contribution to Peak for Avoided Proxy Resource and Base Load Qualifying Facility resource are assumed 100%.
- (2) The standard avoided cost price for wind is reduced by an integration charge of \$2.55/MWh (\$2012). If Wind Qualifying Facility is not in PacifiCorp's balancing authority area, then no reduction is required.

(N)(D)

(continued)

**AVOIDED COST PURCHASES FROM
QUALIFYING FACILITIES OF 10,000 KW OR LESS**
Avoided Cost Prices (Continued)
Renewable Fixed Avoided Cost Prices

Deliveries During Calendar Year (1)	Fixed Prices ¢/kWh		Renewable Fixed Avoided Cost Prices			
	Base Load Renewable QF (2)		Wind QF (3,4)		Solar QF (5)	
	On-Peak Energy Price	Off-Peak Energy Price	On-Peak Energy Price	Off-Peak Energy Price	On-Peak Energy Price	Off-Peak Energy Price
	(a)	(b)	(c)	(d)	(e)	(f)
2014	3.98	2.62	3.71	2.35	3.98	2.62
2015	3.94	2.86	3.67	2.59	3.94	2.86
2016	3.85	2.84	3.58	2.57	3.85	2.84
2017	4.06	3.01	3.79	2.73	4.06	3.01
2018	4.33	3.20	4.04	2.92	4.33	3.20
2019	4.55	3.41	4.26	3.12	4.55	3.41
2020	4.78	3.84	4.48	3.54	4.78	3.84
2021	4.92	4.25	4.62	3.95	4.92	4.25
2022	5.58	4.83	5.28	4.53	5.58	4.83
2023	5.79	5.02	5.48	4.71	5.79	5.02
2024	11.48	7.36	8.24	7.05	8.84	7.36
2025	11.70	7.49	8.39	7.17	9.01	7.49
2026	11.91	7.64	8.54	7.31	9.17	7.64
2027	12.14	7.78	8.71	7.45	9.34	7.78
2028	12.36	7.94	8.87	7.61	9.52	7.94
2029	12.58	8.11	9.02	7.77	9.68	8.11
2030	12.81	8.28	9.18	7.93	9.85	8.28
2031	13.05	8.46	9.34	8.10	10.03	8.46
2032	13.29	8.66	9.51	8.30	10.21	8.66
2033	13.53	8.87	9.68	8.50	10.39	8.87
2034	13.79	9.07	9.86	8.69	10.58	9.07
2035	14.04	9.27	10.03	8.89	10.78	9.27
2036	14.32	9.49	10.23	9.09	10.99	9.49
2037	14.59	9.72	10.42	9.32	11.19	9.72
2038	14.87	9.96	10.60	9.55	11.39	9.96
2039	15.15	10.21	10.80	9.79	11.60	10.21
2040	15.47	10.43	11.02	10.00	11.85	10.43

(1) For the purpose of determining: (1) when the Renewable Qualifying Facility is entitled to renewable avoided cost prices; and (2) the ownership of Environmental Attributes and the transfer of Green Tags to PacifiCorp, the Renewable Resource Sufficiency Period ends December 31, 2023, and the Renewable Resource Deficiency Period begins January 1, 2024.

(2) The renewable avoided cost price during the Renewable Resource Deficiency Period (2024-2040) has been increased by an integration charge of \$2.55/MWh (\$2012).

(3) During the Renewable Resource Deficiency Period, the renewable avoided cost price for a Wind Qualifying Facility will be adjusted by adding the difference between the avoided integration costs and the Qualifying Facility's integration costs. If the Wind Qualifying Facility is in PacifiCorp's balancing authority area (BAA), the adjustment is zero (integration costs cancel each other out). If the Wind Qualifying Facility is not in PacifiCorp's BAA, \$2.55/MWh (\$2012) will be added for avoided integration charges.

(4) During Renewable Resource Sufficiency Period, the renewable avoided cost price for a Wind Qualifying Facility has been reduced by an integration charge of \$2.55/MWh (\$2012) for Wind Qualifying Facilities located in PacifiCorp's BAA (in-system). If a Wind Qualifying Facility is not in PacifiCorp's BAA, \$2.55/MWh (\$2012) will be added for avoided integration charges.

(5) The renewable avoided cost payment during the Renewable Resource Deficiency Period (2024-2040) has been increased by an integration charge of \$2.55/MWh (\$2012).

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Qualifying Facilities Contracting Procedure

Interconnection and power purchase agreements are handled by different functions within the Company. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's transmission function (PacifiCorp Transmission Services) while power purchase agreements are handled by the Company's merchant function (PacifiCorp Commercial and Trading).

It is recommended that the owner initiate its request for interconnection 18 months ahead of the anticipated in-service date to allow time for studies, negotiation of agreements, engineering, procurement, and construction of the required interconnection facilities. Early application for interconnection will help ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement.

1. Qualifying Facilities up to 10,000 kW

APPLICATION: To owners of existing or proposed QFs with a design capacity less than or equal to 10,000 kW who desire to make sales to the Company in the state of Oregon. Such owners will be required to enter into a written power purchase agreement with the Company pursuant to the procedures set forth below.

I. Process for Completing a Power Purchase Agreement

A. Communications

Unless otherwise directed by the Company, all communications to the Company regarding QF power purchase agreements should be directed in writing as follows:

PacifiCorp
Manager-QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232

The Company will respond to all such communications in a timely manner. If the Company is unable to respond on the basis of incomplete or missing information from the QF owner, the Company shall indicate what additional information is required. Thereafter, the Company will respond in a timely manner following receipt of all required information.

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page 8

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page 8

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

B. Procedures

1. The Company's approved generic or standard form power purchase agreements may be obtained from the Company's website at www.pacificorp.com, or if the owner is unable to obtain it from the website, the Company will send a copy within seven days of a written request.

2. In order to obtain a project specific draft power purchase agreement the owner must provide in writing to the Company, general project information required for the completion of a power purchase agreement, including, but not limited to:
 - (a) demonstration of ability to obtain QF status;
 - (b) design capacity (MW), station service requirements, and net amount of power to be delivered to the Company's electric system;
 - (c) generation technology and other related technology applicable to the site;
 - (d) proposed site location;
 - (e) schedule of monthly power deliveries;
 - (f) calculation or determination of minimum and maximum annual deliveries;
 - (g) motive force or fuel plan;
 - (h) proposed on-line date and other significant dates required to complete the milestones;
 - (i) proposed contract term and pricing provisions as defined in this Schedule (i.e., standard fixed price, renewable fixed price);
 - (j) status of interconnection or transmission arrangements;
 - (k) point of delivery or interconnection;

3. The Company shall provide a draft power purchase agreement when all information described in Paragraph 2 above has been received in writing from the QF owner. Within 15 business days following receipt of all information required in Paragraph 2, the Company will provide the owner with a draft power purchase agreement including current standard avoided cost prices and/or other optional pricing mechanisms as approved by the Public Utility Commission of Oregon in this Schedule 37.

4. If the owner desires to proceed with the power purchase agreement after reviewing the Company's draft power purchase agreement, it may request in writing that the Company prepare a final draft power purchase agreement. In connection with such request, the owner 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 power purchase agreement. Within 15 business days following receipt of all information requested by the Company in this paragraph 4, the Company will provide the owner with a final draft power purchase agreement.

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page 9

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page 7

(continued)

B. Procedures (continued)

- 5 After reviewing the final draft power purchase agreement, the owner may either prepare another set of written comments and proposals or approve the final draft power purchase agreement. If the owner prepares written comments and proposals the Company will respond in 15 business days to those comments and proposals.

- 6. When both parties are in full agreement as to all terms and conditions of the draft power purchase agreement, the Company will prepare and forward to the owner within 15 business days, a final executable version of the agreement. Following the Company's execution a completely executed copy will be returned to the owner. Prices and other terms and conditions in the power purchase agreement will not be final and binding until the power purchase agreement has been executed by both parties.

II. Process for Negotiating Interconnection Agreements

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

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

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

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page 8
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page 10

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II. Process for Negotiating Interconnection Agreements (continued)

A. Communications

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

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

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

B. Procedures

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

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10

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

Banded Gas Market Index

Year	Prices Listed in the Tariff				Example using assumed Gas Prices						Compared to Fixed Prices	
	On-Peak Capacity Adder	Off-Peak Energy Adder	Gas Market Index		Assumed Gas Price \$/MMBtu	Fuel Index			Price Paid to QF		Off-Peak Price	On-Peak Price
			Floor 90%	Ceiling 110%		Actual Energy Price	Floor / Ceiling Component	Type of Price	Off-Peak Price	On-Peak Price		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
					(e) x 0.696				(b) + (g)	(a) + (i)		
2016	2.36	0.44	2.92	3.57	\$2.00	1.39	2.92	Floor	3.36	5.72		
					\$4.00	2.78	2.92	Floor	3.36	5.72		
					\$5.00	3.48	3.48	Actual	3.92	6.28	3.69	6.04
					\$7.00	4.87	3.57	Ceiling	4.01	6.37		
					\$10.00	6.96	3.57	Ceiling	4.01	6.37		

Gas Market Method

Year	Prices Listed in the Tariff				Example using assumed Gas Prices						Compared to Fixed Prices	
	On-Peak Capacity Adder	Off-Peak Energy Adder	Fuel Index		Assumed Gas Price \$/MMBtu	Fuel Index			Price Paid to QF		Off-Peak Price	On-Peak Price
			Floor 90%	Ceiling 110%		Actual Energy Price	Floor / Ceiling Component	Type of Price	Off-Peak Price	On-Peak Price		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
					(e) x 0.696				(b) + (f)	(a) + (i)		
2016	2.36	0.44	Not Relevant		\$2.00	1.39			1.83	4.19		
					\$4.00	2.78			3.22	5.58		
					\$5.00	3.48	Not Relevant		3.92	6.28	3.69	6.04
					\$7.00	4.87			5.31	7.67		
					\$10.00	6.96			7.40	9.76		

Pages Omitted From Excerpt

Oregon Standard New Qualifying Facility
With Mechanical Availability Guarantee (MAG)
Power Purchase Agreement
[CLEAN]

POWER PURCHASE AGREEMENT

BETWEEN

**[a new Firm Qualifying Facility with 10,000 kW Facility Capacity Rating, or Less and
an Intermittent Resource with Mechanical Availability Guarantee]**

AND

PACIFICORP

Section 1: Definitions 2
Section 2: Term; Commercial Operation Date 8
Section 3: Representations and Warranties..... 8
Section 4: Delivery of Power 11
Section 5: Purchase Prices 13
Section 6: Operation and Control 14
Section 7: Fuel/Motive Force..... 15
Section 8: Metering..... 15
Section 9: Billings, Computations, and Payments 16
Section 10: Security 17
Section 11: Defaults and Remedies 19
Section 12: Indemnification and Liability 22
Section 13: Insurance (*Facilities over 200kW only*)..... 23
Section 14: Force Majeure 24
Section 15: Several Obligations..... 25
Section 16: Choice of Law..... 25
Section 17: Partial Invalidity 25
Section 18: Waiver..... 26
Section 19: Governmental Jurisdictions and Authorizations..... 26
Section 20: Repeal of PURPA 26
Section 21: Successors and Assigns 26
Section 22: Entire Agreement..... 26
Section 23: Notices 27

- EXHIBIT A: DESCRIPTION OF SELLER’S FACILITY
- EXHIBIT B: SELLER’S INTERCONNECTION FACILITIES
- EXHIBIT C: REQUIRED FACILITY DOCUMENTS
- EXHIBIT D-1: SELLER’S MOTIVE FORCE PLAN
- EXHIBIT D-2: ENGINEER’S CERTIFICATION OF MOTIVE FORCE PLAN
- EXHIBIT E: START-UP TESTING
- EXHIBIT F: SELLER AUTHORIZATION TO RELEASE GENERATION DATA TO
PACIFICORP
- EXHIBIT G: SCHEDULE 37 AND PRICING SUMMARY TABLE
- EXHIBIT H: GREEN TAG ATTESTATION AND BILL OF SALE

POWER PURCHASE AGREEMENT

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

RECITALS

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

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

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

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

E. Seller shall (choose one) sell all Net Output to PacifiCorp and purchase its full electric requirements from PacifiCorp sell Net Output surplus to its needs at the Facility site to PacifiCorp and purchase partial electric requirements service from PacifiCorp, in accordance with the terms and conditions of this Agreement; and

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

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

Section 1: DEFINITIONS

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

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

1.2 “**Availability**” means the percentage of time that the Facility is capable of producing Net Energy during a Contract Year. The percentage of time during a Contract Year that the Facility is available to produce power is calculated as follows:

$$\% \text{ Availability} = \{[(H \times N) - (\text{Sum of Downtime Hrs for } N \text{ Turbines})] / (H \times N)\} \times 100\%$$

where H is the number of hours in the Contract Year and N is the number of turbines comprising the Facility. Downtime Hours (calculated in 10 minute increments), for each individual unit includes minutes in which the unit is not in “run” status, or is in “run” status but faulted (including any delay in resetting a fault). Notwithstanding the previous sentence, Downtime Hours does not include minutes that a unit is unavailable due to (i) an event of Force Majeure; (ii) a default by PacifiCorp under this Agreement; (iii) Lack of Motive Force at times when the Facility would otherwise be available (including the normal amount of time required by the generating equipment to resume operations following a Lack of Motive Force); or (iv) outages scheduled at least 90 days in advance with PacifiCorp’s written consent, up to 200 hours per unit per year.

1.3 “**Average Annual Generation**” shall have the meaning set forth in Section 4.2.

1.4 “**Billing Period**” means, unless otherwise agreed to, the time period between PacifiCorp’s consecutive readings of its power purchase billing meter at the Facility in the normal course of PacifiCorp’s business. Such periods typically range between twenty-seven (27) and thirty-four (34) days and may not coincide with calendar months.

1.5 “**CAMD**” means the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any state or federal entity given jurisdiction over a program involving transferability of Green Tags.

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

1.6.1 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating (a) the Facility Capacity Rating of the Facility at the anticipated Commercial Operation Date; and (b) that the

Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement;

1.6.2 The Facility has completed Start-Up Testing;

1.6.3 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating that, (a), in accordance with the Generation Interconnection Agreement, all required interconnection facilities and metering have been constructed, all required interconnection tests have been completed and the Facility is physically interconnected with PacifiCorp's electric system, and (b) if the Facility consists of multiple wind generation facilities on a common transmission line, the required metering equipment has been completed and tested in conformance with Section 8 of this Agreement (or if the Facility is interconnected with another electric utility that will wheel Net Output to PacifiCorp, all required interconnection facilities and metering equipment have been completed and tested and are in place to allow for such wheeling);

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

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

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

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

1.8 **"Contract Price"** means the applicable price for capacity or energy, or both capacity and energy, stated in Sections 5.1, 5.2, and 5.3.

1.9 **"Contract Year"** means a twelve (12)- month period commencing at 00:00 hours Pacific Prevailing Time ("PPT") on January 1 and ending on 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Termination Date.

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

1.11 **"Cut-in Speed"** means the wind speed at which a stationary wind turbine begins producing Net Energy, as specified by the turbine manufacturer, and set forth in **Exhibit A**.

1.12 “**Default Security**”, unless otherwise agreed to by the Parties in writing, means the amount of either a Letter of Credit or cash placed in an escrow account sufficient to replace twelve (12) average months of replacement power costs over the term of this Agreement, and shall be calculated by taking the average, over the term of this Agreement, of the positive difference between (a) the monthly forward power prices at [specify POD] (as determined by PacifiCorp in good faith using information from a commercially reasonable independent source), multiplied by 110%, minus (b) the average of the Fixed Avoided Cost Prices specified in Schedule 37, and multiplying such difference by (c) 25% of the Average Annual Generation provided, however, the amount of Default Security shall in no event be less than the amount equal to the payments PacifiCorp would make for three (3) average months based on Seller’s average monthly volume over the term of this Agreement and utilizing the average Fixed Avoided Cost Prices specified in Schedule 37. Such amount shall be fixed at the Effective Date of this Agreement.

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

1.14 “**Energy Delivery Schedule**” shall have the meaning set forth in Section 4.4.

1.15 “**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 (SO_x), nitrogen oxides (NO_x), 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.

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

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

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

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

1.20 “**Guaranteed Availability**” shall have the meaning set forth in Section 4.3.1.

1.21 “**Generation Interconnection Agreement**” means the generation interconnection agreement to be entered into separately between Seller and PacifiCorp’s transmission or distribution department, as applicable, providing for the construction, operation, and maintenance of PacifiCorp’s interconnection facilities required to accommodate deliveries of Seller’s Net Output if the Facility is to be interconnected directly with PacifiCorp rather than another electric utility.

1.22 **“Green Tags”** means (1) the Environmental Attributes associated with all Net Output, together with (2) all WREGIS Certificates; and (3) the Green Tag Reporting Rights associated with such energy, Environmental Attributes and WREGIS Certificates, however commercially transferred or traded under any or other product names, such as "Renewable Energy Credits," "Green-e Certified", or otherwise. One (1) Green Tag represents the Environmental Attributes made available by the generation of one (1) MWh of energy from the Facility. Provided however, that “Green Tags” 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.

1.23 **“Green Tag Reporting Rights”** means the exclusive right of a purchaser of Green Tags to report exclusive ownership of Green Tags in compliance with federal or state law, if applicable, and to federal or state agencies or other parties at such purchaser's discretion, and include reporting under Section 1605(b) of the Energy Policy Act of 1992, or under any present or future domestic, international, or foreign emissions trading program or renewable portfolio standard.

1.24 **“Lack of Motive Force”** means temporary lack, due to natural causes, of: sunlight (for a solar powered facility), water (for a hydropower facility), current or wave amplitude (for a wave energy facility), or Sufficient Wind (for a wind turbine facility). Lack of Motive Force does not include lack of any motive force due to voluntary actions taken by Seller (e.g. lease or sale of water rights).

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

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

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

1.28 **“Nameplate Capacity Rating”** means the full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts, or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

1.29 “**Net Energy**” means the energy component, in kWh, of Net Output.

1.30 “**Net Output**” means all energy and capacity produced by the Facility, less station use and less transformation and transmission losses and other adjustments (e.g., Seller’s load other than station use), if any. For purposes of calculating payment under this Agreement, Net Output of energy shall be the amount of energy flowing through the Point of Delivery.

1.31 “**Net Replacement Power Costs**” shall have the meaning set forth in Section 11.4.1.

1.32 “**Off-Peak Hours**” means all hours of the week that are not On-Peak Hours.

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

1.34 “**Output Shortfall**” shall have the meaning set forth in Section 4.3.2

1.35 “**Point of Delivery**” means the high side of the Seller’s step-up transformer(s) located at the point of interconnection between the Facility and PacifiCorp’s distribution/transmission system, as specified in the Generation Interconnection Agreement, or, if the Facility is not interconnected directly with PacifiCorp, the point at which another utility will deliver the Net Output to PacifiCorp as specified in **Exhibit B**.

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

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

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

1.39 “**Renewable Resource Deficiency Period**” means the period from _____ through _____.

1.40 “**Renewable Resource Sufficiency Period**” means the period from _____ through _____.

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

1.42 **“Required Facility Documents”** means all licenses, permits, authorizations, and agreements, including a Generation Interconnection Agreement or equivalent, necessary for construction, operation, and maintenance of the Facility consistent with the terms of this Agreement, including without limitation those set forth in **Exhibit C**.

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

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

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

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

1.47 **“Sufficient Wind”** means any hour during which the average wind speed is equal to or greater than the manufacturer’s rated Cut-in Speed for the wind turbines comprising the Facility.

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

1.49 **“WREGIS”** means the Western Renewable Energy Generation Information System or successor organization in case WREGIS is ever replaced.

1.50 **“WREGIS Certificate”** means “Certificate” as defined by WREGIS in the WREGIS Operating Rules dated July 15, 2013.

1.51 **“WREGIS Operating Rules”** means the operating rules and requirements adopted by WREGIS, dated July 15, 2013.

Section 2: **TERM; COMMERCIAL OPERATION DATE**

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

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

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

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

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

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

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

Section 3: **REPRESENTATIONS AND WARRANTIES**

3.1 PacifiCorp represents, covenants, and warrants to Seller that:

3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.

3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.

3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.1.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on PacifiCorp or any valid order of any

court, or any regulatory agency or other body having authority to which PacifiCorp is subject.

3.1.5 This Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2 Seller represents, covenants, and warrants to PacifiCorp that:

3.2.1 Seller is a [corporation, partnership, or limited liability company] duly organized and validly existing under the laws of _____.

3.2.2 Seller has the requisite power and authority to enter into this Agreement and to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.

3.2.3 Seller has taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.2.4 The execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF, and Seller will operate the Facility in a manner consistent with its FERC QF certification. Seller has provided to PacifiCorp the appropriate QF certification (which may include a FERC self-certification) prior to PacifiCorp's execution of this Agreement. At any time during the term of this Agreement, PacifiCorp may require Seller to provide PacifiCorp with evidence satisfactory to PacifiCorp in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements

and, if PacifiCorp is not satisfied that the Facility qualifies for such status, a written legal opinion from an attorney who is (a) in good standing in the state of Oregon, and (b) who has no economic relationship, association or nexus with the Seller or the Facility, stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained and will continue to maintain the Facility as a QF.

3.2.7 Compliance with Ownership Requirements in Commission Proceedings No. UM 1129 and UM 1610. Seller will not make any changes in its ownership, control, or management during the term of this Agreement that would cause it to not be in compliance with the definition of a Small Cogeneration Facility or Small Power Production Facility provided in PacifiCorp's Schedule 37 tariff approved by the Commission at the time this Agreement is executed. Seller will provide, upon request by PacifiCorp not more frequently than every 36 months, such documentation and information as reasonably may be required to establish Seller's continued compliance with such Definition. PacifiCorp agrees to take reasonable steps to maintain the confidentiality of any portion of the above-described documentation and information that the Seller identifies as confidential except PacifiCorp will provide all such confidential information the Public Utility Commission of Oregon upon the Commission's request. These ownership requirements, as well as the dispute resolution provision governing any disputes over a QF's entitlement to the standard rates and standard contract with respect to the requirements, are detailed in Schedule 37.

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

- (a) Neither the Seller nor any of its principal equity owners is or has within the past two (2) years been the debtor in any bankruptcy proceeding, is unable to pay its bills in the ordinary course of its business, or is the subject of any legal or regulatory action, the result of which could reasonably be expected to impair Seller's ability to own and operate the Facility in accordance with the terms of this Agreement.
- (b) Seller has not at any time defaulted in any of its payment obligations for electricity purchased from PacifiCorp.
- (c) Seller is not in default under any of its other agreements and is current on all of its financial obligations, including construction related financial obligations.

- (d) Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility.
- (e) **[Applicable only to Seller's with a Facility having a Facility Capacity Rating greater than 3,000 kW]** Seller meets the Credit Requirements.

Seller hereby declares (Seller initial one only):

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

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

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

Section 4: **DELIVERY OF POWER AND PERFORMANCE GUARANTEE**

4.1 Commencing on the Commercial Operation Date, unless otherwise provided herein, Seller will sell and PacifiCorp will purchase (a) all Net Output from the Facility delivered to the Point of Delivery and (b) all Green Tags associated with the output or otherwise resulting from the generation of energy by the Facility (which shall come from the Facility and from no other source), for the periods during which the Green Tags are required to be transferred to PacifiCorp under the terms of Section 5.5.

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

4.3 Performance Guaranty.

4.3.1 Guaranteed Availability. Seller guarantees that the annual Availability of the Facility (the "**Guaranteed Availability**") for (i) the first Contract Year shall be no less than 0.80, and (ii) for the second Contract Year shall be no less than 0.85. Beginning with the third Contract Year and for each

Contract Year thereafter, the Guaranteed Availability for each Contract Year shall be 0.90, with such annual Availability to be calculated for purposes of this Section 4.3.1 for each Contract Year.

4.3.2 Liquidated Damages for Output Shortfall. If the Availability in any given Contract Year falls below the Guaranteed Availability for that Contract Year, the resulting shortfall shall be expressed in kWh as the “**Output Shortfall.**” The Output Shortfall shall be calculated in accordance with the following formula:

Output Shortfall = (Guaranteed Availability – Availability) x Average Annual Generation

If an Output Shortfall occurs in any given Contract Year, Seller may owe PacifiCorp liquidated damages in accordance with Section 11. Each Party agrees and acknowledges that (a) the damages that PacifiCorp would incur due to the Facility’s failure to achieve the Guaranteed Availability would be difficult or impossible to predict with certainty, and (b) the liquidated damages contemplated by Section 11 are a fair and reasonable calculation of such damages.

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

4.5 Transfer of Title to Green Tags; Documentation of Green Tags Transfers. Subject to the Green Tags ownership as defined in Section 5.5, title to the Green Tags shall pass from Seller to PacifiCorp immediately upon the generation of the Net Output at the Facility that gives rise to such Green Tags. The Parties shall execute all additional documents and instruments reasonably requested by PacifiCorp in order to further document the transfer of the Green Tags to PacifiCorp or its designees. Without limiting the generality of the foregoing, Seller shall, on or before the 10th day of each month, deliver to PacifiCorp a Green Tags Attestation and Bill of Sale in the form attached as **Exhibit H** for all Green Tags delivered to PacifiCorp hereunder in the preceding month, along with any attestation that is then-current with the Center for Resource Solution's Green-e program or successor organization in case the Center for Resource Solutions is replaced by another party over the life of the contract. Seller, at its own cost and expense, shall register with, pay all fees required by, and comply with, all reporting and other requirements of WREGIS relating to the Facility or Green Tags, except that when Seller is required to transfer Green Tags to PacifiCorp under Section 5.5, PacifiCorp will pay all fees required by WREGIS relating to the Green Tags. Seller shall ensure that the Facility will participate in and comply with, during the Term, all aspects of WREGIS. Seller will use WREGIS as required pursuant to the WREGIS Operating Rules to effectuate the transfer of WREGIS Certificates to PacifiCorp, and transfer such WREGIS Certificates to PacifiCorp, in accordance with WREGIS reporting protocols and WREGIS Operating Rules. Seller may either elect to enter into a Qualified Reporting Entity Services Agreement with PacifiCorp in a form approved by PacifiCorp, enter into a Qualified Reporting Entity Services Agreement with a third-party authorized to act as a Qualified Reporting Entity, or elect to act as its own WREGIS-

defined Qualified Reporting Entity. Seller shall promptly give PacifiCorp copies of all documentation it submits to WREGIS. Further, in the event of the promulgation of a scheme involving Green Tags administered by CAMD, upon notification by CAMD that any transfer contemplated by this Agreement will not be recorded, the Parties shall promptly cooperate in taking all reasonable actions necessary so that such transfers can be recorded. Seller shall not report under Section 1605(b) of the Energy Policy Act of 1992 or under any applicable program that any of the Green Tags purchased by PacifiCorp hereunder belong to any person other than PacifiCorp. Without limiting the generality of PacifiCorp's ownership of the Green Tag Reporting Rights, PacifiCorp may report under such program that such Green Tags purchased hereunder belong to it. Each Party shall promptly give the other Party copies of all documents it submits to the CAMD to effectuate any transfer. Seller shall reasonably cooperate in any registration by PacifiCorp of the Facility in the renewable portfolio standard or equivalent program in all such further states and programs in which PacifiCorp may wish to register or maintain registration of the Facility by providing copies of all such information as PacifiCorp reasonably required for such registration.

Section 5: PURCHASE PRICES

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

_____ Fixed Price Standard
_____ Fixed Price Renewable
_____ Firm Electric Market

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

5.2 (Fixed Price Standard Seller Only). In the event Seller elects the Fixed Price Standard pricing method, PacifiCorp shall pay Seller the applicable On-Peak and Off-Peak rates specified in **Schedule 37** during the first fifteen (15) years after the Scheduled Initial Delivery Date. Thereafter, PacifiCorp shall pay Seller Firm Electric Market.

5.3 (Fixed Price Renewable Seller Only). In the event Seller elects the Fixed Price Renewable pricing method, PacifiCorp shall pay Seller the applicable On-Peak and Off-Peak rates specified in **Schedule 37** during the first fifteen (15) years after the Scheduled Initial Delivery Date. Thereafter, PacifiCorp shall pay Seller Firm Electric Market.

5.4 For all Excess Output and for all Net Output delivered prior to the Commercial Operation Date, PacifiCorp shall pay Seller 93 percent of a blended market index price for day-ahead firm energy at MidColumbia, California Oregon Border (COB), Four Corners and Palo Verde market indices as reported by the Intercontinental Exchange (ICE), for the On-Peak and

Off-Peak periods. PacifiCorp shall document its calculation of the blended rate, upon request, to Seller. Such payment will be accomplished by adjustments pursuant to Section 9.2

5.5 Environmental Attributes

5.5.1 (Fixed Price Standard Seller Only): PacifiCorp waives any claim to Seller's ownership of Environmental Attributes under this Agreement throughout the Term.

5.5.2 (Fixed Price Renewable Seller Only): PacifiCorp waives any claim to Seller's ownership of Environmental Attributes during the Renewable Resource Sufficiency Period, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Scheduled Initial Delivery Date. Subject to the foregoing, Seller shall transfer the Green Tags to PacifiCorp in accordance with Section 4.5 during the Renewable Resource Deficiency Period.

Section 6: **OPERATION AND CONTROL**

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

6.2 Incremental Utility Upgrades. At start-up (and at any other time upon at least six months' prior written notice), Seller may increase Net Output, if such increase is due to normal variances in estimated versus actual performance, changed Facility operations, or improvements in Facility efficiency. Seller may not increase Net Output under this Agreement by installing additional generating units. In the case of substantial upgrades, PacifiCorp may require Seller to comply with Section 3.2.8(e) (in the event that the Facility upgrade causes the Facility Capacity Rating to exceed 3,000 kW) and increase its Average Annual Generation in Section 4.2 (if appropriate). PacifiCorp may also update Seller's security obligation (if applicable). So long as the Facility Capacity Rating after the upgrade is 10,000 kW or less, Seller will continue to receive the Contract Price for the Net Output, as set forth in Sections 5.1, 5.2, and 5.3 of this Agreement. If Seller increases the Facility Capacity Rating above 10,000 kW, then (on a going forward basis) PacifiCorp shall pay Seller the Contract Price for the fraction of total Net Output equal to 10,000 kW divided by the Facility Capacity Rating of the upgraded Facility. For the remaining fraction of Net Output, PacifiCorp and Seller shall agree to a new negotiated rate. Seller shall be responsible for ensuring that any planned increase in the Facility Capacity Rating or the maximum instantaneous capacity of the Facility complies with Seller's Generation Interconnection Agreement and any other agreements with PacifiCorp.

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

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

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

Section 7: FUEL/MOTIVE FORCE

Prior to the Effective Date of this Agreement, Seller provided to PacifiCorp a fuel or motive force plan acceptable to PacifiCorp in its reasonable discretion and attached hereto as **Exhibit D-1**, together with a certification from a Licensed Professional Engineer to PacifiCorp attached hereto as **Exhibit D-2**, certifying that the implementation of the fuel or motive force plan can reasonably be expected to provide fuel or motive force to the Facility for the duration of this Agreement adequate to generate power and energy in quantities necessary to deliver the Average Annual Generation set forth by Seller in Section 4.

Section 8: METERING

8.1 Seller shall pay for, and PacifiCorp shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment required pursuant to the Generation Interconnection Agreement, if applicable.

8.2 Seller shall pay for and design, furnish, install, own, inspect, test, maintain and replace all metering equipment required in order to calculate Availability of the Facility. Data required to calculate Availability include, but are not limited to: hourly average wind velocity measured at turbine hub height; and ambient air temperature. Seller shall make available all such data to PacifiCorp in electronic format per Section 8.5.

8.3 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement, or, if the Facility is one of multiple wind generation facilities sharing a common transmission line, the required metering equipment has been completed and tested and is in place to correctly and accurately measure the amount of Net Output generated by the Facility and flowing into PacifiCorp's system at the Point of Delivery, or, if the Net Output is to be wheeled to PacifiCorp by another utility, metering will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such other utility. All quantities of energy purchased hereunder shall be adjusted to account for electrical losses, if any between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of energy flowing into PacifiCorp's system at the Point of Delivery.

8.4 PacifiCorp shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement, if applicable. If the Net Output is to be wheeled to PacifiCorp by another utility, meter inspection, testing, repair and replacement will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such utility. If any of the inspections or tests discloses an error exceeding two percent (2%), either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) Billing Periods, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered following the repair of the meter.

Section 9: **BILLINGS, COMPUTATIONS, AND PAYMENTS**

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

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

9.3 Annual Invoicing for Output Shortfall. Beginning on the first January 31 occurring after the Commercial Operation Date, and continuing on January 31 of each Contract Year thereafter, PacifiCorp shall deliver to Seller an invoice showing PacifiCorp's computation of Net Output and Output Shortfall, if any, for the prior Contract Year and any resulting amount due PacifiCorp as liquidated damages. In preparing such invoices, PacifiCorp shall utilize the meter data provided to PacifiCorp for the Contract Year in question, but may also rely on historical averages and such other information as may be available to PacifiCorp at the time of

invoice preparation, if the meter data for such Contract Year is then incomplete or otherwise not available. To the extent required, PacifiCorp shall true up any such invoice as promptly as practicable following its receipt of actual results for the relevant Contract Year. Seller shall pay to PacifiCorp, by wire transfer or by any other means agreed to by the Parties in writing, the amount set forth as due in such invoice.

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

Section 10: **SECURITY**

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

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

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

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

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

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

10.2 Letter of Credit Security. Seller shall post and maintain in an amount equal to the Default Security: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to PacifiCorp in its discretion, or (b) a Letter of Credit in favor of PacifiCorp. To the

extent PacifiCorp receives payment from the Default Security, Seller shall, within fifteen (15) days, restore the Default Security as if no such deduction had occurred.

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

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

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

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

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

operation of the Facility shall be remitted to or otherwise provided to the account of Seller until all Events of Default of Seller have been cured.

10.4.4 During any period that PacifiCorp is in possession of and operating the Facility, Seller shall retain legal title to and ownership of the Facility and PacifiCorp shall assume possession, operation, and control solely as agent for Seller.

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

(b) In the event that PacifiCorp is in possession and control of the Facility for an interim period, the Facility Lender, or any nominee or transferee thereof, may foreclose and take possession of and operate the Facility and PacifiCorp shall relinquish its right to operate when the Facility Lender or any nominee or transferee thereof, requests such relinquishment.

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

Section 11: **DEFAULTS AND REMEDIES**

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

11.1.1 **Breach of Material Term.** Failure of a Party to perform any material obligation imposed upon that Party by this Agreement (including but not limited to failure by Seller to meet any deadline set forth in Section 2) or breach by a Party of a representation or warranty set forth in this Agreement.

- 11.1.2 Default on Other Agreements. Seller's failure to cure any default under any commercial or financing agreements or instrument (including the Generation Interconnection Agreement) within the time allowed for a cure under such agreement or instrument.
- 11.1.3 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.
- 11.1.4 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller and Seller fails to provide such performance assurances as are reasonably requested by PacifiCorp, including without limitation the posting of additional Default Security, within thirty (30) days from the date of such request;
- 11.1.5 Delayed Commercial Operations. Seller's failure to achieve the Commercial Operation Date by the Scheduled Commercial Operation Date.
- 11.1.6 Underdelivery. If Seller's Facility has a Facility Capacity Rating of 100 kW or less, Seller's failure to satisfy an Availability of forty percent (40%) or more for two (2) consecutive years; else Seller's failure to satisfy an Availability of fifty percent (50%) or more for one year.
- 11.2 Notice; Opportunity to Cure.
- 11.2.1 Notice. In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default.
- 11.2.2 Opportunity to Cure. A Party defaulting under Section 11.1.1 or 11.1.5 shall have thirty (30) days to cure after receipt of proper notice from the non-defaulting Party. This thirty (30) day period shall be extended by an additional ninety (90) days if (a) the failure cannot reasonably be cured within the thirty (30) day period despite diligent efforts, (b) the default is capable of being cured within the additional ninety (90) day period, and (c) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently and continuously proceeding to cure the failure.
- 11.2.3 Seller Default Under Other Agreements. Seller shall cause any notices of default under any of its commercial or financing agreements or instruments to be sent by the other party to such agreements or

instruments, or immediately forwarded, to PacifiCorp as a notice in accordance with Section 23.

11.2.4 Seller Delinquent on Construction-related Financial Obligations. Seller promptly shall notify PacifiCorp (or cause PacifiCorp to be notified) anytime it becomes delinquent under any construction related financing agreement or instrument related to the Facility. Such delinquency may constitute a Material Adverse Change, subject to Section 11.1.4.

11.3 Termination.

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

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

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

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

11.4 Damages.

11.4.1 Failure to Deliver Net Output. In the event of Seller default under Subsection 11.1.5 or Subsection 11.1.6, then Seller shall pay PacifiCorp the positive difference, if any, obtained by subtracting the Contract Price from the Replacement Price for any Output Shortfall (under Section 4.3) during the period of default (“**Net Replacement Power Costs**”); *provided, however,* that the positive difference obtained by subtracting the Contract Price from the Replacement Price shall not exceed the Contract Price, and the period of default under this Section 11.4.1 shall not exceed one Contract Year.

11.4.2 Recoupment of Damages.

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

Section 12: **INDEMNIFICATION AND LIABILITY**

12.1 Indemnities.

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

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

12.2 No Dedication. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

12.3 No Consequential Damages. Except to the extent such damages are included in the liquidated damages, delay damages, cost to cover damages or other specified measure of damages expressly provided for in this Agreement, neither Party shall be liable to the other Party for special, punitive, indirect, exemplary or consequential damages, whether such damages are allowed or provided by contract, tort (including negligence), strict liability, statute or otherwise.

Section 13: **INSURANCE (FACILITIES OVER 200KW ONLY)**

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

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

13.2.1 Commercial General Liability insurance, to include contractual liability, with a minimum single limit of \$1,000,000 to protect against and from all

loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement.

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

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

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

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

Section 14: **FORCE MAJEURE**

14.1 As used in this Agreement, "**Force Majeure**" or "**an event of Force Majeure**" means any cause beyond the reasonable control of the Seller or of PacifiCorp which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of fuel or motive force resources to operate the Facility or changes in market conditions that affect the price of energy or transmission. If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure

to the extent and for the duration of the event of Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

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

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

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

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

Section 15: **SEVERAL OBLIGATIONS**

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

Section 16: **CHOICE OF LAW**

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

Section 17: **PARTIAL INVALIDITY**

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

decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

Section 18: **WAIVER**

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

Section 19: **GOVERNMENTAL JURISDICTIONS AND AUTHORIZATIONS**

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

Section 20: **REPEAL OF PURPA**

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

Section 21: **SUCCESSORS AND ASSIGNS**

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

Section 22: **ENTIRE AGREEMENT**

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

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

Section 23: **NOTICES**

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

Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone: (503) 813 - 5380 Facsimile: (503) 813 - 6291 Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	
All Invoices:	(same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 – 5580	
Scheduling:	(same as street address above) Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813 – 6265	
Payments:	(same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 – 5580	
Wire Transfer:	Bank One N.A. ABA: ACCT: NAME: PacifiCorp Wholesale	
Credit and Collections	(same as street address above) Attn: Credit Manager, Suite 700 Phone: (503) 813 - 5684 Facsimile: (503) 813 – 5609	
With Additional Notices of an Event of Default or Potential Event of Default to:	(same as street address above) Attn: PacifiCorp General Counsel Phone: (503) 813-5029 Facsimile: (503) 813-7252	

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

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

PacifiCorp

Seller

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

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

Type (synchronous or inductive):

Model:

Number of Phases:

Rated Output (kW):

Rated Output (kVA):

Rated Voltage (line to line):

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

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

Minimum kW Output: _____ kW

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

Facility Capacity Rating: _____ kW at _____

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

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

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

[legal description of parcel]

Power factor requirements:

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

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES

[Seller to provide its own diagram and description]

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

Instructions to Seller:

1. Include description of point of metering, and Point of Delivery
2. Provide interconnection single line drawing of Facility including any transmission facilities on Seller's side of the Point of Delivery.

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

REQUIRED OF ALL FACILITIES:

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

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

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

REQUIRED OF ALL HYDRO FACILITIES:

- FERC License or documentation of an applicable exemption
- Power Generation Water Rights

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

EXHIBIT D-1
SELLER'S MOTIVE FORCE PLAN

A. MONTHLY DELIVERY SCHEDULES AND SCHEDULED MAINTENANCE

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

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

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

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

EXHIBIT E

START-UP TESTING

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

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

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

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

EXHIBIT F
SELLER AUTHORIZATION TO RELEASE
GENERATION DATA TO PACIFICORP

[Interconnection Customer Letterhead]

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

RE: _____ Interconnection Request

Dear Sir:

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

Name

Title

Date

EXHIBIT G
SCHEDULE 37 AND PRICING SUMMARY TABLE

EXHIBIT H
GREEN TAG ATTESTATION AND BILL OF SALE

Subject to Green Tags ownership as defined in Section 5.5, from the period commencing on ____ and ending on _____, _____ ("Seller") hereby sells, transfers and delivers to PacifiCorp the Green Tags (including all Green Tag Reporting Rights) associated with the generation of Net Output under the Power Purchase Agreement (Renewable Energy) between Seller and PacifiCorp dated [_____] (the "PPA"), as described below, in the amount of one Green Tag for each megawatt hour generated. Defined terms used in this Green Tag Attestation and Bill of Sale (as indicated by initial capitalization) shall have the meaning set forth in the PPA.

Facility name and location: _____ Fuel Type: _____

Capacity (MW): _____ Operational Date: _____

Energy Admin. ID no.: _____

Dates	MWh generated
_____	_____

Seller further attests, warrants and represents, under penalty of perjury, as follows:

- i) to the best of its knowledge, the information provided herein is true and correct;
- ii) its sale to PacifiCorp is its one and only sale of the Green Tags referenced herein;
- iii) the Facility generated Output in the amount indicated above; and
- iv) to the best of Seller's knowledge, each of the Green Tags associated with the generation Output have been generated and sold by the Facility.

This Green Tag Attestation and Bill of Sale confirms, in accordance with the PPA, the transfer from Seller to PacifiCorp all of Seller's right, title and interest in and to the Green Tags (including Green Tag Reporting Rights), as set forth above.

Seller's Contact Person: [_____]

WITNESS MY HAND,

a _____

By _____

Its _____

Date: _____

This Attestation may be disclosed by Seller and PacifiCorp to others, including the Center for Resource Solutions and the public utility commissions having jurisdiction over PacifiCorp, to substantiate and verify the accuracy of PacifiCorp's advertising and public communication claims, as well as in PacifiCorp's advertising and other public communications.

Pages Omitted From Excerpt



DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

July 3, 2014

**VIA ELECTRONIC FILING AND
FEDERAL EXPRESS**

Attention: Filing Center
Public Utility Commission of Oregon
3930 Fairview Industrial Drive SE
Salem, Oregon 97302-1166

Re: Docket UM 1610
Investigation into Qualifying Facility Contracting and Pricing – Idaho
Power Company’s Application for Approval of its Replacement Compliance
Filing with Order No. 14-058

Dear Filing Center:

In compliance with ORS 757.205, ORS 758.525, and Order No. 14-058 of Docket UM 1610, Idaho Power Company (“Idaho Power” or “Company”) hereby submits for filing an original and three (3) copies of the following:

1. Idaho Power’s Application for Approval of Its Replacement Compliance Filing for Avoided Cost Rates, Schedule 85, and Standard Contracts in Compliance with Order No. 14-058;
2. Idaho Power’s revised Schedule 85, P.U.C. ORE. No. E-27, Cogeneration and Small Power Production Standard Contract Rates, in both clean and redlined formats; and
3. Idaho Power’s revised standard qualifying facilities energy sales agreements in both clean and redline formats.

The Company’s filing includes updates to Idaho Power’s standard energy sales agreements, its standard avoided cost schedule (Schedule 85), and its standard avoided costs. These documents are meant as a replacement filing for the documents previously filed on April 25, 2014. Copies of the Application and its attachments have been served on all parties to this proceeding as indicated in the Certificate of Service.

1221 W. Idaho St. (83702)
P.O. Box 70
Boise, ID 83707

Public Utility Commission of Oregon
July 3, 2014
Page 2 of 2

The Company respectfully requests an effective date of July 3, 2014, for Schedule 85, Cogeneration and Small Power Production Standard Contract Rates, Sheet Nos. 85-1 through 85-13.

Third Revised Sheet No. 85-1 Schedule 85 Cogeneration and Small Power Production
through Standard Contract Rates
Third Revised Sheet No. 85-13

Also enclosed herein are four (4) copies of Idaho Power's workpapers used to prepare this filing.

If you have any questions, please do not hesitate to contact Donovan E. Walker at (208) 388-5317.

Sincerely,

A handwritten signature in black ink, appearing to read "Don E Walker", with a long horizontal flourish extending to the right.

Donovan E. Walker

DEW:csb
Enclosures

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**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1610

In the Matter of
PUBLIC UTILITY COMMISSION OF
OREGON,
Investigation into Qualifying Facility
Contracting and Pricing.

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**IDAHO POWER COMPANY'S
APPLICATION FOR APPROVAL OF ITS
REPLACEMENT COMPLIANCE FILING
FOR AVOIDED COST RATES, SCHEDULE
85, AND STANDARD CONTRACTS IN
COMPLIANCE WITH ORDER NO. 14-058**

I. INTRODUCTION

Idaho Power Company ("Idaho Power" or "Company") hereby submits this Application for Approval of its Replacement Compliance Filing for Avoided Cost Rates, Schedule 85, and Standard Contracts in Compliance with Order No. 14-058 (the "Order") issued February 24, 2014, and Errata Order No. 14-114 issued April 7, 2014. The Order directed Idaho Power to file by application revised avoided cost prices and revised standard contract forms in compliance with the directives from the Order.

On April 25, 2014, Idaho Power filed its initial compliance filing. The Company's initial filing was objected to for making changes in the standard contracts that were not authorized by Order No. 14-058. Parties also sought reconsideration/clarification regarding the capacity calculation attributable to solar projects in the avoided cost rates and the treatment of transmission upgrades. The Public Utility Commission of Oregon ("Commission") suspended the proposed May 27, 2014, effective date of Idaho Power's initial compliance filing to further investigate the filing. Order No. 14-181. Subsequently, the Commission granted clarification as to calculation of a solar Qualifying Facility's ("QF") capacity contribution. ALJ Ruling, June 10, 2014. The Commission then denied reconsideration. Order No. 14-229. The parties met for a workshop on June 27, 2014. During that workshop, parties agreed that the clarification as to the capacity calculation for

1 solar QFs was relevant to the renewable avoided cost rates, and not to the standard non-
2 renewable avoided cost rates. Idaho Power does not have renewable avoided cost rates;
3 thus, the objection and clarification does not apply to Idaho Power. It was agreed that
4 Idaho Power would submit a replacement compliance filing that strictly limited the
5 standard contract revisions to those required by Order No. 14-058 and contained its
6 calculations and workpapers for its standard avoided cost rates in compliance with the
7 Order. It was also agreed that Idaho Power would schedule a web-based conference call
8 workshop for July 10, 2014, for the review of its revised compliance filing. Idaho Power
9 has scheduled this workshop for July 10, 2014.

10 Idaho Power submits herewith revised avoided cost prices in its revised Schedule
11 85, Cogeneration and Small Power Production Standard Contract Rates, as well as
12 revised standard contracts that conform with the Order. Idaho Power last updated its
13 avoided cost rates for Oregon effective on April 25, 2012. Order No. 12-146, Case Nos.
14 UM 1590 and UM 1593.

15 **II. DISCUSSION**

16 Order No. 14-058 directed that: the existing methodology for calculating standard
17 avoided cost prices be modified to account for the capacity contribution of different QF
18 resources and for wind integration costs; certain QF standard avoided cost pricing options
19 be eliminated; the criteria for a "single project" be modified to limit the passive investor
20 exemption to independent family or community based projects; and revised mechanical
21 availability language be adopted for use in standard contracts. The Order also directed
22 annual updates on May 1 to four factors utilized to calculate standard avoided cost rates:
23 updated natural gas prices; on- and off-peak forward-looking electricity market prices;
24 changes to the status of the Production Tax Credit; and any other action or change in an
25 acknowledged Integrated Resource Plan ("IRP") update relevant to the calculation of
26 avoided costs. Errata Order No. 14-114 clarified that the utilities are to file rates and

1 contracts in compliance with the Order on April 25, 2014, and initiate May 1 updates in
2 each subsequent year.

3 Page 15 of Order No. 14-058 addresses the different method for the capacity
4 component included in standard avoided cost rates versus that included in the standard
5 renewable avoided cost rates. The objections and clarification that was granted regarding
6 the calculation of capacity for a solar QF are only relevant to the method described for the
7 standard renewable avoided cost rates. Because Idaho Power does not have standard
8 renewable avoided cost rates, the objections and clarification are not relevant to Idaho
9 Power's avoided cost rates. Idaho Power's submitted rates comply with the directives
10 regarding the calculation of capacity from page 15 of Order No. 14-058 for standard
11 avoided cost rates.

12 Idaho Power has modified its Schedule 85, Cogeneration and Small Power
13 Production Standard Contract Rates, as well as its standard contracts to account for the
14 Commission's directives from Order No. 14-058. Submitted herewith, in both clean and
15 redline format, are Idaho Power's revised Schedule 85 setting forth revised avoided cost
16 rates and six revised standard contracts consisting of: Oregon Standard Energy Sales
17 Agreement for Intermittent Resource; Oregon Standard Energy Sales Agreement for
18 Intermittent Resource Out of Service Territory; Oregon Standard Energy Sales Agreement
19 for Non-Intermittent Resource; and Oregon Standard Energy Sales Agreement for Non-
20 Intermittent Resource Out of Service Territory. Idaho Power also submits herewith
21 workpapers, consisting of the model used to calculate the rates contained in Schedule 85,
22 and a matrix summarizing the changes that were made to the standard contracts. Idaho
23 Power started with its existing Schedule 85, Intermittent, Non-Intermittent, and Out of
24 Service Territory standard contracts and made the changes necessary to comply with the
25 Order. Avoided cost prices utilize inputs from Idaho Power's 2013 IRP.

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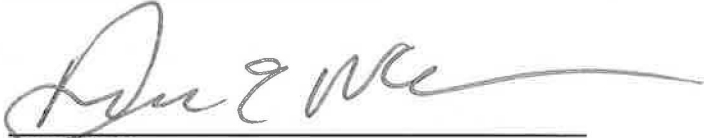
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III. CONCLUSION

Idaho Power respectfully requests that the Commission find that the Company's revised avoided cost prices, revised standard contract forms, and revised Schedule 85 comply with Order No. 14-058 and Order No. 14-114 and approve them as filed.

Respectfully submitted this 3rd day of July 2014.

IDAHO POWER COMPANY



DONOVAN E. WALKER (*pro hac vice*)
Lead Counsel
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
(208) 388-5317
dwalker@idahopower.com
dockets@idahopower.com

LISA F. RACKNER
McDowell Rackner & Gibson PC
419 SW Eleventh Avenue, Suite 400
Portland, Oregon 97205
dockets@mcd-law.com

1 **CERTIFICATE OF SERVICE**

2 **Docket No. UM 1610**

3 I hereby certify that on July 3, 2014, I served IDAHO POWER COMPANY'S
4 APPLICATION FOR APPROVAL OF ITS REPLACEMENT COMPLIANCE FILING FOR
5 AVOIDED COST RATES, SCHEDULE 85, AND STANDARD CONTRACTS IN
6 COMPLIANCE WITH ORDER NO. 14-058 upon all parties of record in this proceeding by
7 electronic mail only as all parties have waived paper service.

8 Brittany Andrus
Public Utility Commission of Oregon
9 brittany.andrus@state.or.us

Adam Bless
Public Utility Commission of Oregon
adam.bless@state.or.us

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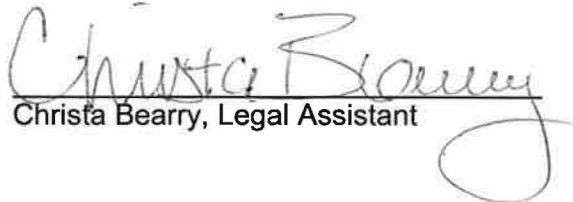
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SCHEDULE 85

COGENERATION AND SMALL POWER PRODUCTION STANDARD CONTRACT RATES

CLEAN FORMAT

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES

AVAILABILITY

Service under this schedule is available for power delivered to the Company's control area within the State of Oregon.

APPLICABILITY

Service under this schedule is applicable to any Seller that:

1. Owns or operates a Qualifying Facility with a Nameplate Capacity rating of 10 MW or less and desires to sell Energy generated by the Qualifying Facility to the Company in compliance with all the terms and conditions of the Standard Contract;
2. Meets all applicable requirements of the Company's Generation Interconnection Process.

For Qualifying Facilities with a Nameplate Capacity rating greater than 10 MW, a negotiated Non-Standard Contract between the Seller and the Company is required.

DEFINITIONS

Energy means the electric energy, expressed in kWh, generated by the Qualifying Facility and delivered by the Seller to the Company in accordance with the conditions of this schedule and the Standard Contract. Energy is measured net of Losses and Station Use.

Generation Interconnection Process is the Company's generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards. The Generation Interconnection Process is managed by the Company's Delivery Business Unit.

Heat Rate Conversion Factor is 7,100 MMBTU divided by 1,000.

Heavy Load (HL) Hours are the daily hours from hour ending 0700-2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. (N)
|
(N)

Intermittent describes a Qualifying Facility that produces electrical energy from the use of wind, solar or run of river hydro as the prime mover.

Light Load (LL) Hours are the daily hours from hour ending 2300-0600 Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. (N)
|
(N)

Losses are the loss of electric energy occurring as a result of the transformation and transmission of electric energy from the Qualifying Facility to the Point of Delivery.

Nameplate Capacity 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, kilovolt amperes, kilowatts, volts, or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

(M)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

DEFINITIONS (Continued)

Non-Standard Contract is a negotiated contract between any Seller that owns or operates a Qualifying Facility with a nameplate capacity rating greater than 10 MW and desires to sell Energy generated by the Qualifying Facility to the Company. The starting point for negotiation of price is the Avoided Cost Components established in this schedule and may be modified to address specific factors mandated by federal and state law, including

(M)
|
(M)

1. The utility's system cost data;
2. The availability of capacity or energy from a Qualifying Facility during the system daily and seasonal peak periods, including:
 - a. The ability of the utility to dispatch the qualifying facility;
 - b. The expected or demonstrated reliability of the qualifying facility;
 - c. The terms of any contract or other legally enforceable obligation, including the duration of the obligation, termination notice requirement and sanctions for non-compliance;
 - d. The extent to which scheduled outages of the qualifying facility can be usefully coordinated with scheduled outages of the utility's facilities;
 - e. The usefulness of energy and capacity supplied from a qualifying facility during system emergencies, including its ability to separate its load from its generation;
 - f. The individual and aggregate value of energy and capacity from qualifying facilities on the electric utility's system; and
 - g. The smaller capacity increments and the shorter lead times available with additions of capacity from qualifying facilities; and
3. The relationship of the availability of energy or capacity from the Qualifying Facility to the ability of the electric utility to avoid costs, including the deferral of capacity additions and the reduction of fossil fuel use; and
4. The costs or savings resulting from variations in line losses from those that would have existed in the absence of purchases from a Qualifying Facility, if the purchasing electric utility generated an equivalent amount of energy itself or purchased an equivalent amount of electric energy or capacity.

Non-Standard Contract is a negotiated contract between any Seller that owns or operates a Qualifying Facility with a Nameplate Capacity rating greater than 10 MW and desires to sell Energy generated by the Qualifying Facility to the Company. The guidelines for negotiating a Non-Standard Contract are more specifically described later in this schedule in Guidelines for Negotiation of Power Purchase Agreements for Qualifying Facilities with Nameplate Capacity of 10 MW or Larger.

Point of Delivery is the location where the Company's and the Seller's electrical facilities are inter-connected or where the Company's and the Seller's host transmission provider's electrical facilities are interconnected.

Prudent Electrical Practices are those practices, methods and equipment that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

PURPA means the Public Utility Regulatory Policies Act of 1978.

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

DEFINITIONS (Continued)

Qualifying Facility or QF is a cogeneration facility or a small power production facility which meets the PURPA criteria for qualification set forth in Subpart B of Part 292, Subchapter K, Chapter I, Title 18, of the Code of Federal Regulations.

Seasonality Factor is the factor used in determining the seasonal purchase price of energy. The applicable factors are:

- 73.50% for Season 1 (March, April, May);
- 120.00% for Season 2 (July, August, November, December);
- 100.00% for Season 3 (June, September, October, January, February).

Seller is any entity that owns or operates a Qualifying Facility and desires to sell Energy to the Company.

Standard Contracts are the pro forma Energy Sales Agreements the Company maintains on file with the Public Utility Commission of Oregon for Intermittent and non-intermittent on-system Qualifying Facilities and Intermittent and non-intermittent off-system Qualifying Facilities, with a Nameplate Capacity of 10 MW or less.

Station Use is electric energy used to operate the Qualifying Facility which is auxiliary to or directly related to the generation of electricity and which, but for the generation of electricity, would not be consumed by the Seller.

QUALIFYING FACILITY INFORMATION INQUIRY PROCESS

There are two separate processes required for a Seller to deliver and sell energy from a Qualifying Facility to the Company. These processes may be completed separately or simultaneously.

1. Generation Interconnection Process

All generation projects physically interconnecting to the Company's electrical system, regardless of size, location or ownership, must successfully complete the Generation Interconnection Process prior to the project delivering energy to the Company. A complete description of the Small Generator Interconnection Procedures, the Interconnection Application and Company contact information is maintained on the Idaho Power website at www.idahopower.com, or Seller may contact the Company's Delivery Business Unit at 1-208-388-2658 for further information.

All generation projects delivering power under the off-system Energy Sales Agreement must successfully complete a comparable Generation Interconnection Process with the Seller's host interconnection provider and transmission provider.

2. Energy Sales Agreement

To begin the process of completing a Standard Contract or negotiating a Non-Standard Contract, for a proposed project, the Seller must submit to the Company a request for an Energy Sales Agreement. All requests will be processed in the order of receipt by the Company.

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

QUALIFYING FACILITY INFORMATION INQUIRY PROCESS (Continued)

2. Energy Sales Agreement (Continued)

a. Communications

Unless otherwise directed by the Company, all communications to the Company regarding an Energy Sales Agreement should be directed in writing as follows:

Idaho Power Company
Cogeneration and Small Power Production
P O Box 70
Boise, Idaho 83707

b. Procedures

- i. The Company's approved Energy Sales Agreement may be obtained from the Company's website at <http://www.idahopower.com> or if the Seller is unable to obtain it from the website, the Company will send a copy within 10 business days of a written request.
- ii. In order to obtain a project specific draft Energy Sales Agreement the Seller must provide in writing to the Company, general project information required for the completion of an Energy Sales Agreement, including, but not limited to:
 - a) Date of request
 - b) Company / Organization that will be the contracting party
 - c) Contract notification information including name, address and telephone number
 - d) Verification that the Qualifying Facility meets the "Eligibility for Standard Rates and Contract" criteria
 - e) Copy of the Qualifying Facility's QF certificate
 - f) Copy of the FERC license (applicable to hydro projects only)
 - g) Location of the proposed project including general area and specific legal property description
 - h) Description of the proposed project including specific equipment models, types, sizes and configurations
 - i) Type of project (wind, hydro, geothermal etc)
 - j) Nameplate capacity of the proposed project
 - k) Schedule 85 pricing option selected
 - l) Desired term of the Energy Sales Agreement
 - m) Annual net energy amount
 - n) Maximum capacity of the Qualifying Facility
 - o) Estimated first energy date
 - p) Estimated operation date
 - q) Point of Delivery
 - r) Status of the Generation Interconnection Process

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

QUALIFYING FACILITY INFORMATION INQUIRY PROCESS (Continued)

b. Procedures (Continued)

- iii. The Company shall provide a draft Energy Sales Agreement when all information described in Paragraph 2 above has been received in writing from the Seller. Within 15 business days following receipt of all information required in Paragraph 2 the Company will provide the Seller with a draft Energy Sales Agreement including current standard avoided cost prices and/or other optional pricing mechanisms as approved by the Oregon Public Utility Commission in this Schedule.
- iv. The Company will respond within 15 business days to any written comments and proposals that the Seller provides in response to the draft Energy Sales Agreement.
- v. If the Seller desires to proceed with the Energy Sales Agreement after reviewing the Company's draft Energy Sales Agreement, it may request in writing that the Company prepare a final draft Energy Sales Agreement. In connection with such request, the Seller must provide the Company with an updated status of the Generation Interconnection Process which indicates that the Seller's provided information (i.e. first energy date, operation date, etc.) are realistically attainable and any additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft Energy Sales Agreement. Once the Company has received the written request for a final draft Energy Sales Agreement and all additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft Energy Sales Agreement, the Company will provide Seller with a final draft Energy Sales Agreement within 15 business days.
- vi. After reviewing the final draft Energy Sales Agreement, the Seller may either prepare another set of written comments and proposals or approve the final draft Energy Sales Agreement. If the Seller prepares written comments and proposals, the Company will respond within 15 business days to those comments and proposals.
- vii. When both parties are in full agreement as to all terms and conditions of the final draft Energy Sales Agreement, the Company will prepare and forward to the Seller within 15 business days a final executable version of the Energy Sales Agreement. Once the Seller executes the Energy Sales Agreement and returns all copies to the Company, the Company will execute the Energy Sales Agreement. Following the Company's execution a completely executed copy will be returned to the Seller. Prices and other terms and conditions in the Energy Sales Agreement will not be final and binding until the Energy Sales Agreement has been executed by both parties.

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
 (Continued)

AVOIDED COST PRICE

(C)

Standard Avoided Cost Prices for Baseload QF

Year	Capacity Price	Capacity Cost Allocated to On-Peak Hours	Energy Only Price	On-Peak	Off-Peak
	\$/kW-yr	(\$/MWh)	\$/MWh	\$/MWh	\$/MWh
	(a)	(b)	(c)	(d)	(e)
2014	Market Based Prices			\$42.25	\$29.50
2015	2014 through 2015			\$39.75	\$29.09
2016	\$66.20	\$13.62	\$43.16	\$56.78	\$43.16
2017	\$68.19	\$14.03	\$44.82	\$58.85	\$44.82
2018	\$70.24	\$14.45	\$46.72	\$61.17	\$46.72
2019	\$72.34	\$14.88	\$49.30	\$64.18	\$49.30
2020	\$74.51	\$15.33	\$51.98	\$67.31	\$51.98
2021	\$76.75	\$15.79	\$55.90	\$71.69	\$55.90
2022	\$79.05	\$16.26	\$60.49	\$76.75	\$60.49
2023	\$81.42	\$16.75	\$64.48	\$81.23	\$64.48
2024	\$83.86	\$17.25	\$67.94	\$85.19	\$67.94
2025	\$86.37	\$17.77	\$71.86	\$89.63	\$71.86
2026	\$88.96	\$18.30	\$75.63	\$93.93	\$75.63
2027	\$91.63	\$18.85	\$79.88	\$98.73	\$79.88
2028	\$94.38	\$19.41	\$83.40	\$102.81	\$83.40
2029	\$97.22	\$20.00	\$87.39	\$107.39	\$87.39
2030	\$100.13	\$20.60	\$91.79	\$112.39	\$91.79
2031	\$103.14	\$21.21	\$96.25	\$117.46	\$96.25
2032	\$106.23	\$21.85	\$101.27	\$123.12	\$101.27
2033	\$109.41	\$22.50	\$106.00	\$128.50	\$106.00
2034	\$112.70	\$23.18	\$114.03	\$137.21	\$114.03
2035	\$116.08	\$23.88	\$121.87	\$145.75	\$121.87
2036	\$119.56	\$24.59	\$124.93	\$149.52	\$124.93
2037	\$123.15	\$25.33	\$130.92	\$156.25	\$130.92
2038	\$126.84	\$26.09	\$137.10	\$163.19	\$137.10
2039	\$130.64	\$26.87	\$143.47	\$170.34	\$143.47
2040	\$134.56	\$27.68	\$149.99	\$177.67	\$149.99

(C)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

AVOIDED COST PRICE (CONTINUED)

Standard Avoided Cost Prices for Wind QF

(N)

Year	Capacity Price	Capacity Cost Allocated to On-Peak Hours	Energy Only Price	Wind Capacity Contribution	Capacity Payment On-Peak Hours	Wind Integration Charge	On-Peak	Off-Peak
	\$/kW-yr	(\$/MWh)	\$/MWh		\$/MWh	\$/MWh	\$/MWh	\$/MWh
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
2014	Market Based Prices					\$6.50	\$35.75	\$23.00
2015	2014 through 2015					\$6.50	\$33.25	\$22.59
2016	\$66.20	\$13.62	\$43.16	3.9%	\$0.53	\$6.50	\$37.19	\$36.66
2017	\$68.19	\$14.03	\$44.82	3.9%	\$0.55	\$6.50	\$38.87	\$38.32
2018	\$70.24	\$14.45	\$46.72	3.9%	\$0.56	\$6.50	\$40.78	\$40.22
2019	\$72.34	\$14.88	\$49.30	3.9%	\$0.58	\$6.50	\$43.38	\$42.80
2020	\$74.51	\$15.33	\$51.98	3.9%	\$0.60	\$6.50	\$46.08	\$45.48
2021	\$76.75	\$15.79	\$55.90	3.9%	\$0.62	\$6.50	\$50.02	\$49.40
2022	\$79.05	\$16.26	\$60.49	3.9%	\$0.63	\$6.50	\$54.62	\$53.99
2023	\$81.42	\$16.75	\$64.48	3.9%	\$0.65	\$6.50	\$58.63	\$57.98
2024	\$83.86	\$17.25	\$67.94	3.9%	\$0.67	\$6.50	\$62.11	\$61.44
2025	\$86.37	\$17.77	\$71.86	3.9%	\$0.69	\$6.50	\$66.05	\$65.36
2026	\$88.96	\$18.30	\$75.63	3.9%	\$0.71	\$6.50	\$69.84	\$69.13
2027	\$91.63	\$18.85	\$79.88	3.9%	\$0.74	\$6.50	\$74.12	\$73.38
2028	\$94.38	\$19.41	\$83.40	3.9%	\$0.76	\$6.50	\$77.66	\$76.90
2029	\$97.22	\$20.00	\$87.39	3.9%	\$0.78	\$6.50	\$81.67	\$80.89
2030	\$100.13	\$20.60	\$91.79	3.9%	\$0.80	\$6.50	\$86.09	\$85.29
2031	\$103.14	\$21.21	\$96.25	3.9%	\$0.83	\$6.50	\$90.58	\$89.75
2032	\$106.23	\$21.85	\$101.27	3.9%	\$0.85	\$6.50	\$95.62	\$94.77
2033	\$109.41	\$22.50	\$106.00	3.9%	\$0.88	\$6.50	\$100.38	\$99.50
2034	\$112.70	\$23.18	\$114.03	3.9%	\$0.90	\$6.50	\$108.43	\$107.53
2035	\$116.08	\$23.88	\$121.87	3.9%	\$0.93	\$6.50	\$116.30	\$115.37
2036	\$119.56	\$24.59	\$124.93	3.9%	\$0.96	\$6.50	\$119.39	\$118.43
2037	\$123.15	\$25.33	\$130.92	3.9%	\$0.99	\$6.50	\$125.41	\$124.42
2038	\$126.84	\$26.09	\$137.10	3.9%	\$1.02	\$6.50	\$131.62	\$130.60
2039	\$130.64	\$26.87	\$143.47	3.9%	\$1.05	\$6.50	\$138.02	\$136.97
2040	\$134.56	\$27.68	\$149.99	3.9%	\$1.08	\$6.50	\$144.57	\$143.49

(N)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

AVOIDED COST PRICE (CONTINUED)

Standard Avoided Cost Prices for PV Solar QF

Year	Capacity Price	Capacity Cost Allocated to On-Peak Hours	Energy Only Price	PV Solar Capacity Contribution	Capacity Payment On-Peak Hours	On-Peak	Off-Peak
	\$/kW-yr	(\$/MWh)	\$/MWh		\$/MWh	\$/MWh	\$/MWh
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
2014	Market Based Prices					\$42.25	\$29.50
2015	2014 through 2015					\$39.75	\$29.09
2016	\$66.20	\$13.62	\$43.16	32.0%	\$4.36	\$47.52	\$43.16
2017	\$68.19	\$14.03	\$44.82	32.0%	\$4.49	\$49.31	\$44.82
2018	\$70.24	\$14.45	\$46.72	32.0%	\$4.62	\$51.34	\$46.72
2019	\$72.34	\$14.88	\$49.30	32.0%	\$4.76	\$54.06	\$49.30
2020	\$74.51	\$15.33	\$51.98	32.0%	\$4.91	\$56.89	\$51.98
2021	\$76.75	\$15.79	\$55.90	32.0%	\$5.05	\$60.95	\$55.90
2022	\$79.05	\$16.26	\$60.49	32.0%	\$5.20	\$65.69	\$60.49
2023	\$81.42	\$16.75	\$64.48	32.0%	\$5.36	\$69.84	\$64.48
2024	\$83.86	\$17.25	\$67.94	32.0%	\$5.52	\$73.46	\$67.94
2025	\$86.37	\$17.77	\$71.86	32.0%	\$5.69	\$77.55	\$71.86
2026	\$88.96	\$18.30	\$75.63	32.0%	\$5.86	\$81.49	\$75.63
2027	\$91.63	\$18.85	\$79.88	32.0%	\$6.03	\$85.91	\$79.88
2028	\$94.38	\$19.41	\$83.40	32.0%	\$6.21	\$89.61	\$83.40
2029	\$97.22	\$20.00	\$87.39	32.0%	\$6.40	\$93.79	\$87.39
2030	\$100.13	\$20.60	\$91.79	32.0%	\$6.59	\$98.38	\$91.79
2031	\$103.14	\$21.21	\$96.25	32.0%	\$6.79	\$103.04	\$96.25
2032	\$106.23	\$21.85	\$101.27	32.0%	\$6.99	\$108.26	\$101.27
2033	\$109.41	\$22.50	\$106.00	32.0%	\$7.20	\$113.20	\$106.00
2034	\$112.70	\$23.18	\$114.03	32.0%	\$7.42	\$121.45	\$114.03
2035	\$116.08	\$23.88	\$121.87	32.0%	\$7.64	\$129.51	\$121.87
2036	\$119.56	\$24.59	\$124.93	32.0%	\$7.87	\$132.80	\$124.93
2037	\$123.15	\$25.33	\$130.92	32.0%	\$8.11	\$139.03	\$130.92
2038	\$126.84	\$26.09	\$137.10	32.0%	\$8.35	\$145.45	\$137.10
2039	\$130.64	\$26.87	\$143.47	32.0%	\$8.60	\$152.07	\$143.47
2040	\$134.56	\$27.68	\$149.99	32.0%	\$8.86	\$158.85	\$149.99

(N)

(N)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

NET ENERGY PURCHASE PRICE

For contract years one (1) through (15) fifteen, the monthly Net Energy Purchase Price will be calculated as follows:

(D)(M)
(N)

For all Energy delivered to the Company on a monthly basis during HL hours the Net Energy Purchase Price will be:

The On-Peak price from the preceding applicable Standard Avoided Cost Price tables multiplied by the appropriate Seasonality Factor.

For all Energy delivered to the Company on a monthly basis during LL hours the Net Energy Purchase Price will be:

The Off-Peak price from the preceding applicable Standard Avoided Cost Price tables multiplied by the appropriate Seasonality Factor.

(N)

For all periods after the end of the fifteenth (15th) contract year, the Company will pay the Seller monthly, for Energy delivered and accepted at the Point of Delivery in accordance with the Seller's election of the following options:

(C)
(C)

Option 1 – Dead Band Method

(D)
(T)

Net Energy Purchase Price =

On-Peak = (AGPU + Capacity Payment On-Peak Hours) X Seasonality Factor

(C)

Off-Peak = AGPU X Seasonality Factor

(T)

Actual Gas Price Used (AGPU) =

90% of Fuel Cost if

Indexed Fuel Cost is less than 90% Fuel Cost; else

110% of Fuel Cost if

Indexed Fuel Cost is greater than 110% Fuel Cost; else

Indexed Fuel Cost

where

On-Peak and Off-Peak are established in this schedule by QF resource type for the applicable calendar year of the actual Net Energy deliveries to the Company, and

(C)

Indexed Fuel Cost is the applicable weighted monthly average index price of natural gas at Sumas multiplied by the Heat Rate Conversion Factor.

(M)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

NET ENERGY PURCHASE PRICE (Continued)

Option 2 – Gas Market Method

(M)
(T)

Net Energy Purchase Price =

On-Peak = (AGPU + Capacity Payment On-Peak Hours) X Seasonality Factor

(C)

Off-Peak = AGPU X Seasonality Factor

(T)

Actual Gas Price Used (AGPU) = Indexed Fuel Cost

where

On-Peak and Off-Peak are established in this schedule by QF resource type for the applicable calendar year of the actual Net Energy deliveries to the Company, and

(C)

Indexed Fuel Cost is the applicable weighted monthly average index price of natural gas at Sumas multiplied by the Heat Rate Conversion Factor.

MISCELLANEOUS PROVISIONS

Insurance

Qualifying Facilities with a Nameplate Capacity of 200 kilowatts or smaller are not required to provide evidence of liability insurance.

GUIDELINES FOR NEGOTIATION OF POWER PURCHASE AGREEMENTS FOR QFS WITH A NAMEPLATE CAPACITY OF 10 MW OR LARGER

1. The Company will not impose terms and conditions beyond what is standard practice. The Edison Electric Institute master agreement and the Company's Standard Contracts are useful starting points in negotiating QF agreements.
2. The Company will provide an indicative pricing proposal for a QF that plans to provide firm energy or capacity and chooses avoided cost rates calculated at the time of the obligation. The Company will provide an indicative pricing proposal within 30 days of receipt of the information the Company requires from the QF. The proposal may include other terms and conditions, tailored to the individual characteristics of the proposed project. The avoided cost rates in the indicative pricing proposal will be based on the following:
 - a. The starting point for negotiations is the avoided cost calculated under the modeling methodology approved by the Idaho Public Utilities Commission for QFs over 10 MW, as refined by the Oregon Public Utility Commission to incorporate stochastic analyses of electric and natural gas prices, loads, hydro and unplanned outages.
 - b. The prospective QF may request in writing that the Company prepare a draft power purchase agreement to serve as the basis for negotiations. The Company may require additional information from the QF necessary to prepare a draft agreement.

(M)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
 (Continued)

GUIDELINES FOR NEGOTIATION OF POWER PURCHASE AGREEMENTS
FOR QFS WITH A NAMEPLATE CAPACITY OF 10 MW OR LARGER (Continued)

- (M)
- c. Within 30 days of receiving the required information, the Company will provide a draft power purchase agreement containing a comprehensive set of proposed terms and conditions.
 - d. The QF must submit in writing a statement of its intention to begin negotiations with the Company and may include written comments and proposals. The Company is not obligated to begin negotiations until it receives written notification from the QF. The Company will not unreasonably delay negotiations and will respond in good faith to all proposals by the QF.
 - e. When the parties have agreed, the Company will prepare a final version of the contract within 15 business days. A contract is not final and binding until signed by both parties.
 - f. At any time after 60 days from the date the QF has provided its written notification pursuant to paragraph d., the QF may file a complaint with the Oregon Public Utility Commission asking the Commission to adjudicate any unresolved contract terms and conditions.
3. **QFs have the unilateral right to select a contract length of up to 20 years for a PURPA contract.** The contract length selected by the QF may impact other contractual issues including, but not limited to, the avoided cost determination with respect to that QF.
4. The Company should consider the QF to be providing firm energy or capacity if the contract requires delivery of a specified amount of energy or capacity over a specified term and includes sanctions for non-compliance under a legally enforceable obligation. The Company shall not determine that a QF provides no capacity value simply because the Company did not select it through a competitive bidding process. For a QF providing firm energy or capacity:
- a. The Company and the QF should negotiate the time periods when the QF may schedule outages and the advance notification requirement for such outages, using provisions in the Company's partial requirements tariffs as guidance.
 - b. The QF should be required to make best efforts to meet its capacity obligations during Company system emergencies.
 - c. The Company and the QF should negotiate security, default, damage and termination provisions that keep the Company and its ratepayers whole in the event the QF fails to meet obligations under the contract.
 - d. Delay of commercial operation should not be a cause of termination if the Company determines at the time of contract execution that it will be resource-sufficient as of the QF on-line date specified in the contract; however, damages may be appropriate.
 - e. Lack of natural motive force for testing to prove commercial operation should not be a cause of termination.
 - f. The Company should include a provision in the contract that states the Company may require a QF terminated due to its default and wishing to resume selling to the Company be subject to the terms of the original contract until its end date.
- (M)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

GUIDELINES FOR NEGOTIATION OF POWER PURCHASE AGREEMENTS
FOR QFS WITH A NAMEPLATE CAPACITY OF 10 MW OR LARGER (Continued)

5. An "as available" obligation for delivery of energy, including deliveries in excess of Nameplate Capacity or the amount committed in the QF contract, should be treated as a non-firm commitment. Non-firm commitments should not be subject to minimum delivery requirements, default damages for construction delay or under-delivery, default damages for the QF choosing to terminate the contract early, or default security for these purposes.
6. For QFs unable to establish creditworthiness, the Company must at a minimum allow the QF to choose either a letter of credit or cash escrow for providing default security. When determining security requirements, the Company should take into account the risk associated with the QF based on such factors as its size and type of supply commitments.
7. When QF rates are based on avoided costs calculated at the time of delivery, the Company should use day-ahead on- and off-peak market index prices at the appropriate market hub(s).
 - a. For QFs providing firm energy or capacity that choose this option, avoided cost rates should be based on day-ahead market index prices for firm purchases.
 - b. For QFs providing energy on an "as available" basis, avoided cost rates should be based on day-ahead market index prices for non-firm purchases.
8. The Company should not make adjustments to standard avoided cost rates other than those approved by the Oregon Public Utility Commission and consistent with these guidelines.
9. The Company should make adjustments to avoided costs for reliability on an expected forward-looking basis. The Company should design QF rates to provide an incentive for the QF to achieve the contracted level and timing of energy deliveries.
10. The Company should make adjustments to avoided costs for dispatchability on a probabilistic, forward-looking basis.
11. If avoided cost rates for a QF are calculated at the time of the obligation and the Company's avoided resource is a fossil fuel plant, the Company should adjust avoided cost rates for the resource deficiency period to take into account avoided fossil fuel price risk.
12. Avoided cost rates for wind QFs should be adjusted for integration cost estimates based on studies conducted for the Company's system, unless the QF contracts for integration services with a third party.
 - a. The Company should use the most recent integration cost data available, consistent with its evaluation of competitively bid and self-build wind resources.
 - b. The portion of integration costs attributable to reserves costs should be based on the difference in such costs between the wind QF and the Company proxy plant.

(M)

(M)

SCHEDULE 85
COGENERATION AND SMALL POWER
PRODUCTION STANDARD
CONTRACT RATES
(Continued)

GUIDELINES FOR NEGOTIATION OF POWER PURCHASE AGREEMENTS
FOR QFS WITH A NAMEPLATE CAPACITY OF 10 MW OR LARGER (Continued)

- (M)
- c. The Company should base first-year integration costs on the actual level of wind resources in the control area, plus the proposed QF. Integration costs for years two through five of the contract should be based on the expected level of wind resources in the control area each year, including the new resources the Company expects to add. Integration costs should be fixed at the year-five level, adjusted for inflation, for the remainder of the life of the wind projects in the control area.
 - d. The Company is prohibited from using a long-range planning target for wind resources as the basis for integration costs. However, if the Company is subject to near-term targets under a mandatory Renewable Portfolio Standard, the Company may base its integration costs on the level of renewable resources it must acquire over the next 10 years.
 - e. In determining integration costs, the Company should make reasonable estimates regarding the portion of renewable resources to be acquired that will be intermittent resources.
13. The Company should adjust avoided cost rates for QF line losses relative to the Company proxy plant based on a proximity-based approach.
14. The Company should evaluate whether there are potential savings due to transmission and distribution system upgrades that can be avoided or deferred as a result of the QFs location relative to the Company proxy plant and adjust avoided cost rates accordingly.
15. The Company should not adjust avoided cost rates for any distribution or transmission system upgrades needed to accept QF power. Such costs should be separately charged as part of the interconnection process.
16. The Company should not adjust avoided cost rates based on its determination of the additional cost it might incur for any debt imputation by a credit rating agency.
17. Regarding Surplus Sale and Simultaneous Purchase and Sale:
- a. QFs may either contract with the Company for a “surplus sale” or for a “simultaneous purchase and sale” provided, however, that the QFs selection of either such contractual arrangement shall not be inconsistent with any retail tariff provision of the Company then in effect or any agreement between the QF and the Company;
 - b. The two sale/purchase arrangements described in paragraph 17. a will be available to QFs regardless of whether they qualify for standard contracts and rates or non-standard contracts and rates, however the “simultaneous purchase and sale” is not available to QFs not directly connected to the Company’s electrical system;
 - c. The negotiation parameters and guidelines should be the same for both sale/purchase arrangements described in paragraph 17. a; and
 - d. The avoided cost calculations by the Company do not require adjustment solely as a result of the selection of one of the sale/purchase arrangements described in paragraph 17.a., rather than the other.
- (M)

Pages Omitted From Excerpt

**OREGON STANDARD ENERGY
SALES AGREEMENT FOR
INTERMITTENT RESOURCE**

CLEAN FORMAT

OREGON STANDARD
ENERGY SALES AGREEMENT
(Intermittent Resource)
BETWEEN
IDAHO POWER COMPANY
AND

TABLE OF CONTENTS

<u>Article</u>	<u>TITLE</u>
1	Definitions
2	No Reliance on Idaho Power
3	Warranties
4	Conditions to Acceptance of Energy
5	Term and Operation Date
6	Purchase and Sale of Net Energy
7	Purchase Price and Method of Payment
8	Environmental Attributes
9	Records
10	Operations
11	Indemnification and Insurance
12	Force Majeure
13	Land Rights
14	Liability; Dedication
15	Several Obligations
16	Waiver
17	Choice of Laws and Venue
18	Disputes, Default and Remedies
19	Governmental Authorization
20	Successors and Assigns
21	Modification
22	Taxes
23	Notices
24	Additional Terms and Conditions
25	Severability
26	Counterparts
27	Entire Agreement Signatures
	Appendix A
	Appendix B
	Appendix C
	Appendix D
	Appendix E

ENERGY SALES AGREEMENT
INTERMITTENT RESOURCE
(10 MW or Less)

Project Number: _____

THIS AGREEMENT is entered into on this _____ day of _____ 20____
between
_____, a _____ company (Seller), and IDAHO
POWER COMPANY, an Idaho corporation (Idaho Power), hereinafter sometimes referred to collectively
as “Parties” or individually as “Party.”

WITNESSETH:

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

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

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

ARTICLE I: DEFINITIONS

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

- 1.1 “Annual Net Energy Amount” –Net Energy that the Seller estimates the Facility will deliver to
Idaho Power at the Point of Delivery for one Contract Year. The Seller shall use all available
information (equipment characteristics, resource characteristics and data, Facility design, etc) to
accurately estimate the Annual Net Energy Amounts. This Annual Net Energy Amount as
specified in paragraph 6.2.1 will be used to calculate the Shortfall Energy quantities within this
Agreement.
- 1.2 “Cash Escrow Security” – Has the meaning set out in paragraph 4.1.6.1.

- 1.3 “Commission” - The Oregon Public Utility Commission.
- 1.4 “Contract Year” - The period commencing each calendar year on the same calendar date as the Operation Date and ending 364 days thereafter.
- 1.5 “Default Security” - A dollar amount computed by the annual On Peak Hours multiplied by the (On Peak price less Off Peak price) multiplied by Annual Net Energy Amount divided by 8,760 where the On Peak price and Off Peak price are the applicable prices specified in the Appendix E.
- 1.6 “Designated Dispatch Facility” - Idaho Power’s Systems Operations Group, or any subsequent group designated by Idaho Power
- 1.7 “Downtime Hours” – the number of hours in a single Contract Year for each generation unit within the Facility, measured in 10 minute increments, in which the generation unit is not in the “run” status or is in “run” status but faulted (including any reasonable delay in resetting a fault). Notwithstanding the previous sentence, Downtime Hours does not include minutes that the unit is unavailable due to (i) an event of Force Majeure; (ii) a default by Idaho Power under this Agreement; (iii) Lack of Prime Mover at times when the generation unit would otherwise be available (including the normal amount of time required by the generation unit to resume operations following a Lack of Prime Mover); or (iv) hours of planned maintenance per generation unit not to exceed 200 hours per generation unit per Contract Year.
- 1.8 “Facility” - That electric generation facility described in Appendix B of this Agreement.
- 1.9 “First Energy Date” - The day commencing at 0001 hours, Mountain Time, following the day that Seller has satisfied the requirements of Article IV and the Seller begins delivering energy to Idaho Power’s system at the Point of Delivery.
- 1.10 “Generation Interconnection Process” – Idaho Power’s generation interconnection application and engineering review process developed to ensure a safe and reliable generation interconnection in compliance with all applicable regulatory requirements, Prudent Electrical Practices and national safety standards.

- 1.11 Integration Charge” – the integration charge as used in the most recent Idaho Power acknowledged Integrated Resource Plan for each specific resource type, specified in Schedule 85 and included as Appendix E to this Agreement.
- 1.12 “Intermittent Resource” – a Facility that produces electrical energy from the use of wind, solar or run of river hydro as the prime mover.
- 1.13 “Lack of Prime Mover” – temporary lack, due to natural causes of Sufficient Prime Mover. Lack of Prime Mover does not include Lack of Prime Mover due to voluntary actions taken by the Seller or by human caused events.
- 1.14 “Letter of Credit Security” – Has the meaning set out in paragraph 4.1.6.2.
- 1.15 “Losses” – The loss of electrical energy expressed in kilowatt hours (kWh) occurring as a result of the transformation and transmission of energy between the point where the Facility’s energy is metered and the point the Facility’s energy is delivered to the Idaho Power electrical system. The loss calculation formula will be as specified in Appendix B of this Agreement.
- 1.16 “Material Breach” – A Default (paragraph 18.2.1) subject to paragraph 18.2.2.
- 1.17 “Mechanical Availability” – measured for each Contract Year, the percentage of time that the Facility is capable of producing Net Energy during a Contract Year. The actual calculation being:

$$\text{Mechanical Availability (\%)} = ((H * N) - (DH * N)) / (H * N) * 100$$

Where:

- H = number of hours in the Contract Year
- N = number of generation units comprising the Facility
- DH = Downtime Hours

- 1.18 “Mechanical Availability Guarantee” - shall be as defined in paragraph 6.4.
- 1.19 “Mid-Columbia Market Energy Cost” – 82.4% of the monthly arithmetic average of the Intercontinental Exchange (“ICE”) daily firm Mid-C Peak Avg and Mid-C Off-Peak Avg reported prices.

The actual calculation being:

$$.824 * \left(\sum_{X=1}^n \{(\text{ICE Mid-C Peak Avg}_x * \text{On-Peak hours for day}) + (\text{ICE Mid-C Off-Peak Avg}_x * \text{Off-Peak hours for day})\} / (n*24) \right)$$

where n = number of days in the month

If the ICE Mid-Columbia Index reporting is discontinued by the reporting agency, both Parties will mutually agree upon a replacement index, which is similar to the ICE Mid-Columbia Index. The selected replacement index will be consistent with other similar agreements and a commonly used index by the electrical industry.

- 1.20 “Nameplate Capacity” –The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperers, kilowatts, volts or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.
- 1.21 “Net Energy” – Electric energy produced by the Facility, less Station Use and Losses, expressed in kilowatt hours (kWh) that is less than or equal to the Nameplate Capacity. Seller commits to deliver all Net Energy to Idaho Power at the Point of Delivery for the full term of the Agreement.
- 1.22 “Off-Peak Hours” – The daily hours from hour ending 2300 - 0600 Mountain Time (8 hours), plus all other hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.23 “On-Peak Hours” – The daily hours from hour ending 0700 – 2200 Mountain Time, (16 hours) excluding all hours on all Sundays, New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.
- 1.24 “Operation Date” – The day commencing at 0001 hours, Mountain Time, following the day that all requirements of paragraph 5.2 have been completed.
- 1.25 “Point of Delivery” – The location specified in Appendix B, where Idaho Power’s and the Seller’s electrical facilities are interconnected.
- 1.26 “Prudent Electrical Practices” – Those practices, methods and equipment that are commonly and ordinarily used in electrical engineering and operations to operate electric equipment lawfully, safely, dependably, efficiently and economically.

- 1.27 “Schedule 85” – Idaho Power’s Oregon Tariff No E-27, Schedule 85 in effect as of the effective date of this Agreement.
- 1.28 “Scheduled Operation Date” – The date specified in Appendix B when Seller anticipates achieving the Operation Date.
- 1.29 “Season” – The three periods identified in Schedule 85.
- 1.30 “Senior Lien” – Has the meaning set out in paragraph 4.1.6.3.
- 1.31 “Shortfall Energy” – Prior to the Operation Date, Shortfall Energy shall be equal to the Annual Net Energy Amount specified in paragraph 6.2 divided by 365, multiplied by the number of days past the Scheduled Operation Date when the Operation Date is achieved less 30 days, less Surplus Energy. If this calculation results in a value less than 0 then the result shall be 0.
- 1.32 “Station Use” – Electric energy that is used to operate equipment that is auxiliary or otherwise related to the production of electricity by the Facility. To calculate the Station Use value for use in the Mechanical Availability calculation, the previous period’s actual Station Use will be used as a basis.
- 1.33 “Step-In Rights” – Has the meaning set out in paragraph 4.1.6.4.
- 1.34 “Sufficient Prime Mover” means prime mover (i.e. wind speed, water quantity or solar insolation) that is equal to or greater than the generation unit’s manufacturer-specified minimum levels required for the generation unit to produce energy.
- 1.35 “Surplus Energy” – (1) All Net Energy produced by the Seller’s Facility and delivered by the Facility to the Idaho Power electrical system that exceeds the Nameplate Capacity of the Facility. Deliveries above the Facility’s Nameplate Capacity solely for the purpose of accommodating hourly scheduling in whole MWs by a third party transmission provider shall not be considered to be Surplus Energy as described within this paragraph 1.35 item 1 or (2) All Net Energy produced by the Seller’s Facility and delivered by the Facility to the Idaho Power electrical system prior to the Operation Date.
- 1.36 “Total Cost of the Facility” - The total cost of structures, equipment and appurtenances.

ARTICLE II: NO RELIANCE ON IDAHO POWER

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

ARTICLE III: WARRANTIES

- 3.1 No Warranty by Idaho Power - Any review, acceptance or failure to review Seller's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Idaho Power and Idaho Power makes no warranties, expressed or implied, regarding any aspect of Seller's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.
- 3.2 Qualifying Facility Status - Seller warrants that the Facility is a "Qualifying Facility," as that term is used and defined in 18 CFR 292.201 et seq. Seller's failure to maintain the Facility and operations of the Facility in a manner consistent with the initial Qualifying Facility certificate will be a Material Breach of this Agreement. Idaho Power reserves the right to review the Seller's Qualifying Facility status and associated support and compliance documents at anytime during the term of this Agreement.
- 3.2.1 If Idaho Power's obligation to purchase energy from a "Qualifying Facility," as that term is defined in 18 CFR 292.201 et seq. or ORS 758.505(8), is repealed or otherwise terminated, this Agreement will remain in full force and effect unless state or federal law mandates termination of this Agreement.
- 3.3 FERC License (*only applies to hydro projects*) - Seller warrants that Seller possesses a valid

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

3.4 Eligibility for Standard Rates and Contract

3.4.1 Initial Qualification - Seller warrants that the Seller's Facility meets the definitions contained in Appendix D, "Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard Contract" of this Agreement approved by the Commission at the time this Agreement is executed and is therefore eligible for standard rates and the standard contract. Upon request from Idaho Power, the Seller will provide Idaho Power with documentation verifying the ownership, management and financial structure of the Facility in reasonably sufficient detail to allow Idaho Power to make an initial determination of whether or not the Facility meets the described criteria for entitlement to the standard rates and standard contract as defined in Appendix D.

3.4.2 Ongoing Qualification - Seller warrants that the Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to be ineligible for standard rates and a standard contract in compliance with the Appendix D approved by the Commission at the time this Agreement is executed. Seller will provide, upon request by Idaho Power not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with the Definition in Appendix D. Idaho Power 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 Idaho Power will provide all such confidential information to the Public Utility Commission of

Oregon upon the Commission's request.

3.4.3 Qualification Dispute - Any dispute concerning the Seller's entitlement to the standard rates and standard contract shall be presented to the Commission for resolution.

3.4.4 Seller warrants that the Facility is an Intermittent Resource.

ARTICLE IV: CONDITIONS TO ACCEPTANCE OF ENERGY

4.1 Prior to the First Energy Date and as a condition of Idaho Power's acceptance of deliveries of energy from the Seller, Seller shall:

4.1.1 Submit proof to Idaho Power that all licenses, permits or approvals necessary for Seller's operations have been obtained from applicable federal, state or local authorities, including, but not limited to, evidence of compliance with Subpart B, 18 CFR 292.201 et seq.

4.1.2 Nameplate Capacity Determination - Submit to Idaho Power such data as Idaho Power may reasonably require to confirm the manufacturer's Nameplate Capacity rating of the Facility. Such data will include but not be limited to, equipment specifications, power factor assumptions, and any other data that would allow Idaho Power to verify the manufacturer's nameplate rating of this Facility. Upon receipt of this information, Idaho Power will review the provided data and if necessary, request additional data to complete the verification process within a reasonable time.

4.1.3 Engineer's Certifications - Submit an executed Engineer's Certification of Design & Construction Adequacy and an Engineer's Certification of Operations and Maintenance (O&M) Policy. These certificates will be in the form specified in Appendix C but may be modified to the extent necessary to recognize the different engineering disciplines providing the certificates.

4.1.4 Insurance - Submit written proof to Idaho Power of all insurance required in Article XI.

4.1.5 Interconnection - Provide written proof to Idaho Power that all Generation Interconnection Process requirements have been completed. The entire completed

Generation Interconnection Process, including, but not limited to, the equipment specifications and requirements will be included by reference in this Agreement.

4.1.6 Security Requirements – Provide Idaho Power with commercially reasonable representations and warranties and other documentation to determine the Seller’s creditworthiness. Such documentation would include, at a minimum, that the Seller is current on existing debt obligations and has not been a debtor in a bankruptcy preceding within the preceding two years. Upon receipt of this information, Idaho Power will review the provided data and, if necessary, request additional data and/or will provide written confirmation or rejection of the provided data within a reasonable time. In lieu of providing evidence of acceptable creditworthiness, the Seller may provide Idaho Power with commercially reasonable security instruments such as Letter of Credit, Senior Lien Rights, Step-In-Rights, Cash Escrow Security as those terms are defined in this Agreement or other forms of liquid financial security that would provide readily available cash to Idaho Power in the Event of a Default under this Agreement. The value of these security instruments shall at the minimum be equal to the Default Security as defined in paragraph 1.5 of this Agreement.

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

4.1.6.2 Letter of Credit Security - Seller shall post and maintain in an amount equal to the Default Security: (a) a guaranty from a party that satisfies the Credit Requirements, in a form acceptable to Idaho Power in its discretion, or (b) a Letter of Credit in favor of Idaho Power. To the extent Idaho Power receives

payment from the Default Security, Seller shall, within fifteen (15) days, restore the Default Security as if no such deduction had occurred.

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

4.1.6.4 Step-in Rights (Operation by Idaho Power Following Event of Default of Seller).

4.1.6.4.1 Prior to any termination of this Agreement due to an Event of Default of Seller, as identified in paragraph 18.2, Idaho Power shall have the right, but not the obligation, to possess, assume control of, and operate the Facility as agent for Seller (in accordance with Seller's rights, obligations, and interest under this Agreement) during the period provided for herein. Seller shall not grant any person, other than the lending institution providing financing to the Seller for construction of the Facility ("Facility Lender"), a right to possess, assume control of, and operate the Facility that is equal to or superior to Idaho Power's

right under this paragraph 4.1.6.4.

4.1.6.4.2 Idaho Power shall give Seller ten (10) calendar days notice in advance of the contemplated exercise of Idaho Power's rights under this paragraph 4.1.6.4. Upon such notice, Seller shall collect and have available at a convenient, central location at the Facility all documents, contracts, books, manuals, reports, and records required to construct, operate, and maintain the Facility in accordance with Prudent Electrical Practices. Upon such notice, Idaho Power, its employees, contractors, or designated third parties shall have the unrestricted right to enter the Facility for the purpose of constructing and/or operating the Facility. Seller hereby irrevocably appoints Idaho Power as Seller's attorney-in-fact for the exclusive purpose of executing such documents and taking such other actions as Idaho Power may reasonably deem necessary or appropriate to exercise Idaho Power's step-in rights under this paragraph 4.1.6.4.

4.1.6.4.3 During any period that Idaho Power is in possession of and constructing and/or operating the Facility, no proceeds or other monies attributed to operation of the Facility shall be remitted to or otherwise provided to the account of Seller until all Events of Default of Seller have been cured.

4.1.6.4.4 During any period that Idaho Power is in possession of and operating the Facility, Seller shall retain legal title to and ownership of the Facility and Idaho Power shall assume possession, operation, and control solely as agent for Seller.

a) In the event Idaho Power is in possession and control of the Facility for an interim period, Seller shall resume operation

and Idaho Power shall relinquish its right to operate when Seller demonstrates to Idaho Power's reasonable satisfaction that it will remove those grounds that originally gave rise to Idaho Power's right to operate the Facility, as provided above, in that Seller (i) will resume operation of the Facility in accordance with the provisions of this Agreement, and (ii) has cured any Events of Default of Seller which allowed Idaho Power to exercise its rights under this paragraph 4.1.6.4.

- b) In the event that Idaho Power is in possession and control of the Facility for an interim period, the Facility Lender, or any nominee or transferee thereof, may foreclose and take possession of and operate the Facility and Idaho Power shall relinquish its right to operate when the Facility Lender or any nominee or transferee thereof, requests such relinquishment.

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

4.1.7 Written Acceptance – Request and obtain written confirmation from Idaho Power that all conditions to acceptance of energy have been fulfilled. Such written confirmation shall be provided within a commercially reasonable time following the Seller’s request and will not be unreasonably withheld by Idaho Power.

ARTICLE V: TERM AND OPERATION DATE

5.1 Term - Subject to the provisions of paragraph 5.2 below, this Agreement shall become effective on the date first written and shall continue in full force and effect for a period of _____ (not to exceed 20 years) Contract Years from the Operation Date.

5.2 Operation Date - The Operation Date may occur only after the Facility has achieved all of the following:

- a) Achieved the First Energy Date.
- b) Seller has demonstrated to Idaho Power's satisfaction that the Facility is complete and able to provide energy in a consistent, reliable and safe manner.
- c) Seller has requested an Operation Date from Idaho Power in a written format.
- d) Seller has received written confirmation from Idaho Power of the Operation Date.

This confirmation will not be unreasonably withheld by Idaho Power.

5.3 If the Seller fails to achieve the Operation Date within 30 days of the Scheduled Operation Date, Seller will reimburse Idaho Power for any Shortfall Energy Repayment Amount accruing from 30 days following the Scheduled Operation Date until the Seller achieves the Operation Date. Such reimbursement shall be determined in the manner described in paragraph 7.4, 7.5 and 7.6 of this Agreement.

5.4 Seller’s failure to achieve the Operation Date within ten (10) months of the Scheduled Operation Date will be an Event of Default.

ARTICLE VI: PURCHASE AND SALE OF NET ENERGY

6.1 Delivery and Acceptance of Net Energy - Except when either Party's performance is excused as

provided herein, Idaho Power will purchase and Seller will sell all of the Net Energy to Idaho Power at the Point of Delivery.

6.2 Annual Net Energy Amount - Seller intends to produce and deliver Net Energy in the following annual amount:

6.2.1 Annual Net Energy Amount: _____ kWh

6.2.2 Seller's Adjustment of Annual Net Energy Amounts

6.2.2.1 No later than the Scheduled Operation Date, by written notice given to Idaho Power in accordance with paragraph 23.1, the Seller may revise the previously provided Annual Net Energy Amount.

6.3 Unless excused by an event of Force Majeure, Seller's failure to deliver Net Energy in any two consecutive Contract Years in an amount equal to at least ten percent (10%) of the Annual Net Energy Amount specified in paragraph 6.2 shall constitute an Event of Default.

6.4 Mechanical Availability Guarantee (MAG) – Seller guarantees that beginning with the third Contract Year the annual Mechanical Availability of the Facility shall be no less than 90 percent.

6.4.1 MAG notification – within ten (10) days after the end of a Contract Year, the Seller shall provide Idaho Power with the Seller certified accurate Mechanical Availability calculations for the recently passed Contract Year. At the minimum the information provided to Idaho Power will include a summary record of the Contract Year's Generation Unit Downtime Hours, Lack of Prime Mover, Force Majeure events and any other information required to confirm the Seller's Mechanical Availability calculation.

6.4.2 The Seller shall maintain detailed documentation of the Seller's Mechanical Availability calculation for a minimum of three (3) Contract Years.

6.4.3 Idaho Power shall have the right to review and audit the documentation supporting the calculation of the Mechanical Availability at reasonable times at the Seller's Facility or other mutually agreed to location.

6.4.4 Shortfall Energy - if the Mechanical Availability falls below the MAG for any Contract Year, the Shortfall Energy for that Contract Year shall be expressed in kWh and

calculated as follows:

Shortfall Energy = (MAG – Mechanical Availability) * Annual Net Energy Amount.

ARTICLE VII: PURCHASE PRICE AND METHOD OF PAYMENT

- 7.1 Net Energy Purchase Price – For the first fifteen (15) Contract Years the Seller shall be paid the On-Peak and Off-Peak prices, less any identified Integration Charge applicable to the Facility resource type as specified in Schedule 85 and included as Appendix E of this Agreement for Net Energy deliveries during On Peak or Off Peak hours. For all Net Energy delivered to Idaho Power after the first fifteen (15) Contract Years and for the remaining term of this Agreement, the Seller has selected Option _____ from Schedule 85 as the basis for determining the purchase price. The Net Energy Purchase Price shall be calculated as specified in Schedule 85 resulting in an On-Peak and Off-Peak Net Energy Purchase Price which will be applied to the applicable energy deliveries during On-Peak and Off-Peak Hours.
- 7.2 Surplus Energy Price - For all Surplus Energy, Idaho Power shall pay to the Seller 85% of the Mid-Columbia Market Energy Cost or the Off-Peak Net Energy Purchase Price as specified in Appendix E, whichever is lower.
- 7.3 Increase in Nameplate Capacity - If the Seller increases the Nameplate Capacity of the Seller's Facility as a result of increased prime mover, refurbishing equipment, upgrading equipment, reconfiguration of equipment, operation modifications, or by any means other than installing additional generation units, then the Nameplate Capacity as defined in paragraph 1.20 shall be revised to match this increased Nameplate Capacity rating. If the increase in Nameplate Capacity results in the Nameplate Capacity of the Facility exceeding 10 MW, then the on a going-forward basis Idaho Power shall pay Seller the Net Energy Price specified in Section 7.1 for the fraction of total Net Energy delivered equal to 10,000 kW divided by the Nameplate Capacity of the upgraded Facility. For the remaining fraction of Net Energy Idaho Power Company and Seller shall agree to a new negotiated rate. Seller shall be responsible for ensuring that any planned increase in the Nameplate Capacity or the maximum instantaneous capacity of the Facility

complies with Seller's Interconnection Agreement, Transmission Agreement and any other relevant agreements.

7.4 Shortfall Energy Repayment Price –

7.4.1 Price to be applied to all Shortfall Energy that occurs prior to the Operation Date - If the current day's Market Energy Cost is greater than the applicable Net Energy Purchase Price that would have been paid to the Seller for energy delivered to Idaho Power on that day if the Facility had achieved its Operation Date, the Shortfall Energy Repayment Price will be determined by subtracting the current day's Market Energy Cost from the current day's Net Energy Purchase Price. If the result of this subtraction is less than 0, then the Shortfall Energy Repayment Price is 0. If the result of this subtraction is greater than the current day's Net Energy Purchase Price as described in this paragraph, then the Shortfall Energy Purchase Price shall be equal to current day's Net Energy Purchase Price.

7.5 Shortfall Energy Repayment Amount –

7.5.1 Amount due for Shortfall Energy that occurs prior to the Operation Date - An accumulation of each day's Shortfall Energy multiplied by the Shortfall Energy Repayment Price for each day of the preceding month.

7.6 Shortfall Energy Repayment Schedule –

7.6.1 Repayment schedule for all Shortfall Energy amounts that are due to Shortfall Energy prior to the Operation Date – No later than 15 days following the end of each month, Idaho Power will calculate the previous month's Shortfall Energy Repayment Amount. The Seller shall pay any Shortfall Energy Repayment Amounts to Idaho Power within 10 business days of Idaho Power presenting a billing for payment to the Seller.

7.7 Payment Due Date – Energy payments (inclusive of Integration Charge) to the Seller including any additional deductions for Shortfall Energy Repayment Amounts or any other billings due Idaho Power will be disbursed within thirty (30) days of the date which Idaho Power receives and accepts the documentation of the monthly Net Energy actually produced by the Seller's Facility and delivered to Idaho Power as specified in Appendix A.

ARTICLE VIII: ENVIRONMENTAL ATTRIBUTES

- 8.1 Idaho Power waives any claim to ownership of Environmental Attributes. Environmental Attributes include, but are not limited to, Green Tags, Green Certificates, Renewable Energy Credits (RECs) and Tradable Renewable Certificates (TRCs) directly associated with the production of energy from the Seller's Facility.

ARTICLE IX: RECORDS

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

ARTICLE X: OPERATIONS

- 10.1 Communications - Idaho Power and the Seller shall maintain appropriate operating communications through Idaho Power's Designated Dispatch Facility in accordance with Appendix A of this Agreement.
- 10.2 Energy Acceptance –
- 10.2.1 Idaho Power shall be excused from accepting and paying for Net Energy produced by the Facility and delivered by the Seller to the Point of Delivery, if it is prevented from doing so by an event of Force Majeure, or if Idaho Power determines that curtailment, interruption or reduction of Net Energy deliveries is necessary because of line construction or maintenance requirements, emergencies, electrical system operating conditions on its system or as otherwise required by Prudent Electrical Practices. If, for reasons other than an event of Force Majeure, Idaho Power requires such a curtailment,

interruption or reduction of Net Energy deliveries for a period that exceeds twenty (20) days, beginning with the twenty-first day of such interruption, curtailment or reduction, Seller will be deemed to be delivering Net Energy at a rate equivalent to the pro rata daily average of the amount specified in paragraph 6.2. Idaho Power will notify Seller when the interruption, curtailment or reduction is terminated.

10.2.2 If, in the reasonable opinion of Idaho Power, Seller's operation of the Facility or Interconnection Facilities is unsafe or may otherwise adversely affect Idaho Power's equipment, personnel or service to its customers, Idaho Power may physically interrupt the flow of energy from the Facility as specified within the Generation Interconnection Process or take such other reasonable steps as Idaho Power deems appropriate.

10.3 Scheduled Maintenance – On or before January 31 of each calendar year, Seller shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year and Idaho Power and Seller shall mutually agree as to the acceptability of the proposed schedule. The Parties' determination as to the acceptability of the Seller's timetable for scheduled maintenance will take into consideration Prudent Electrical Practices, Idaho Power system requirements and the Seller's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule.

10.4 Maintenance Coordination - The Seller and Idaho Power shall, to the extent practical, coordinate their respective line and Facility maintenance schedules such that they occur simultaneously.

10.5 Contact Prior to Curtailment - Idaho Power will make a reasonable attempt to contact the Seller prior to exercising its rights to curtail, interrupt or reduce deliveries from the Seller's Facility. Seller understands that, in the case of emergency circumstances, real time operations of the electrical system, and/or unplanned events Idaho Power may not be able to provide notice to the Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Idaho Power.

ARTICLE XI: INDEMNIFICATION AND INSURANCE

11.1 Indemnification - Each Party shall agree to hold harmless and to indemnify the other Party, its officers, directors, agents, affiliates, subsidiaries, parent company and employees against all loss, damage, expense and liability to third persons for injury to or death of person or injury to property, proximately caused by the indemnifying Party's construction, ownership, operation or maintenance of, or by failure of, any of such Party's works or facilities used in connection with this Agreement. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall pay all costs, including reasonable attorney fees that may be incurred by the other Party in enforcing this indemnity.

11.2 Insurance -

11.2.1 If the Facility's Nameplate Capacity as determined in paragraph 1.20 of this Agreement is greater than 200 kW, the Seller shall secure and continuously carry the following insurance coverage:

11.2.1.1 Comprehensive General Liability Insurance for both bodily injury and property damage with limits equal to \$1,000,000, each occurrence, combined single limit. The deductible for such insurance shall be consistent with current Insurance Industry Utility practices for similar property.

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

- (a) An endorsement naming Idaho Power as an additional insured and loss payee as applicable; and
- (b) A provision stating that such policy shall not be canceled or the limits of liability reduced without sixty (60) days' prior written notice to Idaho Power.

11.2.1.3 Seller to Provide Certificate of Insurance - As required in paragraph 4.1.4 herein and annually thereafter, Seller shall furnish Idaho Power a certificate of insurance, together with the endorsements required therein, evidencing the coverage as set forth above.

11.2.1.4 Seller to Notify Idaho Power of Loss of Coverage - If the insurance coverage required by paragraph 11.2 shall lapse for any reason, Seller will immediately notify Idaho Power in writing. The notice will advise Idaho Power of the specific reason for the lapse and the steps Seller is taking to reinstate the coverage. Failure to provide this notice and to expeditiously reinstate or replace the coverage will constitute a Material Breach of this Agreement.

ARTICLE XII: FORCE MAJEURE

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

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

ARTICLE XIII: LAND RIGHTS

- 13.1 Seller to Provide Access - Seller hereby grants to Idaho Power for the term of this Agreement all necessary rights-of-way and easements to install, operate, maintain, replace and remove Idaho Power's Metering Equipment, Interconnection Equipment, Disconnection Equipment, Protection Equipment and other Special Facilities necessary or useful to this Agreement, including adequate and continuing access rights on property of Seller. Seller warrants that it has procured sufficient easements and rights-of-way from third parties so as to provide Idaho Power with the access described above. All documents granting such easements or rights-of-way shall be subject to Idaho Power's approval and in recordable form.
- 13.2 Use of Public Rights-of-Way - The Parties agree that it is necessary to avoid the adverse environmental and operating impacts that would occur as a result of duplicate electric lines being constructed in close proximity. Therefore, subject to Idaho Power's compliance with paragraph 13.4, Seller agrees that should Seller seek and receive from any local, state or federal governmental body the right to erect, construct and maintain Seller-furnished Interconnection Facilities upon, along and over any and all public roads, streets and highways, then the use by Seller of such public right-of-way shall be subordinate to any future use by Idaho Power of such public right-of-way for construction and/or maintenance of electric distribution and transmission facilities and Idaho Power may claim use of such public right-of-way for such purposes at any time. Except as required by paragraph 13.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this paragraph 13.2.
- 13.3 Joint Use of Facilities - Subject to Idaho Power's compliance with paragraph 13.4, Idaho Power may use and attach its distribution and/or transmission facilities to Seller's Interconnection Facilities, may reconstruct Seller's Interconnection Facilities to accommodate Idaho Power's usage or Idaho Power may construct its own distribution or transmission facilities along, over and above any public right-of-way acquired from Seller pursuant to paragraph 13.2, attaching Seller's Interconnection Facilities to such newly constructed facilities. Except as required by paragraph

13.4, Idaho Power shall not be required to compensate Seller for exercising its rights under this paragraph 13.3.

- 13.4 Conditions of Use - It is the intention of the Parties that the Seller be left in substantially the same condition, both financially and electrically, as Seller existed prior to Idaho Power's exercising its rights under this Article XIII. Therefore, the Parties agree that the exercise by Idaho Power of any of the rights enumerated in paragraphs 13.2 and 13.3 shall: (1) comply with all applicable laws, codes and Prudent Electrical Practices, (2) equitably share the costs of installing, owning and operating jointly used facilities and rights-of-way. If the Parties are unable to agree on the method of apportioning these costs, the dispute will be submitted to the Commission for resolution and the decision of the Commission will be binding on the Parties, and (3) shall provide Seller with an interconnection to Idaho Power's system of equal capacity and durability as existed prior to Idaho Power exercising its rights under this Article XIII.

ARTICLE XIV: LIABILITY; DEDICATION

- 14.1 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 or affect the status of Idaho Power as an independent public utility corporation or Seller as an independent individual or entity.

ARTICLE XV: SEVERAL OBLIGATIONS

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

ARTICLE XVI: WAIVER

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

ARTICLE XVII: CHOICE OF LAWS AND VENUE

- 17.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of Oregon without reference to its choice of law provisions.
- 17.2 Venue for any litigation arising out of or related to this Agreement will lie in the District Court of the Ninth Judicial District of Oregon in and for the County of Malheur.

ARTICLE XVIII: DISPUTES, DEFAULTS AND REMEDIES

- 18.1 Disputes - All disputes related to or arising under this Agreement, including, but not limited to, the interpretation of the terms and conditions of this Agreement, will be submitted to the Commission for resolution.
- 18.2 Notice of Default -
- 18.2.1 Defaults. If either Party fails to perform any of the terms or conditions of this Agreement (an “Event of Default” or “Default”), the nondefaulting Party shall cause notice in writing to be given to the defaulting Party, specifying the manner in which such Default occurred. If the defaulting Party shall fail to cure such Default within the sixty (60) days after service of such notice, or if the defaulting Party reasonably demonstrates to the other Party that the Default can be cured within a commercially reasonable time but not within such sixty (60) day period and then fails to diligently pursue such cure, then, the nondefaulting Party may, at its option, terminate this Agreement and/or pursue its legal or equitable remedies.
- 18.2.2 Material Breaches – The notice and cure provisions in paragraph 18.2.1 do not apply to Defaults identified in this Agreement as Material Breaches. Material Breaches

must be cured as expeditiously as possible following occurrence of the breach.

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

18.3.1 Insurance - Evidence of compliance with the provisions of paragraph 11.2. If Seller fails to comply, such failure will be a Material Breach and may only be cured by Seller supplying evidence that the required insurance coverage has been replaced or reinstated;

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

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

18.3.4 Security Requirements – During the full term of this Agreement, Seller shall maintain the Security Requirements established in accordance with paragraph 4.1.6. Failure to maintain these Security Requirements will be a Material Breach of this Agreement.

18.3.4.1 If the Seller fails to maintain the Security Requirements as specified in paragraph 18.3.4 and it is deemed the Seller is in Material Breach of this Agreement, if the Material Breach is a result of the Seller defaulting on a

Facility construction loan, the Seller shall provide Idaho Power notice of the Facility construction loan default. Idaho Power may require the Seller to provide Default Security to remedy this Material Breach. Upon notice from Idaho Power to the Seller requiring the Seller to provide Default Security to remedy this Material Breach, within 10 business days of said notice, the Seller may provide Idaho Power evidence for review that the Seller has negotiated satisfactory financial arrangements with the construction loan lender that mitigates the Seller's financial risk. Upon review of the Seller's provided documentation, if Idaho Power determines that the negotiated financial arrangements satisfactorily mitigates the Seller's financial risk, Idaho Power will deem this Material Breach to be cured. If Idaho Power determines that the provided documentation does not provide evidence that the Seller's risk has been satisfactorily mitigated, the Seller will be required to provide Default Security within 5 business days of Idaho Power's notification that the Material Breach has not been cured.

18.3.5 Recoupment of Damages

18.3.5.1 Default Security Available. – If a Default has occurred and has not been cured and if the Seller has posted Default Security, Idaho Power may draw upon that security, in accordance with paragraph 18.2.1 to satisfy any damages.

18.3.5.2 Default Security Unavailable – If a Default has occurred and has not been cured and if Seller has not posted Default Security, or if Idaho Power has exhausted the Default Security, Idaho Power may collect any remaining amount owing by; (1) lump sum payment to Idaho Power by the Seller or (2) partially withholding future payments to the Seller over a reasonable period of time. Idaho Power and the Seller shall work together in good faith to establish the reasonable period and monthly amounts, of such withholding so

as to avoid Seller's default on its commercial or financing agreements necessary for its continued operations of the Facility.

18.3.6 Termination

18.3.6.1 In the event a Default or a Material Breach by the Seller as specified in this Agreement results in the termination of this Agreement and the Seller or a party substantially the same as the Seller, subsequently seeks to enter into a new standard QF contract for this same Facility. Then, the new standard QF contract shall run for the period that the original contract would have run, and shall contain the same terms, rates and conditions as the original Agreement.

18.3.6.2 In the event a Default or a Material Breach by the Seller as specified in this Agreement results in the termination of this Agreement, the Seller shall pay Idaho Power damages equal to the positive difference, if any, obtained by subtracting the Net Energy Purchase Price from the projected forward Mid-Columbia Market Energy Cost for 24 months beginning with the next full month after the date of termination multiplied by the Annual Net Energy Amounts.

ARTICLE XIX: GOVERNMENTAL AUTHORIZATION

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

ARTICLE XX: SUCCESSORS AND ASSIGNS

20.1 This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto, except that no assignment hereof by either Party shall become effective without the written consent of both Parties being

first obtained. Such consent shall not be unreasonably withheld. Notwithstanding the foregoing, any party which Idaho Power may consolidate, or into which it may merge, or to which it may convey or transfer substantially all of its electric utility assets, shall automatically, without further act, and without need of consent or approval by the Seller, succeed to all of Idaho Power's rights, obligations and interests under this Agreement. This article shall not prevent a financing entity with recorded or secured rights from exercising all rights and remedies available to it under law or contract. Idaho Power shall have the right to be notified by the financing entity that it is exercising such rights or remedies.

ARTICLE XXI: MODIFICATION

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

ARTICLE XXII: TAXES

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

ARTICLE XXIII: NOTICES

23.1 All written notices under this agreement shall be directed as follows and shall be considered delivered when deposited in the U. S. Mail, first-class postage prepaid, as follows:

To Seller: _____

To Idaho Power:

Original document to:

Vice President, Power Supply
Idaho Power Company
P. O. Box 70
Boise, Idaho 83707

Copy of document to:

Cogeneration and Small Power Production
Idaho Power Company
P. O. Box 70
Boise, Idaho 83707

ARTICLE XXIV: ADDITIONAL TERMS AND CONDITIONS

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

Appendix A	-	Generation Scheduling and Reporting
Appendix B	-	Facility and Point of Delivery
Appendix C	-	Engineer's Certifications
Appendix D	-	Definition of a Small Cogeneration Facility or Small Power Production Facility eligible to receive the standard rates and standard contract.
Appendix E	-	Applicable Prices from Schedule 85

ARTICLE XXV: SEVERABILITY

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

ARTICLE XXVI: COUNTERPARTS

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

ARTICLE XXVII: ENTIRE AGREEMENT

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

IN WITNESS WHEREOF, The Parties hereto have caused this Agreement to be executed

in their respective names on the dates set forth below:

Idaho Power Company

By

By

Dated

Dated

“Idaho Power”

“Seller”

APPENDIX A

A –1 MONTHLY POWER PRODUCTION AND SWITCHING REPORT

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

Idaho Power Company
Attn: Cogeneration and Small Power Production
P.O. Box 70
Boise, Idaho 83707

The Meter readings required on this report will be the reading on the Idaho Power Meter Equipment measuring the Facility's total energy production and Station Use delivered to Idaho Power and the maximum generated energy (kW) as recorded on the Meter Equipment and/or any other required energy measurements to adequately administer this Agreement.

Idaho Power Company

Cogeneration and Small Power Production

MONTHLY POWER PRODUCTION AND SWITCHING REPORT

Month _____ Year _____

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

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

As specified in this Agreement, the Seller shall include with this monthly report a summary statement of the Mechanical Availability of this Facility for the calendar month. This summary shall include details as to how the Seller calculated this value and summary of the Facility data used in the calculation. Idaho Power and the Seller shall work together to mutually develop a summary report that provides the required data. Idaho Power reserves the right to review the detailed data used in this calculation as allowed within the Agreement.

Breaker Opening Record

<u>Date</u>	<u>Time</u>	<u>Meter</u>

* <u>Reason</u>

Breaker Closing Record

<u>Date</u>	<u>Time</u>	<u>Meter</u>

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

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

A-2 ROUTINE REPORTING

Idaho Power Designated Dispatch Facility contact information

Daily Energy Production Reporting

All projects with a Nameplate Capacity of 1 MW or greater shall:

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

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

If Idaho Power determines that adequate generation data is available for this Facility's daily generation, Idaho Power may modify these reporting requirements

Planned and Unplanned Project outages

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

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

Seller's Contact Information

24-Hour Project Operational Contact

Name: _____
 Telephone Number: _____
 Cell Phone: _____

Project On-site Contact information

Telephone Number: _____

APPENDIX B

FACILITY AND POINT OF DELIVERY

PROJECT NO. _____

B-1 DESCRIPTION OF FACILITY

B-2 LOCATION OF FACILITY

B-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected _____ as the estimated Scheduled First Energy Date.

Seller has selected _____ as the estimated Scheduled Operation Date.

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

B-4 POINT OF DELIVERY

_____ the point on the Idaho Power electrical system where the Sellers Facility's energy is delivered to the Idaho Power. This point shall be a point on the Idaho Power electrical system that is able to accept the Seller's energy and Idaho Power is able to disburse the energy to local Idaho Power load requirements or available capacity exists on

the Idaho Power electrical system to allow transporting the Seller's energy to areas within the Idaho Power system that is capable of consuming the Seller's energy deliveries.

B-5 LOSSES

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

B-6 METERING AND TELEMETRY

At the minimum the Metering Equipment and Telemetry equipment must be able to provide and record hourly energy deliveries to the Point of Delivery and any other energy measurements required to administer this Agreement.

APPENDIX C
ENGINEER'S CERTIFICATION
OF
OPERATIONS & MAINTENANCE POLICY

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

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

Project's producing at or near the design electrical output, efficiency and plant factor for a period of _____years.

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

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

By _____

(P.E. Stamp)

Date _____

APPENDIX C
ENGINEER'S CERTIFICATION
OF
ONGOING OPERATIONS AND MAINTENANCE

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

1. That Engineer is a Licensed Professional Engineer in good standing in the State of Oregon.
2. That Engineer has reviewed the Energy Sales Agreement, hereinafter "Agreement," between Idaho Power as Buyer, and _____ as Seller, dated _____.
3. That the cogeneration or small power production project which is the subject of the Agreement and this Statement is identified as IPCo Facility No. _____ and hereinafter referred to as the "Project".
4. That the Project, which is commonly known as the _____, is located at _____.
5. That Engineer recognizes that the Agreement provides for the Project to furnish electrical energy to Idaho Power for a period of _____ years.
6. That Engineer has substantial experience in the design, construction and operation of electric power plants of the same type as this Project.
7. That Engineer has no economic relationship to the Design Engineer of this Project.
8. That Engineer has made a physical inspection of said Project, its operations and maintenance records since the last previous certified inspection. It is Engineer's professional opinion, based on the Project's appearance, that its ongoing O&M has been substantially in accordance with said O&M Policy; that it is in reasonably good operating condition; and that if adherence to said O&M Policy continues, the Project will continue producing at or near its design electrical output, efficiency and plant factor for the remaining _____ years of the Agreement.

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

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

By _____

(P.E. Stamp)

Date _____

APPENDIX C
ENGINEER'S CERTIFICATION
OF
DESIGN & CONSTRUCTION ADEQUACY

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

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

applicable codes and consistent with Prudent Electrical Practices as that term is described in the Agreement.

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

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

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

By _____
(P.E. Stamp)

Date _____

APPENDIX D

DEFINITION OF A SMALL COGENERATION FACILITY

OR

SMALL POWER PRODUCTION FACILITY

ELIGIBLE TO RECEIVE THE STANDARD RATES AND STANDARD CONTRACT

A Qualifying Facility (either a small power production facility or a cogeneration facility) (“QF”) will be eligible to receive the standard rates and standard contract 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.

Definition of Person(s) or Affiliated Person(s):

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, except for independent family-owned or community-based facilities, two facilities will 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. A unit of Oregon local government may also be a “passive investor” 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.

Definition of Same Site:

For purposes of the foregoing, generating facilities are considered to be located at the same site as the QF for which qualification for the standard rates and standard contract 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 rates and standard contract is sought.

Shared Interconnection and Infrastructure:

QFs otherwise meeting the above-described separate ownership test and thereby qualified for entitlement to the standard rates and standard contract 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 the standard rates and standard contract 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.

Pages Omitted From Excerpt



Portland General Electric Company
Legal Department
121 SW Salmon Street • Portland, Oregon 97204
(503) 464-7181 • Facsimile (503) 464-2200

V. Denise Saunders
Associate General Counsel

September 10, 2012

Via Electronic Filing and U.S. Mail

Oregon Public Utility Commission
Attention: Filing Center
550 Capitol Street NE, #215
PO Box 2148
Salem OR 97308-2148

Re: UM 1613

Attention Filing Center:

Pursuant to the procedural schedule set in this docket, Portland General Electric Company (PGE) hereby submits an original and three copies of its revised Draft Request for Proposals (RFP) for Renewable Resources to the Commission for approval. Also, please take note that PGE is including a clean and redline version of the revised Draft RFP.

PGE revised the Draft RFP to include non-substantive clean-up changes as well as changes discussed in its Reply Comments and in response to questions on the Independent Evaluator's PGE RFP website. PGE has also made edits to the confidentiality and nondisclosure agreement attached as Appendix K to (1) conform the agreement to the RFP document and (2) to include a two way limitation of liability provision to protect bidders and PGE. Previously filed Appendices C and D are not attached to this filing, as no changes were made to the documents.

This is being filed by electronic mail with the Filing Center. An extra copy of the cover letter is enclosed. Please date stamp the extra copy and return to me in the envelope provided.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in blue ink that reads "V. Denise Saunders" with a flourish above the name.

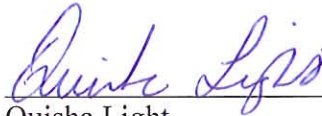
V. Denise Saunders
Associate General Counsel

VDS:qal
Enclosures
cc: UM 1613 Service List

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **PORTLAND GENERAL ELECTRIC COMPANY'S FINAL REVISED DRAFT RFP FOR RENEWABLE RESOURCES** to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket No. UM 1613 to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket No. UM 1613.

DATED at Portland, Oregon, this 10th day of September, 2012.



Quisha Light
Regulatory Paralegal
Portland General Electric Company
121 SW Salmon St., 1WTC1301
Portland, OR 97204
(503) 464-8866 (Telephone)
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**SERVICE LIST 09/10/12
OPUC DOCKET # UM 1613**

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<p>Donald Shoenbeck (C) REGULATORY & COGENERATION SERVICES, Inc. dws@r-c-s-inc.com (Waived Paper Service)</p>	<p>Erik Colville (C) PUBLIC UTILITY COMMISSION erik.colville@state.or.us (Waived Paper Service)</p>

(C) = Confidential

Portland General Electric Company

REQUEST FOR PROPOSALS

Renewable Energy Resources

DRAFT

Revised Draft

September 10, 2012



Table of Contents

Purpose and Scope	1
Resource Targets	1
About PGE.....	2
Independent Evaluator.....	4
RFP Schedule.....	4
Guidelines for Submitting Proposals.....	6
Registration on PGE’s RFP Website.....	6
Procedural and Commercial Questions	6
Submitting Bids	6
Bid Fee.....	7
Submitting Confidentiality and Non-Disclosure Agreements.....	7
Validity of Price and Offer	8
Bid Evaluation Criteria.....	8
Reservation of Rights.....	8
Document Retention	9
Bid Evaluation Process.....	10
Reviewing, Ranking and Selecting Bids.....	10
Requested Power Products	11
Renewable Electric Energy Products Requested.....	11
Point of Delivery and Transmission	12
About the Term Sheets	13
Term Sheets are Examples Only	13
Firm Transactions	14
Contract Terms and Conditions	15
Energy Purchase Agreement	15
Ownership Position in a Renewable Energy Resource	15
Bid Pre-Qualifications.....	16
General.....	16
Minimum Bid Quantity	16
Minimum Bid Term.....	16
Credit and Bidder Qualifications.....	16
Other Bidder Pre-qualification.....	17
For New Projects	17
Commercial In-Service Date.....	17
Technology	17
Suitability of Site.....	18
Fuel Supply (where applicable).....	19
Criteria Used for Scoring Qualified Bids.....	20
Price Factors	21
Non-Price Factors	22
Project Development	22
Point of Delivery.....	22
Physical Project Characteristics	23
Power Product Characteristics.....	24

Credit Evaluation.....	24
Additional Considerations for Renewable Resources.....	25
Final Short List Determination	28
Post-Bid Negotiations	29
Appendix A – Energy Product, Firm Physical Energy Purchase.....	30
Appendix B – Elements of a Renewable Resource Ownership Offer.....	31
Appendix C – Wholesale Renewable Power Purchase Agreement.....	33
Appendix D – Asset Purchase Agreement.....	34
Appendix E – Required Bidder Profile	35
Appendix F – Required Bid Information.....	36
Appendix G – Energy Trust of Oregon	54
Role of the ETO in PGE’s RFP	54
Funding From the ETO.....	54
Ownership of Tradable Renewable Energy Credits (TRCs).....	55
Appendix K - Confidentiality and Non-Disclosure Agreement	56
Appendix L – Credit Guidance.....	60
Attachment 1- Guaranty Commitment Letter	65
Attachment 2 - Letter of Credit Commitment Letter.....	66

Tables

Table 1. Summary of Requested Renewable Energy Products*	11
Table 2. Evaluation Criteria for Renewable Energy Products	20

Figures

Figure 1. PGE Service Territory	3
Figure 2. Resource Selection Process.....	10

Purpose and Scope

Portland General Electric Company (PGE), an investor-owned electric utility in Oregon, is soliciting bids through this Request for Proposals (RFP) for renewable electric energy products described below. In November 2009, PGE filed with the Oregon Public Utilities Commission (OPUC) its *2009 Integrated Resource Plan (IRP)*, identifying specific planning assumptions and resource needs for upcoming years. Following meetings and discussions with various stakeholders, PGE filed an addendum to its IRP in April 2010. The OPUC acknowledged PGE's IRP Action Plan as contained in the Addendum in November, 2010. The IRP and Addendum are available on PGE's Internet site at:

www.portlandgeneral.com/irp

In this RFP, PGE is seeking to fill the renewable energy supply need identified in the 2007 IRP and later reaffirmed in its 2009 IRP as acknowledged by the OPUC.

Resource Targets

As described in its acknowledged IRP, PGE is seeking to acquire approximately 101 MWa¹ of mid-to-long-term renewable energy supply, bundled with their associated renewable energy credits (RECs), to be available beginning in the 2013 – 2017 timeframe. PGE will consider proposals based on a variety of structures and commercially viable resource types. Acceptable bids for renewable resources include power purchase agreements (PPA), as well as a range of ownership structures, including sales of existing assets, acquisition of project development or natural resource rights and options, and build-own-transfer agreements. PGE intends to submit one or more benchmark proposals for the renewable RFP. PGE will evaluate and select new renewable energy supplies consistent with the criteria and methodology contained herein. Our 2009 IRP identified a preferred incremental portfolio mix, including the following with regard to renewable resources:

Approximately 101 MWa of utility-scale, commercially viable renewable energy resources, including but not limited to:

- Biomass
- Wind
- Geothermal
- Solar

¹ In its 2009 IRP Update, PGE explained that "[a]t the time of filing the 2009 IRP, we projected a need for 122 MWa of new renewables to meet the Action Plan objectives. Due to a continued economic slowdown which has resulted in a reduced electric demand forecast for PGE, accompanied by increased customer five year opt-out elections, we now project a modestly reduced RPS need of 101 MWa." PGE 2011 IRP Update, November 23, 2011 at 47.

Renewable resources must meet the requirements of Oregon's Renewable Portfolio Standard ("RPS"), as defined in Oregon Revised Statutes (ORS) Section 469A. These requirements are described in further detail in the Requested Power Products section below. Prospective bidders are required to notify the IE no later than September 11, 2012 if they plan on bidding something other than the technologies listed above. PGE will review any such proposals as to their suitability for meeting our renewable requirements. The IE can be contacted through the RFP website. See also the Technology section below.

Notwithstanding the above preferred target, PGE reserves the right to vary from this target energy quantity based on evaluation of price and risk factors of received bids.

This competitive RFP is being conducted in accordance with the OPUC Competitive Bidding Guidelines set forth in OPUC Order 06-446 (Docket UM-1182), dated August 10, 2006.

Bidders are required to complete and sign a non-negotiable confidentiality agreement prior to the bid submission. This requirement is discussed further in the Submitting Confidentiality and Non-Disclosure Agreements section below.

About PGE

Headquartered in Portland, Oregon, PGE serves approximately 825,000 retail customers within a 4,000 square mile service territory (see Figure 1).

- Service territory population 1.7 million, about 44% of the state's population.
- Serves 52 cities, the largest being Portland and Salem.
- 25,000 miles of transmission and distribution lines.
- Net plant-in-service, \$4.3 billion.
- Forecast average annual demand in 2015, approximately 2,500 MWa.
- Expected one-in-two peak load in 2015, 3,974 MW.
- Approximately 1,930 MWa of owned generation for resource planning purposes, including eight hydro generation facilities, three gas-fired thermal plants, the Biglow Canyon wind farm, majority ownership of one coal-fired thermal plant, and joint ownership in two units of another coal plant facility. We also hold long-term contracts for energy from the Mid-Columbia hydroelectric projects on the Columbia River, two wind farms, and regularly enter into short and mid-term wholesale power supply contracts.



Figure 1. PGE Service Territory

For more information, see PGE's Internet site: www.portlandgeneral.com.

Independent Evaluator

The OPUC has approved the appointment of Accion Group as an independent, third-party evaluator, (IE), to help ensure the RFP is conducted in accordance with the OPUC Competitive Bidding Guidelines, and that all bids are evaluated consistently and impartially. Accion Group will:

- Consult with PGE in preparing the RFP and submit its assessment of the final draft RFP to the OPUC when PGE files for RFP approval.
- Work with PGE and the OPUC staff to finalize scoring and evaluation criteria, including providing “mock bids” to test the integrity of the evaluation models.
- Independently assess the reasonableness of the score(s) for PGE’s Benchmark Resource(s).
- Evaluate the unique risks and advantages associated with the Benchmark Resource(s).
- Independently score all or a sample of the bids to determine whether the selections for the initial and final short-lists are consistent with the bid evaluation criteria.
- Compare the results of the Independent Evaluator’s scoring with PGE’s scoring and work with PGE to reconcile and resolve scoring differences, if any.
- Prepare a Closing Report for the OPUC after PGE has selected the final short-list.
- In its Closing Report, provide its assessment of all aspects of the solicitation process and the IE’s involvement, including detailed bid scoring and evaluation results, to PGE, non-bidding parties and the OPUC subject to the terms of the Protective Order.

RFP Schedule

The tentative schedule listed below may be revised as the RFP process unfolds:

- June 28, 2012 — Provide draft Renewable RFP to IE.
- July 3, 2012 — Provide draft Renewable RFP to all interested parties.
- July 16, 2012 — Bidder and stakeholder pre-RFP workshop.
- July 25, 2012 — PGE submits final draft renewable RFP to OPUC for approval.
- August 3, 2012- PGE to provide detailed scoring criteria to "Qualified Persons" under Protective Order No. 12-274.2.
- August 10, 2012 — IE submits assessment of the final draft renewable RFP to OPUC.

- August 20, 2012 – Parties and Staff submit comments on final draft renewable RFP.
- August 30, 2012 – PGE submits reply comments.
- September 10, 2012 - PGE to submit revised draft RFP documents
- September 17, 2012 – Staff Report due to OPUC
- September 25, 2012 – OPUC to render opinion on PGE draft RFP (tentative).
- September 25, 2012* – PGE issues RFP.
- October 30, 2012* – PGE benchmark bid and score due.
- November 13, 2012* – RFP responses due.
- January 8, 2013** – PGE identifies initial short list.
- February 5, 2013** – PGE selects final short list of bids, initiates negotiations.
- February, 2013** – IE issues final closing report to OPUC.

**Note – these dates are contingent on OPUC acknowledgment with no requirements for significant changes to the filed draft RFP.*

*** These dates are subject to change depending on the quantity and complexity of bids received.*

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Guidelines for Submitting Proposals

This section describes the guidelines parties submitting bids under this RFP (Bidders) must follow when submitting proposals.

Registration on PGE's RFP Website

PGE's RFP website, as further described below, is intended to be the platform for communication and bid materials between Bidders and PGE. All prospective Bidders, stakeholders, and other interested parties may register on PGE's RFP website at PortlandGeneralRFP.accionpower.com. The website is secure and password protected so that confidential information can be posted and exchanged via the site.

Other features of the site include:

- The ability to download all public RFP documents, including copies of this document and all related contracts and appendices.
- An announcement board for posting of information for the public and Bidders.
- The capability for Bidders to anonymously post questions and comments that can be seen by all users.
- Confidential bid folders for each bid, for the retention and exchange of bid-specific data.
- Confidential evaluation folders for bid evaluation and retention of data for use during regulatory review.

Limited information regarding the RFP will also be available on PGE's corporate website at: www.portlandgeneral.com/RFP

Procedural and Commercial Questions

All correspondence regarding procedural questions, bid submissions and questions related to product characteristics, terms and conditions should be submitted to PGE's RFP website at PortlandGeneralRFP.accionpower.com. PGE, in consultation with the IE, as needed, will post answers to questions from Bidders, stakeholders, and other interested parties on the site. Registered users will be notified by e-mail when the "Q&A" section of this website is updated, and answers are posted to questions.

Submitting Bids

Bidders may submit bids responding to one or more of the renewable energy products (see the "Requested Power Products" section below). All bids must be submitted online using the bid form provided on the RFP website, PortlandGeneralRFP.accionpower.com, no later 12:00 p.m. Pacific Time on

November 13, 2012, with the exception of Benchmark bids which must be received two weeks prior, on October 30, 2012. In addition, one complete hard copy of each bid must be mailed within three business days of the November 13 deadline. All hard copy bids received will be date stamped, and stored in a secured area. Bids must be sealed, and sent to the IE at:

Accion Group,
244 North Main Street
Concord, NH 03301

Bidders may edit their online bid form until the bid submission deadline. At 12:00 p.m. Pacific Time on November 13, 2012, bid forms will be closed to edits, and will be considered to be final submissions. After this time, any bid forms not submitted will be de-activated, and the corresponding bid books will be closed.

If a Bidder discovers an error or omission in the bid after shipping hard copies, the Bidder must note any changes in the electronic filing and such changes must be posted by 12:00 PM on November 13, 2012. In the event of differences between the hard copy and electronic copy, the electronic version shall control. In addition, one corrected hard copy must be received by PGE within three business days of the above filing deadline.

Bid Fee

To help defray costs of the IE and encourage high quality bids and Bidders, each Bidder in this RFP must pay a non-refundable bid fee. The fee will be based on nameplate capacity at a cost of \$100 per MW, with a maximum bid fee of \$10,000. Projects at, or in excess of 100 MW will pay \$10,000. A bid may consist of one base proposal in addition to two alternatives for the same bid fee. The alternatives may consist of a different bid size, contract term, in-service date, and/or pricing structure for the same resource.

A proposal for a different resource, at a different site or using a different technology, will be considered a separate proposal and will be subject to a separate bid fee. If different bid sizes are proposed, the maximum size will be used in calculating the bid fee.

Fees are to be remitted via electronic funds transfer to PGE's accounts payable on the RFP website. For purposes of assessing bid fees, the IE, in consultation with PGE, shall confirm whether a Bidder's submission constitutes one or more proposals based on the criteria described above.

Submitting Confidentiality and Non-Disclosure Agreements

The Confidentiality and Non-Disclosure Agreements are available for completion at PortlandGeneralRFP.accionpower.com (and are included as Appendix K to this RFP). Bidders are required to complete and sign the

confidentiality agreement prior to the bid submission deadline (12:00 PM on November 13, 2012). Bidders who desire to have PGE execute the confidentiality agreement prior to bid submission must complete their signed agreement no later than two weeks prior to bid submission, or by 12:00 PM on October 30, 2012. Due to the need to establish uniform procedures that safeguard all confidential information, PGE will not be able to accept changes to the Confidentiality and Non-Disclosure Agreement.

PGE will maintain the confidentiality of any proprietary and confidential information contained in a bid, in accordance with an executed Confidentiality and Nondisclosure Agreement and any Protective Orders issued by the OPUC, provided that such information is clearly identified by the Bidder as "Confidential Information". Each Bidder must execute and return a copy of the Confidentiality and Nondisclosure Agreement, as soon as possible, but no later than the time of the submission of its bid or bids. *It is the Bidder's responsibility to indicate clearly in its proposal what materials it deems to be proprietary and confidential.*

Validity of Price and Offer

By submitting a bid, the Bidder acknowledges and agrees that the terms of its proposal shall remain irrevocable for 140 days after the bid responses are due.

Bid Evaluation Criteria

Price comprises 60 percent of our evaluation criteria, reflecting PGE's desire and commitment to obtain the best possible value for our customers. Non-price factors comprise the other 40 percent and primarily reflect various performance risks and operational attributes of the bid proposals. Additional evaluation description is provided in the Criteria Used for Scoring Qualified Bids section of this document.

Reservation of Rights

This RFP is not, and shall not be construed to be, an offer by PGE. PGE is not bound to enter into negotiations or execute an agreement with, or purchase any products from, any Bidder as a result of this RFP. No rights shall be vested in any Bidder, individual or entity by virtue of its preparation to participate in, or its participation in, this RFP. No binding commitment shall arise on the part of PGE to any Bidder under this RFP until and unless the parties execute definitive agreements that become effective in accordance with their terms.

Each Bidder shall be solely responsible for all costs it incurs in preparing to participate in, participating in, or responding to this RFP.

The bids received will be evaluated and selected based on the information supplied by each Bidder pursuant to this RFP. PGE reserves the right to modify or withdraw from this RFP process, or modify the schedule and any provisions

contained herein, for any reason. As part of our normal course of business, PGE conducts bilateral discussions with developers and other electric energy providers. PGE also reserves the right, consistent with the Competitive Bidding Guidelines, to make purchase commitments at any time to suppliers not participating in this RFP process.

PGE reserves to itself:

- The selection of short-listed bids and the awarding of contracts, if any, in the exercise of its sole discretion.
- The right to reject any and all bids, and any portion of a specific bid for any reason.
- The right to waive any immaterial non-conformity in any bid received.
- The right to award a contract to a Bidder based on a combination of price and non-price factors, a quantitative and qualitative assessment of portfolio fit, and post-bid negotiations.

PGE shall have no obligation to provide a reason for rejecting a bid.

Document Retention

All bids and exhibits supplied to PGE during the RFP process will become the property of PGE. PGE will retain all bid materials supplied to it and pertinent information generated internally by it in connection with the RFP process in accordance with PGE's document retention policies.

Bid Evaluation Process

This section describes PGE’s process for evaluating bids received in response to this RFP. For details about our scoring criteria, see the sections, “Bid Pre-Qualifications,” and “Criteria Used for Scoring Qualified Bids,” below.

Reviewing, Ranking and Selecting Bids

In selecting the RFP short list, PGE will use a first-price, sealed-bid format. Under this format, Bidders may not update pricing during the scoring and evaluation period. We will use the first prices provided by Bidders, in conjunction with the non-price factors to select our short list of candidates, as stated in more detail below, and then negotiate contract terms and conditions during post-bid negotiations. PGE intends to submit a self-build proposal (Benchmark resources) for the renewable RFP. The scoring process is illustrated in Figure 2, below.

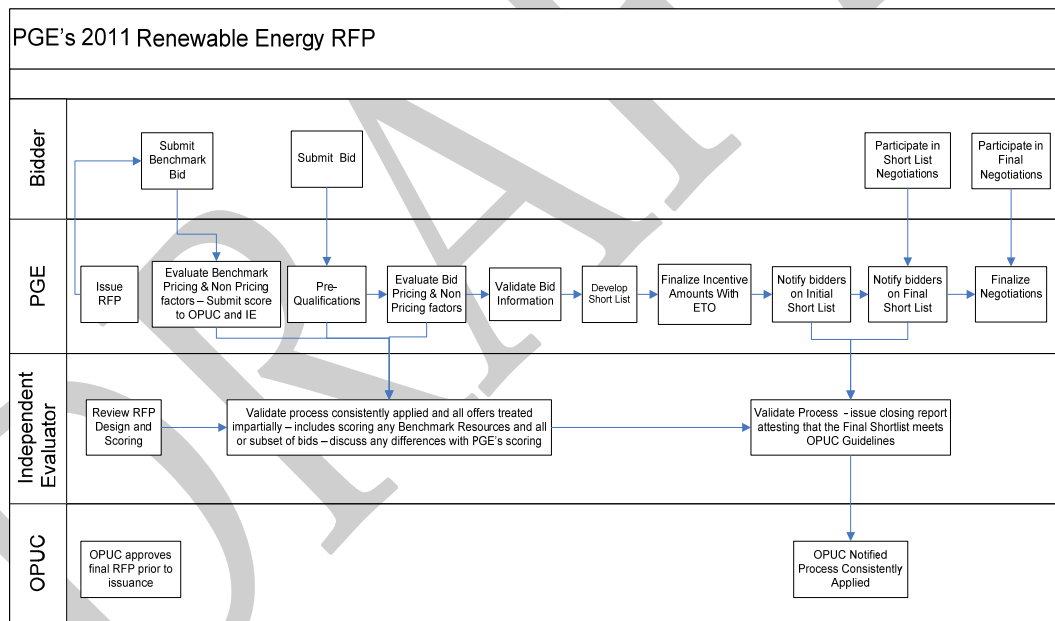


Figure 2. Resource Selection Process

Bids will be evaluated using a two-step process.

- *Assessment of Pre-Qualifications* – First, PGE will screen bids according to pre-established qualifying criteria, *i.e.*, minimum quantity and term, quality of credit, technology, and Bidder qualifications.
- *Evaluation of Scoring Factors* – Next, PGE will score bids that meet the pre-qualification standards. Overall scores will be comprised of price and non-price factors.

PGE reserves the right to request additional information regarding any proposal received.

Requested Power Products

PGE requests proposals for renewable electric energy products, as described in this section, and summarized below. See Appendices A and B for specific product term sheets. PGE will be willing to consider projects that begin before the specified dates, provided they meet our portfolio needs.

Renewable resources must meet the requirements of Oregon’s Renewable Portfolio Standard (“RPS”), as defined in ORS 469A. In addition, renewable bids must include all environmental attributes, including RECs. Bidders will be responsible for ensuring Renewable Energy Certificates (RECs) from projects are bundled as defined in ORS 469A.005. Owner will also be responsible to assure RECs are established through Western Renewable Energy Generation Information System (WREGIS) consistent with OAR 330-160-0020.

PGE is targeting approximately 101 MWa of renewable energy resources in this RFP, however, depending on bids received, we may also transact for more or less than the 101 MWa target. PGE recognizes that renewable resources can be developed in phases. PGE’s 2009 IRP expressed a preference for maintaining physical compliance with Oregon RPS requirements. However, we also recognize that the banking provisions allowed under ORS 469A enable short-term flexibility with respect to the timing for acquiring new RPS-compliant resources. Accordingly, PGE prefers RFP resources and bids that offer flexibility with regard to generation COD or contract start date.

Table 1. Summary of Requested Renewable Energy Products*

Product	Block		Start Date			Term	
	Min	Target	No earlier than	Preferred	No later than	Min	Target
Power Purchase Agreement	10 MW	101 MWa	Jan-2013	End of 2015	2017	10 years	20+ years
Ownership	10 MW	101 MWa	Jan-2013	End of 2015	2017	NA	NA

* Renewable resources must meet the requirements of Oregon’s Renewable Energy Standard, as defined in SB 838. All Associated environmental attributes, including all RECs, must be included with bid for the bid to be considered under this RFP.

Renewable Electric Energy Products Requested

Firm Physical Energy Purchase – PGE will consider a purchase of firm renewable energy, delivered to PGE load beginning no earlier than January 1, 2013. The minimum quantity for bids under this RFP is 10 MW, and the minimum duration is ten years. To the extent that the

Bidder does not provide firming², regulation, or other ancillary services for integrating the power product, PGE will impute our estimated cost of obtaining these services in our bid evaluation. See Appendix A for a sample of a Firm Physical Energy Purchase term sheet and required bid information.

Ownership Position in a Renewable Energy Resource – PGE will consider acquiring an ownership position in long-term renewable energy resources. Ownership proposals may include (but are not limited to) the sale of existing plants, acquisition of project development or natural resource rights and options, part ownership, and build-own-transfer agreements. We will also consider hybrid structures that include both an ownership component and a power purchase agreement (e.g. the sale of a phase or portion of a project with an off-take agreement for the remaining balance). See Appendix B for a listing of the elements of an ownership offer and required bid information.

Point of Delivery and Transmission

PGE is electrically connected to both Bonneville Power Administration (BPA) and PacifiCorp. For Bidders with a project outside of PGE's System, it is the Bidders' responsibility to provide as part of the bid submittal a plan to obtain firm transmission from the resource to PGE System. PGE's evaluation process will determine if there are additional costs or risks to deliver the resource from PGE System to PGE load.

Bidders proposing to interconnect a resource within PGE's system will need to include all incremental costs to deliver, or sink, energy from the resource to PGE's load. Bidders can determine these costs by requesting Network Resource Interconnection Service under PGE's OATT from PGE's Transmission and Reliability Services Department (T&RS) or a Bidder can request Energy Resource Interconnection Service and Point-to-Point Transmission Service under PGE's OATT from T&RS. Either process will enable T&RS to study whether any system upgrades are needed to accommodate transmission service for the bid. Questions concerning the various types of interconnection and transmission service available under PGE's OATT should be directed to T&RS. For price-scoring purposes PGE will assume no additional costs for system upgrades for bids delivering energy from outside of PGE's system to the BPAT.PGE POD with PGE Contiguous as the sink.

² Firming is provided to ensure that any deficiencies (or excesses) in the hourly actual generation compared to the scheduled energy will be made whole. For instance, if a project schedules 100 MWh but the actual production is 75 MWh, firming services will supply the 25 MWh not generated by the project.

The transmission component will not be a threshold determinant; however, if during the evaluation, PGE determines that the proposals as submitted will be unable to achieve firm delivery to PGE's System, the proposal will be rejected. In addition, the status of firm delivery capability or rights to transmit the proposed energy supply to PGE's system, including status of participation in BPA's pending Network Open Season or satisfactory evidence of steps taken to perfect the rights to use PGE's Cascade Crossing Transmission Project, will be the subject of negotiation and confirmation prior to execution of any contracts in connection with this RFP.

For the purposes of scoring bids in the RFP, including the Benchmark Resource, "PGE System" shall be interpreted as the edge of the PGE Balancing Authority Area³, excluding the PGE Balancing Authority Area boundaries surrounding PGE's Remote Resources.

"PGE System" includes the following:

- The Trojan 230kV POD, if a project is interconnected to PGE at Trojan.
- If a project is interconnected to BPA, PODs to PGE System may include:
 - TROJAN (Trojan 230 kV)
 - BPAT.PGE
 - PGE Contiguous
 - Pearl 230 kV (Sherwood)
 - McLoughlin 230 kV
 - Keeler 230 kV (St. Marys)
 - Rivergate 230 kV
 - Bethel 230 kV
 - Troutdale 230 kV (Blue Lake)
 - If a project is interconnected to PAC, and delivering to PACW.PGE, PGE System PODs may include:
 - Bethel 230 kV
 - Gresham 230 kV
 - Linneman 230 kV

About the Term Sheets

Term Sheets are Examples Only

The draft term sheets included in the appendices are provided as examples only and, while they include expressions of preferred product structures and characteristics, they are not intended to exclude other

³ Cascade Crossing is considered part of PGE's system.

proposals for meeting PGE's renewable needs. Bidders should mark up the sample term sheets as needed. In any case, bids must include sufficient information for PGE to make a thorough evaluation of the proposals.

Firm Transactions

For the purposes of this RFP, a "firm transaction" is one for which the only excuse for failure to deliver or receive is force majeure, as defined in the purchase agreement templates. **Firm energy includes reserves and ancillary services** to ensure that energy schedules are certain and delivered intact throughout the hour.

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Contract Terms and Conditions

Energy Purchase Agreement

The contract template for power purchases is included in Appendix C – Wholesale Renewable Power Purchase Agreement. Bidders must review the power purchase agreement template included in this RFP, and must include any proposed revisions to the contract (shown in red-line) as part of their response package to this RFP. PGE will evaluate all proposed revisions, but is under no obligation to accept any revisions or adopt any changes. Changes, if any, to terms and conditions or revisions to the templates will be discussed with Bidders selected for final short list negotiations.

Ownership Position in a Renewable Energy Resource

PGE invites Bidders to submit proposals for various types of asset sale and ownership transfer agreements. The contract template is included in Appendix D –Asset Purchase Agreement. PGE recognizes that terms may need to vary in material respects because of the many possible variations of an ownership transaction. As such, bidders are invited to redline this Asset Purchase Agreement with their bid.

Ownership proposals may include (but are not limited to) sales of existing assets, acquisition of project development or natural resource rights, build-own-transfer agreements or joint ownership. We will also consider hybrid structures that include both an ownership component and a power purchase agreement (e.g. the sale of a phase or portion of a project with an off-take agreement for the remaining output). Bidders submitting a proposal for a PGE ownership position in a renewable energy resource are requested to provide, as part of their response package to this RFP, the documents identified in Appendix B. PGE will consider proposed changes to the terms and conditions in those documents, but will be under no obligation to accept them without modification. Changes to terms and conditions or revisions to the documents will be discussed with Bidders selected for final short list negotiations.

Bid Pre-Qualifications

To be considered for evaluation, all proposals must meet the requirements specified below.

General

General pre-qualifications include minimum bid quantity, minimum bid term, Bidder credit qualifications and commercially viable technology.

Minimum Bid Quantity

The minimum bid amount is 10 MW. PGE has specified a low minimum bid amount to encourage the submission of a variety of renewable bid technologies in this RFP and also recognize that the current incentives available in Oregon from the Energy Trust of Oregon favor smaller renewable projects. Renewable projects 10 MW or under may be eligible for PGE's Schedule 201 Qualifying Facilities Standard Contract Power Purchase Agreement. PGE is not accepting Schedule 201 Standard Contracts in this RFP. Entities wishing to enter into Schedule 201 Standard Contracts with PGE should contact Bruce True at 503-464-7491.

Qualifying Facilities (QFs) under the Public Utility Regulatory Policies Act of 1978, as amended, (PURPA) of 10 MW and above are welcome to bid into this RFP. However it should be noted that for this process, PGE's Schedule 202 will not apply to bidding QFs. Thus, QFs bids in this RFP must include all associated environmental attributes, including but not limited to RECs; price will be based on the QF bid price, not PGE's Avoided Cost rates; and other Schedule 202 provisions, such as those concerning credit or transmission and scheduling will not apply. QFs, however, may still offer to sell to PGE outside the context of this RFP pursuant to Schedule 202.

Minimum Bid Term

The minimum bid term is ten years.

Credit and Bidder Qualifications

All transactions are contingent upon the Bidder meeting and maintaining the credit requirements established by PGE's Credit Risk Management Department:

- Bidder's or Bidder's credit support provider's (if any) long-term, senior unsecured debt, that is not supported by third-party credit enhancement, must be rated by one or more of the following agencies as follows: BBB- or higher by Standard & Poor's and Fitch, BBB (low)

by DBRS, or Baa3 or higher by Moody's Investor Services, Inc. If the Bidder or Bidder's credit support provider is rated by more than one agency, PGE will consider the lowest rating.

- Bidders that are not rated, and bids offering full project ownership, will be subject to review under PGE's internal guidelines by PGE's Credit Risk Management Department for qualification.

Typically, contracts will only be awarded to Bidders that have, at a minimum, investment grade credit rating. Alternatively, the Bidder must provide performance assurance in the form of a parental guarantee, a letter of credit and/or cash, based on the Bidder's and/or Guarantor's credit profile and the amount of expected financial exposure related to the bid. Further guidelines on PGE credit requirements are included in Appendix L.

Bids for an outright purchase of a 100 percent equity interest in a plant will be considered regardless of the creditworthiness of the Bidder. If the plant is not yet in commercial operation and the project will be completed by the Bidder prior to transfer to PGE, PGE's Credit Risk Management Department requirements will apply until commercial operation of the plant.

Other Bidder Pre-qualification

As applicable, the Bidder must provide documentation, satisfactory to PGE, that it is authorized under the law to sell power, and able to schedule power and operate under industry standards established by the Federal Energy Regulatory Commission (FERC), Western Electricity Coordinating Council (WECC), and the North American Energy Reliability Council (NERC), or other applicable regulatory body or government agency.

For New Projects

Commercial In-Service Date

Bidders must show site control (or clear evidence of ability to achieve site control) and other contractual terms that support the bids' Commercial Operation Date. PGE will consider projects that begin before the specified dates, provided they meet our portfolio needs.

Technology

Proposals shall use utility-scale, commercially viable generation technology currently deployed in the western United States. For generation technologies that are not in common use by electric utilities,

the Bidder shall identify utility-scale electric projects where the technology is already being used or provide documents describing the technology in reasonable detail. PGE will only consider bids that use widely deployed units with proven records of reliability. PGE will not accept generation technology shown to have serial defects. Serial defects are considered to be a design or manufacturing problem that has affected 10% or more of the fleet. The Bidder shall specify the generation technology it proposes to use and provide preliminary design studies – completed in sufficient detail to identify all major equipment and components. Generation technology must comply with all current applicable Codes and Standards for a USA based resource.

Bidders may contact the IE in the event that they are uncertain whether their choice of specific generation technology is acceptable to PGE. Such requests need to be received by the IE no later than October 2, 2012. PGE will review any such proposals as to their suitability for meeting our renewable energy requirements. The IE can be contacted through the RFP website. The notification should identify the manufacturer and model the bidder intends to include in a bid.

The Bidder will also provide a site layout plan and a project milestone schedule indicating critical path elements.

Suitability of Site

The Bidder must identify the project site location, show site control, and provide satisfactory evidence that the site is not otherwise committed or encumbered and is available for the full-term of the proposed bid. The Bidder must have identified all required site-specific permits and have prepared a plan or schedule for obtaining all permits and licenses. For proposals to sell project development rights or lease options, the Bidder should identify any required permits and licenses that the Bidder intends to acquire and those that PGE would be responsible to obtain. Although PGE will not make a threshold requirement to have permits in-hand before signing a definitive agreement, PGE will assess the probability of successfully completing the permitting process as part of its evaluation. If at any point it is determined that a project cannot obtain the required permits as designed, PGE reserves the right to reject the bid.

Bidders must also provide enough information for PGE to assess the suitability of their site for the proposed project. The information should address permitting, annual and monthly energy projections (preferably from an independent source), site proposed layout, cost estimate from equipment manufacturer, and Engineering Procurement and Construction cost estimates.

For purposes of this RFP, PGE will not accept proposals that rely on PGE's assets (such as land and/or transmission rights). For example, bidders must provide their own transmission rights as part of the bid package.

Fuel Supply (where applicable)

Bidder must demonstrate physical and commercial access to fuel supplies and fuel transportation for the term of the contract proposed in its bid. PGE will not accept bids for biomass or biogas projects that pass fuel risk to PGE because, among other things, unlike other fuel types (such as coal or natural gas), PGE does not have the ability to reasonably hedge biomass or biogas fuel costs.

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Criteria Used for Scoring Qualified Bids

This section summarizes the criteria PGE will use to evaluate bids submitted in response to the RFP. The detailed scoring matrix will be disclosed to Bidders and other interested parties on the IE website. The following tables summarize these criteria. For details about information that should accompany each bid, see “Appendix E, Required Bidder Profile,” and “Appendix F, Required Bidder Information.”

Table 2. Evaluation Criteria for Renewable Energy Products

<i>Factors</i>	<i>Descriptions</i>	<i>Sub Total</i>	<i>Total</i>
Price Factors	Base prices adjusted for considerations described in the Price Factors section below.		60%
Non-Price Factors			
	Project Development <ul style="list-style-type: none"> ▪ Project financing ▪ Site control ▪ Developer experience ▪ Permitting status ▪ Environmental Factors ▪ PTC Renewal Risk 	15%	
	Project Characteristics <ul style="list-style-type: none"> ▪ Fuel supply diversity ▪ Resource risk ▪ O&M reliability ▪ Project location ▪ Geographic diversity ▪ Environmental redispatch ▪ Extension option or equity position 	12%	
	Product Characteristics <ul style="list-style-type: none"> ▪ Guaranteed Availability Factor (GAF) and/or Monthly Availability Guarantee (MAG) ▪ Compensation for failure to meet GAF or MAG ▪ Amount (MW/h) ▪ Contract term ▪ Contract/Resource start date ▪ Variability of bid cost ▪ Technological Maturity 	8%	
	Credit Factors	5%	
	Total Non-Price Factors:		40%

Total:	100%
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Price Factors

Price represents a significant portion of the overall score. To evaluate bids containing different product characteristics on a comparable basis, prices submitted by the bidder will be subject to adjustment for the following considerations:

- *Ancillary services, if not included in product pricing* – see discussion below.
- *Quality and firmness of energy.* – If the bid does not include integration for intermittent and non-dispatchable resources, we will estimate the cost and include it in our price analysis.
- *Generation output profile* – variable energy production vs. flat hourly market prices.
- *Any other factor necessary to ensure bids are evaluated on a comparable basis.*

The price score will be calculated as the ratio of the bid's projected total cost per MWh to forecast market prices using real-levelized or annuity methods (per Guideline 9a. of the Competitive Bidding Guidelines).

PGE may require performance assurances in support of the Bidder's obligations, which may include one or more subordinate liens in combination with corporate guarantees, escrow accounts, cross-default thresholds, cash deposits, or letters of credit. Lower levels of performance assurances may be acceptable, if there are other compensating factors as determined by PGE in its sole discretion. PGE retains the right to adjust the bid price to include the cost to PGE of performance assurances, if the Bidder does not provide adequate performance assurance.

Point of Delivery (POD) – Applicable transmission service costs will be applied in order to capture the incremental cost of delivering energy to PGE's load. These costs include wheeling, losses, and required ancillary services as prescribed in applicable tariffs, as well as any incremental costs for transmission or distribution system improvements necessary to deliver the energy to PGE's load. However, for bids wherein the Bidder has the responsibility of securing and paying for point-to-point transmission services for delivery from the generation facility to the POD on PGE's system, no costs for those point-to-point services to PGE's system will be applied.

Ancillary Services – If ancillary services are not included in product pricing, power product bids for delivery to PGE System will, at a

minimum, be adjusted to account for the following ancillary services (where applicable) to meet control area operations and transmission provider requirements:

- Operating and supplemental reserves
- Generation and energy imbalance
- Scheduling, system control and dispatch
- Reactive support and voltage control

Bidders shall provide a comprehensive list of all ancillary services they are planning to provide in delivering the power product to the point-of-delivery. To the extent that any of these required ancillary services are not being supplied by the Bidder, PGE will, for scoring purposes, adjust the price provided by the bidder to reflect the cost of acquiring additional ancillary services required. We will use a cost estimate based on verifiable prices or regional standards whenever possible.

Non-Price Factors

Project Development

This category scores the likelihood that a project supporting a bid will be placed in commercial service. The evaluation criteria for this category generally address construction and development risks associated with the completion of projects that are not yet in commercial operation, and which are necessary to support bids. Plants that are already operating or are sufficiently advanced in construction may be deemed to earn the maximum possible score in this category.

For projects that are less advanced, we will consider the following criteria for scoring:

- Method and status of project financing
- Level of site control by developer
- Project team experience
- Status of required permits, licenses and studies
- Status of equipment supply and engineering, procurement and construction (EPC) agreements
- PTC Renewal Risk

Point of Delivery

Point-of-delivery (POD) is both a price and non-price factor. This category scores the risks associated with potential transmission constraints or curtailments in delivering the power from external PODs to PGE's load. When scoring for non-price factors, we will factor in the risks of transmission congestion.

The Pacific Northwest (PNW) transmission system currently has numerous constraints that can limit the firm delivery of power products for extended periods of time. The scoring process for this RFP assumes continuation of the status quo; however, PGE retains the right to adjust the delivery risk based upon the progress of BPA's open season process and the development of the proposed Cascade Crossing transmission line.

Interconnection and transmission service for projects using PGE's transmission system, including the proposed Cascade Crossing transmission line, will be provided under the terms and conditions of PGE's federal Open Access Transmission Tariff (OATT), PGE's Generator Interconnection Guidelines, and all applicable orders and rules. Bidders should contact PGE's Transmission and Reliability Services Department at 503-464-7155 to discuss interconnection and transmission arrangements. Confirmation of firm delivery capability or rights to transmit the proposed energy supply to PGE's load will be required prior to execution of any contracts in connection with this RFP. Interconnection for QFs shall be governed by PURPA, applicable PGE tariffs, and applicable state orders and rules.

PGE's federal Open Access Transmission Tariff (OATT) is available at: http://www.oatiaoasis.com/PGE/PGEdocs/PGE_CURRENT_OATT_Part_I_as_of_10-12-07_Schedules_Attachmen%E2%80%A6.pdf

PGE's Generator Interconnection Guidelines are available at: http://oasis.portlandgeneral.com/pdf/gen_inter.pdfhttp://oasis.portlandgeneral.com/pdf/gen_inter.pdf

Physical Project Characteristics

This category captures the physical characteristic risks of the bid products. The evaluation criteria for this category generally address physical and operational risks associated with the production and delivery of power to PGE. Some of the characteristics that we will consider in our scoring are:

- Resource technological diversity– focused on the potential capacity value the project brings. This characteristic is intended to capture benefits offered by any diversity that the technology brings to PGE's supply portfolio.
- Point of delivery (as discussed above).
- Project location.
- Fuel supply diversity, resource risk and O&M reliability characteristics.

- Risk that the resource will not perform as expected (for variable and intermittent resources).
- Project life and extension options. Rights that allow PGE to extend the life of a resource beyond the initial term provide potential future risk mitigation. As a result, proposals that provide rights to long-term access to the resource or energy supply will be scored higher than proposals that do not provide similar rights.
- Compliance with all applicable Codes & Standards.
- Fuel delivery.

Our non-price scoring criteria also values projects that provide benefits to Oregon and our local economy. The criteria include a benefit for location within Oregon, and a somewhat higher benefit for location within our service territory.

Power Product Characteristics

This category scores how well the bid product matches PGE's system operating needs. The evaluation criteria for this category generally address price risk, performance and supply portfolio concentration risks, along with the benefits of operational flexibility. Some of the characteristics that we will consider in our scoring are:

- Guaranteed Availability Factor (GAF) or Monthly Availability Guarantee (MAG) and compensation for failure to achieve it.
- Dispatchability
- Product flexibility
- Contract term
- Amount (MW per hour)
- Deviations from product term sheet.

Credit Evaluation

This category scores the creditworthiness of the Bidder. We will take into account the following credit considerations in our scoring:

- Debt and equity ratings
- Performance assurance
- Financial ratio analysis
- Default risk
- Credit concentration and liquidity
- Enforceability of contractual credit terms
- Bidder revisions to contract templates that may affect credit requirements

Additional Considerations for Renewable Resources

Firm Physical Energy Purchases from Non-dispatchable, Intermittent Resources
– Bids for firm energy from resources such as wind require integration services to ensure that the actual minute-to-minute output of the resource throughout the hour remains equal to its fixed, non-dynamic scheduled output for that hour. Bidders have the choice of acquiring integration services on their own behalf, or requesting that PGE provide such services. PGE may provide the services by using PGE generating resources and/or by procuring from third parties the integration services needed to firm up the Bidder's resource. PGE has a limited ability to provide integration services using its own generating resources. In determining how to provide integration services (i.e., using its own resources or acquiring from others), PGE will evaluate market prices for integration services, our own portfolio flexibility and resource mix, and internal opportunity costs. If a Bidder would like PGE to provide integration services, we will add the estimated cost of these services to the bid price.

Based on our current wind integration study, the cost of integrating wind is \$9.15/MWh, in \$2014. From our 2009 IRP, the cost of integrating solar was estimated at \$6.35/MWh in \$2009. PGE plans on using these costs in its analysis for the initial and final short lists.

PGE will quantify the costs and benefits of the variability of each project separately. Price scoring will quantify the total energy of the project as bid and the value of the project's energy shape if the energy has not already been shaped to a flat output. Non-Price scoring will take into account annual availability and other variation in output of each project. Bidders may, in the interest of optimizing their bid, elect to provide pricing separately for optional components, such as shaping⁴ and scheduling notice.

Another important element of integration services is the scheduling notice period. Longer notice periods provide load-serving entities higher supply certainty and reduced exposure to market risk by limiting reliance upon spot markets to absorb fluctuations in energy production. For the Non-Price scoring component, PGE prefers to know as far in advance as possible the amount of energy to be supplied in any given hour.

Wind Integration costs represents the forecast error and generation firming services associated with a Variable Energy Resource (VER). One component of this cost estimate is associated with forecast deviation from

⁴ Shaping is a service where actual generation is 'stored' either physically or financially and returned in a specific, predetermined shape.

Day-Ahead forecast to Hour Ahead actual. This component is \$3.61 per MWh and cannot be avoided if the resource is interconnected into BPA, PAC or dynamically scheduled into PGE. Balancing Authorities only provide tariff products associated with Generation Imbalance. The forecast deviation component described here is associated with the remainder of the Wind Integration cost.

For clarity, a wind resource directly interconnected into PGE's system will be assessed the full Wind Integration cost of \$9.15 per MWh. A resource integrating into BPA's balancing authority will be subject to the \$3.61 per MWh charge and is assumed to be firmed intra-hour by BP A.

We will award the highest Non-Price score to dispatchable products. Products which, after integration, provide a flat volume of power for all hours will be ranked second for non-price scoring purposes. However, we recognize that such certainty has an associated cost, and will score that as part of the price factor scoring. For example, we would expect the price of a product that is flat for all hours, *i.e.*, no variability, to be more expensive than a variable product provided with a 168-hour scheduling notice. Both of these products would likely be more expensive than one provided with a 24-hour scheduling notice. We expect the product with the combination of lowest price and the longest scheduling notice to achieve the highest overall score.

Finally, PGE will accept bids proposing to deliver intermittent resources via dynamic transfer. Scores for such bids will be based on the full cost of wind integration as identified in PGE's wind integration study. QFs are not permitted to dynamically transfer energy to PGE under PGE Schedule 201.

Price to PGE – The Energy Trust of Oregon (ETO) has limited funding available via the open solicitation process that could be used to “buy down” the costs of renewable resources of 20 MW or less in size to that of non-renewable alternatives (see Appendix G). The ETO may help fund more than one renewable project, but reserves the right to make no funding offers. PGE recognizes that ETO funds may be available for smaller projects. Projects that have an ETO funding commitment, as approved by the ETO Board of Directors, should indicate such in their bids. If a funding commitment has been pre-approved by the ETO, please specify the amount separately in the pricing section of the bid. PGE will incorporate the potential for funding in its price analysis and will not eliminate from consideration any projects that are eligible for ETO funding until it can review the projects with the ETO. That is, when compiling the initial short list, we will assume ETO funding for all eligible projects. Then, after discussions with the ETO, PGE will finalize scores to reflect updated assumptions concerning ETO incentives.

Production Tax Credit and Investment Tax Credit - In the event that the federal Production Tax Credit (PTC) and Investment Tax Credit for Solar (ITC) are not renewed for the project's estimated commercial online date by the time bids are due (November 13, 2012), bidders are requested to submit their annual pricing both with and without the PTC and ITC and to state the basis (i.e. assumptions for tax credit renewal) on which they are calculating the PTC and ITC.

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Final Short List Determination

For the initial short list, PGE intends to include bids representing approximately two times the renewable energy requested in this RFP, subject to receipt of a sufficient quantity and quality of bids. Once the initial short list has been developed pursuant to the scoring criteria outlined above, PGE will refine bid evaluations in the following areas to determine the final short list:

Transmission - Explanations of transmission evaluations can be found in the section "Criteria Used for Scoring Qualified Bids". As stated above, PGE may adjust the delivery risk of external PODs based upon the progress of BPA's open season process at the time of the determination of the initial short list. PGE will perform a more detailed analysis of transmission for bids on the initial shortlist. Bids which do not provide for firm delivery capability or rights to transmit the proposed energy supply to PGE's load, or which do not present satisfactory evidence of steps taken to perfect the rights to use PGE's Cascade Crossing Project or BPA transmission, may be excluded from the final short list.

Security for Performance Requirements – PGE will perform a detailed credit risk evaluation of all bidders in the initial shortlist, and will refine performance assurance requirements during this stage. However, performance assurance will only be required at the execution of a definitive agreement with a successful bidder.

Integration Costs – PGE will conduct further evaluation of integration and shaping costs during this period. As stated earlier, PGE will input applicable costs from its wind integration study to all bids not providing integration services.

Impact to portfolio – PGE will also take overall system costs and risks into account in its selection of final short list bids.

Post-Bid Negotiations

PGE's goal is to conduct an efficient post-bid negotiation process. A number of factors will be considered in the post-bid process to ensure an appropriate fit with our overall energy portfolio. These include performance risks, concentrations of risk and contract terms, firmness of delivery, and fuel risk exposure. PGE will initiate negotiations with a final short list of Bidders whose proposals rank highest in the evaluation process and whose proposed transactions, PGE believes in its sole discretion, offer value to PGE's energy supply portfolio for customers, and have a reasonable likelihood of being executed and performed.

The number of Bidders with whom negotiations will be held will depend upon the bids received, the size or quantity of the highest ranked bids as compared to our resource needs, the results of the scoring process and other factors described more fully in the sections "Bid Evaluation Process", "Criteria Used for Scoring Qualified Bids", and "Final Short List Determination." Selection for the final short-list and initiation of negotiations do not constitute a winning bid.

PGE intends to negotiate all elements of the contract during the post-bid negotiations. Any contract contemplated by this RFP shall not bind PGE until execution of a definitive agreement by both PGE and the Bidder and, if required, the agreement is approved or otherwise authorized by the appropriate regulatory agencies.

PGE shall have no obligation to enter into a definitive agreement with any Bidder to this RFP and, at its sole discretion, may terminate negotiations with any Bidder at any time without liability or obligation to any Bidder. Whether or not, and until, negotiations with Bidders produce final and fully executed contracts satisfactory to PGE for its resource targets under the RFP, PGE reserves the right to pursue any and all other resource options available to it.

Appendix A – Energy Product, Firm Physical Energy Purchase

Sample Term Sheet – For Discussion Only

<i>Product:</i>	Firm Physical Renewable Energy Purchase
<i>Product Seller:</i>	Bidder
<i>Product Purchaser:</i>	Portland General Electric Company (PGE)
<i>Available Hours:</i>	On-Peak and off-peak hours. On-peak hours include hours ending 0700 through 2200, Pacific Prevailing Time (PPT), Monday through Saturday, excluding NERC holidays. Off-peak hours include hours ending 0100 through 0600 and hours ending 2300 through 2400, PPT, Monday through Saturday, and hours ending 0100 through 2400, PPT, Sundays and NERC holidays.
<i>Term:</i>	Bidder to provide. The minimum bid term is 10 years, with a start date no earlier than January 1, 2013 <i>Example: Commencing January 1, 2013, for up to 20 years.</i>
<i>Contract Quantity:</i>	Bidder to provide. <i>Minimum: 10 MW.</i> <i>Preferred: 10 MW to 150 MW</i>
<i>Delivery Point:</i>	Bidder to provide. <i>Preferred: PGE System</i>
<i>Quality:</i>	Firm transactions as defined in “About the Term Sheets.” Bidders proposing energy service from non-dispatchable sources, such as wind or solar, must provide descriptions and costs of ancillary services required to firm their products.
<i>Energy Payment:</i>	Bidder to provide. <i>Example: \$USD ____ per MWh.</i>
<i>Balancing Authority:</i>	

Appendix B – Elements of a Renewable Resource Ownership Offer

PGE invites offers for ownership positions of approximately 101 MWa that fit our mid- to long-term renewable resource requirements. Ownership bids may include (but are not limited to) the sale of existing plants, acquisition of project development or natural resource rights and options, joint ownership, and build-own-transfer agreements. We will also consider hybrid structures that include both an ownership component and a power purchase agreement (e.g. the sale of a phase or portion of a project with an off-take agreement for the remaining output). In making such proposals, Bidders are asked to provide the following (as applicable):

- Detailed description of the project including, but not limited to, the location, availability of transmission, and fuel type, fuel source(s) and fuel transportation (where applicable).
- Current and proposed ownership structure.
- Project pro forma financial operating statements and documentation supporting significant assumptions. Documentation should at least address operating and financial information, such as output and efficiency, estimates for unit availability, O&M costs, fuel and fuel transportation costs (where applicable), transmission costs and losses, expected ongoing capital requirements, warranties and guarantees, project operating characteristics, and all regulatory compliance requirements.
- Current and proposed capital structure.
- Legal and regulatory requirements to complete siting and construction.
- Whether the project is turnkey or PGE will be involved in the development.
- Whether the project would be operated under a joint ownership arrangement.
- Payment schedule for purchase of ownership position.
- Current and proposed operating agreement(s).
- Description of project management and workforce agreements(s).
- Associated development contract, *e.g.*, Engineering, Procurement and Construction (EPC), long-term service agreement (LTSA).
- Joint ownership agreement, if any.
- For projects currently in operation, provide operating history and any other information required to evaluate the proposal.
- For projects in the planning or development stage, provide information on liquidated damages related to the project missing significant project

development and operational milestones and missing the stated capacity. Also, describe the developer's insurance coverage during construction and at project completion including insurance amounts, deductibles, and the timing of coverage effectiveness.

Bidder will grant PGE the right to contact contractors, equipment suppliers, and others engaged in developing or operating the project(s) described in the ownership proposal. PGE may also request additional information relevant to specific bids.

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Appendix C – Wholesale Renewable Power Purchase Agreement

Template provided in a separate document available for download on PortlandGeneralRFP.actionpower.com.

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Appendix D – Asset Purchase Agreement

Template provided in a separate document available for download on PortlandGeneralRFP.actionpower.com.

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Appendix E – Required Bidder Profile

The form below is illustrative of information that will be collected in an online form at: <http://PortlandGeneralRFP.accionpower.com>. Please consider this as a guide when preparing your bid, but note that in the event of differences between this form and the electronic version, the electronic version shall control.

Company Name:		
Name of Contact:		
Title:		
Mailing Address:		
Telephone:	Fax:	E-mail:

Bidder's general background and principal business:

Legal entity that would be the contracting party to a power purchase contract or an asset purchase agreement with PGE. State whether this entity will be formed for the sole purpose of the project and a description of the ownership and debt arrangements:

Bidder's senior unsecured debt rating:
<input type="checkbox"/> Standard & Poor's
<input type="checkbox"/> Moody's Investor Services., Inc.
<input type="checkbox"/> Fitch Ratings
<input type="checkbox"/> DBRS

Appendix F – Required Bid Information

The form below is illustrative of information that will be collected in an online form at: PortlandGeneralRFP.accionpower.com. Please consider the following multi-page form as a guide when preparing your bid, but note that in the event of differences between this form and the electronic version, the electronic version shall control. Check boxes () indicate documents that are likely to be provided as attachments to the form.

For early-stage ownership proposals, including acquisition of project development or natural resource rights, please fill out sections as applicable.

1. Project Description

Project name: Location: Initial in-service date(s): Nameplate capacity (MW): Expected monthly and annual energy generation (MWh):
<i>Term Sheet:</i> <input type="checkbox"/> Provide a term sheet describing energy product being bid and price, including any exceptions or modifications to the applicable sample term sheet found in the RFP. <input type="checkbox"/> Submit the appropriate sample purchase agreement provided with the RFP including all requested amendments (in redline) to the document. All modifications of the credit terms and conditions will be used for the credit evaluation:
<i>Term:</i> Include any provisions for renewal or extension:
One- or two-paragraph summary of proposal:

2. Project Development Criteria

<p>For bids supplying power products from specific generating projects that will not be in commercial operation by November 13, 2012, please supply the following additional information.</p>
<p><i>Project name:</i></p>
<p><i>Permitting and Licensing Status</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Please list, provide copies of, and describe the current status and jurisdictional responsibility for all licenses, permits, zoning variances, and other regulatory approvals necessary for the construction and operation of the project. <input type="checkbox"/> Status categories include: approved, not approved but application submitted, working on application, work on application has not begun. <input type="checkbox"/> For each license, permit, zoning variance and regulatory approval that has not yet been obtained, show the sequencing and duration of permitting and licensing activities in a project schedule diagram, including expected construction time. <input type="checkbox"/> For projects in the permitting and licensing stage, identify whether there is opposition to the siting of this project and how this opposition impacts project permitting. <input type="checkbox"/> Discuss in general terms your approach for resolving these permitting issues or any planned mitigation measures. <input type="checkbox"/> Could any of these permitting issues significantly delay or prevent successful siting of the project?
<p><i>Progress to Date</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Describe the progress in development or construction of the project to date, including a description of any contracts or letters of intent signed in connection with the project, or a description of other factors demonstrating project progress. <input type="checkbox"/> Include current status of project design and engineering, and equipment procurement.
<p><i>Milestone Schedule</i></p> <p>Submit an overall milestone schedule for the generating project that identifies all key dates including but not limited to dates for regulatory approvals, finalization of transmission and interconnection agreements, finalization of fuel supply agreements (where applicable), status of equipment and major components supply agreements, pre-construction milestones and construction milestones. The schedule that is submitted must be attainable and one to which the Bidder will commit to in the executed agreement. Include all aspects of the development including fuel and transmission infrastructure activities.</p>
<p><i>Project name:</i></p>
<p><i>Experience of Developer Team</i></p> <p>Provide the following information:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Describe the developer's participation in successfully developing power production projects in the U.S., emphasizing projects located in the Pacific Northwest and similar to the project proposed in the bid. <input type="checkbox"/> List members of the development team. <input type="checkbox"/> Provide a resume for each individual, including training, experience with power project development, functions performed, and area of expertise. <input type="checkbox"/> Summarize the current status of and provide a short description of power project development efforts with which team members have been involved. The summary for each team member should include the type of projects developed (e.g., wind, biomass,

etc.), current owner of the projects, geographic location and current status, e.g., operating, in construction, permitted.

- Describe business-related litigation or regulatory investigations in which the developer or development team members were previously (in the last 7 years), are currently, or are expected to be engaged.

Financial Plans
Provide the financial information listed below to the extent the information is currently available:

- Describe whether the Bidder intends to internally finance construction of specific generating project(s), or plans to obtain project financing from another source.
- Describe any existing commitments by financial institutions and provide documentation supporting these commitments. *In lieu* of such information, describe the plans for securing such commitments.

List the name, telephone number and contact person of the developer's:
 Commercial bank:
 Financial advisor:
 Bond underwriter:
 Other key financial trustee, advisor, counsel or lender:

- Provide a list of projects in the development phase, identifying the manufacturer of the principal components, counterparties in power sales agreement(s), the stage of completion of the project, the estimated operational date, the original estimated operational date, the percentage the project is over- or under-budget, and the project financing sources.
- Identify the extent to which the developer is committed to providing additional assets if necessary to complete the project.
- Has the Bidder already committed to proceed with construction of specific generating projects? If not, what actions or events would need to occur before the Bidder can commit to such construction?
- If the decision to proceed with the generating project depends on obtaining power purchase agreements with third parties, please identify the amount of the project output that needs to be subscribed before the Bidder will proceed with construction, and the amount of firm commitments through executed agreements that the Bidder already has for output from the project.
- Identify the counterparty, product amount and term of each executed agreement. If such information is confidential, please provide a summary of amounts committed.

Site Control
Site control is an important factor in our RFP evaluation, and should be interpreted to include the site itself, along with all required easements and access required for the site.
Project name:

- Describe the level of control of the generation project site, e.g., ownership, lease, option, letter of intent.
- List specific landowners not under contract and describe the required access right
- If the Bidder does not have control over the project site, describe the actions already taken to obtain control of the site.

3. Project Characteristics

In addition to 1. Project Description, and 2. Project Development Criteria, for bids supplying energy products from a specific generating project, provide a reasonably detailed description of the project, including the information requested below.

<p><input type="checkbox"/> <i>Source of supply:</i></p> <p>Identify all project(s) that will be used to support the bid:</p>
<p><i>Resource Base of Energy Product</i></p> <ul style="list-style-type: none"><input type="checkbox"/> Describe the project site(s), including a description of the facilities of any thermal energy users and any other major structures related to the production of electricity or thermal energy.<input type="checkbox"/> Concisely describe the technology used for the generation of electricity, including a technical description of, and vendor for, each turbine generator and emissions control technology, as applicable, and each principal fuel or energy source to be used.<input type="checkbox"/> Provide the necessary design documents that will enable PGE to evaluate the engineering design and equipment used for transmission interconnection.<input type="checkbox"/> Provide any additional design documents that would enable PGE to evaluate the engineering design, equipment and layout of the project.<input type="checkbox"/> Describe all licensing and regulatory requirements.
<p><i>Maintenance and Outages</i></p> <p>Describe the normal annual maintenance outage for the project, including timing and expected duration.</p>
<p>List major outages planned during the contract period.</p>

Point-of-Delivery

Identify the POD(s) for the bid:	
Provide evidence satisfactory to PGE of the Bidder's ability to deliver the power product to each specified POD on a firm basis, including the following information:	
Provide a list of all applicable interconnection and transmission service agreements. Because the studies may be considered Critical Energy Infrastructure Information (CEII), PGE will require Bidders to sign any agreements necessary to enable PGE and the IE to review such studies.	
Identify any restrictions on operation imposed by applicable interconnection and transmission agreements. Include any requirement to participate in remedial action schemes or be subject to re-dispatch as identified by the transmission provider.	
If the proposed POD is not PGE System, describe the basis upon which the power is expected to be delivered to PGE System, including: <input type="checkbox"/> Firm Delivery - Describe actions taken to secure firm rights to PGE. <input type="checkbox"/> Non-firm Delivery - Please describe:	
Key dates for finalizing the interconnection and transmission agreements.	
Dates	Agreements
Completion dates for transmission facility additions or modifications necessary to secure such service.	
Dates	Transmission Facility Additions

Pro Forma (note that ETO-eligible bids will be required to provide a pro forma to the ETO)

Provide a summary of the major project capital and operating expenses and documentation to support the reasonableness of the estimates. Include a budget with a breakdown of projected capital costs.

Provide *pro forma* financing projections showing the projected cash flow and financing. At a minimum the pro forma should include the following:

- Annual energy production and assumed revenue.
- Annual operating expenses including lease or royalty payments.
- Planned or required reserve and contingency amounts.
- Transmission costs, losses and ancillary services to deliver energy produced at the project to the POD.
- Debt service and debt coverage ratios.
- Depreciation.
- Taxes.
- Net Income.
- Equity rate of return.

Provide the *pro forma* in hard copy and electronically as an Excel file.

Biomass, Biogas and Solid Waste

Please fill out a separate copy of this section for each biomass, biogas or solid waste project used to support the bid.

Project name:
<input type="checkbox"/> Provide documentation that will enable PGE to evaluate project fuel suppliers for current and future production and delivery capabilities, and financial strength.
Discuss the status of fuel supply and transportation contracts with potential suppliers and any contingencies that could affect the availability of fuel supply to the facility:
<input type="checkbox"/> If contracts have not been signed, provide copies of correspondence or other materials from these parties that demonstrate their level of commitment to the project.
Projection of the price of fuel over the term of the proposed contract:
<input type="checkbox"/> Provide the basis for the price projection.
Projection of annual fuel availability for the term stated in your bid:
Include assumptions and associated variable costs necessary to operate the unit and tipping fees received in association with procurement of fuel.
For projects not already in commercial operation, describe any new fuel transportation infrastructure that would be needed before commercial operation of the project:
What actions are needed to ensure this new infrastructure is developed in a timely manner to support the scheduled in-service date of the project?
<input type="checkbox"/> Provide any additional information the Bidder believes is pertinent to evaluating access to fuels for the project.

Hydroelectric

Complete a separate copy of this section for each ORS 469A.025-qualifying renewable energy source hydroelectric project used to support the bid.

Project name:
For projects already in operation: Hourly net energy production records for the period that the project has been operating:
<input type="checkbox"/> Also provide a projection of forward-going energy production.
For all hydroelectric projects:
<input type="checkbox"/> Provide resource assessment reports for the project, and augment if necessary with the following information:
Water flow data and basis of the project head assumptions used in the development of the net annual and monthly energy projections. Include:
<input type="checkbox"/> Identification of the organization responsible for data collection and analysis, the period over which the data was collected, a discussion of the approach used for collecting data, and data quality assurance procedures.
<input type="checkbox"/> The analysis used to determine the project head assumptions.
<input type="checkbox"/> A table of projected monthly and annual water flows (average, adverse, and favorable) over the term of the proposed power purchase contract, including any assumptions for such projections, and a conversion of such flows into kilowatts and kilowatt-hours.
Does the project have a certificate from the Low Impact Hydroelectric Institute indicating the project meets the requirements for classification as a low impact hydroelectric project?
If not, is the project seeking a certification from the Low Impact Hydroelectric Institute?
Estimate the daily variability of flows which can be used to forecast the range in daily net energy output from the project:
Contingencies that could affect the availability of water flow and head to the facility: Include:
<input type="checkbox"/> Present or future issues regarding fish, environmental or other concerns that could possibly place operational restrictions on the project.
<input type="checkbox"/> Available hours of draw-down from any water storage at the project assuming full generator output, reservoir draw-down capability and downstream flow restrictions.
<input type="checkbox"/> Any regulatory, including license conditions, restrictions that may impact operations.
<ul style="list-style-type: none"> ▪ Plant configuration: ▪ Year built: ▪ Equipment ratings: ▪ Number of units: ▪ Ending date of the current license: ▪ Date of any efficiency upgrade and output (in MW) added to the facility due to such upgrades:
<input type="checkbox"/> Provide the detailed analysis used to estimate the annual and monthly net energy output of the hydroelectric project.
<input type="checkbox"/> List and individually quantify all sources of losses, and provide the basis for quantification.

Wave Energy

For projects already in operation (or planned projects with test buoys deployed):

<p>Hourly net energy production records for the period that the project has been operating:</p> <p>Also provide a projection of forward-going energy production.</p> <p>In addition, please provide the following:</p> <ul style="list-style-type: none"> ▪ Plant configuration: ▪ Year built: ▪ Number of units: ▪ Ending date of the current license:
<p>Describe the equipment to be used and the layout of your wave project. Include the size, technology type and manufacturer of the individual wave turbine units:</p>
<p><input type="checkbox"/> Provide a resource assessment report which includes adequate information to develop net annual and monthly energy projection.</p>

Wind

Complete a separate copy of this section for each wind project used to support the bid.

<p>Project name:</p>
<p>Existing projects:</p> <p><input type="checkbox"/> Provide hourly net energy production records for the period that the project has been in operation.</p>
<p>All projects:</p> <p><input type="checkbox"/> Provide any assessment reports that have been prepared for the project and augment them if necessary with the following information:</p>
<p><input type="checkbox"/> Provide source and basis of the wind speed data used in the development of the energy projections for the project.</p> <p>Include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Purpose and location of the data collection. <input type="checkbox"/> Period of record. <input type="checkbox"/> Number of on-site and off-site meteorological stations used. <input type="checkbox"/> Specific elevations of each meteorological tower. <input type="checkbox"/> Data quality assurance procedures. <input type="checkbox"/> Levels of measurements. <input type="checkbox"/> Seasonal data recovery and the organization responsible for the data collection and analysis. <input type="checkbox"/> Methodology used to develop the estimated long-term, hub-height, average annual wind speed and wind speed frequency distribution for the project site. <input type="checkbox"/> Time-of-day, monthly and annual representative hub-height wind frequency distributions at intervals of 0.5 m/s. Provide these tables on paper and electronically in an Excel file. <input type="checkbox"/> Duration of on-site measurements (minimum of two years strongly preferred).
<p>Describe the equipment to be used and the layout of your wind project. Include the size, technology type and manufacturer of the individual wind turbine units:</p>

<ul style="list-style-type: none"> <input type="checkbox"/> Provide the wind speed versus power curve for the wind turbine generators proposed. <input type="checkbox"/> Provide the detailed analysis used to estimate the net annual and monthly energy output of the wind project. All sources of losses should be listed and individually quantified, along with the basis for quantification. <input type="checkbox"/> Provide a typical hourly energy production from the facility for a one-year period electronically as an Excel spreadsheet. We will use this information to understand the hourly variability of the resource.
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Solar

Complete a separate copy of this page for each solar project used to support the bid.

Project name:
<ul style="list-style-type: none"> <input type="checkbox"/> Provide any available assessment reports for the project and augment them, if necessary, with a detailed description of the solar and climatic data that were recorded for the site, and how they were sampled and processed (minimum of two years of data strongly preferred).
<ul style="list-style-type: none"> <input type="checkbox"/> Describe in detail the analysis that used the solar and climatic data from the site to estimate the net annual and monthly energy output from the project. <input type="checkbox"/> Provide a typical hourly energy production from the facility for a one-year period electronically as an Excel spreadsheet. We will use this information to understand the hourly variability of the resource. <input type="checkbox"/> List and quantify all sources of losses, and provide the basis for the quantification.
<ul style="list-style-type: none"> <input type="checkbox"/> Describe the solar incidence data supporting project energy generation assumptions. <input type="checkbox"/> Describe source and location of the data obtained and, if different from project site, provide an engineering review of its applicability to the proposed site. <input type="checkbox"/> Identify locations of any operating sites where technology identical to that proposed is deployed.
Describe the physical layout of the plant:
Proposed type of solar technology:
Manufacturer and supplier of the photovoltaic panels:
<ul style="list-style-type: none"> <input type="checkbox"/> Provide operational history of the technology, and maintenance requirements.

Geothermal

Complete a separate copy of this page for each geothermal project used to support the bid.

Project name:
Provide:
<input type="checkbox"/> Project overview, site location and geological summary of site. <input type="checkbox"/> Resource assessment reports that have been prepared for the project and augment them if necessary with the following information.
<input type="checkbox"/> Status of the exploration program at the site, including information on the organizations performing the field work, a summary of the various data collected at the site, and the approach used for validating that data.
<input type="checkbox"/> Describe the analysis used to convert data obtained from the geothermal site into a reservoir model. <input type="checkbox"/> Identify if the resource is in a known geothermal resource area, and include an assessment of the resource potential, an estimate of the annual production from the resource, an estimate of resource life, and uncertainties associated with the development and life of the resource.
<input type="checkbox"/> Discuss the proposed geothermal power production technology appropriate for the site and the proposed long-term drilling program for the site. <input type="checkbox"/> Identify any innovative design or special operational features that will be required at this site. <input type="checkbox"/> Discuss the nature of the geothermal resource, and any challenges, including environmental, in drilling or conversion of the resource as a result of the geothermal characteristics.
<input type="checkbox"/> Provide the detailed analysis used to support the estimate of net annual and monthly energy output of the geothermal project. <input type="checkbox"/> List and quantify all sources of losses, and provide the basis for the quantification.
<input type="checkbox"/> Describe the type of the proposed geothermal conversion technology, the plant technology to be used, operational characteristics and maintenance requirements.

O&M Reliability – All Projects

For each project used to support a bid, provide the following information.

Project name:
Describe the experience and expertise of the project's current (or proposed, if applicable) O&M operator and the recent operating experience(s) of the plant(s).
<input type="checkbox"/> Describe any training program for the plant staff. <input type="checkbox"/> Does the project have access to support from a centralized engineering staff? If so, please describe. <input type="checkbox"/> Provide a list of the major critical spare parts held in inventory by the project, either at the site or at a common inventory location, or indicate if such parts are readily available from the vendor. <input type="checkbox"/> Are spare transformers installed at the site for backup? <input type="checkbox"/> Does the project have a long-term service agreement with the vendor for major equipment?

For power purchase bids, describe the level of participation that PGE would be given in capital and O&M decisions that could affect reliability of plant operations.
Would PGE have any rights to require replacement of the plant operator?

If so, under what conditions would PGE have such rights?

Describe the Bidder's asset management strategy for future operation of the project.

4. Power Product Characteristics

Resource Output

<p>For all proposals, provide the following information on the quantity of firm energy and peak capacity, if applicable, offered to PGE from the project. The amount offered must be the quantity of firm energy and capacity metered at the POD.</p>
<p>Project name:</p>
<p><i>Guaranteed Availability Factor</i> Provide a Guaranteed Availability Factor (GAF) for all proposals:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Products that can supply the contracted quantity of megawatts per hour on a firm basis during all hours of the contract term will be deemed to provide a 100 percent GAF. The GAF should be a monthly value, and not include annual scheduled maintenance. <input type="checkbox"/> Annual maintenance outages must not be scheduled for thermal generation plants between November 1 and February 28, and between July 1 and September 30. Annual maintenance outages may be scheduled at any time for intermittent resources such as PV and thin film solar or wind, provided that such outages do not account for more than 10% of the site capacity at any one time; outages for intermittent resources that are expected to account for more than 10% of the site capacity must not be scheduled between November 1 and February 28, and between July 1 and September 30. <input type="checkbox"/> For year-around products, scheduled maintenance shall not exceed 400 hours per year, except for major overhauls required under a manufacturer's long-term service agreement. <input type="checkbox"/> Scheduled maintenance outage hours in excess of this requirement will be charged against the GAF. <input type="checkbox"/> Provide detailed information, including proposed dollar amounts, on how Bidder proposes to compensate PGE if the generating project fails to meet its GAF, <i>i.e.</i>, full compensation for replacement power, liquidated damages or other mechanisms (see PGE sample Contracts)
<p><i>Monthly Energy and Peak Capacity</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Provide a table displaying by month (typical 24-hour period within the month for variable or intermittent resources) for the entire term of the bid, as well as the peak capacity in MW (if applicable) to be supplied under the bid proposal, as metered at the POD. If appropriate, include the guaranteed heat rate (Btu/kWh-HHV) at rated output in the table, accompanied by a heat rate curve.
<p><i>Power Product Quality:</i> For energy service from intermittent, non-dispatchable sources such as wind and solar, describe Bidder's approach for obtaining the integration services needed to firm their products (if any):</p>

Temperature Variability

For each project used to support a bid, provide if appropriate, the following information.

Project name:
<input type="checkbox"/> To the extent that the guaranteed quantity of energy, peak capacity (if applicable) or heat rate in the bid is dependent on ambient temperature, clearly identify and describe the relationship and provide estimates for the range of variation. <input type="checkbox"/> At a minimum, provide an estimate for the quantity of energy, peak capacity (if applicable) and heat rate for a hot summer day and a cold winter day.

Resource Variability

Project name:
<input type="checkbox"/> Proposals that offer a delivery schedule other than a flat schedule as requested by the product term sheets must include a clear description of the proposed delivery schedule and its relationship with the actual production of the project. <input type="checkbox"/> Supply in a table the variation in energy output by month during on-peak and off-peak hours (see sample table, below). <input type="checkbox"/> Expand upon the information provided in the table if this format is insufficient to fully describe the output variability of the bid.

Monthly Output Variability of the Bid (MWh)

<i>Month</i>	<i>Average Energy On-Peak Hours ending 07-22, Monday to Saturday (MWh)</i>	<i>Average Energy Off-Peak Hours ending 23-06 and all-day Sunday (MWh)</i>
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

Other Factors Affecting Resource Variability

For each project used to support a bid, provide if appropriate, the following information.

Project name:
Identify and describe in detail: <ul style="list-style-type: none"> <input type="checkbox"/> Environmental restrictions. <input type="checkbox"/> Operational limitations.

- Other factors relevant to resources supporting a bid that may prevent the resource from meeting its guaranteed monthly quantities of energy (or peak capacity, if applicable).

Power Product Flexibility

Project name:
<input type="checkbox"/> Completely describe all dispatch and operating schedule flexibility that will be available to PGE by contract.
Describe any restrictions or limitations on PGE's right to dispatch, curtail, or schedule reduced energy output from the product (as applicable). For dispatch or curtailment describe: <ul style="list-style-type: none">▪ Minimum run time per dispatch call:▪ Minimum down time per curtailment:▪ Startup time and costs for a cold start:▪ Startup time and costs for a hot start:▪ Cost impact of dispatch, if any:▪ Ramping rates:▪ Multiple party output issues:
For turn-down (operation at below 100 percent of base output), provide the following: <ul style="list-style-type: none">▪ Minimum turndown value:▪ Maximum hour-to-hour adjustment:▪ Cost impact of turndown, if any:▪ Multiple party output issues: Please provide Information about heat rate degradation for plant turn-down:
Will PGE have the right to make real time adjustment to pre-schedules? If so, under what conditions will this right be limited? Will PGE have the right to request inter-hour shaping? If so, under what conditions?
Is Bidder willing to give PGE the discretion to schedule annual maintenance? If so state any conditions on such scheduling.

How will the operating flexibility associated with dispatchability, turndown, real time adjustments, and inter-hour shaping affect O&M costs and capital replacements?
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How does the Bidder envision PGE communicating its needs for operational flexibility to the project, and how will the project respond to such needs:
What other operating flexibility is provided by the project that is not adequately described above?
<input type="checkbox"/> Describe in detail the features in project design that will enable the project to provide this operating flexibility.

Rights to Firm Energy

For each project used to support a bid, provide if appropriate, the following information.

Project name:
<input type="checkbox"/> If the Bidder is offering only a portion of the project's firm energy to PGE, describe each entity's rights to the firm energy produced by the project.
<input type="checkbox"/> Describe the process for coordinating the differing operational requirements of the purchasers.

Additional Project-Specific Benefits

Project name:
<input type="checkbox"/> For all bids, if you believe that there are other project-specific benefits that PGE would find attractive, describe such benefits and the basis for your belief that PGE would find them attractive.

5. Credit Support and Quality of Credit

Provide the following:
<input type="checkbox"/> A corporate organizational chart identifying the Bidder and, if applicable, the Bidder's credit support provider.
<input type="checkbox"/> A list describing the relationship of the Bidder to its credit support provider, the developer and development team, as applicable.
<input type="checkbox"/> The unsecured credit ratings of the Bidder, the Bidder's credit support provider, the developer and the development team, as applicable.
<input type="checkbox"/> The most recent summary, opinion or update by S&P, Moody's, Fitch and DBRS, as applicable.
<input type="checkbox"/> The DUNS number of the Bidder, the Bidder's credit support provider, developer and the development team, as applicable.
<input type="checkbox"/> Bidder's audited financial statements for the three most recent fiscal years (Fiscal YE 2008 – 2010). In the event Bidder cannot provide the information, Bidder shall provide that information for its credit support provider.
<input type="checkbox"/> Audited financial statements for the three most recent fiscal years from the developer and development team.
<input type="checkbox"/> Performance Assurance Draft: Letter of Credit or Guaranty (as applicable)
All transactions are contingent upon the Bidder, or its credit support provider, meeting and maintaining the credit and performance assurance requirements established by PGE's Credit

Risk Management Department.

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6. Environmental Characteristics

If supplying the product from one or more specific resources, provide the following information for each resource.

- Project name:
- Discuss known environmental issues related to the development and operation of the project.
- Describe environmental impacts of, and existing environmental constraints on, existing and proposed projects.
- Provide the information requested in the following subsections for *existing and proposed* projects.

Air Quality

Complete the following table, and provide the information requested below (as applicable).

Emission Disclosures

<i>Emission</i>	<i>Lbs./MWh</i>
Sulfur Dioxide (SOx):	
Nitrogen Oxide (NOx):	
Carbon Dioxide:	
Carbon Monoxide:	
Volatile Organic Compounds (VOCs)	
Particulate Matter (PM):	
Hazardous Air Pollutants (HAPs)	
Solid Waste (i.e. ash):	
Mercury	

Project name:

Describe the following:

- Air pollution controls used on the project, e.g., type, emissions controlled and removal efficiency.
- Whether the proposed project will exceed any criteria of the National Ambient Air Quality Standards (NAAQS) for any pollutant when operating on either primary or backup fuel. Also describe the "Prevention of Significant Deterioration Increment Consumption" due to this project, as applicable.

State whether the project requires a federal, state or local "air permit":

- If relevant, Include a copy of this permit, if approved, or a copy of the permit application, if submitted.

Describe any significant toxic air pollutants that may be released from the project:

Land Use (for proposed projects only)

Project name:

Please specify the total acres disturbed by your project.
Is the proposed project consistent with the recommended uses of adopted local and state land use plans?
Will the project need a zoning change?
If there is likely to be public controversy related to the proposed project, please explain.

<i>Water use:</i>
Describe any water requirements for production, cooling, or cleaning and the water rights/ plans associated with meeting these needs.

<i>Waste:</i>
Please describe the total amount of waste (in lbs. per MWh) directly related to power production (e.g. ash):
Describe any type and quantity of wastewater discharge (in gallons per MWh).

<i>Noise (for proposed projects only)</i>
Project name:
Characterize the ambient day and night sound environment in the area surrounding the project site.
Provide estimates for the day and night noise levels of the proposed project.
Describe proposed sound attenuation strategies or equipment planned for the project.

<i>Project name:</i>
<i>Scenic Visibility (for proposed projects only)</i>
Give the distance in miles that the project, or its effect, will be visible from any of the locations described in the following table:

<i>Feature</i>	<i>Distance from Project (Miles)</i>
▪ State parks or state forest preserves.	

<ul style="list-style-type: none"> ▪ National wildlife refuges or state game refuges. ▪ National natural landmarks or other outstanding natural features. ▪ National park service lands. ▪ Rivers designated as wild, scenic or recreational. ▪ Designated wilderness areas. 	
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<p><i>Protected Species</i></p>
<p>Project name:</p>
<p>If the project site or contiguous areas contain any species of plant or animal life identified as threatened or endangered, please list and explain mitigation measures.</p>
<p>If the project site contains any plants or animals being proposed or considered as candidates for threatened or endangered lists, please list and explain mitigation measures.</p>
<p>If the project site contains any animals protected under federal or state law, like under the Migratory Bird Act Treaty, please list and explain mitigation measures.</p>

<p><i>Fish and Wildlife</i></p>
<p>Project name:</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Provide copies of wildlife studies that have been performed for the project. <input type="checkbox"/> For wind generation projects, discuss any avian issues, and describe proposed solutions. <input type="checkbox"/> For proposed hydroelectric projects, discuss whether in-stream flow studies will be required, or have been performed, and the results from such studies. <input type="checkbox"/> For proposed hydroelectric projects, discuss major license conditions affecting resource management including, but not limited to, whether fish passage facilities will be required.

<p><i>Mitigation</i></p>
<p>Project name:</p>
<p>Briefly describe any environmental mitigation methods, both required and volunteered, that are included as part of an operating project or will be included as part of a proposed project.</p>

Appendix G – Energy Trust of Oregon

The Energy Trust of Oregon (ETO) began operation as a nonprofit organization in March 2002 to fulfill a mandate to invest public purpose charge monies for energy efficiency, conservation and renewable energy resources in Oregon. The mandate emerged from 1999 energy restructuring legislation (Senate Bill 1149) that included a three percent public purpose charge added to the rates of the two largest investor-owned utilities.

Subsequent action by the Oregon Public Utility Commission (OPUC) encouraged the startup of a new nonprofit organization to administer the funds created by the legislation. The ETO was formed as an independent, private corporation operating under a contract with the OPUC that dedicates funds collected by utilities to the ETO. The ETO receives funding every year from monies collected from PacifiCorp and PGE ratepayers to support a broad range of renewable resources for projects 20 MW or less in size.

Role of the ETO in PGE's RFP

PGE will review bids based on renewable energy generation that may or may not assume ETO funding. PGE will subsequently forward all bids to the ETO that PGE is recommending for its initial short list, along with our ranking and recommendations regarding funding. Our recommendations will be based on pre-qualification assessments, and scoring of price and non-price factors. The ETO will make its own assessment of the bids that PGE recommends for funding, and will agree or negotiate funding levels. PGE's initial short list will be finalized after ETO funding has been determined.

Funding From the ETO

The ETO funds the above-market costs of new renewable resources. The market cost for energy with the same power characteristics as that produced by the proposed renewable resource can be defined as the regulatory forward price curve, the utility's published avoided cost, the average result from this RFP, or an alternative. PGE and the ETO will agree on the relevant market cost for determining subsidy levels, if any are required.

If market prices are lower than the prices needed to justify construction of the preferred renewable resource(s), the ETO will support the project(s) under a Project Support Agreement. Support can take one of several possible forms: subsidizing the initial costs of a project, committing available funds to subsidize the energy price on a per unit basis over time, and other options that may be proposed. The ETO has indicated that it is more interested in providing support that is associated with some form of performance guarantee.

The ETO expects to have limited funding to help support one or more projects through this RFP. The ETO is able to fund new renewable energy projects, or new additions to existing renewable energy projects. They are able to fund resources that are⁵:

- Fueled by geothermal, solar, wave, wind, or by biomass that use organic wastes from plant, animal or human sources to generate electricity.
- Hydroelectric facilities located outside state and federally protected areas.

The ETO will not provide funds to the project prior to completion of construction and testing, but has indicated a willingness to place funds in an appropriate escrow account to assure project sponsors that the funds will be available at the appropriate times.

Ownership of Tradable Renewable Energy Credits (TRCs)

Pursuant to a contract to be entered into between PGE and the ETO, PGE will own, as trustee, and control all the TRCs and environmental attributes of a project supported by the ETO during the term of any PPA or project executed by PGE. Under this RFP, if the ETO receives TRCs, it will transfer them to PGE for the benefit of PGE's customers. The ETO does not and cannot claim rights to TRCs arising from projects it does not fund.

⁵ For a complete list of renewable resource eligible for ETO funding, see <http://energytrust.org/public-sector/renewable-energy/>

Appendix K - Confidentiality and Non-Disclosure Agreement

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT ("Agreement") is made effective as of the ___ day of ____ 2012 by and between PORTLAND GENERAL ELECTRIC COMPANY ("PGE"), having its principal office at 121 SW Salmon Street, Portland, Oregon 97204 and _____ ("Counterparty"), having its principal office at _____. Throughout this Agreement PGE and Counterparty may sometimes be individually referred to as a "Party" and collectively as the "Parties."

WHEREAS, PGE is in the process of acquiring electricity resources to fulfill certain electricity resource needs, and pursuant thereto had filed an Integrated Resource Plan (IRP) with the Oregon Public Utility Commission (OPUC), which IRP Plan the OPUC had acknowledged; and

WHEREAS, PGE will issue a Request For Proposals (RFP) to fulfill those resource needs; and

WHEREAS, the Parties desire to investigate the possibility of executing a transaction (the Transaction) to meet some of PGE's needs; and

WHEREAS, in order to pursue that possibility, PGE and Counterparty will provide to each other certain information which the providing Party considers to be proprietary and confidential.

NOW THEREFORE, the Parties agree as follows:

The disclosure of confidential information pursuant to this Agreement is subject to the following conditions and limitations:

1. As used herein, "Confidential Information" means all oral or written non-public, confidential or proprietary information given or otherwise delivered by one Party (hereinafter the "Disclosing Party") to the other Party (hereinafter the "Receiving Party"), designated in writing or stamped as "confidential" at the time of delivery to the Receiving Party or its directors, officers, employees, representatives, advisors, contractors or agents (collectively, "Representatives"), by the Disclosing Party or its Representatives, together with analyses, compilations, studies, notes or other documents prepared by the Receiving Party or its Representatives which contain or reflect Confidential Information; provided, however, that oral information that is not confirmed as Confidential Information in writing within four (4) business days of disclosure to the Receiving Party shall not be considered Confidential Information under

this Agreement; provided further that such confirming writing shall state with particularity the oral information disclosed, the identity of the Disclosing Party's Representative who made the oral disclosure, the identity of the Receiving Party's Representative who received the oral information, and the date, time and place of said disclosure. Confidential Information does not include information which (a) is, or becomes, publicly available, other than through the wrongful act of the Receiving Party; (b) was in the possession of the Receiving Party prior to receipt from the Disclosing Party, (c) is independently developed by the Receiving Party, provided that it was not derived from any Confidential Information received from the Disclosing Party, or (d) information that was obtained by the Receiving Party from a third person who, insofar as is known to the Receiving Party, is not prohibited from transmitting the information by a contractual, legal or fiduciary obligation.

2. The term "person" as used in this Agreement, shall be interpreted broadly to include, without limitation, any corporation, company, entity, partnership, group, regulatory agency, or other governmental entity, or individual.

3. Except as otherwise required by law, rules or regulations, the Receiving Party agrees that it will, in the same manner as it protects its own confidential information, hold in trust and confidence and not disclose any Confidential Information to any person not authorized by this Agreement.

4. The Receiving Party agrees that the Confidential Information will not be used for any purpose other than in connection with the Transaction or as otherwise permitted by this Agreement. All bids and exhibits supplied to PGE during the RFP process will become the property of PGE. The Receiving Party will restrict access to Confidential Information to such of its Representatives who have a need to know as is reasonably necessary for the purposes described herein. Each such recipient of Confidential Information shall be informed by the Receiving Party of its confidential nature, and shall be directed to treat such information confidentially and shall agree to abide by the provisions of this Agreement. In any event, the Receiving Party shall be responsible for any breach of this Agreement by any person to whom it discloses Confidential Information, other than disclosures pursuant to paragraph 5 of this Agreement.

5. In the event that the Receiving Party is required by subpoena, oral deposition, interrogatories, request for production of documents, administrative order, process or otherwise, to disclose any Confidential Information, the Receiving Party shall give the Disclosing Party notice of same as soon as reasonably practicable so that the Disclosing Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. If, in the absence of a protective order or waiver, the Receiving Party is compelled to disclose any Confidential Information, the Receiving Party may make such disclosure without any liability under this Agreement, and to the extent permissible, will give the Disclosing Party prior notice of such disclosure. PGE may disclose Confidential Information pursuant to the following Protective Order (or other Protective

Order(s) that may be issued by the OPUC in connection with the RFP): Order No. _____ dated _____ (as such Orders may be modified by the OPUC) under this Section 5. In addition, PGE may disclose Confidential Information to the Independent Evaluator retained by PGE and approved by the OPUC for the RFP pursuant to this Section 5 and to the ETO.

6. Counterparty acknowledges and agrees that PGE may, subject to the confidentiality provisions contained in this Agreement and the terms of any RFP documentation delivered by PGE to Counterparty, use its Confidential Information generally in the RFP process.

7. Neither Party is obligated by this Agreement to enter into any negotiations or any transaction. Each Party will bear its own costs and expenses, including legal fees and fees of any advisors and the costs incurred by it in the development of appropriate documentation with respect thereto. The Parties agree that no joint venture, partnership or other fiduciary relationship shall be deemed to exist or arise between them as a result of this Agreement.

8. The Receiving Party understands and agrees that money damages would not be a sufficient remedy for any breach of this Agreement and that the Disclosing Party shall be entitled to injunctive relief as well as reimbursement by the Receiving Party for legal and other expenses as a remedy for any such breach, including expenses for any appeal therefrom or review thereof so long as the Disclosing Party prevails. Such remedy shall not be deemed to be the exclusive remedy for the breach of this Agreement but shall be in addition to all other remedies provided for hereunder.

9. IN NO EVENT SHALL A PARTY'S LIABILITY UNDER THIS AGREEMENT EXCEED ONE HUNDRED THOUSAND DOLLARS (\$100,000), AND THE SECOND PARTY RELEASES THE FIRST PARTY FROM LIABILITY IN EXCESS OF SUCH AMOUNT, AND THE PAYMENT OF SUCH AMOUNT SHALL BE THE SECOND PARTY'S SOLE AND EXCLUSIVE LIABILITY AND THE FIRST PARTY'S SOLE AND EXCLUSIVE REMEDY FOR THE BREACH OF ANY OBLIGATION UNDER THIS AGREEMENT, AND SHALL BE IN LIEU OF ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES THEREFOR.

10. It is understood and agreed that no failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

11. This Agreement constitutes the entire agreement of the Parties with respect to the matters contained herein, and supersedes all prior understandings or agreements, written or oral, on these matters. No waiver or amendment of this Agreement shall be effective unless it is in writing and signed by both Parties.

12. The confidentiality obligations of this Agreement shall remain in effect for two (2) years from the date hereof.

13. This Agreement shall be governed by and construed under the laws of the State of Oregon without regard to its conflicts-of-laws or principles. With respect to any suit, action or proceedings relating to this Agreement (the "Proceedings"), each Party irrevocably submits to the exclusive jurisdiction of the courts of the State of Oregon and the United States District Court located in Multnomah County, Oregon and irrevocably waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such Party. Nothing in this Agreement precludes either Party from enforcing in any jurisdiction any judgment, order or award obtained in any such court.

14. PGE AND COUNTERPARTY WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN PGE AND COUNTERPARTY ARISING OUT OF THIS AGREEMENT OR OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH.

IN WITNESS WHEREOF, the Parties have executed this Agreement by and through their duly authorized representatives, effective as of the day first above written.

PORTLAND GENERAL ELECTRIC
COMPANY

(COUNTERPARTY)

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Appendix L – Credit Guidance

In order to submit a bid in this RFP, PGE requires that Bidders be at or above investment grade, defined as having a credit rating on long-term, senior unsecured debt of at least:

- BBB- or higher by Standard & Poor's and Fitch (PGE rating: BBB) or,
- BBB by DBRS, or
- Baa3 by Moody's Investor Services, Inc. (PGE rating: Baa2)

If the Bidder cannot meet this requirement, PGE requires that the Bidder demonstrate the capability to supply performance assurance in the form of a Guaranty Commitment Letter (Attachment 1) or a Letter of Credit Commitment Letter (Attachment 2) from its credit support provider who is of investment grade. The amount of performance assurance committed shall be no less than twenty-five percent of the value of the first three years of the contract. This performance assurance commitment shall remain in place until the contract execution date. At execution of a contract, the performance assurance requirements outlined below will take effect. PGE will also consider other forms of evidence to demonstrate the Bidders' capability.

In the event the Bidder or its credit support provider is no longer creditworthy at any time prior to execution of a contract, a new credit support provider will be required to provide a replacement commitment as defined above.

Credit Security Requirements between Contract Execution and COD of Contract

During the time between contract execution and COD of the contract (if applicable), PGE will require performance assurance equivalent to 25% of the contract value of the first three years of the contract until the commercial operation date, at which time, performance assurance will revert to the formula presented later in the section.

Credit Security Requirements After COD of the Contract

An energy contract must provide reasonable assurance to PGE that PGE will be able to readily recover its actual damages in the event of any default by the Bidder. PGE's customers should not be at risk for replacing the contract quantity of energy or capacity throughout the term of the contract at an unknown market price.

Fixed Price Energy Contracts

Upon COD of a project, PGE will require performance assurance that represents an estimate of exposure to rising energy prices. This is calculated by taking the difference of the current market forward price for power and the contract price for the prompt three years, and multiplying this difference by the forecasted megawatt hours over the same prompt three year period. The performance assurance requirement may be reduced by any credit threshold granted to Bidder by PGE. PGE calculates these exposures at least once a week. Below are three examples of calculated exposures when forward prices rise on an energy contract (assuming 16 hours per day):

Annual MWa	Contract Days/Year	Contract Price \$MWh	Market Forward Price \$MWh	Performance Assurance Required (PAR)
$PAR = MWa \times Contract\ Days/Year \times 16\ hrs \times (Mkt\ Price - Contract\ Price) \times 3$				
100	365	\$ 29.40	\$ 29.40	\$ -
100	365	\$ 29.40	\$ 33.60	\$ 7,358,400
100	365	\$ 29.40	\$ 37.80	\$ 14,716,800

Credit Threshold Provided by PGE

During the negotiation of a Power Purchase Agreement, PGE will review a Bidder’s credit. A Bidder that has a credit rating on long-term, senior unsecured debt by one or more of the following agencies: BBB- or higher by Standard & Poor’s and Fitch, BBB (low) by DBRS, or Baa3 or higher by Moody’s Investor Services, Inc. may be eligible for a credit threshold to be applied against the performance assurance. The table below provides a range of potential thresholds for which a Bidder may be eligible. These amounts may be increased or decreased by PGE Credit Risk Management based on other factors such as financial analyses, bid type and overall risk assessment.

Credit Threshold (Estimated) Matrix				
Range of Moody's Credit Rating				
Tangible Net Worth	Aaa - A1	A2 - A3	Baa1 - Baa2	Baa3
Up to \$250M	1,000,000	500,000	250,000	125,000
\$251M to \$500M	1,650,000	825,000	412,500	206,250
\$501M to \$750M	2,500,000	1,250,000	625,000	312,500
\$750M to \$1B	7,500,000	3,750,000	1,875,000	937,500
\$1B to \$25B	10,000,000	5,000,000	2,500,000	1,250,000
\$25 to \$50B	15,000,000	7,500,000	3,750,000	1,875,000
Over \$50B	20,000,000	10,000,000	5,000,000	2,500,000

If the Bidder or guarantor is an established counterparty of PGE, then the combined amounts of existing thresholds and the additional threshold will not exceed the above amounts, after any adjustments made by PGE Credit Risk Management.

Credit Threshold Provided to PGE

During the negotiation of a Purchase Power Agreement PGE will request a credit threshold that considers (but is not limited to) factors such as company size, credit rating, bid type, and payment history.

Performance Assurance

The performance assurance will be held throughout the term of the contract. The performance assurance can be in the form of:

- a) a guaranty from an entity with a credit rating on long-term, senior unsecured debt by one or more of the following agencies: BBB- or higher by Standard & Poor's and Fitch, BBB (low) by DBRS, or Baa3 or higher by Moody's Investor Services, Inc.; or
- b) an irrevocable, transferable, standby letter of credit issued by a Qualified Institution in a form and substance reasonably acceptable to PGE; or
- c) Cash.
- d) PGE may consider alternative forms of performance assurance if requested.

Any entity acting as a guarantor for the Bidder will be required to provide PGE with audited financial statements for the previous three years as well as its credit ratings. "Qualified Institution" means a major U.S. commercial bank or a U.S. branch office of a major foreign commercial bank which is acceptable to PGE, or a trust company (which is not an affiliate of the Bidder) organized under the laws of the United States (or any state or political subdivision thereof) with such bank having shareholders' equity of at least \$10 billion (U.S. Dollars) and a Credit Rating of at least A+ by S&P or A1 by Moody's.

In the event the Bidder or its guarantor experiences a Material Adverse Change (i.e., is no longer creditworthy as defined above or as defined in the negotiated contract), Bidder will be required to provide replacement eligible performance assurance as defined above.

In the event : (i) the issuer of a Letter of Credit shall fail to be a Qualified Institution; (ii) the issuer of the Letter of Credit shall fail to comply with or perform its obligations under the Letter of Credit; (iii) the issuer of a Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, the Letter of Credit; (iv) a Letter of Credit shall expire or terminate, or shall fail or cease to be in full force and effect at any time during the term, in any such case without replacement; (v) the issuer of a Letter of Credit shall become bankrupt; or (vi) a Credit Event Upon Merger occurs with respect to the issuer of a Letter of Credit; Bidder will be required to provide replacement eligible performance assurance as defined above.

Credit Security Requirements for Construction Options

A Bidder must provide reasonable assurance to PGE that PGE will be able to readily recover its actual damages in the event of any default by the Bidder. PGE's customers should not be at risk for replacing the contract quantity of the uncompleted project or the possibility of having to pay all unpaid laborers, suppliers and sub-contractors. PGE requires that Bidders be at or above investment grade, defined as having a credit rating on long-term, senior unsecured debt of at least:

- BBB- or higher by Standard & Poor's and Fitch (PGE rating: BBB) or,
- BBB by DBRS, or
- Baa3 by Moody's Investor Services, Inc. (PGE rating: Baa2)

If the Bidder cannot meet this requirement, PGE requires that the Bidder demonstrate the capability to supply performance assurance in the form of a (1) Guaranty Commitment Letter (Attachment 1) or a Letter of Credit Commitment Letter (Attachment 2) from its credit support provider who is of investment grade, or, (2) a bid bond executed by an entity acceptable to PGE and authorized to issues such a bid bond, or (3) a cash deposit. The amount of performance assurance committed shall be for a sum of not less than 10% of the total bid price set forth in the bid. This performance assurance commitment shall remain in place until the contract execution date. At execution of a contract, the performance assurance requirements outlined below will take effect. PGE will also consider other forms of evidence to demonstrate the Bidders' capability.

Upon execution of a contract, PGE will require performance assurance representing 25% of the contract value.

Performance Assurance

The performance assurance will be held throughout the term of the contract. The assurance can be in the form of:

- a) an irrevocable, transferable, standby letter of credit issued by a Qualified Institution in a form and substance reasonably acceptable to PGE; or
- b) Cash; or
- c) A performance bond, issued by an entity reasonably acceptable to PGE that ensures the full completion of the project and the payment of all laborers, suppliers, mechanics, and subcontractors.
- d) PGE may consider alternative forms of performance assurance if requested.

DRAFT

Attachment 1

GUARANTY COMMITMENT LETTER

(Must be on letterhead of Bidder's credit support provider)

Portland General Electric Company
121 SW Salmon Street
3 World Trade Center - 0306
Portland, Oregon 97204
Attn: Credit Dept.

Dear Sirs:

_____, ("Bidder") (insert Bidder name) plans to submit a bid in response to the Portland General Electric Company's 2012 Renewable Resources Request For Proposals ("RFP"). Bidder is the _____ (insert nature of relationship, e.g., wholly owned subsidiary, affiliate, etc.) of the undersigned. The undersigned will directly benefit from the bid submitted by Bidder into the RFP. And the undersigned and Bidder have their own, separate legally enforceable arrangement with respect to the undersigned's promise set forth in this letter.

The undersigned promises and agrees that, should you enter into a transaction with Bidder arising out of any bid submitted by Bidder in the RFP, with terms and conditions mutually acceptable to you and Bidder, that we will at that time issue an unconditional guaranty in form and substance reasonably satisfactory to you, and that we will guarantee all obligations of payment and performance of Bidder to you as our independent obligation, plus expenses of enforcing the guaranty.

We understand that said guaranty is a required element in evaluating the Bidder's bid and that the execution and delivery of the guaranty is a condition precedent to you entering into an agreement with Bidder. We also understand that you are under no obligation to enter into any agreement with Bidder, under the RFP or otherwise.

Yours truly,

(Name of guarantor)

(Name of authorized officer)

Attachment 2

LETTER OF CREDIT COMMITMENT LETTER

(Must be on letterhead of Bidder's letter of credit issuer)

Portland General Electric Company
121 SW Salmon Street
3 World Trade Center - 0306
Portland, Oregon 97204
Attn: Credit Dept.

Dear Sirs:

_____, ("Bidder") (insert Bidder name) plans to submit a bid in response to the Portland General Electric Company's 2012 Renewable Resources Request For Proposals ("RFP"). The undersigned promises that, should you enter into a transaction with Bidder arising out of any bid submitted by Bidder in the RFP, that we will at that time issue an irrevocable standby letter of credit in a form reasonably acceptable to you up to a maximum amount of \$_____.

We understand that said letter of credit is a required element in evaluating the Bidder's bid and that the execution and delivery of the letter of credit is a condition precedent to you entering into an agreement with Bidder. We also understand that you are under no obligation to enter into any agreement with Bidder, under the RFP or otherwise.

Yours truly,
(Name of letter of credit issuer)

Portland General Electric Company

REQUEST FOR PROPOSALS – FINAL

Renewable Energy Resources

May 22, 2018



Table of Contents

1	Purpose and Scope	4
1.1	Resource Targets	4
1.2	About PGE.....	5
1.3	Independent Evaluator.....	6
1.4	Staffing Principles	6
2	RFP Schedule.....	7
3	Guidelines for Submitting Proposals.....	9
3.1	Registration on PGE’s RFP Website.....	9
3.2	Procedural and Commercial Questions	9
3.3	Submitting Bids	9
3.4	Bid Fee.....	10
3.5	Submitting a Confidentiality and Non-Disclosure Agreement	10
3.6	Validity of Price and Offer	11
3.7	Bid Evaluation Criteria.....	11
3.8	Reservation of Rights.....	11
3.9	Document Retention	12
4	Requested Power Products.....	13
4.1	Renewable Electric Energy Products Requested.....	13
4.2	Scheduling Requirements	14
4.3	Delivery Point and Transmission.....	14
5	Contract Terms and Conditions	16
5.1	Energy Purchase Agreement	16
5.2	Ownership Position in a Renewable Energy Resource	16
6	Bid Pre-Qualifications	18
6.1	General.....	18
6.1.1	Minimum Bid Quantity	18
6.1.2	Minimum Bid Term	18
6.1.3	Qualifying Product	18
6.1.4	Credit and Bidder Qualifications	18
6.1.5	PURPA Status	19
6.1.6	Transmission.....	20
6.1.7	Resource Delivery	20
6.1.8	Resource Availability.....	20
6.1.9	Other Bidder Pre-qualification	21
6.2	For New Projects	21
6.2.1	Site Control	21
6.2.2	Financing.....	21
6.2.3	Technology.....	21
6.2.4	Equipment and Construction Costs.....	22
6.2.5	Tax Credit Eligibility.....	22
6.2.6	Interconnection.....	22
7	Bid Evaluation Process.....	23
7.1	Reviewing, Ranking and Selecting Bids.....	23
7.2	Bidder Feedback	24

8	Criteria Used for Scoring Qualified Bids.....	25
8.1	Determination of the Offer Cost.....	25
8.2	Determination of the Energy Value.....	26
8.3	Determination of Capacity Benefits.....	26
8.4	Determination of Flexibility Benefits.....	26
8.5	Adjustments to Prices Submitted by Bidders.....	27
8.6	Detailed Offer Price Scoring.....	29
8.7	Offer Price Screen.....	29
8.8	Non-Price Factors.....	30
8.8.1	Project Development Criteria.....	30
8.8.2	Project Physical Characteristics.....	30
8.8.3	Project Performance Certainty.....	31
8.8.4	Credit Evaluation.....	31
9	Final Short List Determination.....	32
10	Post-Bid Negotiations.....	36
11	Appendix A - Power Purchase Agreement.....	37
12	Appendix B - Asset Purchase Agreement.....	38
13	Appendix C - Engineering Procurement and Construction Agreement.....	39
14	Appendix D - Parent Guaranty.....	40
15	Appendix E - Credit Requirement Guidance.....	41
16	Appendix F - Confidentiality Agreement.....	42
17	Appendix G – PGE Technical Specifications.....	43
18	Appendix H – Scoring Procedures.....	44
19	Appendix I – Required Bid Information.....	45
20	Appendix J – Benchmark Bid Information.....	46

Tables

Table 1: Summary of Requested Renewable Energy Products.....	13
--	----

Figures

Figure 1. PGE Service Territory.....	6
Figure 2. Resource Selection Process.....	23

1 Purpose and Scope

Portland General Electric Company (PGE), an investor-owned electric utility in Oregon, is soliciting bids through this Request for Proposals (RFP) for the renewable electric energy products described in section 1.1 below.

The timing of the RFP is intended to enable resources to capture for customers the value of federal renewable electricity tax credits including the Production Tax Credit (PTC) and Investment Tax Credit (ITC). PGE will consider proposals from a diverse range of renewable energy resources that comply with Oregon's Renewable Portfolio Standard (RPS).

This competitive RFP is being conducted in accordance with the OPUC Competitive Bidding Guidelines set forth in Appendix A of OPUC Order 06-446, dated August 10, 2006, as modified by OPUC Order 14-149, dated April 30, 2014 (Docket UM-1182) (Competitive Bidding Guidelines).

1.1 Resource Targets

PGE is seeking to acquire approximately 100 average megawatts (MWh)¹ of long-term renewable energy supply, bundled with the associated renewable energy credits (RECs). Renewable resources must meet the requirements of Oregon's RPS, as defined in Oregon Revised Statutes (ORS) Section 469A. PGE will consider proposals based on different commercial structures and commercially viable resource technologies. Acceptable bids for renewable resources include power purchase agreements (PPA), as well as a range of ownership structures, including PPAs with purchase options or obligations, sales of existing assets, acquisition of project development assets and rights, joint ownership, and build-own-transfer agreements. PGE intends to submit a benchmark proposal for the renewable RFP. PGE will evaluate and select renewable energy supplies consistent with the criteria and methodology contained herein.

Notwithstanding the above preferred target, PGE reserves the right to vary from this target² energy quantity based on evaluation of price and risk factors of received bids.

¹ An average megawatt is a unit of energy equal to 8,760 MWh during a common year.

² Including not procuring any energy through this RFP process.

1.2 About PGE

Headquartered in Portland, Oregon, PGE serves approximately 863,000 retail customers within a 4,000 square mile service territory (see Figure 1).

- Service territory population 1.9 million, about 46% of the state's population.
- Serves 51 cities, the largest being Portland and Salem.
- 28,000 miles of transmission and distribution lines.
- Net plant-in-service, \$9.9 billion.
- Forecast average annual demand in 2021, approximately 2,450 MWa.
- Peak load in 2016, 3,726 MW.
- Generation assets including seven hydro generation facilities, five gas-fired thermal plants, the Biglow Canyon and Tucannon River wind farms, majority ownership of one coal-fired thermal plant, and joint ownership in two units of another coal plant facility. PGE also holds long-term contracts for energy from the Mid-Columbia hydroelectric projects on the Columbia River, two wind farms, and regularly enters into short and mid-term wholesale power supply contracts.



Figure 1. PGE Service Territory

For more information, see PGE's Internet site: www.portlandgeneral.com.

1.3 Independent Evaluator

The Oregon Public Utility Commission has selected Bates White as an independent, third-party evaluator (IE), to help ensure the RFP is conducted in accordance with the OPUC Competitive Bidding Guidelines and that all bids are evaluated consistently and impartially. The IE will report to the OPUC. Bates White will:

- Consult with PGE during PGE's preparation of the RFP and submit its assessment of the final draft RFP to the OPUC when PGE files for RFP approval.
- Review final scoring and evaluation criteria that are consistent with the OPUC Competitive Bidding Guidelines and review of "mock bids" to test the integrity of the evaluation models.
- Will confer with OPUC staff in accordance with the Competitive Bidding Guidelines.
- Oversee the RFP process to ensure it is administered fairly.
- Will evaluate and score PGE's Benchmark Resource bid.
- Independently score all, or a sample, of the bids to determine whether the selections for the initial and final short-lists are consistent with the bid evaluation criteria.
- Compare the results of the IE's scoring with PGE's scoring and work with PGE to reconcile and resolve scoring differences, if any.
- Request additional modeling sensitivities, as necessary.
- Prepare a Closing Report for the OPUC after PGE has selected the final short-list.
- In its Closing Report, provide its assessment of all aspects of the solicitation process and the IE's involvement, including detailed bid scoring and evaluation results, to PGE, non-bidding parties and the OPUC subject to the terms of the Protective Order.

1.4 Staffing Principles

Portland General Electric Company (PGE) has put in place certain measures, including separation of functions and restrictions on information sharing, that

1. Are designed to provide a comparable and unbiased evaluation of all third party bids and any PGE Benchmark Resource consistent with the OPUC Competitive Bidding Guidelines for major resources.
2. Staff the RFP Team and the Benchmark Resource Team with the appropriate levels of expertise and technical knowledge.
3. Make efficient use of the limited number of PGE employees qualified to assist with power supply resource development, evaluation and procurement.

In addition, as a transmission provider, PGE complies with the Standards of Conduct adopted by the Federal Energy Regulatory Commission (FERC) which govern interactions between PGE's Transmission Function Employees (TFEs) and PGE's Marketing Function Employees (MFEs) and requires these employees to function independently of each other. Also, employees who are neither MFEs nor TFEs cannot share transmission information with MFEs under FERC's "no-conduit rule."

PGE's senior leadership team will continue to provide oversight and guidance, but will not directly participate in either the development of the Benchmark Resource or the RFP.

The Benchmark Resource is described in Appendix J.

2 RFP Schedule

The schedule listed below may be revised throughout the RFP process:

- Friday March 2nd 2018 — Pre-issuance stakeholder and bidder RFP workshop.
- Friday March 9th 2018 — PGE submits final draft Renewable RFP to OPUC for approval.
- Friday March 23rd 2018 — IE submits assessment of the final draft renewable RFP to OPUC.
- Wednesday May 16th 2018 – OPUC Special Public Meeting to Approve Renewable RFP.
- Tuesday May 22nd 2018 — PGE issues Final RFP.
- Tuesday May 22nd 2018 – Post-issuance bidder conference.
- Friday June 8st 2018 – Benchmark bid due.
- Wednesday June 14th 2018 – Benchmark bid scored and sealed.
- Friday June 15th 2018 — RFP proposals from Bidders due.
- Monday August 6th 2018 - Initial short list identified.
- Friday August 10th 2018 – Best and final price update.
- Tuesday October 2nd 2018* — PGE submits request for acknowledgment of short list to OPUC.

- Tuesday October 2nd 2018* — IE issues final closing report to OPUC.
- Tuesday October 30th 2018* – OPUC considers PGE’s request for acknowledgment of short list
- Monday December 31, 2018* – Final contracts with winning Bidders, PGE issues notice to proceed (as applicable).

** These dates are subject to change depending on the quantity and complexity of bids received. However, given the time-sensitive nature of this RFP, PGE will use best efforts in working with Bidders, stakeholders, the IE and the OPUC to achieve the milestones in this timeline.*

3 Guidelines for Submitting Proposals

This section describes the guidelines that parties submitting bids under this RFP (Bidders) must follow when submitting proposals.

3.1 Registration on PGE's RFP Website

PGE's RFP website, hosted by the IE, is the platform for communication and bid materials exchanges between Bidders and PGE. All prospective Bidders, stakeholders, and other interested parties may register on PGE's RFP website at www.PortlandGeneralRFP2018.com. The website is secure and password protected so that confidential information can be posted on and exchanged via the site.

Other features of the site include:

- The ability to download all public RFP documents, including copies of this document and all related contracts, term sheets and appendices.
- An announcement board for posting of information for the public and Bidders.
- The capability for Bidders to anonymously post questions and comments that can be seen by all users.
- Confidential bid folders for each bid, for the retention and exchange of bid-specific data.
- Confidential evaluation folders for bid evaluation and retention of data for use during regulatory proceedings.

3.2 Procedural and Commercial Questions

All correspondence regarding procedural questions, bid submissions and questions related to product characteristics, terms and conditions should be submitted to PGE's RFP website at www.PortlandGeneralRFP2018.com. PGE, in consultation with the IE, as appropriate, will post answers to questions from Bidders, stakeholders, and other interested parties on the site.

3.3 Submitting Bids

Bidders may submit one or more bids responding to the requested renewable energy product (see the Requested Power Products section below). All bids must be submitted online using the bid form that PGE will provide on the RFP website, www.PortlandGeneralRFP2018.com, no later than 12:00 p.m. Pacific Time on June 15, 2018. The bid form will require Bidders to submit information in support of their bids, including but not limited to project description, transaction type and price, project development criteria and developer experience, interconnection and scheduling services, tax benefits, permitting,

project resource characteristics, operating costs, credit and financial, etc. Bidders may edit their online bid form until the bid submission deadline. At 12:00 p.m. Pacific Time on June 15, 2018, bid forms will be closed to edits, and will be considered to be final submissions.

PGE's Benchmark Bid must also be submitted online no later than 12:00 p.m. Pacific Time on June 8 2018.

All bids on the initial short list will be invited to provide best and final price updates no later than August 10, 2018. Best and final price updates will only be accepted if offer's total price is reduced relative to initial offer.

3.4 Bid Fee

To help defray the costs of the IE and encourage high quality proposals and qualified Bidders, each Bidder in this RFP must pay a non-refundable bid fee of \$10,000. A bid may consist of one base proposal in addition to two alternatives for the same bid fee. The alternatives may consist of a different bid size, contract term, in-service date, and/or pricing structure for the same resource at the same location.

A proposal for a different resource at a different site will be considered a separate proposal and will be subject to a separate bid fee.

Fees are to be remitted via electronic funds transfer to PGE. For purposes of assessing bid fees, the IE, in consultation with PGE, shall confirm whether a Bidder's submission constitutes one or more proposals based on the criteria described above.

3.5 Submitting a Confidentiality and Non-Disclosure Agreement

The Confidentiality and Non-Disclosure Agreement is available for completion at www.PortlandGeneralRFP2018.com (and is included as Appendix F to this RFP). Bidders are required to complete and sign the confidentiality agreement prior to the bid submission deadline (12:00 PM on June 15, 2018). The confidentiality agreement is to be submitted to PGE through the IE website. Due to the need to ensure uniform treatment of all confidential information, PGE will not accept changes to the Confidentiality and Non-Disclosure Agreement.

PGE will treat any proprietary and confidential information contained in a bid, in a manner consistent with the terms of the Confidentiality and Nondisclosure Agreement and any Protective Orders issued by the OPUC, provided that such information is clearly identified by the Bidder on each confidential page as "Confidential" or "Confidential Information." Each Bidder must execute and deliver a copy of the Confidentiality and Nondisclosure Agreement, as soon as possible, but no later than the time of the submission of its bid or bids.

Confidentiality and Non-Disclosure Agreements received prior to June 8st 2018 will be countersigned and returned to bidder before June 15th 2018. *It is the*

Bidder's responsibility to indicate clearly in its proposal what materials and what pages it deems to be "confidential" and subject to the Confidentiality and Nondisclosure Agreement.

3.6 Validity of Price and Offer

By submitting a bid, the Bidder acknowledges and agrees that the terms of its proposal shall remain irrevocable for the earlier of 200 days after the bid responses are due or when PGE issues a written release of the bid at or before the time the initial³ or final, as applicable, short list is issued.

3.7 Bid Evaluation Criteria

Bids will be assessed by PGE and the IE on the project's economic competitiveness, project specific commercial and performance risks, and portfolio economic risk. All bids will be evaluated within an individual offer analysis to assign a bid price and non-price score. Consistent with prior practice, PGE's price score comprises 60 percent of our evaluation criteria, reflecting PGE's desire and commitment to obtain the best possible value for our customers. Non-price factors comprise the other 40 percent and reflect commercial and performance risks in addition to operational attributes of the bid proposals. Additional description of the bid evaluation criteria is provided in Section 8 of this document "Criteria Used for Scoring Qualified Bids."

3.8 Reservation of Rights

This RFP is not, and shall not be construed to be, an offer by PGE. PGE is not bound to enter into negotiations or execute an agreement with, or purchase any products from, any Bidder as a result of this RFP. No rights shall be vested in any Bidder, individual or entity by virtue of its preparation to participate in, or its participation in, this RFP. No binding commitment shall arise on the part of PGE to any Bidder under this RFP until and unless the parties execute definitive agreements that become effective in accordance with their terms.

Each Bidder shall be solely responsible for all costs it incurs in preparing to participate in, participating in, or responding to this RFP.

The bids received will be evaluated and selected based on the information supplied by each Bidder pursuant to this RFP. PGE reserves the right to modify or withdraw from this RFP process, or modify the schedule and any provisions contained herein, for any reason. PGE also reserves the right, consistent with the Competitive Bidding Guidelines, to make purchase commitments at any time to suppliers not participating in this RFP process.

³ Bids that are not on the initial short list will be considered released for purposes of this section.

PGE reserves to itself:

- The selection of final short-listed bids and the awarding of contracts, if any, in the exercise of its sole discretion.
- The right to short-list projects with energy amounts in excess of its target to ensure sufficient back-up proposals are available should other bidders materially depart from their bids during the negotiation phase. PGE anticipates short-listing a minimum of approximately 150% of its targeted energy amounts, and a minimum of 150 MWa of non-benchmark resources⁴.
- The right to reject any and all bids, and any portion of a specific bid for any reason.
- The right to waive any immaterial non-conformity in any bid received.
- The right to award a contract to a Bidder based on a combination of price and non-price factors, a quantitative and qualitative assessment of portfolio fit, and post-bid negotiations.

3.9 Document Retention

All bids and exhibits supplied to PGE during the RFP process will become the property of PGE. PGE will retain all bid materials supplied to it and pertinent information generated internally by it in connection with the RFP process in accordance with PGE's document retention policies.

⁴ Ability to short-list a minimum of 150 MWa of non-benchmark resources will be dependent upon a sufficient number of bids passing PGE's offer-price screen detailed in section 8.7.

4 Requested Power Products

PGE requests proposals for renewable energy products, as described in this RFP.

Renewable resources must meet the requirements of Oregon’s RPS, as defined in ORS 469A. In addition, renewable bids must include all environmental attributes, including Renewable Energy Certificates (RECs). Bidders will be responsible for ensuring RECs from projects are bundled as defined in ORS 469A.005. Bidders will also be responsible for ensuring that RECs are established through Western Renewable Energy Generation Information System (WREGIS) consistent with OAR 330-160-0020.

PGE is targeting approximately 100 MWa of renewable energy resources in this RFP. However, PGE reserves the right to vary from the target based on evaluation of price and risk factors of received bids.⁵ PGE has expedited the RFP to enable capture of federal renewable tax credits including the PTC and ITC given the planned decline for each. Preference will be given to RFP resources and bids that offer the ability to maximize cost savings to customers.

Table 1: Summary of Requested Renewable Energy Products

Product	Capacity	Online/Contract Start Date		Term
	Minimum	Preferred - No later than	No later than	Minimum
Power Purchase Agreement	10 MW	Dec 31, 2020	Dec 31, 2021	20 years
Ownership	10 MW	Dec 31, 2020	Dec 31, 2021	NA

4.1 Renewable Electric Energy Products Requested

Physical Energy Purchase – PGE will consider proposals for the long-term purchase of renewable energy from an existing or to-be-constructed renewable facility, with energy to be delivered to PGE. The minimum bid capacity under this RFP is 10 MW, and the minimum term duration is twenty years.

Ownership Position in a Renewable Energy Resource – PGE will consider acquiring ownership positions in renewable energy resources. Ownership proposals may include (but are not limited to) the sale of existing plants, acquisition of project development rights, joint ownership, and build-own-transfer agreements.

⁵ Including not procuring any energy resources through this RFP process.

PGE will also consider hybrid structures that include both an ownership component and a PPA (e.g. the sale of a phase or portion of a project with an off-take agreement for the balance or a PPA with purchase option or obligation).

4.2 **Scheduling Requirements**

Renewable energy sold to PGE via a long-term power purchase agreement must be delivered firm for at least each 15-minute scheduling interval. Alternate proposals delivered firm for periods longer than 15minutes (i.e. hourly, day ahead, etc.) will also be considered, if proposed. For the purposes of this RFP, delivered firm energy means the only excuse for failure to deliver or receive is force majeure, as defined in the purchase agreement. Firm energy includes reserves and ancillary services to ensure that energy schedules are certain and delivered intact throughout the scheduling interval.

4.3 **Delivery Point and Transmission**

PGE is electrically connected to both Bonneville Power Administration (BPA) and PacifiCorp West. However, at this time and for the purposes of this RFP, the PacifiCorp West interface has been determined to have insufficient available capacity and is unavailable. For Bidders with projects outside of PGE's Balancing Authority Area (BAA), it is the Bidders' responsibility to provide as part of the bid submittal a reasonable and achievable plan to obtain annual long-term firm transmission from the resource to the delivery point prior to project Commercial Operation Date (COD).

Bidders relying on BPA for Transmission Service are required, at minimum, to have a schedule that allows transmission service commitments by December 31, 2018. For bidders relying on the TSR Study and Expansion Process (TSEP)⁶ or Individual Study Process, transmission service commitments will be deemed demonstrated by completion of phase four (Record of Decision issued) or completion of the facilities study respectively. Associated BPA upgrades required to receive long-term firm service must support the project COD. Bidders may rely upon up to three years of conditional firm bridge service that converts to long-term firm upon completion of required upgrades. Long-Term Firm transmission rights must match the duration of the contract term or include rollover rights. PGE's evaluation process will determine if there are additional costs or risks to deliver the resource to PGE load.

Bidders proposing to interconnect a resource within PGE's Balancing Authority Area will need to include all incremental costs to deliver, or sink, energy from the resource to PGE's load. Bidders can determine these costs by requesting Network Resource Interconnection Service and Network Integration Transmission Service under PGE's Open Access Transmission Tariff (OATT) from PGE's Transmission and Reliability Services Department (T&RS) or Bidders can request Energy Resource Interconnection Service and Point-to-Point Transmission Service under PGE's OATT from T&RS. Either

⁶ Transmission Service Request Study and Expansion Process

process will enable T&RS to study whether any system upgrades are needed to accommodate transmission service for the bid. Questions concerning the various types of Interconnection and Transmission Service available under PGE's OATT should be directed to T&RS.

Bidders relying on PGE-T transmission are required to have completed Facilities Studies for Transmission Service and subsequent Construction Agreements.

If, after identifying the initial short list, PGE determines that a Bidder's proposed transmission plan cannot demonstrate firm delivery to an acceptable delivery point, the proposal may be rejected. Long-Term Firm delivery capability or other demonstrable transmission rights to enable delivery to PGE's load, are subject to negotiation and confirmation prior to execution of any contracts in connection with this RFP.

For the purposes of scoring bids in this RFP, for resources outside PGE's BAA, acceptable delivery point is:

- BPAT.PGE

When requesting transmission service from BPA, the BPAT.PGE Point of Delivery is associated with the following substations or "sinks":

- PGE Contiguous
 - Pearl 230 kV (Sherwood)
 - McLoughlin 230 kV
 - Keeler 230 kV (St. Marys)
 - Rivergate 230 kV
- Bethel 230 kV
- Troutdale 230 kV (Blue Lake)

5 Contract Terms and Conditions

5.1 Energy Purchase Agreement

The contract template for power purchases is included in Appendix A – Wholesale Renewable Power Purchase Agreement (“Form PPA”). Bidders must review the Form PPA included in this RFP, and are required to include any proposed revisions to contract terms by providing a mark up to the PPA Form. Bidders are required to identify, through comments, exceptions to any term or condition. Additionally, Bidders are **required to propose alternative** terms and conditions in redline format to the highlighted terms and conditions in the Form PPA. Should proposed revisions to highlighted terms and conditions increase PGE’s exposure to risks related to project schedule, performance or cost then PGE will adjust the Bid’s non-price score consistent with Appendix H.⁷ PGE will evaluate all proposed revisions, but is under no obligation to accept any revisions or adopt any changes. Changes, if any, to the terms and conditions of the term sheet and the Form PPA will be discussed with Bidders on the final short list.

The Form PPA invites bidders to offer a purchase option for the facility. If Bidders elect to propose an end of term or during term option for PGE to purchase the facility, or an option for PGE to extend the term of the PPA, it should include such proposed option in its mark-up of the agreement. Proposed purchase options and/or term extensions will be evaluated in PGE’s price scoring assessment and non-price scoring assessment consistent with Appendix H.

PGE recognizes that alternative firm energy sale structures may be available and Bidders proposing such alternatives must offer revisions to the Form PPA and also propose a new term sheet.

Specifically, to allow for direct compensation for transmission costs, bidders are invited to propose power purchase agreements with both capacity and variable charges. Capacity charges may be escalated according to tariffed rate changes, however for non-dispatchable resources capacity charges are not to exceed the costs of all tariffed transmission costs.

5.2 Ownership Position in a Renewable Energy Resource

PGE invites Bidders to submit proposals for various types of asset sale and ownership transfer or service agreements. The contract templates are included in Appendix B and C – Asset Purchase Agreement (“Form APA”) and Engineering

⁷ Consistent with OPUC Order 18-171, proposed redlines to the Form PPA’s ‘Specified Amounts’ and ‘Specified Energy’ (Sections 1.1.118 and 1.1.119 respectively) that revise the time-period over which contract price is determined (Section 2.3.2) will not be assessed non-price scoring adjustments.

Procurement and Construction Agreement (“Form EPC”). Bidders are required to identify, through comments, exceptions to any term or condition in the form contracts. Additionally, bidders are **required to propose alternative terms** and conditions in redline format to the highlighted terms and conditions in the Form APA and Form EPC. Should proposed revisions to highlighted terms and conditions increase PGE’s exposure to risks related to project schedule, performance or cost then PGE will adjust the Bid’s non-price score consistent with Appendix H.

PGE recognizes that alternative ownership structures may be available and Bidders proposing such alternatives must offer revisions to the Form APA and EPC and also propose a new term sheet. Changes to terms and conditions and/or new terms and conditions will be discussed with Bidders selected for final short list negotiations. PGE may make adjustments to the listed evaluation procedures for Bids proposing alternate ownership structures.

Ownership proposals may include (but are not limited to) sales of existing assets, acquisition of project development rights, build-own-transfer (BOT) agreements or joint ownership. We will also consider hybrid structures that include both an ownership component and a power purchase agreement (e.g. the sale of a phase or portion of a project with an off-take agreement for the balance or a PPA with purchase option or obligation).

Lastly, bids for new, utility ownership resources are expected to be procured and constructed in accordance with PGE’s established technical requirements. Appendix G details PGE’s technical requirements for the purchase of new wind and solar facilities in addition to general specification applicable to all new generation technologies. Bidders submitting ownership bids must review the technical specifications to ensure that the bid and associated price reflects PGE’s identified requirements. Should a Bidder wish to offer a product different than that suggested by the technical specifications, the Bidder is required to identify through a template exception log which specifications the Bidder takes exception to and identify a cost estimate necessary to align the Bid with the technical specifications. PGE will consider whether the proposed exception is acceptable before applying any owner’s cost adjustment necessary to align the Bid with the technical specifications.

6 Bid Pre-Qualifications

To be considered for evaluation, all proposals must meet the requirements specified below.

6.1 General

The following general pre-qualifications apply to all bids to be evaluated in this RFP.

6.1.1 Minimum Bid Quantity

The minimum bid amount is 10 MW. PGE has specified a low minimum bid size to encourage the submission of a variety of renewable bid technologies in this RFP. Renewable projects 10 MW or under may be eligible for PGE's Schedule 201 Qualifying Facilities Standard Contract Power Purchase Agreement. PGE welcomes Qualifying Facilities of 10 MW or more in this RFP. Additional information about Schedule 201 contracts can be found here:

<https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge>

6.1.2 Minimum Bid Term

The minimum bid term is twenty years. The resource must be delivered to PGE no later than December 31, 2021. PGE prefers resources delivered to PGE after December 31 2019 and on or before December 31, 2020.

6.1.3 Qualifying Product

Bids must sell to PGE output from or title to an identified renewable resource. Renewable resources must meet the requirements of Oregon's RPS, as defined in ORS 469A. In addition, renewable bids must include all environmental attributes, including Renewable Energy Certificates (RECs). Bidders will be responsible for ensuring RECs from projects are bundled as defined in ORS 469A.005. The Bidder will also be responsible for ensuring that RECs are established through Western Renewable Energy Generation Information System (WREGIS) consistent with OAR 330-160-0020.

6.1.4 Credit and Bidder Qualifications

To be eligible for the final short-list consideration a Bidder must demonstrate an ability to secure necessary pre-COD performance assurances in the form of a letter of credit from a qualified institution. This demonstration can be in the form of a letter of credit commitment letter. Furthermore, a Bidder offering a utility owned resource will also be

required to secure a guarantee if the Bidder is not investment grade. Appendix D includes PGE's Guarantee Form. To be considered investment grade, Bidder's or Bidder's credit support provider's (if any) long-term, senior unsecured debt, that is not supported by third-party credit enhancement, must be rated by one or more of the following agencies as follows: BBB- or higher by Standard & Poor's and Fitch, BBB (low) by DBRS, or Baa3 or higher by Moody's Investor Services, Inc. If the Bidder or Bidder's credit support provider is rated by more than one agency, PGE will consider the lowest rating.

All transactions are contingent upon the Bidder meeting and maintaining the credit requirements established by PGE's Credit Risk Management Department. PGE's Risk Management credit requirements provide PGE reasonable assurance that PGE will be able to readily recover its actual damages in the event of default by the Bidder. Final collateral requirements will be determined prior to execution of an agreement.

Bidders proposing an Asset Purchase Agreement and/or an Engineering and Procurement Contract will have pre-COD performance assurance requirements of \$100/kW collateral. Engineering and Procurement Contracts (or similar arrangements) will, in addition, have payment and performance bonds. Power Purchase Agreement bids will be required to include \$200/kW pre-COD collateral and \$100/kW of post-COD collateral. A payment and performance bond is not required for an APA-only bid. Additional detail on the PGE's Credit Requirements, including necessary documentation of guarantor commitments can be found in Appendix E.

6.1.5 PURPA Status

Bidders with projects that are QFs under FERC rules are welcomed to bid such projects into this RFP under the terms and conditions of this RFP, but not as QFs. Bidders with projects that have an executed contract with PGE under Schedule 202 may also participate, but PGE makes no commitment as to whether it will be willing to mutually terminate an existing Schedule 202 contract. PGE will make that determination on a case-by-case basis in the best interest of our customers. Importantly, agreements entered into with any counterparty as a result of PGE's competitive solicitation will be consistent with the pricing and Form Contract term and conditions provided at time of bidding and reviewed through post-bid negotiations. For the avoidance of doubt, Bidders will not be awarded contracts with standard avoided cost pricing or standard contract terms and conditions.

6.1.6 Transmission

For those resources located outside PGE's BAA, Bidders must provide a reasonable, achievable plan for acquiring long-term firm transmission service to deliver to an acceptable delivery point prior to project COD.

Bidders interconnecting directly to PGE should meet the requirements in Section 4.3 above.

PGE will not entertain Bids that propose assignment of PGE's transmission rights to deliver to an acceptable delivery point. PGE will not entertain a Benchmark bid that proposes assignment of PGE's transmission rights to deliver to an acceptable delivery point.

6.1.7 Resource Delivery

For those resources located outside PGE's BAA, resource output must be delivered firm for at least each 15-minute scheduling interval. Alternate proposals to deliver firm for periods longer than 15 minutes (i.e. hourly, day ahead, etc.) will also be considered. For the purposes of this RFP, delivered firm energy means the only excuse for failure to deliver or receive is force majeure, as defined in the purchase agreement. Firm energy includes reserves and ancillary services to ensure that energy schedules are certain and delivered intact throughout the scheduling interval.

6.1.8 Resource Availability

Bidders must include evidence substantiating the Bid's forecasted energy deliveries. Wind, solar and hydro bids must include at least three years of forecasted facility level generation consistent with a contemporaneous period of historical wind, irradiance or stream flow observations. Bidders must also provide average, expected generation for each month-hour (presented in a 12x24 table). The historical and average energy output estimates must be produced by a qualified independent third-party or consistent with an included energy assessment.

Geothermal Bids must have completed and included the resource's feasibility report based on a year or more of test data from full diameter production wells.

Biomass Bids must demonstrate physical and commercial access to fuel supplies and fuel transportation for the term of the contract proposed in the bid. PGE will not accept Bids for biomass or biogas projects that pass fuel obligations to PGE.

6.1.9 Other Bidder Pre-qualification

As applicable, the Bidder must provide documentation, satisfactory to PGE, that it is authorized under the law to sell power, and able to schedule power and operate under industry standards established by the Federal Energy Regulatory Commission (FERC), Western Electricity Coordinating Council (WECC), and the North American Energy Reliability Council (NERC), or other applicable regulatory body or government agency.

6.2 For New Projects

The following new project pre-qualifications apply to Bids for projects not yet constructed.

6.2.1 Site Control

Bidders must support the Bid by demonstrating dependable site control. At the time of bid submission, Bidders must possess title to the site, have executed a lease agreement, or executed an option agreement applicable to a minimum of 80% of the project site. Prior to placement on PGE's final short list, Bidders will be required to demonstrate site control for 100% of the project site.

6.2.2 Financing

As applicable, Bidders must provide a reasonable plan to obtain project financing. Those Bidders who are unable to internally or balance sheet finance the proposed project (supported by appropriate financial statements) must provide evidence of a good faith commitment from a financial institution or lender prior to placement on PGE's final short list.

6.2.3 Technology

Proposals shall use utility-scale, commercially viable generation technology currently deployed in the western United States. PGE will only consider Bids that use widely deployed generating technologies with proven records of reliability. For new, utility-ownership resources the major equipment as defined in Appendix H and Appendix G must be supplied by one of the identified preferred vendors.

PGE will not accept generation technology shown to have serial defects. Serial defects are considered to be a design or manufacturing problem that has affected 10% or more of the installed models. Generation technology must comply with all current applicable Codes and Standards for a USA-based resource.

Bidders may contact the IE in the event that they are uncertain whether their choice of specific generation technology is acceptable to PGE. Such

requests need to be received by the IE no later than May 15 2018.⁸ PGE will review any such information as to their suitability for meeting our renewable energy requirements. PGE and the IE will respond to such requests within two weeks of receipt.

6.2.4 Equipment and Construction Costs

To be eligible to bid, Bidders must include a quote, commitment, or documentation of purchase from a wind turbine, photovoltaic panel, or steam turbine manufacturer. For utility-ownership projects, bids must also include EPC quotes to construct the facility. For utility-ownership projects the bid price estimate must be consistent with the equipment supplier and EPC contractor (or BOT agreement) documentation.

6.2.5 Tax Credit Eligibility

Offers that intend to utilize PTC federal tax credits will need to demonstrate the project's eligibility for the specified credit. PGE requires a narrative and plan describing the timeline to achieve the associated federal tax benefit. In addition, PGE requires a tax opinion from a qualified tax expert to further substantiate the Bidder's plan to generate PTCs. Offers that intend to utilize ITC federal tax credits must demonstrate a reasonable plan to obtain the credits.

6.2.6 Interconnection

All Bidders must have executed a System Impact Study Agreement prior to bid submittal in order to be evaluated in the RFP. Should bidders not have completed an interconnection agreement with the transmission provider at time of short listing, PGE will remain flexible by requiring Bidders to have instead completed an Interconnection Facilities Study.⁹ Bidder's unable to provide Facilities Study reports before time of Final Short list will be deemed unready for construction and will be disqualified from the evaluation.

⁸ The IE can be contacted through the RFP website. The notification should identify the manufacturer and model the Bidder intends to include in a bid and include preliminary design studies – completed in sufficient detail to identify all major equipment and components.

⁹ As described in Attachment L of BPA's Open Access Transmission Tariff, the Interconnection Facilities Study "specify and estimate the cost of the equipment, engineering, procurement and construction work needed to implement the conclusions of the Interconnection System Impact Study in accordance with Good Utility Practice to physically and electrically connect the Interconnection Facility to the Transmission System." Available at:

https://www.bpa.gov/transmission/Doing%20Business/Tariff/Documents/attachment_l.pdf

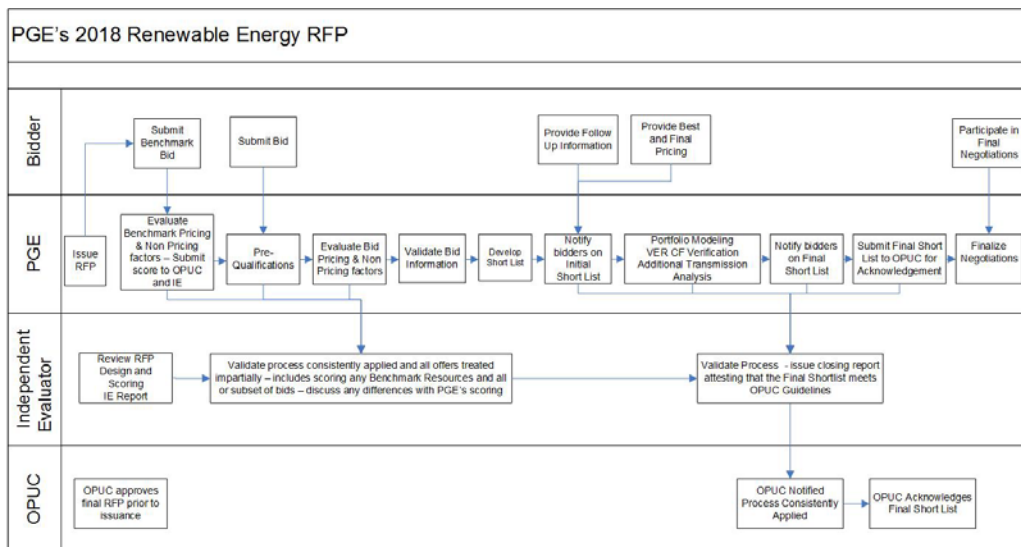
7 Bid Evaluation Process

This section describes PGE’s process for evaluating Bids received in response to this RFP. For details about our scoring criteria, see the sections, “Bid Pre-Qualifications,” and “Criteria Used for Scoring Qualified Bids.”

7.1 Reviewing, Ranking and Selecting Bids

In selecting the RFP short list, PGE will use a first-price, sealed-bid format. Under this format, Bidders may not update pricing during the scoring and evaluation period, except for the ‘best and final offers’ described in Section 3.3. PGE’s evaluation of offers will be based on prices submitted within Bidders’ delivered bids, in conjunction with specified non-price criteria to select PGE’s initial short list. As stated in more detail in Section 5 and below, certain differences from PGE’s proposed contract terms and conditions may be addressed during post-bid negotiations. The scoring process is illustrated in Figure 2, below.

Figure 2. Resource Selection Process



Bids will be evaluated using a three-step process.

- *Assessment of Pre-Qualifications* – First, PGE will screen bids according to pre-established qualifying criteria described in Section Six and enumerated in Appendix M.

- *Individual Offer Analysis* – Next, PGE will score all Bids that meet the pre-qualification standards. Individual Overall scores will be comprised of price and non-price factors.
- *Short-list Analysis* – Bids selected for the initial short list will be given the opportunity to provide best and final pricing. Resources selected for the initial short list will be included in PGE’s portfolio analysis. Portfolio analysis will evaluate how short-listed resources affect overall system costs and risks when combined with other resources to meet PGE’s resource target. Short listed resources will also be subjected to additional capacity factor and energy assessments review, owner’s cost analysis, accounting treatment analysis, and final short list stage pre-qualification assessment, each as applicable.

PGE reserves the right to request additional information regarding any Bids submitted.

7.2 Bidder Feedback

Upon request, PGE will offer feedback to unsuccessful Bidders on the competitiveness of their proposals. PGE will make available this feedback after executing all agreements with successful Bidders, or after announcing the termination of the solicitation. PGE will not disclose any third-party confidential information through this voluntary feedback process. PGE will identify the relative performance of their Bid by identifying a Bid’s quartile performance in price, non-price and total score. Furthermore, as appropriate, PGE will identify all minimum thresholds the Bid did not achieve.

8 Criteria Used for Scoring Qualified Bids

This section summarizes the criteria PGE will use to evaluate Bids submitted in response to the RFP.

Price represents a significant portion of the overall score. The price score will be calculated as the ratio of the bid's projected total cost per MWh to forecast market value using real-levelized or annuity methods (per Guideline 9a. of the Competitive Bidding Guidelines). The price scoring will incorporate benefits related to the expected energy value, capacity value and flexibility value associated with the offers.

Many project specific risks and benefits cannot be captured or quantified by evaluating resource price or resource portfolio cost benefit. For those projects, PGE evaluates and assigns a non-price score for specific development criteria, physical characteristics, performance certainty, and credit factors consistent with the detailed non-price scoring rubric included in Appendix H.

8.1 Determination of the Offer Cost

An offer's cost reflects the total cost, fixed and variable, associated with the project's delivery of energy and forecasted economic dispatch.

An offer's fixed costs include all revenue requirement components including, for resources to be owned by PGE: total depreciation, salvage, return, income taxes, deferred income taxes, property taxes, fixed O&M, wheeling charges, and ancillary services. For resources contracted for by PGE, an offer's fixed cost includes all forecasted fixed payments, capacity charges, ancillary services, if appropriate, and PGE system upgrade costs, if applicable.

An offer's variable costs include for resources to be owned by PGE: all fuel costs, variable O&M, emissions costs, start-up costs. For resources contracted for by PGE, an offer's variable cost includes all energy payments, additional variable O&M costs, emission costs passed onto the buyer, and start up charges, if applicable. The magnitude of an offer's variable costs will be determined by the offer's simulated dispatch against forecasted market prices using PGE's IRP economic dispatch AURORA software.

To evaluate Bids containing different product characteristics on a comparable basis, prices submitted by the Bidder may be subject to adjustment to ensure Bids are evaluated on a comparable basis.

An offer's total cost for the duration of the offer's term is expressed on a present value basis and included in the numerator of the offer's price scoring ratio.

8.2 Determination of the Energy Value

An offer's energy value reflects the value of energy generated throughout the offer's economic life or term. Energy value for the duration of the offer's term is expressed on a present-value basis and included in the denominator of an offer's cost to benefit price score ratio. The energy value will be based on the offer's simulated dispatch and the projected revenue associated with PGE's hourly market price forecast. The market price forecast is developed as follows:

- The hourly spot electricity price forecast is developed using a fundamental market simulation in AURORA, the principles of which are described in Chapter 10 of PGE's 2016 IRP. Electricity prices are simulated for the period 2018–2050.
- AURORA will use natural gas price inputs consistent with PGE's 2016 IRP Update reference case methodology forecast.

8.3 Determination of Capacity Benefits

An offer's capacity benefit reflects PGE's need to acquire new, physical capacity resources due to the offer's estimated system capacity value. PGE is facing a capacity deficit, and requires capacity products, to otherwise displace the need to contract with or construct new peaking generating facilities. The capacity benefit will be included in the denominator of the offers cost to benefit price score ratio.

An offer's capacity benefit will be calculated as the product of the offer's capacity value and the avoided capacity cost. The product's capacity value will be calculated annually using the Renewable Energy Capacity Planning (RECAP) model. RECAP is described in Chapter 5 of the 2016 IRP. The model has been updated to accurately reflect the assumptions included in PGE's 2016 IRP Update filed in March 2018. The offer's capacity value will be expressed as the quantity of avoided simple-cycle combustion turbine (SCCT) needed to meet PGE's long-term capacity targets. The avoided capacity cost will be based on a per kilowatt, real-levelized cost (net of wholesale revenues) of a simple-cycle combustion turbine (SCCT). The assumed costs and performance of the SCCT are consistent with 2016 IRP capital costs and performance metrics (described in Chapter 7) operated under the updated reference case gas and wholesale power prices. The product of the offer's annual capacity value and levelized avoided capacity cost constitute the offers annual capacity benefit. Capacity benefit for the duration of the offer's term is expressed on a present value basis and included in the denominator of the price score ratio.

8.4 Determination of Flexibility Benefits

The flexibility value associated with an offer reflects any additional value that the offer may bring to PGE's generation portfolio due to its ability to ramp, respond to

forecast errors, and/or provide ancillary services that is not captured by its energy value. For example, a resource that can provide ancillary services at a lower cost than PGE's current resource fleet is recognized for the associated reduced cost of existing PGE resources. PGE approximates flexibility benefits using the Resource Optimization Model (ROM), which the Company relied on in the 2016 IRP to quantify flexibility value associated with energy storage systems and the costs due to flexibility challenges (i.e., integration costs) associated with variable renewable resources. An offer's flexibility benefit is calculated using a methodology further explained in Appendix E. The flexibility benefit for the duration of the offer's term is expressed on a present value basis and is included in the denominator of the offer's cost to benefit price score ratio.

8.5 Adjustments to Prices Submitted by Bidders

Price represents a significant portion of the overall score. To evaluate offers containing different product characteristics on a comparable basis, prices submitted by the Bidder will be subject to adjustment for the following considerations:

Delivery Point – Applicable transmission service costs will be applied in order to capture the incremental cost of delivering energy to PGE. These costs include wheeling, losses, and required ancillary services as prescribed in applicable tariffs, as well as any incremental costs for transmission or distribution system improvements necessary to deliver the energy to PGE.

However, for Bids where the Bidder has secured and is paying for point-to-point transmission services for delivery from the generation facility to an acceptable delivery point and the offer contains all applicable service costs identified above, no other transmission costs for those point-to-point services will be applied.

Interconnection – Applicable interconnection costs will be applied in order to capture the identified interconnection upgrade costs identified in a System Impact Study and updated following completion of an Interconnection Facility Study.

However, for Bids where the Bidder has secured an interconnection agreement and included the appropriate interconnection costs into the Bid price, no other interconnection costs will be applied.

PGE line loss – All bids, regardless of their point of interconnection, will be applied a generic line loss consistent with PGE's OATT Schedule 11.

Ancillary Services – If ancillary services are not included in product pricing, Bids will, at a minimum, be adjusted to account for ancillary services (where applicable) to meet control area operations and transmission provider requirements.

Bidders shall provide a comprehensive list of all ancillary services they are planning to provide in delivering the power product to the delivery point. To the extent that any of these required ancillary services are not being supplied by the Bidder, PGE will, for scoring purposes, adjust the price provided by the Bidder to reflect the cost of acquiring additional ancillary services required. As such, all off-system utility owned resources will be assigned tariffed service costs to deliver to PGE's system using 15-minute schedules. Price adjustments will be consistent with tariffed rates or PGE study results consistent with IRP methodology.

Owner's Costs –

During PGE's initial offer analysis, PGE will assign generic owner's costs to all utility-ownership resources. These costs reflect estimated PGE project management, execution, oversight, and integration costs, as applicable.

Operations and Maintenance-

Utility-ownership Bids are required to detail expected operations and maintenance costs and provide quotes or contracts for long-term maintenance agreements, if available. If the long-term maintenance agreement costs are not provided PGE will compare Bidder supplied O&M costs to the estimated generic O&M costs for like resource in the most recently published IRP. Should Bidder's expected costs significantly differ from the generic estimates, Bidders will be asked to further substantiate their O&M costs. Should PGE find Bidder evidence inadequate, PGE will instead apply generic O&M costs from the most recently published IRP.

Performance Assurances -

PGE retains the right to adjust the Bid price to include performance assurance costs should the Bidder take exception to and redline pre and post COD performance assurances identified in PGE's Form Contracts.

Tax Credit Carrying Costs –

For those resources eligible for federal tax credits and bid a utility-ownership proposal, PGE will evaluate PGE's customer costs associated with PGE's utilization of the incremental tax credits. PGE intends to pass the revenue requirement benefit of the tax credits to customers on an as-generated basis for PTCs and over the life of the asset – due to normalization rules – for ITCs. To the extent that PGE cannot utilize a tax credit on its federal return in the same year it is credited to customers, PGE will incur a carrying cost. The ongoing carrying

cost of forecasted incremental tax credit carrying costs will be assigned to the applicable Bids.

8.6 Detailed Offer Price Scoring

Following the quantification of offer costs and benefits, including any necessary offer price adjustments described above, each offer's component cost and benefits will be converted to a cost to benefit price score ratio. Real-levelized offer costs, divided by the equivalent real-levelized benefits value (incorporating energy, capacity, and flexibility benefits) will be the basis for the offer's price ratio. The 600 points associated with the price scoring section will be allocated on a scaled basis, with the lowest price ratio offer receiving 600 Points.

8.7 Offer Price Screen

Consistent with PGE's 2016 IRP Addendum, PGE requires all Bids to pass a cost-containment screen in order to be considered for the short list. The cost containment screen requires Bids to be cost-effective under Reference Case conditions considering only the resource's forecasted energy and capacity values.

PGE's cost-containment screen compares the levelized cost of a renewable resource to the levelized energy, capacity and flexibility value of the renewable resource. To measure levelized costs, PGE will annuitize the present value revenue requirement of the proposed resource. To measure levelized value, PGE will first calculate the energy value of the proposed resource using resource specific generation profiles. Because each resource occupies a unique location with a different generating technology, each resource will be assigned a specific energy value in each year of operation using the hourly forecasted energy price under Reference Case conditions. The resource's levelized energy value reflects the annuitized present value of the resource's generated energy. Each resource will also have a calculated capacity value that reflects the product of the resource's capacity contribution, as calculated using the RECAP methodology, and the avoided costs associated with a generic capacity resource. The levelized capacity value reflects the annuitized present value of the resource's avoided generic capacity costs. Each resource will also have a calculated flexibility value that reflects the product of the resource's flexible range and estimated flexibility benefit calculated using ROM and further detailed in Appendix H. The resource's levelized flexibility value reflects the annuitized present value of the resource's annual flexible value. PGE's RFP price screen is consistent with the acknowledged 2016 IRP Addendum and ensures that the levelized energy, capacity and flexibility value of near-term renewable additions exceed the levelized cost of the associated resource.

The cost-containment screen will be unique for each resource evaluated by PGE. The screen will elevate resources that provide more value to PGE customers due to the resource's geographic diversity. For this reason it is possible that a lower priced resource does not pass the economic screen, while a higher priced resource passes the economic screen due to increased resource value (e.g., higher capacity contribution or more valuable energy production profile).

8.8 Non-Price Factors

8.8.1 Project Development Criteria

This category scores the likelihood that a project supporting a Bid will be placed in commercial service. The evaluation criteria for this category generally address construction and development risks associated with the completion of projects that are not yet in commercial operation, and which are necessary to support Bids. Plants that are already operating or are sufficiently advanced in construction may be deemed to earn the maximum possible score in this category.

For projects that are less advanced, some of the characteristics we will consider in our scoring are:

- Status of required permits, licenses and environmental studies.
- Project team experience.
- Method and status of project financing.
- Site Control.
- Cost certainty.
 - Status of equipment quotes.
 - Sale or PPA price structure.
- Project life and extension options. Bids that allow PGE to extend the life of a resource beyond the initial term, or Bids allowing for PGE to continue facility operation, provide opportunities for PGE to lower long term energy supply costs and risks.

8.8.2 Project Physical Characteristics

This category captures the physical characteristic risks of the Bid products. The evaluation criteria for this category generally address physical and operational risks associated with the production and delivery of power to PGE. Some of the characteristics that we will consider in our scoring are:

- Delivery points (as discussed above), includes interconnection, transmission, and curtailment.

- Remedial action schemes (RAS) – projects that PGE is able to use as a credit for its obligation to support AC intertie RAS will receive additional points.
- Engineering reliability characteristics.
- Resource fuel availability confidence.

8.8.3 Project Performance Certainty

This category scores how well the Bid product matches PGE's system operating needs. The evaluation criteria for this category generally address price risk, performance and supply portfolio concentration risks, along with the benefits of operational flexibility. Some of the characteristics that we will consider in our scoring are:

- Quality of power.
 - Firmness of energy.
 - Scheduling period commitment.
- Contract/resource start date
- Performance guarantees and compensation for failure to achieve them.
- Deviations from product term sheet.

8.8.4 Credit Evaluation

This category scores the creditworthiness of the Bidder. We will take into account the following credit considerations in our scoring:

- Debt and equity ratings.
- Financial ratio analysis.
- Bond risk.
- Tangible net worth.
- Corporate structure.

9 Final Short List Determination

For the short list, PGE intends to include Bids representing a minimum of 150% of the renewable energy requested in this RFP, and at a minimum, 150% non-Benchmark bid, subject to receipt of a sufficient quantity and quality of Bids. Once the short list has been developed pursuant to the scoring criteria outlined above, PGE will refine bid evaluations in the following areas to determine the final short list:

Scoring Sensitivity Analysis – PGE will incorporate a price/non-price sensitivity analysis into its short list evaluation to demonstrate the reasonableness of the proposed scoring weighting of 60 price/40 non-price. PGE will study how the ranking of its short list would be affected by 70/30 and 50/50 price, non-price weighting sensitivities.

Review of Capacity Factor Assumptions – PGE will contract with an independent third party expert to review capacity factor assumptions for intermittent resources.

Security for Performance Requirements – PGE will perform a detailed credit risk evaluation of all Bidders on the short list, and will refine performance assurance requirements during this stage. However, performance assurance will only be required at the execution of a definitive agreement with a successful Bidder.

Permitting Requirements - Bidders must prepare a detailed plan that lists all required site-specific permits and have a plan or schedule for obtaining all permits and licenses. PGE will assess the probability of successfully completing the permitting process as part of its evaluation. If at any point it is determined that a project cannot obtain the required permits as designed, PGE reserves the right to reject the Bid. A complete list of the permitting timing guidelines can be found in Appendix H.

Portfolio Analysis – PGE will also take overall system costs and risks into account in its selection of final short list Bids. Portfolio modeling will provide PGE with additional information regarding the cost and risk profile of all offers considered. Portfolio analysis methods, consistent with the 2016 IRP, will demonstrate how resources perform together, on a cost and risk basis, due to their specific size, term, portfolio capacity value, and portfolio flexibility value.

Portfolio analysis begins with the assembly of portfolios evaluating many different unique combinations of resources. The candidate portfolios will be developed through multiple techniques including 1) portfolio size optimization, 2) portfolio net-cost optimization, 3) cost-screened resource permutations, and 4) additional analyst selected portfolios (if necessary).

Each portfolio will include sufficient resources to meet the targeted renewable volume in each year. The unique portfolio capacity value for each portfolio will be calculated using the IRP's RECAP methodology. The portfolio capacity calculation will recognize the resources' capacity diversity included in each portfolio. Any portfolio whose forecasted energy volume does not meet the targeted renewable volume will also include a specified fill resource ('fill'). Including a fill resource ensures the portfolio incorporates the total cost necessary to meet the long-term renewable target. The specified fill resource will be sized to fulfill the energy target in each year of the analysis.

Portfolio analysis will test combinations of resources across multiple futures. The futures will evaluate portfolio exposure to multiple scenarios of gas prices, hydro scenarios and carbon costs. For each portfolio, the relevant resources' variable costs and energy benefits will be calculated in AURORA under multiple economic and hydro futures. The variable net income for each resource will be reported annually for all futures.

A unique portfolio flexibility value will be calculated using the portfolio flexibility tool. The portfolio flexibility calculation will recognize the flexibility diversity included in each portfolio.

For each portfolio, the portfolio flexibility value and the relevant resources' net incomes will be subtracted from the relevant resources' fixed costs to calculate the portfolio's total net cost for each future.

For each portfolio, the total present value net cost for years 2018 through 2050 under each future will be calculated to estimate the cost impact of the additions on the PGE system. This expected cost impact will be measured as the total portfolio net present value of revenue requirement (NPVRR) under reference case conditions. Portfolio risk will be evaluated using the standard deviation of future results. Portfolios will be ranked according to a blended cost and risk metric - based upon 50% on reference case expected cost and 50% based upon the standard deviation of portfolio costs. In addition, portfolio risk will be characterized using additional IRP risk metrics including severity, variability, and durability as described in the 2016 IRP Chapter 11.

Portfolio results will be stress tested under multiple energy targets and planning horizons. Specifically, PGE will test a 2018 through 2040 planning horizon sensitivity in addition to a 2018 through 2050 base planning horizon.

Portfolio analysis performance will be based on the inclusion of specific offers across multiple top-performing portfolios. Those resources that appear most frequently in top-performing portfolios are those that best reduce portfolio cost and economic risks. However, non-price factors are not evaluated or considered in portfolio analysis.

Accounting – The accounting and tax implications of PPA’s or asset acquisitions can be complex and the financial statement impacts may vary based on the facts and circumstances of each contract. For example, PPA contracts are commonly accounted for as operating or capital leases (or finance lease)¹⁰, capital tax leases¹¹, or variable interest entities (VIE)¹². PGE will not accept proposals that would be subject to VIE treatment, and PGE may require Bidders to make certain representations that all supporting information necessary for PGE to make this determination has been provided by the Bidder.

In order for PGE to properly evaluate and select Bids, PGE will require Bidders to supply adequate information necessary to analyze appropriate accounting treatment and its effects on PGE’s financial statements. Examples of such information may include: identification of the asset for which the contract is dependent upon, percentage of output to be obtained by PGE from the asset, pricing (fixed vs. variable), decision-making surrounding design of the asset, length of term of PPA (including proposed extensions), useful life of the asset with supporting documentation, fair market value of the underlying asset, projected cash flows through the life of the underlying asset, executory costs, non-executory costs, tax attributes (e.g. investment tax credits, production tax credits, etc.), minimum production guarantees, debt associated with the underlying asset, financial data contained in the Bidder’s financial statements, among others.

Costs Associated with Direct and Imputed Debt - If the contract is deemed to be an operating or capital (finance) lease, PGE would be required to capitalize on its balance sheet an asset equal to the present value of the non-executory minimum lease payments (or fair market value of the asset, whichever is lower) with a corresponding lease obligation liability. This is referred to as direct debt.

If the contract is deemed to be an executory contract and no amounts are recorded on PGE’s balance sheet, credit rating agencies will impute an amount of

¹⁰ As defined by Accounting Standards Codification (ASC) 840 and 842.

¹¹ As defined by IRS Code Section 7701(e).

¹² As defined by ASC 810.

debt associated with the underlying PPA using a pre-determined methodology. This amount of imputed debt would be incorporated into the determination of credit ratings for PGE. This is referred to as imputed debt.

PGE may take into consideration the impacts of direct and imputed debt into its evaluation and selection process.

10 Post-Bid Negotiations

PGE's goal is to conduct an efficient post-bid negotiation process. PGE will initiate negotiations with a short list of Bidders whose proposals rank highest in the evaluation process and whose proposed transactions, PGE believes in its sole discretion, offer value to PGE's energy supply portfolio for customers, and have a reasonable likelihood of being executed and performed.

The number of Bidders with whom negotiations will be held will depend upon the Bids received, the size or quantity of the highest ranked Bids as compared to our resource needs, the results of the scoring process, ability to access federal tax benefits and other factors described more fully in the sections "Bid Evaluation Process", "Criteria Used for Scoring Qualified Bids", and "Final Short List Determination." Selection for the final short-list and initiation of negotiations do not constitute a winning Bid.

PGE shall have no obligation to enter into a definitive agreement with any Bidder to this RFP and, at its sole discretion, may terminate negotiations with any Bidder at any time without liability or obligation to any Bidder. Whether or not, and until, negotiations with Bidders produce final and fully executed contracts satisfactory to PGE for its resource targets under the RFP, PGE reserves the right to pursue any and all other resource options available to it.

11 Appendix A - Power Purchase Agreement

See Attached Power Purchase Agreement

12 Appendix B - Asset Purchase Agreement

See Attached Asset Purchase Agreement

13 Appendix C - Engineering Procurement and Construction Agreement

See Attached Engineering Procurement and Construction Agreement

14 Appendix D - Parent Guaranty

See Attached Parent Guaranty Form

15 Appendix E - Credit Requirement Guidance

See Attached Credit Requirement Guidance

16 Appendix F - Confidentiality Agreement

See Attached Confidentiality Agreement

17 Appendix G – PGE Technical Specifications

See Attached PGE Technical Specifications

18 Appendix H – Scoring Procedures

See Attached Scoring Procedures

19 Appendix I – Required Bid Information

See Attached Required Bid Information

20 Appendix J – Benchmark Bid Information

See Attached Benchmark Bid Information

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1805

NORTHWEST AND INTERMOUNTAIN
POWER PRODUCERS COALITION;
COMMUNITY RENEWABLE ENERGY
ASSOCIATION and RENEWABLE
ENERGY COALITION,

Complainants,

vs.

PORTLAND GENERAL ELECTRIC
COMPANY,

Defendant.

**PORTLAND GENERAL ELECTRIC
COMPANY’S APPLICATION FOR
REHEARING OR RECONSIDERATION
AND APPLICATION TO AMEND
ORDER NO. 17-465**

Pursuant to ORS 756.561 and OAR 860-001-0720, Portland General Electric Company (“PGE”) respectfully applies for rehearing or reconsideration of Order No. 17-465. In the alternative, and pursuant to ORS 756.568 and OAR 860-001-0400, PGE respectfully applies for an order amending Order No. 17-465 to affirm that PGE’s standard contract forms in effect on July 2017 or alternatively, all of PGE’s prior Commission-approved standard contract forms, limited the availability of fixed prices to the first 15 years following contract execution.

Both Complainants and PGE asked the Commission to rule on the issue of whether PGE’s standard contract forms in effect when the complaint was filed limited the availability of fixed prices to the first 15 years following contract execution. The answer to this critical question could determine whether PGE’s customers are ultimately responsible for millions of dollars of additional payments to QF counter-parties. Both parties extensively briefed the issue and have expended significant effort and expense seeking a decision from the Commission on this important question.

The question has now become more critical because the NewSun Solar Projects¹ have filed a case against PGE in the United States District Court for the District of Oregon seeking a determination of the 15-year fixed price question.² PGE believes that the Commission is in the best position to answer that question and must do so in order to ensure that Order No. 17-256 as amended by Order No. 17-465 is well reasoned and serves the public interest.

PGE notes that in addition to this application for rehearing or reconsideration, PGE expects to file a complaint and request for dispute resolution with the Commission seeking resolution of its dispute with NewSun Solar.

I. BACKGROUND

In this case, Complainants³ alleged that Order No. 05-584 required PGE to offer standard contracts with fixed prices for 15 years commencing on the QF's commercial operation date ("COD").⁴ Complainants alleged that PGE's current standard contract forms were consistent with this purported requirement but that PGE was improperly contradicting Order No. 05-584 and PGE's forms by taking the position that its contracts limit the availability of fixed prices to the first 15 years following contract execution.⁵ Complainants asked the Commission to order PGE to stop taking that position.⁶ Complainants also asked the Commission to confirm that PGE's standard contract forms provide for 15 years of fixed prices measured from COD.⁷

¹ The NewSun Solar Projects are 10 proposed qualifying facilities with nameplate capacity of 10 megawatts each. The NewSun Solar Projects have executed Schedule 201 contracts with PGE. *See* Docket No. UM 1805, NewSun Solar's Joint Petition to Intervene Out of Time (Sep. 8, 2017) for details regarding the identity of the NewSun Solar Projects and for copies of the 10 Schedule 201 contracts in question.

² *Alfalfa Solar I LLC et al. (NewSun Qualifying Facilities) v. Portland General Electric Company*, US Dist. Ct. Case No. 3:18-cv-00040 (Jan. 8, 2018) (complaint seeking declaratory relief filed in United States District Court for the District of Oregon).

³ Complainants in UM 1805 are Northwest and Intermountain Power Producers Coalition, Community Renewable Energy Association, and Renewable Energy Coalition.

⁴ *See* Docket No. UM 1805, Complaint at pages 1-3 and 16 (Prayer for Relief ¶ 1) and ¶¶ 17, 47, 56 (Dec. 6, 2016).

⁵ *Id.* at 16 (Prayer for Relief ¶¶ 1 and 2) and ¶¶ 52 and 56.

⁶ *Id.* at 16 (Prayer for Relief ¶ 2).

⁷ *Id.* at 16 (Prayer for Relief ¶ 1).

In its answer PGE admitted that it takes the position that its contracts limit the availability of fixed prices to the first 15 years of the contract following contract execution.⁸ PGE pointed out that it takes this position because Order No. 05-584 authorized that position and because PGE's Commission-approved forms and rate schedule so provided.⁹ PGE moved for summary judgment. PGE asked the Commission to rule that PGE's current contract forms limited fixed prices to the 15 years following contract execution; PGE noted that its forms have done so since they were first adopted following Order No. 05-584.¹⁰ PGE provided detailed analysis of the various generations of its standard contract forms and demonstrated how its current standard contract forms limited fixed prices to 15 years immediately following contract execution.¹¹

In Order No. 17-256, the Commission granted PGE's motion for summary judgment and dismissed the complaint. The Commission stated that PGE's standard contract forms limited fixed prices to 15 years immediately following contract execution and that this was permissible because: (a) the Commission approved the forms; and (b) Order No. 05-584 never established a trigger date for the 15-year fixed price period.¹² In addition to granting PGE's motion for

⁸ Docket No. UM 1805, PGE's Answer at ¶ 39 (Mar. 28, 2017) ("PGE admits that it will not enter into a QF standard contract that provide for fixed prices for a period of more than 15 years measured from the contract effective date because such a provision would be contrary to PGE's Commission-approved Schedule 201 tariff, contrary to PGE's Commission-approved standard contract forms, contrary to the resolution on page 20 of Order No. 05-584, and contrary to any other Commission orders directed at PGE and addressing the period during which PGE is required to offer fixed prices under a QF standard contract.").

⁹ *Id.*

¹⁰ Docket No. UM 1805, PGE's Motion for Summary Judgment at 34-35 ("The Commission should also conclude, as a matter of law, that PGE's currently effective Schedule 201 and currently effective standard contract forms unambiguously limit fixed prices to the first 15 years of the standard contract term and unambiguously provide that a standard contract term begins when the contract is executed by both parties.") and at 1-2 ("PGE's Schedule 201 and standard contract forms have provided for such an approach since July 2005 and the Commission has repeatedly approved PGE's rate schedule and form contracts as consistent with the requirements of its orders.") (Apr. 24, 2017).

¹¹ *Id.* at 18-25.

¹² Docket No. UM 1805, Order No. 17-256 at 3 (Jul. 13, 2017) ("When we concluded that QFs should receive 15 years of fixed prices under standard contracts in Order No. 05-584, we did not specify the date on which that 15-year term begins. ... Because we approved PGE's standard contract filings that limited the availability of fixed prices to the first fifteen years measured from contract execution, PGE cannot be found to have been in violation of our orders.").

summary judgment, the Commission took the opportunity to clarify that on a going-forward basis its policy would be to require all utilities to offer fixed prices for 15 years measured from COD.¹³

Because PGE's existing contract forms were not consistent with this newly clarified policy, the Commission ordered PGE to revise its contracts to provide for fixed prices for 15 years measured from COD.¹⁴ This made perfect sense. If PGE's existing forms limited fixed prices to 15 years immediately following execution and the Commission's newly clarified policy required fixed prices for 15 years following COD, then PGE needed to file a revised set of forms. PGE has done so and those new contract forms are now effective.¹⁵

Complainants and NewSun Solar then applied for reconsideration of Order No. 17-256. Complainants and NewSun Solar both appeared to acknowledge that the Commission had ruled that PGE's currently effective contract forms limited fixed prices to 15 years measured from contract execution.¹⁶ But they both asked the Commission to clarify or reconsider Order No. 17-256 and to hold that the Commission has not made any determination as to whether PGE's executed contracts or older, superseded standard contract forms limit fixed prices to 15 years

¹³ *Id.* at 4 (“We take this opportunity, however, to clarify our policy in Order No. 05-584 to explicitly require standard contracts, on a going-forward basis, to provide for 15 years of fixed prices that commence when the QF transmits power to the utility.”).

¹⁴ *Id.* (“... PGE should promptly file revisions to Schedule 201 which shall include a revised standard contract PPA with language consistent with our requirement that the 15-year term of fixed prices commences when the QF transmits power to the utility.”).

¹⁵ Docket No. UM 1805, Order No. 17-373 (Sep. 28, 2017) (order adopting Staff's recommendation to approve PGE's compliance filing modifying Schedule 201 and associated standard contract forms to provide for fixed prices for 15 years measured from scheduled COD).

¹⁶ Docket No. UM 1805, Complainants' Petition for Clarification and Application for Rehearing or Reconsideration at 5 (Sep. 11, 2017) (Complainants note that they “were not seeking the Commission to interpret prior versions of PGE's standard contracts, but only the currently effective contracts”); Docket No. UM 1805, NewSun Solar Projects' Joint Motion for Clarification and Application for Rehearing or Reconsideration at 2-3 (Sep. 8, 2017) (noting that the proceeding “appeared to be focused ... on whether PGE was in violation of any Commission orders or policies as applied to its *current practices* and its *currently effective* standard contract form” and asking the Commission to confirm that its finding that PGE's contract forms limit fixed prices to 15 years following contract execution does not extend to executed contracts or previously effective standard contract forms).

measured from contract execution.¹⁷ PGE opposed these requests and argued that in Order No. 17-256 the Commission had concluded that all prior versions of PGE's contract forms limited fixed prices to 15 years measured from contract execution.¹⁸

In response to these arguments, the Commission issued Order No. 17-465. The Commission denied Complainants' request for reconsideration, but treated the request as an application to amend Order No. 17-256.¹⁹ The Commission then informed the parties that in reaching its decision in Order No. 17-256, it relied on the fact that it had repeatedly reviewed and approved PGE's standard contract forms submitted following its decision in Order No. 05-584 that QFs should receive 15 years of fixed price.²⁰ For that reason the Commission stated that it could not find that PGE's standard contract forms were in violation of Commission orders.²¹ In doing so, however, the Commission answered a question that was not asked and stated that it neither examined nor addressed the specific terms and conditions of any past QF contract form or executed contract.²² The unfortunate result of that statement means that Order No. 17-256, as amended by Order No. 17-465, required PGE to modify its July 2017 contract forms needed to be modified, *i.e.* the orders did not conclude that PGE's contract forms without actually finding that the July 2017 contract forms limited the availability of fixed prices to 15 years following contract execution.

Based on the extensive briefing already before it and contained in the parties' cross motions for summary judgment, the Commission can and should affirm that PGE's standard contract forms in effect in July 2017 limited the availability of fixed prices to the first 15 years

¹⁷ *Id.*

¹⁸ Docket No. UM 1805, PGE's Response in Opposition to Complainants' Petition for Clarification and Application for Rehearing or Reconsideration (Oct. 24, 2017).

¹⁹ Docket No. UM 1805, Order No. 17-465 (Nov. 13, 2017).

²⁰ *Id.* at 4.

²¹ *Id.*

²² Docket No. UM 1805, Order No. 17-465 at 4 (Nov. 13, 2017).

following contract execution. Alternatively, the Commission can grant rehearing or reconsideration and require additional briefing or even hold a hearing to resolve this important issue. Deciding the proper interpretation of PGE's then-effective forms in this docket will allow the Commission to place Order No. 17-256 on a sound footing, resolve the questions placed before the Commission by the complaint and by PGE's motion for summary judgment, and limit the need for piecemeal litigation in the courts and before the Commission by providing PGE and its counter-parties with better certainty regarding what PGE's forms contracts required with regard to the fixed price period.

II. APPLICATION FOR REHEARING OR RECONSIDERATION

Pursuant to ORS 756.561 and OAR 860-001-0720, PGE respectfully applies for rehearing or reconsideration of the Commission's decision in Order No. 17-465. That order was served November 13, 2017, and this application is therefore timely submitted before the expiration of the 60-day period within which a party must apply for rehearing or reconsideration.

PGE notes the following in compliance with the requirements of OAR 860-001-0720:

A. Grounds for reconsideration or rehearing – OAR 860-001-0720(1).

Order No. 17-465 made it clear for the first time that the Commission did not interpret PGE's then-effective standard contract forms (the July 2017 forms) as part of rendering its decision in Order No. 17-256. The earlier order required PGE to modify its July 2017 forms to make them comply with the Commission's newly clarified policy to offer fixed prices for 15 years measured from COD. However, the order to revise PGE's July 2017 forms is arbitrary and lacking in substantial reason unless the Commission has determined that PGE's July 2017 forms limited the availability of fixed prices to the first 15 years immediately following contract

execution and therefore needed to be revised to comply with the Commission's new policy²³ requiring fixed prices or 15 years following COD. As a result, it is necessary for the Commission to grant reconsideration or rehearing and render a decision as to whether PGE's July 2017 standard contract forms limited the availability of fixed prices to the first 15 years immediately following contract execution.

In addition, the complaint alleged that PGE was improperly taking the position that fixed prices are limited to 15 years from contract execution when its then-effective contract forms and Order No. 05-584 required fixed prices for 15 years measured from COD. PGE defended against this claim by arguing that its then-effective contract forms limited the availability of fixed prices to the first 15 years following contract execution and that this was approved by the Commission and permitted by Order No. 05-584. It was arbitrary for the Commission to resolve the case without addressing this question. As a result, the Commission should grant rehearing or reconsideration and affirm that the reason it directed PGE to refile its July 2017 contract form was because that form limited fixed prices to the first 15 years immediately following contract execution.

An additional ground for granting reconsideration or rehearing is that NewSun has now filed suit in federal district court for interpretation of the 15-year fixed price period question and, as a result, there is an immediate need for Commission interpretation and ruling on the question. This material change in circumstances is further grounds for granting rehearing or reconsideration.

²³ PGE believes the Commission's requirement to offer fixed prices for 15 years measured from COD is a *new* policy not a *clarification* of an existing policy because the Commission acknowledged in Order No. 17-256 at page 3 that Order No. 05-584 did not specify the date on which the 15-year fixed price period begins.

B. Specification of the portion of the challenged order that is erroneous or incomplete – OAR 860-001-0720(2)(a).

The portion of the challenged order that is erroneous or incomplete is the Commission’s requirement in Order No. 17-256 that PGE revise its standard contract forms coupled with the Commission’s statement in Order No. 17-465 that it has not determined whether PGE’s then-effective standard contract forms limited the availability of fixed prices to the first 15 years following contract execution.

C. Specification of the portion of the record, laws, rules, or policy relied on to support the application – OAR 860-001-0720(2)(b).

Decisions by the Commission, like decisions by any Oregon administrative agency, must “be rational, principled, and fair, rather than *ad hoc* and arbitrary.”²⁴ And a “final order must be supported by substantial reason, which requires that the order articulate ‘the reasoning that leads the agency from the *facts* that it has found to the *conclusions* that it draws from those facts.’”²⁵ In this case, the Commission has granted summary judgment and dismissed the complaint without determining that PGE’s contract form limited fixed prices to the first 15 years following contract execution as asserted in the motion for summary judgment. And the Commission has ordered PGE to file revised contract forms when it has not determined that the previous forms limited fixed prices for 15 years from contract execution and therefore violated the Commission’s new policy. Because the Commission has not made this determination, its decisions in Order No. 17-256 as amended by Order No. 17-465 are arbitrary and not supported by substantial reason.

²⁴ *Gordon v. Board of Parole and Post Prison Supervision*, 343 Or. 618, 469 (2007).

²⁵ *Dubray v. SAIF Corp.*, 246 Or. App. 270, 274 (2011), citing *TTC-The Trading Co., Inc. v. DCBS*, 235 Or. App. 606, 612 (2010) (quoting *Drew v. PSRB*, 322 Or. 491 (1996) (emphasis in *Drew*)).

D. Specification of the change in the order the applicant seeks – OAR 860-001-0720(2)(c).

The Commission should change Order No. 17-465 to state that the Commission will reconsider PGE's motion for summary judgment and/or declare that PGE's standard contract forms in effect in July 2017 limited the availability of fixed prices to the first 15 years immediately following contract execution.

E. Specification of how the requested change will alter the outcome – OAR 860-001-0720(2)(d).

The requested change will allow the Commission to support its order to revise PGE's standard contract forms with a rational basis: i.e., a determination that PGE's then-effective forms limited fixed prices to 15 years following execution and that this conflicted with the Commission's newly clarified policy of fixed prices for 15 years from COD. The requested change will also provide PGE and PGE's counterparties with needed clarity as to the effect of PGE's prior standard contract forms in the context of the Commission's regulatory scheme.

F. Specification of grounds for reconsideration – OAR 860-001-0720(2)(e).

The specific grounds for reconsideration are new evidence, error of law or fact that is essential to the decision, and good cause for further examination of an issue essential to the decision.

First, the need for interpretation of PGE's then-effective standard contract forms was not apparent until the Commission clarified in Order No. 17-465 that it did not render such an interpretation as part of Order No. 17-256. The new information that the Commission did not interpret PGE's then-effective standard contract forms as part of the decision in Order No. 17-256 represents both new evidence and good cause to grant rehearing or reconsideration.

Second, it is an error of both fact and law for the Commission to modify Order No. 17-256: (a) to state that the Commission has not addressed whether PGE’s standard contract forms limit fixed prices to 15 years following contract execution; and (b) to simultaneously require PGE to revise those contract forms because they limit fixed prices to 15 years following contract execution and are therefore inconsistent with the Commission’s modified policy requiring fixed prices for 15 years measured from COD.

Third, there has been a fundamental change in the underlying circumstances and that change represents good cause for further examination of an issue essential to the decision. Specifically, NewSun has filed suit in the United States District Court for the District of Oregon and NewSun is seeking an interpretation of whether the 15-year fixed price period begins to run at contract execution or at COD. PGE specifically requested in its motion for summary judgment that the Commission rule as to whether PGE’s currently-effective standard contract forms limited the availability of fixed prices to the first 15 years following contract execution.²⁶ Complainants also sought a ruling on this question.²⁷ PGE requested a ruling on this question so that PGE and its QF counter-parties would have an authoritative ruling from the Commission on this question that would inform any disputes between them and prevent or simplify the problem or piecemeal litigation.

Determining the meaning of PGE’s standard contract forms is not strictly or solely an exercise in contract interpretation or in the application of contract law. Rather, PGE’s standard

²⁶ Docket No. UM 1805, PGE’s Motion for Summary Judgment at 34-35 (“The Commission should ... conclude, as a matter of law, that PGE’s currently effective Schedule 201 and currently effective standard contract forms unambiguously limit fixed prices to the first 15 years of the standard contract term and unambiguously provide that a standard contract term begins when the contract is executed by both parties.”)

²⁷ Docket No. UM 1805, Complaint at 16 (Prayer for Relief ¶ 2) (Dec. 7, 2016) (“... Complainants respectfully request that the Commission issue an order: ... [d]eclaring that PGE’s standard contract [i.e., PGE’s then-effective standard contract forms], as interpreted in the regulatory context from which it arose, requires payment by PGE at fixed prices for 15 years after the QF’s operation date rather than merely 15 years after the time of contract execution, unless express language is inserted by the QF that demonstrates a contrary intent.”).

contract forms are regulatory compliance documents that have been created and maintained by PGE in response to the requirements of the Commission's regulatory orders. The Commission is the most qualified decisional authority to interpret the meaning and effect of PGE's standard contract forms in light of the history and context of the Commission's orders relating to QF standard contracts and PURPA and to determine whether any particular set of standard contract forms does or does not limit the availability of fixed prices to the first 15 years following contract execution.²⁸

That question has now become a live controversy with the filing of NewSun's case in federal court. In addition, as indicated above, PGE expects to file a complaint with the Commission seeking interpretation of the NewSun Solar contracts. The Commission can and should greatly simplify the resolution of the NewSun Solar cases before the federal court or in a Commission proceeding by granting rehearing or reconsideration in UM 1805 and rendering the decision that PGE's standard contract forms in effect in July 2017 limited the availability of fixed prices to the first 15 years following contract execution. In addition, PGE believes that the Commission has sufficient information to rule that all of PGE's prior Commission-approved standard contract forms likewise limited the availability of fixed prices to the first 15 years following contract execution.

III. APPLICATION TO AMEND ORDER NO. 17-465

In the alternative to the above request for rehearing or reconsideration, PGE respectfully applies for an order amending Order No. 17-465. For the reasons discussed above, the

²⁸ See e.g. *Indep. Energy Producers Ass'n, Inc. v. California Pub. Utilities Comm'n*, 36 F3d 848, 856 (9th Cir 1994) (in dicta the court recognized that PURPA and FERC delegate to the states "the primary role in calculating avoided costs and in overseeing the contractual relationship between QFs and utilities operating under the regulations promulgated by [FERC]."). The State of Oregon has in turn delegated primary authority for implementing PURPA to the Commission. See e.g. ORS 758.535(2)(a).

Commission can and should render an interpretation of PGE's standard contract forms in effect in July 2017 and conclude that those forms limited the availability of fixed price to the first 15 years following contract execution.

PGE has already briefed the issue extensively in its motion for summary judgment and PGE urges the Commission to render a decision on the issue based on the parties' briefing on motions for summary judgment. Alternatively, PGE requests that the Commission amend Order No. 17-465 to provide that the Commission will provide an opportunity for additional briefing, or a hearing if deemed necessary, and then render a decision on whether PGE's previously-effective standard contract forms limited the availability of fixed prices to the first 15 years following contract execution. In addition, PGE also believes that the Commission has sufficient information to rule that all of PGE's prior Commission-approved standard contract forms likewise limited the availability of fixed prices to the first 15 years following contract execution.

In support of these requests PGE incorporates by reference the argument it has presented in support of its application for rehearing or reconsideration. In addition, PGE notes that the question of how PGE's previously effective standard contract forms address this issue has become a live issue with the filing of the NewSun case in federal district court, the issue has the potential to arise repeatedly in piecemeal litigation regarding specific executed contracts, and the resolution of this issue is likely to have an impact on PGE's customers measured in the tens or hundreds of millions of dollars.

IV. CONCLUSION

For the reasons detailed above, PGE respectfully requests that the Commission either grant rehearing or reconsideration of Order No. 17-465 or issue an order amending Order No. 17-465 to clarify that PGE's standard contract forms in effect when the complaint was filed in

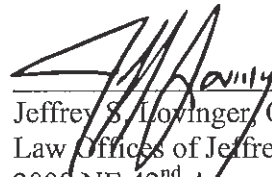
this proceeding, or alternatively, all of PGE's prior Commission-approved standard contract forms limited the availability of fixed prices to the first 15 years following contract execution. PGE requests that this determination be made either based on the existing briefing in UM 1805 or after additional briefing or hearing as provided on rehearing, reconsideration, or in an amended order.

DATED this 12th day of January, 2018.

Respectfully submitted,



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V. Denise Saunders
Associate General Counsel

May 27, 2015

Via Electronic Filing and U.S. Mail

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
P.O. Box 1088
Salem, OR 97308-1088

RE: UM 1610 – Portland General Electric Company's Application in Compliance with
OPUC Order No. 15-130

In compliance with ORS 757.205 and OPUC Order No. 15-130 of Docket UM 1610, Portland General Electric Company ("PGE") hereby submits for filing an original and one copy as follows:

1. PGE's revised Schedule 201, Qualifying Facility (QF) Power Purchase Information for Qualifying Facilities 10 MW or Less. Also provided as a courtesy is a redlined version of Sheet Nos. 201-1 through Sheet Nos. 201-24.
2. PGE's revised standard QF power purchase agreements as identified below, in both clean and redline formats:
 - a. Standard Off-System Variable Power Purchase Agreement
 - b. Standard In-System Non-Variable Power Purchase Agreement
 - c. Standard Off-System Non-Variable Power Purchase Agreement
 - d. Standard In-System Variable Power Purchase Agreement
 - e. Standard Renewable Off-System Non-Variable Power Purchase Agreement
 - f. Standard Renewable Off-System Variable Power Purchase Agreement
 - g. Standard Renewable In-System Variable Power Purchase Agreement
 - h. Standard Renewable In-System Non-Variable Power Purchase Agreement
3. A table showing how the changes required by Order No. 15-130 were incorporated in PGE's power purchase agreements and Schedule 201.

Public Utility Commission of Oregon
UM 1610
May 27, 2015
Page 2

PGE respectfully requests an effective date of July 23, 2015 for the power purchase agreements and Schedule 201.

Please contact Denise Saunders at (503) 464-7181 or Rob Macfarlane at (503) 464-8954 with any questions pertaining to this filing.

Please direct all formal correspondence and requests to the following email address:
pge.opuc.filings@pgn.com.

Sincerely,



V. Denise Saunders
Associate General Counsel

VDS:bp

Enclosures

Pages Omitted From Excerpt

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

THIS AGREEMENT, entered into this _____ day, _____
20____, is between _____ ("Seller")
and Portland General Electric Company ("PGE") (hereinafter each a "Party" or
collectively, "Parties").

RECITALS

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

Seller intends to operate the Facility as a "Qualifying Facility," as such term is
defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract
Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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 (SO_x), nitrogen oxides (NO_x), 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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period – the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: $((\text{Mid-C Index Price} - \text{Contract Price}) \times \text{curtailed energy})$ for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2. 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.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9. 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.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of

this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

20.1. All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in

person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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
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.]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**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):

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

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

Pages Omitted From Excerpt

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1931

PORTLAND GENERAL ELECTRIC)	
COMPANY,)	
	)	DECLARATION OF JACOB STEPHENS
Complainant,	)	IN SUPPORT OF DEFENDANTS'
	)	MOTION FOR SUMMARY
v.	)	DISPOSITION
)	
ALFALFA SOLAR I LLC, et al.)	
)	
Defendants.)	

I, Jacob Stephens, declare under the penalty of perjury as follows:

1. This declaration is based on my personal knowledge and, if called to testify to the following facts, I could and would competently do so. I submit this declaration in support of Defendants' Motion for Summary Disposition.

2. In my capacity as the authorized representative of Defendants Alfalfa Solar I LLC ("Alfalfa"), Dayton Solar I LLC ("Dayton"), Fort Rock Solar I LLC ("Fort Rock I"), Fort Rock Solar II LLC (Fort Rock II"), Fort Rock Solar IV LLC ("Fort Rock IV"), Harney Solar I LLC ("Harney"), Riley Solar I LLC ("Riley"), Starvation Solar I LLC ("Starvation"), Tygh Valley Solar I LLC ("Tygh Valley"), and Wasco Solar I LLC ("Wasco") (collectively, the "NewSun Parties"), I executed power purchase agreements with Plaintiff Portland General Electric Company ("PGE") on behalf of each of the NewSun Parties.

3. Several of the power purchase agreements PGE attached to its Complaint and Request for Dispute Resolution (the "Complaint") contain within Exhibit D incorrect rate tables. These are not the final and correct power purchase agreements between the parties. Correct

copies of the power purchase agreements containing the correct rate tables are attached as exhibits to this declaration as set forth below.

4. Attached hereto as **Exhibit 1** is a true and correct copy of the power purchase agreement between Alfalfa and PGE.

5. Attached hereto as **Exhibit 2** is a true and correct copy of the power purchase agreement between Dayton and PGE.

6. Attached hereto as **Exhibit 3** is a true and correct copy of the power purchase agreement between Fort Rock I and PGE.

7. Attached hereto as **Exhibit 4** is a true and correct copy of the power purchase agreement between Fort Rock II and PGE.

8. Attached hereto as **Exhibit 5** is a true and correct copy of the power purchase agreement between Fort Rock IV and PGE.

9. Attached hereto as **Exhibit 6** is a true and correct copy of the power purchase agreement between Harney and PGE.

10. Attached hereto as **Exhibit 7** is a true and correct copy of the power purchase agreement between Riley and PGE.

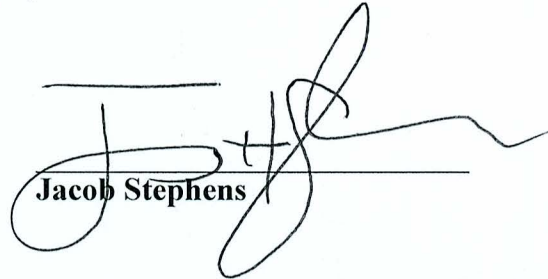
11. Attached hereto as **Exhibit 8** is a true and correct copy of the power purchase agreement between Starvation and PGE.

12. Attached hereto as **Exhibit 9** is a true and correct copy of the power purchase agreement between Tygh Valley and PGE.

13. Attached hereto as **Exhibit 10** is a true and correct copy of the power purchase agreement between Wasco and PGE.

I hereby declare that the above statements are true to the best of my knowledge and belief, and that I understand they are made for use as evidence in the Oregon Public Utility Commission and are subject to penalty of perjury.

DATED this 2nd day of July 2018.



Jacob Stephens

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 26th day, June 2016, is between Alfalfa Solar I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Crook County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with Bonneville Power Administration electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period - the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the effective date Seller shall begin initial deliveries of Net Output; and

2.2.2. By thirty-six (36) month anniversary of the Effective Date Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth (16th) Contract Year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 10,000 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 20,000,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 40,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Alfalfa Solar I LLC

3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars
Los Angeles, CA 90067-6078
Snguyen@reedsmith.com

with a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
PO Box 7218,
Boise, ID 83702
greg@richardsonadams.com

To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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

PGE

By: [Signature]
Name: Monica Perez
Title: SVP, Power Supply
Date: June 24, 2016

PGE Approved By:	
Business Terms	<u>[Signature]</u>
Credit	<u>[Signature]</u>
Legal	<u>[Signature]</u>
Risk Mgt.	<u>[Signature]</u>

Alfa Solar LLC
(Name Seller)

By: [Signature]
Name: Jacob H Stephens
Title: Manager
Date: 6/24/2016

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

Alfalfa Solar I is a photovoltaics-based solar generating facility to be sited in the Alfalfa, OR area, per initial siting identified on parcels surrounding Horsell Rd and Willard Rd (which intersect at 44.076, -120.992). Upon reaching full Commercial Operations the Facility will have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input and its dispatching. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty $\leq [14MM/(module\ rating)]$.
2. Inverters: Commercially-available string inverter (90kW-AC, nominal) or central station inverter convert DC to AC power, collected by AC wiring to switchboard.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage, as well as step-up transformation
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required,

subject to final interconnection, permitting, and design requirements, per Seller facility and siting design and interconnection facilities design(s) as resultant from interconnection studies with Bonneville Power Administration and/or Central Electric Cooperative, as applicable, for delivery to transmission owner and for auxiliary power requirements.

6. Firming capabilities by batteries. Under no circumstance will generation exceed 10 MW at point of interconnection, which defines generation size. Battery storage system will be designed and installed 'behind' the inverter system of the facility (and be limited by the inverter capacity, per system AC nameplate limitations).

7. Transmission and interconnection plan: Power will be delivered to PGE system via BPA transmission system. Interconnection studies have been initiated with BPA in early 2016 such that final study results will be completed by mid-2017, based on the BPA SGIR tariff timelines, allowing sufficient time for construction of required interconnection facilities. Seller has examined prior studies in the interconnection vicinity and assessed reasonable cost outcomes.

Final siting location to be determined subject to optimization by Seller of siting options in the vicinity, and corresponding Seller updates to FERC Form 556 and compliance with applicable FERC and OPUC rules for limitations of maximum generation under same ownership and/or control (as applicable) within one and five miles, respectively, for QF certification and availability of Schedule 201 standard contracts, per representations and warranties contained herein.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement(s) with interconnecting utilit(ies),
as applicable
2. Transmission Agreement between Seller and Transmission Provider
3. County CUP & Building Permits
4. Additional items as may be determined by Seller to be required for facility
permitting, construction, and interconnection.

EXHIBIT C
START-UP TESTING

[Seller identify appropriate tests]

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers, batteries) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with applicable interconnecting utility (Central and/or BPA) and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
15. Other tests as may be required by equipment manufacturers.

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

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

PURPOSE

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.

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.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security deemed sufficient by the Company as set forth in the Standard PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 464-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

PPA

In accordance with terms set forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller.

A Seller must execute a PPA with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard PPA.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PPA (Continued)

Any Seller may elect to negotiate a PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-360, and Schedule 202. Negotiations for power purchase pricing will be based on either the filed Standard Avoided Costs or Renewable Avoided Costs in effect at that time.

STANDARD PPA (Nameplate capacity of 10 MW or less)

A Seller choosing a Standard PPA will complete all informational and price option selection requirements in the applicable Standard PPA and submit the executed Agreement to the Company prior to service under this schedule. The Standard PPA is available at www.portlandgeneral.com. The available Standard PPAs are:

- Standard In-System Non-Variable Power Purchase Agreement
- Standard Off-System Non-Variable Power Purchase Agreement
- Standard In-System Variable Power Purchase Agreement
- Standard Off-System Variable Power Purchase Agreement
- Standard Renewable In-System Non-Variable Power Purchase Agreement
- Standard Renewable Off-System Non-Variable Power Purchase Agreement
- Standard Renewable In-System Variable Power Purchase Agreement
- Standard Renewable Off-System Variable Power Purchase Agreement

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.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

To execute the Standard PPA the Seller must complete all of the general project information requested in the applicable Standard PPA.

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.

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.

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. 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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

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.

BASIS FOR POWER PURCHASE PRICE

AVOIDED COST SUMMARY

The power purchase prices are based on either the Company's Standard Avoided Costs or Renewable Avoided Costs in effect at the time the agreement is executed. Avoided Costs are defined in 18 CFR 292.101(9) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

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.

ON-PEAK PERIOD

The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.

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.

Standard Avoided Costs are based on forward market price estimates through the Resource Sufficiency Period, the period of time during which the Company's Standard Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Resource Deficiency Period, the Standard Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of Energy plus capitalized Energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

Renewable Avoided Costs are based on forward market price estimates through the Renewable Resource Sufficiency Period, the period of time during which the Company's Renewable Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Renewable Resource Deficiency Period, the Renewable Avoided Costs reflect the fully allocated costs of a wind plant including capital costs.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING FOR STANDARD PPA

Pricing represents the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.

The Company will pay the Seller either the Off-Peak Standard Avoided Cost pursuant to Tables 1b, 2b, or 3b or the Off-Peak Renewable Avoided Costs pursuant to Tables 4b, 5b, or 6b for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard PPA; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller either the On-Peak Standard Avoided Cost pursuant to Tables 1a, 2a, or 3a or the On-Peak Renewable Avoided Costs pursuant to Tables 4a, 5a, or 6a for all other Net Output. (See the PPA for defined terms.)

1) Standard Fixed Price Option

The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.

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.

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%.

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1a												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	28.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	28.93	25.81	24.81	23.08	31.80	36.26	32.22	30.87	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.98	33.83	34.92	37.63
2018	38.46	34.80	31.19	29.53	28.71	26.87	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.08	38.11	37.58	38.50	41.81
2020	40.38	38.51	34.52	32.88	31.77	29.50	40.97	48.82	41.38	39.76	41.06	44.25
2021	78.85	78.41	74.08	73.15	73.29	73.48	73.59	73.74	73.90	74.05	76.07	77.39
2022	79.87	80.05	78.71	76.75	76.53	76.81	78.77	75.94	77.11	77.75	80.48	81.61
2023	82.88	82.91	80.82	78.06	78.47	78.48	78.54	78.81	78.99	79.72	82.44	83.38
2024	85.05	84.90	82.78	81.04	80.24	79.89	80.07	80.24	80.42	81.68	83.94	84.91
2025	87.42	86.98	85.17	83.82	83.53	83.72	83.91	84.10	84.30	84.97	88.08	89.08
2026	93.87	93.90	93.15	91.55	91.31	91.55	91.77	92.00	92.24	93.06	96.38	97.00
2027	98.91	99.18	98.04	92.43	92.18	92.41	92.63	92.86	93.10	93.79	97.14	98.19
2028	99.53	99.83	98.18	93.38	93.32	93.58	93.78	94.01	94.25	94.98	98.47	99.54
2029	102.09	101.44	98.38	95.44	95.98	96.23	96.48	96.70	96.95	97.67	101.14	103.95
2030	104.09	104.04	99.48	97.83	97.34	97.59	97.83	98.07	98.32	99.06	102.58	105.91
2031	105.92	105.82	101.81	99.62	99.32	99.57	99.81	100.05	100.31	101.08	104.85	108.79
2032	107.88	107.57	103.59	101.28	100.94	101.20	101.44	101.69	101.95	102.73	106.38	107.54
2033	110.15	109.84	105.98	103.81	103.28	103.56	103.80	104.05	104.32	105.10	108.83	110.01
2034	112.43	112.11	108.18	105.75	105.43	105.69	105.95	106.21	106.48	107.26	111.08	112.29
2035	114.82	114.29	110.28	107.81	107.48	107.75	108.01	108.27	108.55	109.37	113.24	114.47
2036	118.98	118.65	112.55	110.04	109.70	109.97	110.24	110.51	110.79	111.62	115.57	116.83
2037	119.72	119.38	115.21	112.64	112.29	112.57	112.84	113.12	113.41	114.26	118.29	119.57
2038	122.38	122.01	117.76	115.14	114.79	115.08	115.35	115.63	115.93	116.79	120.90	122.21
2039	124.88	124.52	120.19	117.52	117.16	117.45	117.73	118.02	118.32	119.20	123.39	124.72
2040	127.74	127.37	122.95	120.23	119.88	120.18	120.45	120.74	121.04	121.94	126.22	127.57

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	26.63	23.13	25.38	28.38
2016	27.08	25.69	23.32	18.54	16.85	13.43	23.13	27.74	26.51	27.30	27.97	30.11
2017	30.27	29.06	25.04	21.47	19.23	15.49	25.37	30.48	28.02	28.93	30.87	33.03
2018	32.60	31.28	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.59	33.71	36.32
2019	34.42	33.04	29.89	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.90	38.38
2020	36.91	35.42	31.72	25.08	22.46	17.99	31.45	37.65	34.75	37.24	38.17	41.14
2021	40.11	39.87	35.54	34.60	34.75	34.90	35.05	35.20	35.35	35.51	37.52	38.65
2022	40.59	40.76	39.42	37.47	37.25	37.32	37.48	37.65	37.82	38.46	41.19	42.33
2023	42.71	42.74	40.35	38.69	38.28	38.30	38.47	38.64	38.82	38.65	42.26	43.21
2024	44.38	43.91	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.99	43.28	44.22
2025	45.81	45.36	43.57	42.22	41.92	42.12	42.30	42.49	42.69	43.37	46.48	47.48
2026	51.27	51.49	50.74	49.14	48.50	49.14	49.38	49.60	49.84	50.64	53.95	54.69
2027	55.68	55.93	50.81	49.20	48.95	49.18	49.41	49.63	49.87	50.56	53.91	54.97
2028	55.52	55.77	51.12	49.52	49.28	49.50	49.72	49.95	50.19	50.90	54.41	55.48
2029	57.17	56.53	53.44	51.52	51.07	51.31	51.55	51.78	52.04	52.76	56.23	58.44
2030	58.61	58.26	53.70	51.85	51.57	51.81	52.05	52.29	52.54	53.28	56.80	60.13
2031	59.25	58.95	55.25	52.89	52.65	52.90	53.14	53.39	53.64	54.40	57.98	59.12
2032	62.42	60.11	56.33	54.00	53.69	53.94	54.19	54.43	54.69	55.45	59.12	60.28
2033	61.67	61.38	57.80	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.53
2034	64.25	62.53	58.80	56.18	55.85	56.12	56.37	56.63	56.90	57.70	61.50	62.71
2035	64.25	63.92	59.91	57.44	57.11	57.38	57.64	57.90	58.18	58.00	62.87	64.10
2036	65.80	65.47	61.38	58.86	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.98	60.24	60.51	60.79	61.07	61.92	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.58	68.90
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.36	63.64	63.94	64.83	69.02	70.35
2040	72.31	71.95	67.53	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.79	72.15

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	27.36	21.36	22.38	18.11	19.11	21.36	29.36	30.88	25.86	23.61	25.11	29.36
2017	27.59	26.17	23.09	21.67	20.97	19.22	28.06	32.42	28.38	27.13	28.13	30.99
2018	30.21	28.85	25.29	24.22	23.44	21.49	30.80	35.35	30.95	29.92	31.01	33.73
2019	32.47	30.81	27.20	25.54	24.72	22.68	33.02	38.12	33.38	31.83	33.10	35.88
2020	34.07	32.33	28.56	26.82	25.96	23.82	34.65	39.69	35.04	33.51	34.73	37.74
2021	36.21	34.96	30.37	28.83	27.82	25.35	36.82	42.47	37.23	35.61	36.91	40.10
2022	37.61	37.56	33.23	32.30	32.45	32.60	32.75	32.90	33.05	33.21	35.22	36.54
2023	38.24	38.42	37.08	35.12	34.90	34.68	35.14	35.30	35.47	36.11	38.85	39.98
2024	40.33	40.35	37.67	36.51	35.91	35.92	36.09	36.26	36.43	37.17	39.88	40.83
2025	41.82	41.37	39.66	37.92	37.11	36.77	36.94	37.12	37.30	38.59	40.82	41.79
2026	43.33	42.80	41.09	39.74	38.44	39.64	39.82	40.02	40.21	40.89	44.00	45.00
2027	48.74	48.56	46.21	46.81	46.37	46.81	46.83	47.07	47.31	48.11	51.42	52.06
2028	53.11	53.35	48.23	46.67	46.37	46.60	46.83	47.06	47.29	47.99	51.33	52.39
2029	52.90	53.14	48.49	46.89	46.83	46.87	47.10	47.32	47.58	48.27	51.78	52.85
2030	54.50	53.85	50.77	48.85	48.40	48.64	48.87	49.11	49.36	50.09	53.55	55.76
2031	55.89	55.53	50.97	49.12	48.83	49.06	49.32	49.56	49.81	50.59	54.07	57.40
2032	58.47	58.17	52.48	50.18	49.87	50.12	50.36	50.60	50.85	51.61	55.20	58.34
2033	57.57	57.28	52.48	50.15	49.84	50.09	50.34	50.59	50.85	51.62	55.27	57.43
2034	58.79	58.47	54.62	52.24	51.82	52.18	52.43	52.68	52.96	53.74	57.46	59.66
2035	59.91	59.59	55.66	53.24	52.91	53.18	53.43	53.68	53.96	54.76	58.58	59.77
2036	61.25	60.92	56.91	54.44	54.11	54.38	54.64	54.90	55.18	56.00	59.87	61.10
2037	62.73	62.40	58.31	55.79	55.45	55.72	55.99	56.26	56.54	57.37	61.32	62.58
2038	64.26	63.92	58.75	57.18	56.83	57.12	57.39	57.68	57.95	58.80	62.83	64.11
2039	65.84	65.49	61.24	58.62	58.26	58.55	58.82	59.11	59.40	60.27	64.37	65.68
2040	67.26	66.91	62.57	59.90	59.54	59.84	60.12	60.40	60.70	61.58	65.77	67.11
2040	69.00	68.64	64.22	61.50	61.13	61.43	61.71	62.01	62.31	63.21	67.49	68.94

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2b Avoided Costs Standard Fixed Price Option for Wind OF Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	23.11	18.61	17.11	12.11	14.11	15.30	20.11	22.35	21.88	19.36	21.61	24.61
2016	23.22	22.15	19.48	14.70	12.81	9.59	19.29	23.60	21.67	23.46	24.13	28.27
2017	26.38	25.16	22.13	17.56	15.32	11.52	21.46	26.58	24.11	26.02	26.76	29.12
2018	28.51	27.30	24.04	18.21	15.90	11.97	23.61	29.44	26.72	28.90	29.72	32.33
2019	30.35	29.97	26.52	19.35	16.91	12.75	25.28	31.23	28.35	30.85	31.53	34.29
2020	32.76	31.27	27.57	20.53	18.31	13.84	27.30	33.70	30.80	33.09	34.02	36.99
2021	35.88	35.64	31.31	23.37	20.52	16.67	30.82	35.97	31.15	31.29	33.29	34.52
2022	38.28	36.45	35.11	33.16	32.94	33.01	33.17	33.34	33.61	34.15	35.68	38.02
2023	38.32	34.35	35.96	34.50	33.80	33.91	34.08	34.26	34.43	35.15	37.87	38.82
2024	39.89	39.34	37.63	35.88	35.05	34.74	34.91	35.08	35.20	36.52	38.79	39.78
2025	41.25	40.82	39.01	37.66	37.38	37.56	37.74	37.93	38.13	38.81	41.92	42.92
2026	43.82	43.84	43.00	44.49	44.25	44.49	44.71	44.95	45.19	45.99	49.30	49.84
2027	50.94	51.18	48.07	44.48	44.21	44.44	44.67	44.89	45.13	45.84	49.17	50.23
2028	50.89	50.94	48.29	44.69	44.43	44.67	44.89	45.12	45.36	46.07	49.38	50.65
2029	52.25	51.61	48.52	46.80	46.15	46.39	46.63	46.87	47.12	47.84	51.31	53.52
2030	53.69	53.24	48.88	46.83	46.55	46.79	47.03	47.27	47.52	48.26	51.78	55.11
2031	54.14	53.83	50.13	47.84	47.53	47.78	48.02	48.27	48.52	49.26	52.85	54.00
2032	55.21	54.80	51.12	48.79	48.47	48.73	48.97	49.22	49.48	50.25	53.91	55.07
2033	56.39	55.95	52.19	49.82	49.50	49.76	50.01	50.26	50.53	51.31	55.04	56.22
2034	57.49	57.11	53.19	50.76	50.43	50.70	50.95	51.21	51.46	52.26	56.08	57.29
2035	58.78	58.40	54.39	51.92	51.59	51.85	52.12	52.38	52.66	53.48	57.35	58.58
2036	60.17	59.84	55.75	53.23	52.89	53.17	53.43	53.70	53.98	54.81	58.77	60.02
2037	61.65	61.30	57.13	54.57	54.22	54.50	54.77	55.05	55.33	56.18	60.21	61.49
2038	63.17	62.82	58.57	56.05	55.69	55.98	56.16	56.44	56.73	57.60	61.71	63.01
2039	64.55	64.19	59.88	57.18	56.82	57.12	57.40	57.68	57.98	58.87	63.06	64.39
2040	66.23	65.87	61.45	58.73	58.36	58.66	58.94	59.24	59.54	60.44	64.71	66.07

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a Avoided Costs Standard Fixed Price Option for Solar OF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	28.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.06	31.90	36.26	32.22	33.97	31.97	34.43
2017	34.12	32.58	29.20	28.13	27.35	25.40	34.61	39.26	34.86	33.83	34.92	37.63
2018	38.48	34.80	31.18	28.53	28.71	28.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.69	38.72	44.06	39.11	37.58	38.80	41.81
2020	40.39	39.51	34.52	32.06	31.77	29.50	40.67	46.62	41.38	39.76	41.06	44.23
2021	42.34	41.79	37.45	33.53	33.68	33.83	38.88	37.13	37.28	37.44	39.48	40.77
2022	45.55	42.73	41.39	39.43	39.21	39.29	39.45	39.61	39.76	40.42	43.18	44.29
2023	44.72	44.75	42.35	40.90	40.30	40.31	40.48	40.65	40.82	41.58	44.27	45.22
2024	46.39	46.84	44.13	42.39	41.58	41.24	41.41	41.59	41.77	43.03	45.29	46.26
2025	47.89	47.48	45.65	44.30	44.00	44.20	44.38	44.58	44.77	46.45	48.56	49.65
2026	53.39	53.61	52.86	51.26	51.02	51.28	51.45	51.72	51.96	52.76	56.07	56.71
2027	57.85	58.09	52.97	51.38	51.11	51.34	51.57	51.80	52.03	52.78	56.07	57.13
2028	57.79	57.97	53.32	51.72	51.48	51.70	51.93	52.15	52.39	53.10	56.81	57.88
2029	59.42	58.77	55.69	53.77	53.32	53.59	53.79	54.03	54.28	55.01	58.47	60.88
2030	60.90	60.55	55.99	54.14	53.85	54.10	54.34	54.58	54.83	55.57	59.09	62.42
2031	61.59	61.29	57.58	55.30	54.99	55.24	55.48	55.72	55.99	56.73	60.32	61.48
2032	62.78	62.47	58.69	56.38	56.05	56.30	56.55	56.80	57.06	57.83	61.48	62.64
2033	64.10	63.78	59.93	57.55	57.23	57.49	57.74	57.99	58.26	59.05	62.77	63.85
2034	65.33	65.01	61.08	58.66	58.33	58.60	58.85	59.11	59.38	60.18	63.98	65.19
2035	66.77	66.44	62.43	59.96	59.63	59.90	60.15	60.42	60.70	61.52	65.39	66.62
2036	68.35	68.03	63.94	61.42	61.09	61.35	61.62	61.89	62.17	63.00	66.95	68.21
2037	70.00	69.66	65.43	62.92	62.57	62.84	63.13	63.40	63.69	64.54	68.57	69.85
2038	71.89	71.34	67.09	64.47	64.11	64.40	64.67	64.95	65.24	66.12	70.22	71.53
2039	73.22	72.87	68.53	65.86	65.50	65.80	66.08	66.36	66.66	67.54	71.73	73.07
2040	75.03	74.72	70.30	67.58	67.21	67.51	67.79	68.09	68.39	69.28	73.57	74.92

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 3b												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.89	17.89	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.89	23.32	18.54	16.85	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	28.04	21.47	19.23	15.43	25.37	30.49	28.02	28.93	30.87	33.03
2018	32.90	31.29	28.03	22.20	19.89	15.96	27.60	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.99	16.82	29.38	35.20	32.42	34.73	35.80	38.39
2020	36.81	35.42	31.72	25.08	22.48	17.89	31.43	37.85	34.78	37.24	38.17	41.14
2021	40.11	39.87	35.54	34.80	34.75	34.90	35.05	35.20	35.36	35.51	37.52	38.85
2022	40.59	40.76	39.42	37.47	37.25	37.32	37.48	37.65	37.82	38.46	41.19	42.33
2023	42.71	42.74	40.35	38.89	38.29	38.30	38.47	38.64	38.82	39.55	42.26	43.21
2024	44.36	43.81	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.99	43.26	44.22
2025	45.81	45.38	43.57	42.22	41.92	42.12	42.30	42.48	42.69	43.37	45.48	47.48
2026	51.27	51.49	50.74	49.14	48.90	49.14	49.38	49.60	49.84	50.64	53.95	54.59
2027	55.98	55.93	55.81	49.20	49.95	49.18	49.41	49.63	49.87	50.58	53.91	54.97
2028	55.92	55.77	51.12	48.52	49.28	49.50	49.72	49.95	50.19	50.90	54.41	55.48
2029	57.17	56.53	53.44	51.52	51.07	51.31	51.55	51.79	52.04	52.78	56.23	58.44
2030	58.81	58.26	53.70	51.85	51.57	51.81	52.05	52.29	52.54	53.28	56.80	60.13
2031	59.26	58.95	55.25	52.88	52.85	52.90	53.14	53.39	53.64	54.40	57.98	59.12
2032	60.42	60.11	56.33	54.00	53.88	53.94	54.18	54.43	54.69	55.46	59.12	60.28
2033	61.57	61.38	57.50	55.13	54.81	55.07	55.37	55.67	55.94	56.92	60.35	61.53
2034	62.85	62.53	58.80	56.19	55.85	56.12	56.47	56.83	57.10	58.10	61.53	62.71
2035	64.26	63.92	59.91	57.44	57.11	57.38	57.84	58.20	58.18	59.00	62.87	64.10
2036	65.80	65.47	61.38	58.88	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.96	60.24	60.51	60.79	61.07	61.82	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.56	68.86
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.36	63.64	63.94	64.83	69.02	70.35
2040	72.31	71.95	67.53	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.78	72.15

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)

2) Renewable Fixed Price Option

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 499A.005 to 499A.210.

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.

Sellers will retain all Environmental Attributes generated by the facility during the Renewable Resource Sufficiency Period. A Renewable QF choosing the Renewable Fixed Price Option must cede all RPS Attributes generated by the facility to the Company during the Renewable Resource Deficiency Period.

Prices paid to the Seller under the Renewable Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both Wind QF resources (Tables 5a and 5b) and the avoided proxy resource, the basis used to determine Renewable Avoided Costs for the Renewable Fixed Price Option, are assumed to have a capacity contribution to peak of 5%. The capacity contribution for Solar QF resources (Tables 6a and 6b) is assumed to be 5%. The capacity contribution for Base Load QF resources (Tables 4a and 4b) is assumed to be 100%.

The Renewable Avoided Costs during the Renewable Resource Deficiency Period reflect an increase for avoided wind integration costs, shown in Table 7.

Prices paid to the Seller under the Renewable Fixed Price Option for Wind QFs (Tables 5a and 5b) include a reduction for the wind integration costs in Table 7, which cancels out wind integration costs included in the Renewable Avoided Costs during the Renewable Resource Deficiency Period. 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 5a and 5b.

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	26.13	28.13	21.88	22.88	25.13	33.13	34.73	29.83	27.38	28.88	33.13
2016	31.58	30.18	27.08	26.66	24.96	23.21	32.05	36.41	32.37	31.12	32.12	34.58
2017	34.27	32.71	29.35	28.28	27.50	28.55	34.66	39.41	38.01	33.88	35.07	37.78
2018	36.61	34.65	31.34	29.68	28.88	26.82	37.16	42.25	37.53	36.07	37.24	40.12
2019	38.30	38.58	32.79	31.05	30.19	29.05	38.98	44.22	39.27	37.74	39.99	41.97
2020	130.42	130.40	129.80	130.04	133.82	132.78	132.38	132.24	130.72	129.69	130.57	129.37
2021	133.36	133.64	131.86	133.13	138.48	135.59	134.91	135.52	133.73	132.64	134.08	132.51
2022	138.24	138.10	133.85	135.90	139.41	139.20	137.67	137.62	136.32	135.14	136.83	136.13
2023	139.39	138.88	136.54	138.99	141.58	141.01	140.60	140.17	139.18	137.81	139.83	138.53
2024	141.20	141.38	139.07	141.45	144.67	143.47	143.33	143.02	142.81	139.99	141.17	141.32
2025	144.44	144.83	142.24	145.02	149.08	147.69	146.57	146.72	145.78	143.11	144.48	144.07
2026	148.08	147.69	145.87	148.54	153.80	149.89	149.69	150.17	148.84	148.23	148.39	147.27
2027	150.98	150.48	148.51	151.01	158.07	152.84	150.20	153.90	152.54	149.20	150.73	150.17
2028	153.78	152.95	150.18	154.12	160.88	154.89	155.77	153.78	154.78	152.38	153.85	152.73
2029	157.02	156.74	153.00	157.59	165.40	159.30	159.39	159.39	159.46	155.48	158.44	156.31
2030	160.28	159.94	157.24	160.86	173.85	164.43	161.89	161.75	163.38	158.51	161.18	159.23
2031	163.23	162.64	160.72	164.67	177.15	169.11	164.90	166.01	166.26	161.75	163.08	162.54
2032	165.75	165.16	163.21	167.22	179.91	171.73	167.46	168.59	168.84	164.26	165.59	165.08
2033	169.59	168.98	166.98	171.08	184.06	175.70	171.33	172.48	172.74	168.06	169.41	168.88
2034	173.01	172.39	170.36	174.55	187.76	179.24	174.79	175.97	176.23	171.46	172.84	172.28
2035	176.35	175.72	173.65	177.81	191.39	182.20	178.16	179.36	179.63	174.78	176.17	175.62
2036	179.40	178.76	176.66	180.88	194.69	185.85	181.24	182.40	182.74	177.79	179.22	178.65
2037	183.23	182.57	180.41	184.85	198.85	189.87	185.10	186.35	186.63	181.58	183.04	182.46
2038	186.78	186.09	183.90	188.42	202.89	193.48	188.66	189.89	190.23	185.05	186.57	186.08
2039	190.37	189.66	187.44	192.05	206.80	197.22	192.32	193.61	193.91	188.65	190.17	189.57
2040	193.65	192.96	190.69	195.37	210.16	200.62	195.64	196.98	197.28	191.92	193.49	192.85

Effective for service on and after September 23, 2015.

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	23.88	20.38	20.88	15.88	17.88	18.13	23.88	26.13	25.83	23.13	25.38	28.38
2016	27.21	26.14	23.47	19.69	16.80	13.58	23.28	27.89	25.68	27.45	28.12	30.26
2017	30.42	29.21	26.19	21.62	19.38	15.58	26.52	30.64	28.17	30.08	30.82	33.18
2018	32.75	31.44	28.19	22.95	20.04	16.11	27.95	33.58	30.86	33.04	33.86	36.47
2019	34.38	33.20	28.76	23.58	21.14	16.98	28.61	35.46	32.58	34.89	35.76	38.52
2020	74.05	74.95	78.18	74.70	70.70	70.98	71.32	72.70	78.78	75.21	74.98	79.90
2021	75.81	75.69	77.70	76.08	72.65	72.71	73.48	73.86	75.29	77.88	74.78	79.60
2022	77.70	77.31	79.56	77.27	73.58	74.12	75.90	74.74	78.69	78.10	78.00	78.21
2023	78.70	78.78	81.53	79.38	74.14	75.53	77.17	76.51	78.04	80.71	77.14	79.80
2024	79.35	79.42	83.14	79.16	74.65	77.78	78.40	78.83	78.61	81.03	79.55	80.29
2025	80.96	80.84	84.88	80.33	74.54	78.20	78.02	79.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	85.28	80.89	75.34	79.31	79.11	79.84	79.12	83.31	82.41	82.47
2027	84.14	84.11	88.28	82.99	75.15	80.77	81.18	80.43	80.90	86.39	83.38	83.99
2028	85.29	85.01	89.97	85.07	74.43	82.57	82.78	81.19	82.53	87.08	84.33	85.62
2029	85.87	85.84	90.81	85.72	68.73	82.83	84.21	82.59	84.39	89.00	85.85	86.12
2030	87.21	88.28	92.46	86.89	68.43	83.64	84.98	85.17	84.95	89.66	86.91	88.84
2031	88.10	89.50	93.69	87.32	69.81	83.38	88.78	86.97	85.14	91.14	86.93	90.04
2032	90.57	82.00	95.23	88.78	70.97	84.75	88.21	88.41	88.54	92.64	92.44	91.53
2033	82.57	84.03	87.34	90.72	72.53	85.63	90.18	90.36	88.48	94.69	94.48	93.55
2034	84.36	85.84	89.22	92.47	73.93	88.30	91.90	92.10	90.16	96.52	96.30	95.36
2035	95.18	87.69	101.13	94.25	75.36	90.00	95.88	93.88	91.90	98.38	98.18	97.20
2036	97.77	98.31	102.80	95.81	76.81	91.49	95.22	95.43	93.42	100.00	99.78	98.80
2037	99.23	101.50	105.07	97.92	78.30	93.51	97.33	97.54	95.49	102.21	101.99	100.99
2038	101.88	103.46	107.10	99.82	79.81	95.31	99.20	99.42	97.33	104.19	103.95	102.93
2039	103.82	105.46	109.17	101.74	81.35	97.19	101.12	101.34	99.21	106.20	105.96	104.92
2040	105.54	107.20	110.97	103.42	82.89	98.76	102.79	103.02	100.85	107.95	107.71	106.65

Effective for service on and after September 23, 2015.

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a Renewable Avoided Costs Renewable Fixed Price Option for Wind QF On-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	27.36	21.35	22.36	18.11	19.11	21.35	29.36	30.96	25.86	23.81	25.11	29.36
2016	27.74	28.32	23.24	21.82	21.12	19.37	28.21	32.57	28.33	27.28	28.28	30.74
2017	30.36	29.85	25.44	24.37	23.59	21.64	30.75	35.60	31.10	30.07	31.16	33.87
2018	32.62	30.95	27.35	25.69	24.87	22.83	33.17	38.27	33.54	32.08	33.25	35.13
2019	34.23	32.49	28.72	26.88	26.12	23.98	34.81	40.15	35.20	33.87	34.89	37.90
2020	39.69	39.67	38.77	38.31	39.09	42.03	41.85	41.62	40.00	38.85	39.84	38.64
2021	41.73	42.00	40.23	41.50	44.85	43.95	43.28	43.88	42.10	40.91	42.44	40.68
2022	43.81	43.65	41.42	43.47	46.58	45.77	45.23	45.19	43.89	42.71	44.39	42.68
2023	46.01	45.50	43.17	45.61	48.50	47.64	47.23	46.79	45.80	44.43	46.45	45.15
2024	47.25	47.43	45.12	47.50	50.71	49.51	49.38	49.07	48.85	48.03	47.21	47.37
2025	49.51	49.89	47.31	49.08	52.15	50.78	50.69	50.82	49.17	48.55	48.13	
2026	52.27	51.88	49.18	50.74	53.80	52.89	52.87	52.63	50.42	49.58	50.47	
2027	54.29	53.77	50.82	52.32	55.85	54.81	54.82	54.51	52.22	51.37	52.34	
2028	56.19	55.56	52.57	54.03	57.83	56.66	56.66	56.35	54.03	53.18	54.21	
2029	58.51	57.78	54.09	55.08	59.80	58.50	58.50	58.19	55.80	54.95	56.01	
2030	60.84	60.00	55.80	56.81	61.66	60.51	60.51	60.20	57.41	56.56	57.62	
2031	62.82	61.87	57.62	58.62	63.41	62.26	62.26	61.95	58.92	58.07	59.13	
2032	64.58	63.52	59.37	60.37	65.06	63.91	63.91	63.60	60.63	59.78	60.84	
2033	66.23	65.06	61.02	62.02	66.61	65.46	65.46	65.15	62.18	61.33	62.39	
2034	67.76	66.49	62.55	63.55	68.06	66.91	66.91	66.60	63.63	62.78	63.92	
2035	69.18	67.81	64.00	65.00	69.41	68.26	68.26	67.95	65.08	64.23	65.47	
2036	70.50	69.03	65.45	66.45	70.66	69.51	69.51	69.20	66.53	65.68	66.99	
2037	71.72	70.15	66.80	67.80	71.81	70.66	70.66	70.35	67.98	67.13	68.50	
2038	72.84	71.27	68.05	69.05	72.86	71.81	71.81	71.50	69.43	68.58	69.61	
2039	73.86	72.29	69.20	70.20	73.81	72.86	72.86	72.55	70.88	69.93	70.96	
2040	74.78	73.21	70.35	71.35	74.66	73.81	73.81	73.50	72.33	71.38	72.41	

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b Renewable Avoided Costs Renewable Fixed Price Option for Wind QF Off-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	23.11	16.61	17.11	12.11	14.11	15.36	20.11	22.36	21.86	18.36	21.81	24.81
2016	23.37	22.35	18.03	14.85	12.98	9.74	19.44	24.05	21.82	23.81	24.28	25.43
2017	26.51	26.30	22.28	17.71	15.47	11.67	21.81	28.73	24.28	25.17	26.91	28.27
2018	28.76	27.45	24.19	18.38	16.05	12.12	23.85	29.59	26.87	28.05	28.87	32.46
2019	30.51	28.13	25.68	19.51	17.07	12.91	25.44	31.39	28.51	30.82	31.89	34.45
2020	39.90	40.20	42.03	40.95	40.55	40.83	41.17	40.55	40.61	41.06	40.83	41.35
2021	42.38	41.48	43.47	41.65	40.42	40.48	40.26	40.65	41.02	40.43	40.55	41.57
2022	43.39	43.00	45.65	42.96	41.37	41.81	41.59	41.43	41.78	41.19	41.69	42.90
2023	44.31	43.77	46.14	43.89	42.15	42.14	42.18	42.12	42.65	42.06	42.56	43.81
2024	44.88	44.65	46.67	44.69	43.08	43.31	43.33	43.26	43.81	43.22	43.72	45.00
2025	46.40	46.38	48.32	46.77	45.08	45.54	45.45	45.63	46.18	45.59	46.09	47.40
2026	47.70	47.77	49.63	48.24	46.59	47.06	46.96	47.14	47.69	47.10	47.60	48.92
2027	49.40	49.37	51.54	49.95	48.03	48.42	48.32	48.50	49.05	48.46	48.96	50.28
2028	50.49	51.18	54.14	50.24	48.60	49.74	49.63	49.81	50.36	49.77	50.27	51.59
2029	52.05	51.92	55.89	51.80	50.81	51.81	51.70	51.87	52.42	51.83	52.33	53.65
2030	52.19	53.26	57.44	53.47	52.41	53.41	53.30	53.47	54.02	53.43	53.93	55.25
2031	53.68	53.36	58.67	54.69	53.63	54.63	54.52	54.69	55.24	54.65	55.15	56.47
2032	55.39	55.79	60.02	56.25	55.18	56.18	56.07	56.24	56.79	56.20	56.70	58.02
2033	57.26	57.72	62.03	58.41	57.22	58.22	58.11	58.28	58.83	58.24	58.74	60.06
2034	58.94	59.42	63.80	60.05	58.85	59.85	59.74	59.91	60.46	59.87	60.37	61.69
2035	60.68	61.17	65.81	62.03	60.84	61.84	61.73	61.90	62.45	61.86	62.36	63.68
2036	62.14	62.68	67.17	63.35	62.18	63.18	63.07	63.24	63.79	63.20	63.70	65.02
2037	64.19	64.76	69.35	65.49	64.32	65.32	65.21	65.38	65.93	65.34	65.84	67.16
2038	66.01	66.61	71.25	67.37	66.20	67.20	67.09	67.26	67.81	67.22	67.72	69.04
2039	67.88	68.50	73.21	69.28	68.11	69.11	69.00	69.17	69.72	69.13	69.63	70.96
2040	69.40	70.12	74.88	70.94	69.77	70.77	70.66	70.83	71.38	70.79	71.29	72.61

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 8a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar CF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	31.13	25.13	25.13	21.88	22.88	25.13	33.13	34.73	29.83	27.38	29.88	33.19
2016	31.58	30.16	27.08	25.66	24.96	23.21	32.05	38.41	32.37	31.12	32.12	34.58
2017	34.27	32.71	29.35	28.28	27.50	25.95	34.66	39.41	35.01	33.88	35.07	37.78
2018	36.61	34.95	31.34	29.68	28.68	26.82	37.18	42.26	37.53	36.07	37.24	40.12
2018	38.30	36.58	32.79	31.05	30.18	28.05	38.98	44.22	39.27	37.74	38.95	41.97
2019	39.94	39.82	32.92	33.45	37.24	36.18	35.81	35.87	34.15	33.00	33.39	32.78
2021	35.56	36.23	34.46	35.73	39.04	38.10	37.51	38.11	36.33	35.14	36.87	35.11
2022	36.12	37.07	35.73	37.78	101.29	100.00	99.54	99.50	99.20	97.02	98.70	96.99
2023	100.40	99.89	97.56	100.00	102.89	102.00	101.82	101.18	100.19	98.82	100.84	98.54
2024	101.72	101.80	99.59	101.87	105.18	103.98	103.85	103.54	103.32	100.50	101.68	101.84
2026	104.07	104.45	101.87	104.64	108.71	107.32	106.19	106.35	105.38	102.73	104.11	103.69
2028	106.92	106.53	104.81	107.39	112.85	108.64	108.54	108.02	108.68	105.07	107.23	108.12
2027	108.03	108.51	108.58	109.08	115.12	110.89	110.25	111.96	110.59	107.25	108.78	108.22
2028	111.02	109.79	107.40	111.38	117.90	112.17	113.01	113.02	111.89	109.62	110.89	109.67
2028	113.43	113.15	110.01	114.00	125.82	115.72	115.81	115.81	115.86	114.90	112.88	112.73
2030	115.86	115.51	112.82	116.23	129.42	120.01	117.47	117.33	118.96	114.09	114.75	114.61
2031	117.94	117.36	115.44	118.59	131.67	123.82	119.62	120.73	120.96	116.47	117.78	117.28
2032	119.89	119.29	117.34	121.36	134.05	125.87	121.59	122.72	122.98	118.39	119.72	119.20
2033	122.54	121.93	119.93	124.04	137.01	128.65	124.28	125.44	125.70	121.01	122.37	121.83
2034	124.90	124.28	122.25	126.44	138.66	131.15	125.88	127.88	128.12	123.26	124.73	124.19
2035	127.32	126.69	124.61	128.83	142.35	133.69	129.12	130.32	130.59	125.73	127.14	126.58
2038	129.42	128.77	126.67	131.00	144.70	135.87	131.28	132.48	132.75	127.80	129.24	128.67
2037	132.28	131.62	129.46	133.90	147.60	138.87	134.16	135.40	135.68	130.63	132.09	131.51
2038	134.83	134.16	131.96	136.49	150.75	141.55	136.74	138.02	138.30	133.15	134.64	134.05
2039	137.43	136.75	134.51	139.12	153.86	144.28	139.38	140.68	140.97	135.72	137.24	136.64
2040	139.70	139.01	136.73	141.41	156.20	146.87	141.69	143.00	143.30	137.96	139.61	138.99

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 8b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar CF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	26.88	20.38	20.88	15.88	17.89	19.13	23.88	28.13	26.63	23.13	25.38	28.38
2016	27.21	26.14	23.47	18.89	16.80	13.58	23.28	27.89	25.86	27.45	28.12	30.28
2017	30.42	29.21	26.19	21.62	19.38	16.58	25.52	30.64	28.17	30.08	30.82	33.18
2018	32.75	31.41	28.18	22.35	20.04	16.11	27.85	33.58	30.88	32.04	33.88	36.47
2018	34.88	33.20	29.75	23.98	21.14	16.98	29.51	35.46	32.69	34.89	36.78	39.52
2020	74.03	74.53	76.18	74.70	70.70	70.98	71.32	72.70	73.76	75.21	74.68	75.60
2021	76.81	75.69	77.70	76.08	72.69	72.71	73.48	73.88	75.25	77.66	74.78	76.80
2022	77.70	77.31	79.98	77.27	73.68	74.12	75.90	74.74	76.69	79.10	78.00	78.21
2023	78.70	78.75	81.53	79.38	74.14	75.53	77.17	76.51	78.04	80.71	77.14	79.80
2024	79.35	79.42	83.14	79.16	74.55	77.78	76.40	78.63	78.61	81.03	79.55	80.29
2025	80.96	80.94	84.88	80.33	74.54	78.20	78.02	79.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	85.28	80.89	75.34	78.31	78.11	79.94	79.12	83.91	82.41	82.47
2027	84.14	84.11	88.28	82.99	75.15	80.77	81.16	80.43	80.50	85.39	83.38	83.39
2028	85.29	88.01	88.97	85.07	74.43	82.57	82.76	81.19	82.83	87.06	84.33	86.82
2029	85.87	88.84	90.81	89.72	88.73	82.93	84.21	82.69	84.39	88.00	86.85	88.12
2030	87.21	88.28	92.48	88.89	88.43	83.64	84.98	85.17	84.95	89.66	88.91	89.94
2031	88.10	90.50	93.69	87.32	89.81	83.38	88.78	86.87	85.14	91.14	90.93	90.04
2032	90.57	92.00	95.23	89.76	70.97	84.75	88.21	88.41	88.54	92.64	92.44	91.53
2033	92.67	94.08	97.34	90.72	72.83	86.63	80.16	90.36	88.48	94.89	94.48	93.55
2034	94.36	95.84	99.22	92.47	73.93	88.30	91.90	92.10	92.16	98.52	96.30	95.31
2035	96.18	97.89	101.15	94.25	75.36	90.00	93.68	93.88	91.80	98.38	98.18	97.20
2038	97.77	99.31	102.80	95.81	76.81	91.49	95.22	95.43	93.42	100.00	99.78	98.80
2037	99.83	101.50	105.07	97.93	78.30	95.51	97.33	97.54	95.49	102.21	101.98	100.98
2038	101.88	103.48	107.10	98.82	79.81	95.51	96.20	96.42	97.33	104.19	103.96	102.93
2039	103.82	105.46	109.17	101.74	81.35	97.15	101.12	101.34	99.21	106.20	105.96	104.92
2040	105.84	107.20	110.97	103.42	82.89	98.76	102.79	103.02	100.85	107.85	107.71	106.65

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2015	3.77
2016	3.84
2017	3.91
2018	3.98
2019	4.07
2020	4.15
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.56
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42
2035	5.52
2036	5.63
2037	5.74
2038	5.85
2039	5.96
2040	6.08

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

MONTHLY SERVICE CHARGE

Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

INTERCONNECTION REQUIREMENTS (Continued)

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.

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA

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.

Definition of Community-Based

- 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.
- 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 in 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.

Definition of Family-Owned

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Concluded)

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA (Continued)

Definition of Person(s) or Affiliated Person(s)

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.

Definition of Same Site

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.

Definition of Shared Interconnection and Infrastructure

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.

OTHER DEFINITIONS

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

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

OTHER DEFINITIONS (Continued)

On-Peak Power and Average Off-Peak Power found on the following website: <https://www.ihceice.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.

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.

Definition of Environmental Attributes

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 (SO_x), nitrogen oxides (NO_x), 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.

Definition of Resource Sufficiency Period

This is the period from the current year through 2020.

Definition of Resource Deficiency Period

This is the period from 2021 through 2034.

Definition of Renewable Resource Sufficiency Period

This is the period from the current year through 2019.

Definition of Renewable Resource Deficiency Period

This is the period from 2020 through 2034.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

DISPUTE RESOLUTION

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:

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.

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.

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 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.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE IN-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 25th day, January 2016, is between Dayton Solar I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaic solar facility for the generation of electric power located in Yamhill County, Oregon with a Nameplate Capacity Rating of 10,000 (AC) kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year).

1.3. "Billing Period" means a 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 months; however, PGE shall use best efforts to read the power purchase billing meter in 12 equally spaced periods per year.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.5.5. (facilities with nameplate under 500kW 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;

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of interconnection facilities required to accommodate deliveries of Seller's Net Output.

1.12. "Generation Unit" means each separate electrical generator that contributes towards 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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "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.

1.16. "Lost Energy Value" means Lost Energy X the excess of the annual time-weighted average Mid-C Index Price for On-Peak 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 Section 1.35).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes.

1.22. "Number of Units" means the number of Generating Units in the Facility described in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "Operational Hours" for the Facility means the total across all Generating Units of the number of hours each of the Facility's Generating Units are potentially 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 Point of Delivery in a Contract Year. During up to, but not more than, 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 of Event of Force Majeure, the Operational Hours for a wind farm with five separate two MW turbines would be 43,800 for a Contract Year.

1.26. "Planned Maintenance" means outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" 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, as specified in the Generation Interconnection Agreement.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of the Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected

monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five (75%) X expected Net Output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date

Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period - the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By thirty-five (35) months after the Effective Date [date to be determined by the Seller] Seller shall begin initial deliveries of Net Output; and

2.2.2 By thirty-six (36) month anniversary of the Effective Date [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.

2.2.3 Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the

Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 9 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 9,820 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 16,000,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1 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

3.1.10.2 Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3 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.

3.1.10.4 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 8.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 24,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output").

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. Seller warrants that (i) 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 (ii) 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 Public Utility Commission of Oregon upon the Commission's request.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: METERING

7.1. PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

7.2. Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased

amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

7.3. PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

7.4. To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 8: BILLINGS, COMPUTATIONS AND PAYMENTS

8.1. 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. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise. 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.

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

SECTION 9: DEFAULT, REMEDIES AND TERMINATION

9.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

9.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

9.1.2. 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.

9.1.3. 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.

9.1.4. If Seller is no longer a Qualifying Facility.

9.1.5. Failure of PGE to make any required payment pursuant to Section 8.1.

9.1.6. Seller's failure to meet the Commercial Operation Date.

9.2. In the event of a default under Section 9.1.6, 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 9.3. PGE's resource sufficiency/deficiency position shall have no bearing on PGE's right to terminate the Agreement under this Section 9.2.

9.3. In the event of a default under this Agreement, 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 non-defaulting 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 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

9.4. If this Agreement is terminated as provided in this Section 9 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.

9.5. In the event PGE terminates this Agreement pursuant to this Section 9, 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.

9.6. Sections 9.1, 9.4, 9.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Dayton Solar I LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

and a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
greg@richardsonadams.com


To PGE: Contracts Manager
QF Contracts, 3WTC0306

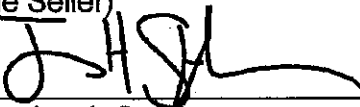
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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: Maria M. Eope
Title: SRVP Power Supply & Operations & Resource Strategy
Date: 1/25/2016

DAYTON SOLAR I LLC
(Name Seller)
By: 
Name: Jacob Stephens
Title: Authorized Representative
Date: 1/25/2016




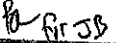
PGE Approved By:	
Business Terms	
Credit	
Legal	
Risk Mgt.	

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

Dayton Solar I is a photovoltaics-based solar generating facility which upon reaching full commercial operations have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty <= [14.5MM/(module rating)].
2. Inverter AC Generator Units: Commercially-available string inverter (90kW-AC, nominal) convert DC to AC power, collected by AC wiring to switchboard. Each such collected aggregation of inverters shall constitute a single sub-generator for the facility, which once all aggregated shall constitute the entire generator for the facility.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (12.47 KV, nominally)
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

1. Seller's Generation Interconnection Agreement
2. Yamhill County CUP & Building Permits
3. EFSC Site Certificate (if final project footprint > 100 acres)
4. Additional as may be determined by Seller to be required for facility permitting, construction, and interconnection.

EXHIBIT C
START-UP TESTING

[Seller identify appropriate tests]

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

EXHIBIT D SCHEDULE

Portland General Electric Company

Sheet No. 201-17

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.06	31.90	36.26	32.22	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.86	33.83	34.92	37.63
2018	36.46	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	80.01	90.80	88.69	91.31	104.33	108.84	91.65	94.79	91.02	90.75	91.10	90.77
2021	91.63	92.46	91.64	93.60	105.26	110.91	93.15	96.99	93.38	93.37	92.70	92.70
2022	93.66	93.76	93.13	94.96	109.63	114.13	93.07	97.80	94.14	95.42	94.37	94.02
2023	95.65	95.40	94.17	96.60	111.28	116.40	95.15	98.86	95.95	97.21	95.93	96.48
2024	97.23	97.75	96.73	97.65	108.30	117.33	97.35	101.95	99.68	98.48	97.92	98.07
2025	99.10	99.12	98.31	100.06	110.92	119.16	99.24	105.55	100.78	100.27	99.79	100.25
2026	100.57	101.09	99.38	101.04	112.20	119.15	102.18	106.65	102.12	101.05	101.43	101.63
2027	102.25	102.59	100.83	103.03	115.03	120.12	102.88	109.14	103.72	103.12	102.13	102.82
2028	103.68	103.34	101.86	104.33	112.95	122.67	104.44	109.68	104.55	105.12	103.60	104.56
2029	105.79	105.38	103.96	105.98	114.07	124.22	106.94	112.24	108.46	108.07	105.40	105.83
2030	107.13	106.53	106.06	107.76	114.95	127.70	108.39	113.63	109.08	107.05	106.85	107.79
2031	108.69	107.80	107.47	109.33	116.28	128.44	109.64	116.02	110.47	109.12	108.50	110.22
2032	110.36	110.11	108.39	111.18	118.61	128.41	111.91	118.67	111.94	110.49	110.33	111.16
2033	112.90	111.08	110.05	112.92	120.45	128.96	113.31	119.87	113.39	111.85	112.52	112.91
2034	114.73	112.87	111.66	115.44	121.12	132.66	115.58	121.34	115.09	114.26	114.22	115.22
2035	117.24	114.47	113.77	117.41	122.07	132.79	118.17	124.75	117.70	115.81	116.14	117.31
2036	118.22	115.79	115.67	119.90	124.14	134.40	120.45	128.78	119.82	116.92	117.61	118.60
2037	119.91	118.45	117.83	122.26	126.19	135.53	123.87	131.76	123.11	118.70	120.69	120.39
2038	122.36	120.87	119.99	124.68	129.66	137.52	125.74	134.93	123.85	121.13	122.49	122.34
2039	124.04	122.45	121.73	126.00	132.47	140.16	126.54	133.23	124.63	123.29	124.46	124.08
2040	125.65	124.33	123.44	128.77	133.66	142.06	129.44	135.37	126.71	125.04	126.71	126.61

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)


PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.99	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.08	28.04	21.47	19.23	16.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.88	16.82	29.35	35.30	32.42	34.73	35.60	38.36
2020	69.58	67.81	70.03	66.95	51.47	41.59	66.31	63.57	67.34	67.56	66.43	67.52
2021	71.70	70.03	70.67	68.13	54.41	44.45	68.58	64.91	68.43	69.50	69.36	69.20
2022	72.83	72.10	72.50	70.14	52.58	43.90	73.59	66.03	71.26	70.61	70.84	71.27
2023	74.08	73.80	75.03	73.19	51.34	44.74	74.72	68.53	72.72	72.11	72.75	73.03
2024	74.27	73.88	78.02	73.85	58.94	50.44	74.10	67.73	72.49	72.53	73.47	74.32
2025	76.37	76.84	78.49	75.22	60.00	52.58	76.18	69.30	74.23	74.75	76.80	74.78
2026	78.55	78.33	81.13	78.05	64.87	53.28	76.32	71.90	76.57	77.89	78.72	77.07
2027	81.57	80.52	82.48	79.59	65.36	56.20	79.64	72.83	78.65	80.47	80.82	79.73
2028	83.33	83.05	84.80	82.68	69.45	56.44	82.37	73.98	81.24	81.50	82.54	82.21
2029	84.46	85.45	86.98	85.41	72.98	59.37	84.03	75.52	82.32	84.06	85.12	85.43
2030	87.14	88.37	89.47	86.42	76.31	62.56	85.40	78.15	85.83	87.25	87.66	87.28
2031	89.62	91.21	92.09	88.87	79.11	66.01	88.30	81.26	87.31	89.03	90.93	87.50
2032	91.36	92.90	94.09	90.37	81.83	66.80	89.22	81.75	89.34	92.12	91.54	90.26
2033	94.30	96.19	97.29	93.45	84.73	71.50	93.78	83.69	92.81	95.63	94.00	93.33
2034	96.65	98.62	99.97	95.91	86.88	71.32	95.58	86.58	95.37	97.26	96.55	96.04
2035	97.26	101.39	102.07	98.18	90.58	76.12	97.06	86.87	97.82	99.24	98.90	98.15
2036	100.30	103.84	104.15	98.13	92.11	81.09	97.21	87.79	98.23	102.10	102.08	99.77
2037	103.90	106.19	107.32	100.80	96.72	82.63	98.42	89.65	99.63	105.58	103.83	103.24
2038	106.63	108.17	109.11	102.76	97.37	85.19	101.14	90.69	103.90	108.20	105.75	105.85
2039	109.65	111.37	112.13	106.34	98.97	86.96	106.48	96.20	108.22	110.60	108.44	108.86
2040	112.13	113.43	114.50	108.34	100.07	89.08	107.33	97.98	110.92	112.29	110.09	110.91

Effective for service
on and after September 23, 2015

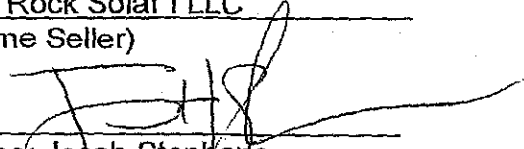
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date:

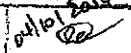

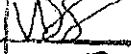
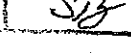
PGE

By: 
 Name: Maria M. Pope
 Title: SRVP Power Supply & Operations & Resource Strategy
 Date: 4/18/2016

PGE Review & Approval	
Business	
Credit	
Legal	
Risk	

Fort Rock Solar I LLC
 (Name Seller)

By: 
 Name: Jacob Stephens
 Title: Authorized Representative
 Date: 4/27/2016

PGE Approved By:	
Business Terms	<u></u>
Credit	<u></u>
Legal	<u></u>
Risk Mgt.	<u></u>

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 27th day, April, 2016, is between FORT ROCK SOLAR I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a ___ photovoltaics-based solar generation ___ facility for the generation of electric power located in Lake County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt ("kW")-AC, as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

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1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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 (SO_x), nitrogen oxides (NO_x), 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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with __Bonneville Power Administration's__ electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours

during the applicable period – the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: $((\text{Mid-C Index Price} - \text{Contract Price}) \times \text{curtailed energy})$ for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the Effective Date Seller shall begin initial deliveries of Net Output; and

2.2.2. By thirty-six (36) month anniversary of the Effective Date, *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.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 9,920 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 19,200,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 30,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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 REC's"), 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 REC's, and Seller shall not report under such program that such Transferred REC's belong to it.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in

effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Fort Rock Solar I LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

and a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
greg@richardsonadams.com

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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: _____

PGE Review & Approval	
Business	
Credit	
Legal	
Risk	

Fort Rock Solar I LLC
(Name Seller)

By: _____
Name: Jacob Stephens _____
Title: Authorized Representative
Date: _____

A1

EXHIBIT A DESCRIPTION OF SELLER'S FACILITY

Fort Rock Solar I is a photovoltaics-based solar generating facility which upon reaching full commercial operations will have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input. Firming capabilities may be added as described below.

Fort Rock Solar I is associated with FERC docket QF16-360-000 and its associated Form 556: Facility comprised of assemblage of up to 160 acres of land surrounding County Road 5-10C near intersection with Kruse Rd (located at West 120.996 degrees and 43.308 degrees North).

The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty <= [14MM/(module rating)].
2. Inverter AC Generator Units: Commercially-available string inverter (90kW-AC, nominal) convert DC to AC power, collected by AC wiring to switchboard. Each such collected aggregation of inverters shall constitute a single sub-generator for the facility, which once all aggregated shall constitute the entire generator for the facility.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (12.47 KV, nominally)
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.
5. Firming capabilities by batteries and/or biodiesel genset up to a maximum capacity of 3 MW. Under no circumstance will generation exceed 10 MW at point of interconnection.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

- 1. Seller's Generation Interconnection Agreement**
- 2. Lake County CUP & Building Permits**
- 3. BPA: Transmission Service Agreement**
- 4. Additional items as may be determined by Seller to be required for facility permitting, construction, and interconnection.**

**EXHIBIT C
START-UP TESTING**

[Seller identify appropriate tests]

Seller-identified start-up tests

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a. DC wiring inputs to inverters
 - b. AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

**EXHIBIT D
SCHEDULE**

Portland General Electric Company

Sheet No. 201-17

SCHEDULE 201 (Continued)

**PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)**

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.06	31.90	36.26	32.22	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.86	33.83	34.92	37.63
2018	36.46	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	90.01	90.80	89.69	91.31	104.33	109.84	91.65	94.79	91.02	90.75	91.10	90.77
2021	91.63	92.46	91.64	93.80	105.26	110.91	93.15	96.99	93.38	93.37	92.70	92.70
2022	93.65	93.76	93.13	94.98	109.63	114.13	93.07	97.80	94.14	95.42	94.37	94.02
2023	95.65	95.40	94.17	96.50	111.28	116.40	95.15	98.88	95.95	97.21	95.93	96.48
2024	97.23	97.75	96.73	97.65	108.30	117.33	97.35	101.95	99.68	98.48	97.92	98.07
2025	99.10	99.12	98.31	100.06	110.92	119.16	99.24	105.55	100.78	100.27	99.79	100.25
2026	100.57	101.09	99.38	101.04	112.20	119.15	102.18	106.65	102.12	101.05	101.43	101.63
2027	102.25	102.59	100.83	103.03	115.03	120.12	102.88	109.14	103.72	103.12	102.13	102.82
2028	103.68	103.34	101.86	104.33	112.95	122.67	104.44	109.68	104.55	105.12	103.60	104.56
2029	105.79	105.38	103.96	105.98	114.07	124.22	106.94	112.24	109.46	106.07	105.40	105.83
2030	107.13	106.53	106.06	107.76	114.95	127.70	108.39	113.63	109.08	107.05	106.85	107.79
2031	108.69	107.80	107.47	109.33	116.28	128.44	109.64	116.02	110.47	109.12	108.50	110.22
2032	110.36	110.11	108.39	111.18	118.61	128.41	111.91	118.67	111.94	110.49	110.33	111.16
2033	112.90	111.08	110.05	112.92	120.45	128.96	113.31	119.87	113.39	111.85	112.52	112.91
2034	114.73	112.87	111.66	115.44	121.12	132.86	115.58	121.34	115.09	114.26	114.22	115.22
2035	117.24	114.47	113.77	117.41	122.07	132.79	118.17	124.75	117.70	115.81	116.14	117.31
2036	118.22	115.79	115.87	119.90	124.14	134.40	120.45	128.78	119.82	116.92	117.61	118.60
2037	119.91	118.45	117.83	122.26	126.19	135.53	123.87	131.76	123.11	118.70	120.69	120.39
2038	122.36	120.87	119.99	124.68	129.66	137.52	125.74	134.93	123.85	121.13	122.49	122.34
2039	124.04	122.45	121.73	126.00	132.47	140.16	126.54	133.23	124.63	123.29	124.46	124.08
2040	125.65	124.33	123.44	128.77	133.86	142.06	129.44	135.37	126.71	125.04	126.71	126.61

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	28.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.99	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	19.23	15.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.60	38.36
2020	68.58	67.81	70.03	66.95	51.47	41.59	66.31	63.57	67.34	67.56	68.43	67.52
2021	71.70	70.03	70.67	68.13	54.41	44.45	68.58	64.91	68.43	69.50	69.36	69.20
2022	72.83	72.10	72.50	70.14	52.58	43.90	73.59	66.03	71.26	70.61	70.94	71.27
2023	74.08	73.80	75.03	73.19	51.34	44.74	74.72	68.53	72.72	72.11	72.75	73.03
2024	74.27	73.68	76.02	73.85	58.94	50.44	74.10	67.73	72.49	72.53	73.47	74.32
2025	76.37	76.84	78.49	75.22	60.00	52.58	76.18	69.30	74.23	74.75	76.80	74.78
2026	78.55	78.33	81.13	78.05	64.87	53.28	76.32	71.90	76.57	77.89	78.72	77.07
2027	81.57	80.52	82.48	79.59	65.36	56.20	79.64	72.83	78.65	80.47	80.82	79.73
2028	83.33	83.05	84.80	82.68	69.45	56.44	82.37	73.98	81.24	81.50	82.54	82.21
2029	84.45	85.45	86.98	85.41	72.98	59.37	84.03	75.52	82.32	84.06	85.12	85.43
2030	87.14	88.37	89.47	86.42	76.31	62.56	85.40	78.15	85.83	87.25	87.66	87.28
2031	89.62	91.21	92.09	88.87	79.11	66.01	88.30	81.26	87.31	89.03	90.93	87.50
2032	91.36	92.90	94.09	90.37	81.83	66.80	89.22	81.75	89.34	92.12	91.54	90.26
2033	94.30	96.19	97.29	93.45	84.73	71.50	93.78	83.69	92.81	95.63	94.00	93.33
2034	96.65	98.62	99.97	95.91	86.88	71.32	95.58	86.58	95.37	97.26	96.55	96.04
2035	97.26	101.39	102.07	98.18	90.58	76.12	97.06	88.87	97.82	99.24	98.90	98.15
2036	100.30	103.84	104.15	98.13	92.11	81.09	97.21	87.79	98.23	102.10	102.08	99.77
2037	103.90	106.19	107.32	100.80	96.72	82.63	98.42	89.65	99.63	105.58	103.83	103.24
2038	106.63	108.17	109.11	102.76	97.37	85.19	101.14	90.69	103.90	108.20	105.75	105.85
2039	109.65	111.37	112.13	106.34	98.97	86.96	106.48	96.20	108.22	110.60	108.44	108.86
2040	112.13	113.43	114.50	108.34	100.07	89.08	107.33	97.98	110.92	112.29	110.09	110.91

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 27th day, April ~~February~~
2016., is between FORT ROCK SOLAR II LLC
("Seller") and Portland General Electric Company ("PGE")
(hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Lake County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt-AC ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.


1.4. "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.

1.5. "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:

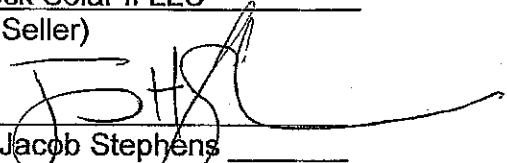
1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed

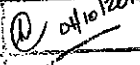

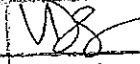

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

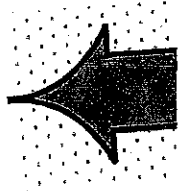
PGE

By: 
Name: Maria M. Pope
Title: SRVP Power Supply & Operations & Resource Strategy
Date: 4/18/2016

Fort Rock Solar II LLC
(Name Seller)

By: 
Name: Jacob Stephens
Title: Authorized Representative
Date: 4/27/2016

PGE Approved By:	
Business Terms	<u> 04/16/2016</u>
Credit	<u></u>
Legal	<u></u>
Risk Mgt.	<u></u>



STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ February _____ 2016., is between _____ FORT ROCK SOLAR II LLC _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ photovoltaics-based solar generation _____ facility for the generation of electric power located in _____ Lake _____ County, _____ Oregon _____ with a Nameplate Capacity Rating of _____ 10,000 _____ kilowatt-AC ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with ___Bonneville Power Administration's_____electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours

during the applicable period – the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By ___thirty-five (35) months after the Effective Date___ Seller shall begin initial deliveries of Net Output; and

2.2.2. By thirty-six (36) month anniversary of the Effective Date, 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.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is _____ 9,920 _____ kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 19,200,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 30,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in

effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Fort Rock Solar II LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

and a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N 27th Street, 83702
P.O Box 7218, 83707
Boise, ID
greg@richardsonadams.com

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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: _____

Fort Rock Solar II LLC
(Name Seller)

By: _____
Name: Jacob Stephens _____
Title: Authorized Representative
Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

Fort Rock Solar II is a photovoltaics-based solar generating which upon reaching full commercial operations will have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input. Firming capabilities may be added as described below. The facility will consist of the following primary equipment:

Fort Rock Solar II is located per its FERC docket QF16-361-000 and its associated Form 556: Facility comprised of assemblage of up to 160 acres of land surrounding County Road 4-14-G (located at West 120.799 degrees and 43.286 degrees North), near Fort Rock, OR.

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty \leq $[14MM/(module\ rating)]$.

2. Inverter AC Generator Units: Commercially-available string inverter (90kW-AC, nominal) convert DC to AC power, collected by AC wiring to switchboard. Each such collected aggregation of inverters shall constitute a single sub-generator for the facility, which once all aggregated shall constitute the entire generator for the facility.

3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (12.47 KV, nominally)

4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site. 5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design

requirements.

5. Firming and dispatchability capabilities by batteries and/or biodiesel genset. Under no circumstance will generation exceed 10 MW at point of interconnection.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement
2. Lake County CUP & Building Permits
3. BPA: Transmission Service Agreement
4. Additional items as may be determined by Seller to be required for facility permitting, construction, and interconnection.

**EXHIBIT C
START-UP TESTING**

Seller-identified start-up tests

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - DC wiring inputs to inverters
 - AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

**EXHIBIT D
SCHEDULE**

Portland General Electric Company

Sheet No. 201-17

SCHEDULE 201 (Continued)

**PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)**

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.06	31.90	36.26	32.22	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.86	33.83	34.92	37.63
2018	36.46	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	90.01	90.80	89.69	91.31	104.33	109.84	91.65	94.79	91.02	90.75	91.10	90.77
2021	91.63	92.46	91.64	93.60	105.26	110.91	93.15	96.99	93.38	93.37	92.70	92.70
2022	93.66	93.76	93.13	94.96	109.63	114.13	93.07	97.80	94.14	95.42	94.37	94.02
2023	95.65	95.40	94.17	96.50	111.28	116.40	95.15	98.86	95.95	97.21	95.93	96.48
2024	97.23	97.75	96.73	97.65	108.30	117.33	97.35	101.95	99.68	98.48	97.92	98.07
2025	99.10	99.12	98.31	100.06	110.92	119.16	99.24	105.55	100.78	100.27	99.79	100.25
2026	100.57	101.09	99.38	101.04	112.20	119.15	102.18	106.65	102.12	101.05	101.43	101.63
2027	102.25	102.59	100.83	103.03	115.03	120.12	102.88	109.14	103.72	103.12	102.13	102.82
2028	103.68	103.34	101.86	104.33	112.95	122.67	104.44	109.68	104.55	105.12	103.60	104.56
2029	105.79	105.36	103.96	105.98	114.07	124.22	106.94	112.24	108.46	106.07	105.40	105.83
2030	107.13	106.53	106.06	107.76	114.95	127.70	108.39	113.63	109.08	107.05	106.85	107.79
2031	108.69	107.80	107.47	109.33	116.28	128.44	109.64	116.02	110.47	109.12	108.50	110.22
2032	110.36	110.11	108.39	111.18	118.61	128.41	111.91	118.67	111.94	110.49	110.33	111.16
2033	112.90	111.08	110.05	112.92	120.45	128.96	113.31	119.87	113.39	111.85	112.52	112.91
2034	114.73	112.87	111.66	115.44	121.12	132.66	115.58	121.34	115.09	114.26	114.22	115.22
2035	117.24	114.47	113.77	117.41	122.07	132.79	118.17	124.75	117.70	115.81	116.14	117.31
2036	118.22	115.79	115.67	119.90	124.14	134.40	120.45	128.78	119.82	116.92	117.61	118.60
2037	119.91	118.45	117.83	122.26	126.19	135.53	123.87	131.76	123.11	118.70	120.69	120.39
2038	122.36	120.87	119.99	124.68	129.66	137.52	125.74	134.93	123.85	121.13	122.49	122.94
2039	124.04	122.45	121.73	126.00	132.47	140.16	126.54	133.23	124.63	123.29	124.48	124.08
2040	125.65	124.33	123.44	128.77	133.86	142.06	129.44	135.37	126.71	125.04	126.71	126.61

**Effective for service
on and after September 23, 2015**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.99	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	19.23	15.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.98	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.60	38.36
2020	68.58	67.81	70.03	66.95	51.47	41.59	66.31	63.57	67.34	67.56	68.43	67.52
2021	71.70	70.03	70.67	68.13	54.41	44.45	68.58	64.91	68.43	69.50	69.36	69.20
2022	72.83	72.10	72.50	70.14	52.58	43.90	73.59	66.03	71.26	70.61	70.94	71.27
2023	74.08	73.80	75.03	73.19	51.34	44.74	74.72	68.53	72.72	72.11	72.75	73.03
2024	74.27	73.88	76.02	73.85	58.94	50.44	74.10	67.73	72.49	72.53	73.47	74.32
2025	76.37	76.84	78.49	75.22	60.00	52.58	76.18	69.30	74.23	74.75	76.80	74.78
2026	78.55	78.33	81.13	78.05	64.87	53.28	76.32	71.90	76.57	77.89	78.72	77.07
2027	81.57	80.52	82.48	79.59	65.36	56.20	79.64	72.83	78.65	80.47	80.82	79.73
2028	83.33	83.05	84.80	82.68	69.45	56.44	82.37	73.98	81.24	81.50	82.54	82.21
2029	84.45	85.45	86.98	85.41	72.98	59.37	84.03	75.52	82.32	84.06	85.12	85.43
2030	87.14	88.37	89.47	86.42	76.31	62.56	85.40	78.15	85.83	87.25	87.66	87.28
2031	89.62	91.21	92.09	88.87	79.11	66.01	88.30	81.26	87.31	89.03	90.93	87.50
2032	91.36	92.90	94.09	90.37	81.83	66.80	89.22	81.75	89.34	92.12	91.54	90.26
2033	94.30	96.19	97.29	93.45	84.73	71.50	93.78	83.69	92.81	95.63	94.00	93.33
2034	96.65	98.62	99.97	95.91	86.88	71.32	95.58	86.58	95.37	97.26	96.55	96.04
2035	97.26	101.39	102.07	98.18	90.58	76.12	97.06	86.87	97.82	99.24	98.90	98.15
2036	100.30	103.84	104.15	98.13	92.11	81.09	97.21	87.79	98.23	102.10	102.08	99.77
2037	103.90	106.19	107.32	100.80	96.72	82.63	98.42	89.65	99.63	105.58	103.83	103.24
2038	106.63	108.17	109.11	102.78	97.37	85.19	101.14	90.69	103.90	108.20	105.75	105.85
2039	109.65	111.37	112.13	106.34	98.97	86.96	106.48	96.20	108.22	110.80	108.44	108.86
2040	112.13	113.43	114.50	108.34	100.07	89.08	107.33	97.98	110.92	112.29	110.09	110.91

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 26th day, JUNE 2016, is between Fort Rock Solar IV LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Lake County, Oregon with a Nameplate Capacity Rating of 10,000 (AC) kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _Bonneville Power Administration electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period - the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the Effective Date Seller shall begin initial deliveries of Net Output; and

2.2.2. By thirty-six (36) month anniversary of the Effective Date Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth (16th) Contract Year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 10,000 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 20,000,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 40,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Fort Rock Solar IV LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

and a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
greg@richardsonadams.com

To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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

PGE

By: [Signature]
Name: Maria M. P...
Title: SVP, Power Ops, Res. Strategy
Date: 6/24/2016

PGE Approved By:	
Business Terms	[Signature]
Credit	[Signature]
Legal	VIB
Risk Mgt.	JB

Fort Rock Solar IV LLC
(Name Seller)

By: [Signature]
Name: Jacob H. Stephens
Title: Manager
Date: 6/24/2016

EXHIBIT A DESCRIPTION OF SELLER'S FACILITY

Fort Rock Solar IV is a photovoltaics-based solar generating facility which upon reaching full commercial operations have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input and its dispatching. Partial firming capabilities may be added as described below. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty \leq [14MM/(module rating)].
2. Inverters: Commercially-available string inverter (90kW-AC, nominal) or central station inverter convert DC to AC power, collected by AC wiring to switchboard.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (24.9 KV, nominally)
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.
6. Firming capabilities by batteries. Under no circumstance will generation exceed 10 MW-AC at point of interconnection. Battery storage system will be designed and installed 'behind' the inverter system of the facility (and be limited by the inverter capacity, per system AC nameplate limitations).
7. Transmission and interconnection plan: Power will be delivered to PGE system via BPA transmission system. Interconnection studies have been initiated with BPA in early 2016 such that final study results will be completed by mid-2017, based on the BPA SGIR tariff timelines, allowing sufficient time for construction of required

interconnection facilities. Seller has examined prior studies in the interconnection vicinity and assessed reasonable cost outcomes.

Final quantities of primary components (commodities) will be specified in final design, per 10 MW AC max production generation facility. Facility is located per its FERC docket QF16-802 and its effective Form 556: Facility comprised of assemblage land initially located on parcels surrounding the intersection of Webster Rd and Cty Hwy 11-C (-120.994 W, 43.399 N), near Fort Rock in Lake County, OR.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement(s) with interconnecting utilit(ies), as applicable
2. Transmission Agreement between Seller and Transmission Provider
3. Lake County CUP & Building Permits
4. Additional items as may be determined by Seller to be required for facility permitting, construction, and interconnection.

EXHIBIT C START-UP TESTING

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers, batteries) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with applicable interconnecting utility (midstate and/or BPA) and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report;
14. Storage facilities commissioning, controller validation, and testing (as applicable); and
15. Other tests as may be required by equipment manufacturers.

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

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

PURPOSE

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.

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.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security deemed sufficient by the Company as set forth in the Standard PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 484-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

PPA

In accordance with terms set forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller.

A Seller must execute a PPA with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard PPA.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PPA (Continued)

Any Seller may elect to negotiate a PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-360, and Schedule 202. Negotiations for power purchase pricing will be based on either the filed Standard Avoided Costs or Renewable Avoided Costs in effect at that time.

STANDARD PPA (Nameplate capacity of 10 MW or less)

A Seller choosing a Standard PPA will complete all informational and price option selection requirements in the applicable Standard PPA and submit the executed Agreement to the Company prior to service under this schedule. The Standard PPA is available at www.portlandgeneral.com. The available Standard PPAs are:

- Standard In-System Non-Variable Power Purchase Agreement
- Standard Off-System Non-Variable Power Purchase Agreement
- Standard In-System Variable Power Purchase Agreement
- Standard Off-System Variable Power Purchase Agreement
- Standard Renewable In-System Non-Variable Power Purchase Agreement
- Standard Renewable Off-System Non-Variable Power Purchase Agreement
- Standard Renewable In-System Variable Power Purchase Agreement
- Standard Renewable Off-System Variable Power Purchase Agreement

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.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

To execute the Standard PPA the Seller must complete all of the general project information requested in the applicable Standard PPA.

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.

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.

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. 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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

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.

BASIS FOR POWER PURCHASE PRICE

AVOIDED COST SUMMARY

The power purchase prices are based on either the Company's Standard Avoided Costs or Renewable Avoided Costs in effect at the time the agreement is executed. Avoided Costs are defined in 18 CFR 292.101(b) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

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.

ON-PEAK PERIOD

The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.

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.

Standard Avoided Costs are based on forward market price estimates through the Resource Sufficiency Period, the period of time during which the Company's Standard Avoided Costs are associated with incremental purchases of Energy and capacity from the market. For the Resource Deficiency Period, the Standard Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of Energy plus capitalized Energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

Renewable Avoided Costs are based on forward market price estimates through the Renewable Resource Sufficiency Period, the period of time during which the Company's Renewable Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Renewable Resource Deficiency Period, the Renewable Avoided Costs reflect the fully allocated costs of a wind plant including capital costs.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING FOR STANDARD PPA

Pricing represents the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.

The Company will pay the Seller either the Off-Peak Standard Avoided Cost pursuant to Tables 1b, 2b, or 3b or the Off-Peak Renewable Avoided Costs pursuant to Tables 4b, 5b, or 6b for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard PPA; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller either the On-Peak Standard Avoided Cost pursuant to Tables 1a, 2a, or 3a or the On-Peak Renewable Avoided Costs pursuant to Tables 4a, 5a, or 6a for all other Net Output. (See the PPA for defined terms.)

1) Standard Fixed Price Option

The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.

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.

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%.

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1a												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	25.13	21.88	22.89	25.13	33.13	34.73	29.63	27.39	29.06	33.13
2016	31.43	30.01	28.63	25.51	24.81	23.08	31.90	36.25	32.22	30.57	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	26.40	34.51	39.28	34.68	33.83	34.92	37.83
2018	38.48	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.08	39.97
2019	38.14	36.40	32.63	30.88	30.03	27.89	38.72	44.06	38.11	37.59	38.60	41.81
2020	40.36	38.61	34.92	32.68	31.77	29.50	40.97	48.62	41.38	39.76	41.06	44.25
2021	78.65	78.41	74.08	73.15	73.29	73.45	73.59	73.74	73.90	74.05	76.07	77.39
2022	78.97	80.05	78.71	76.75	76.53	76.61	76.77	76.94	77.11	77.25	80.48	81.61
2023	82.83	82.91	80.92	78.06	78.47	78.48	78.64	78.81	78.99	79.72	82.44	83.38
2024	85.05	84.50	82.79	81.04	80.24	79.89	80.07	80.24	80.42	81.08	83.94	84.91
2025	87.42	86.98	85.17	83.82	83.53	83.72	83.91	84.10	84.30	84.87	88.09	88.08
2026	83.67	83.90	83.15	81.55	81.31	81.55	81.77	82.00	82.24	83.05	86.38	87.00
2027	88.91	89.18	84.04	82.43	82.18	82.41	82.63	82.86	83.10	83.79	87.14	88.19
2028	99.59	99.83	95.18	93.58	93.32	93.56	93.78	94.01	94.25	94.98	88.47	99.54
2029	102.08	101.44	98.38	96.44	95.98	96.23	96.48	96.70	96.95	97.67	101.10	103.35
2030	104.39	104.04	99.49	97.63	97.34	97.59	97.83	98.07	98.32	99.06	102.56	105.81
2031	105.92	105.62	101.91	99.82	99.32	99.57	99.81	100.05	100.31	101.06	104.89	105.79
2032	107.68	107.37	103.59	101.28	100.94	101.20	101.44	101.69	101.95	102.73	106.38	107.54
2033	110.15	109.84	105.98	103.61	103.26	103.55	103.80	104.05	104.32	105.10	108.83	110.01
2034	112.43	112.11	108.18	105.78	105.43	105.69	105.95	106.21	106.48	107.26	111.08	112.29
2035	114.82	114.29	110.28	107.81	107.48	107.75	108.01	108.27	108.55	108.37	113.24	114.47
2036	118.98	118.65	112.66	110.04	109.70	109.97	110.24	110.51	110.79	111.62	115.57	116.83
2037	119.72	119.38	115.21	112.64	112.29	112.57	112.84	113.12	113.41	114.26	118.29	119.57
2038	122.36	122.01	117.76	115.14	114.79	115.08	115.35	115.63	115.93	116.79	120.90	122.21
2039	124.88	124.52	120.19	117.52	117.16	117.45	117.73	118.02	118.32	119.20	123.39	124.72
2040	127.74	127.37	122.95	120.23	119.86	120.16	120.45	120.74	121.04	121.94	126.22	127.57

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1b Avoided Costs Standard Fixed Price Option for Base Load OF On-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	18.13	23.88	25.13	25.63	23.13	25.38	28.38
2016	27.08	25.99	23.32	15.54	16.65	13.43	23.13	27.74	26.51	27.30	27.97	30.11
2017	30.27	29.05	26.04	21.47	19.23	15.43	25.37	30.48	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.98	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	18.82	29.35	35.30	32.42	34.73	35.60	38.39
2020	35.91	35.42	31.72	23.58	22.46	17.96	31.45	37.85	34.78	37.24	38.17	41.14
2021	40.11	39.87	35.54	34.60	34.75	34.90	39.05	35.20	35.36	35.51	37.52	38.85
2022	40.59	40.78	39.42	37.47	37.25	37.32	37.48	37.65	37.82	38.46	41.19	42.33
2023	42.71	42.74	40.35	38.89	38.79	38.30	38.47	38.64	38.82	39.55	42.26	43.21
2024	44.38	43.81	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.98	43.26	44.22
2025	45.81	45.38	43.57	42.22	41.92	42.12	42.30	42.49	42.69	43.37	46.48	47.48
2026	51.27	51.49	50.74	49.14	49.30	49.14	49.36	49.50	49.84	50.84	53.95	54.59
2027	55.69	55.93	55.81	49.20	49.95	49.18	49.41	49.63	49.87	50.55	53.91	54.97
2028	55.52	55.77	51.12	49.52	49.26	49.50	49.72	49.95	50.19	50.90	54.41	55.48
2029	57.17	58.53	53.44	51.52	51.07	51.31	51.55	51.79	52.04	52.78	56.23	58.44
2030	58.61	58.26	53.70	51.85	51.57	51.81	52.05	52.29	52.54	53.28	56.80	60.13
2031	59.28	58.85	53.25	52.96	52.85	52.80	53.14	53.39	53.64	54.40	57.96	59.12
2032	60.42	60.11	56.33	54.00	53.88	53.94	54.18	54.43	54.69	55.46	59.12	60.26
2033	61.87	61.38	57.50	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.59
2034	62.83	62.53	58.50	56.18	55.85	56.12	56.37	56.63	56.90	57.70	61.50	62.71
2035	64.35	63.92	59.91	57.44	57.11	57.38	57.64	57.90	58.18	59.00	62.87	64.10
2036	65.80	65.47	61.38	58.68	58.52	58.80	59.05	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.90	60.24	60.51	60.79	61.07	61.92	65.96	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.56	68.86
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.36	63.64	63.94	64.83	69.02	70.35
2040	72.31	71.95	67.53	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.73	72.15

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a Avoided Costs Standard Fixed Price Option for Wind OF On-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	27.38	21.38	22.38	18.11	19.11	21.35	23.35	30.58	25.88	23.61	25.11	29.35
2016	27.59	26.17	23.09	21.67	20.87	19.22	28.06	32.42	28.38	27.13	28.13	30.59
2017	30.21	28.85	25.29	24.22	23.44	21.49	30.60	35.35	30.85	29.92	31.01	33.72
2018	32.47	30.81	27.20	25.54	24.72	22.68	33.02	38.12	33.39	31.83	33.10	35.98
2019	34.67	32.33	28.56	26.82	25.92	23.82	34.65	39.89	35.04	33.51	34.73	37.74
2020	38.21	34.30	32.37	28.53	27.62	25.35	36.82	42.47	37.23	35.81	36.91	40.10
2021	37.61	37.55	33.23	32.30	32.45	32.89	32.75	32.90	33.02	33.21	35.22	36.24
2022	38.24	38.42	37.08	35.12	34.90	34.98	35.14	35.30	35.47	36.11	38.85	39.98
2023	40.33	40.36	37.97	36.51	35.91	35.92	36.09	36.26	36.43	37.17	39.88	40.63
2024	41.92	41.37	39.66	37.92	37.11	36.77	36.84	37.12	37.30	38.56	40.82	41.79
2025	43.33	42.90	41.09	39.74	39.44	39.64	39.82	40.02	40.21	40.89	44.00	45.00
2026	48.74	48.98	48.21	46.81	46.37	46.81	46.83	47.07	47.31	48.11	51.42	52.06
2027	53.11	53.35	48.23	46.82	46.37	46.80	46.83	47.05	47.29	47.99	51.33	52.39
2028	52.90	53.14	48.49	46.89	46.83	46.87	47.10	47.32	47.56	48.27	51.78	52.85
2029	54.50	53.85	50.77	48.65	48.40	48.84	48.87	49.11	49.36	50.09	53.55	55.70
2030	55.88	55.53	50.97	48.12	48.83	49.08	49.32	49.56	49.81	50.55	54.07	57.40
2031	56.47	56.17	52.48	50.18	49.87	50.12	50.36	50.60	50.88	51.61	55.20	58.34
2032	57.67	57.28	53.48	51.16	50.84	51.09	51.34	51.59	51.85	52.62	56.27	57.43
2033	58.79	58.47	54.62	52.24	51.92	52.18	52.43	52.68	52.95	53.74	57.46	58.65
2034	59.91	59.58	55.66	53.29	52.91	53.18	53.43	53.69	53.96	54.76	58.56	59.77
2035	61.25	60.82	56.91	54.44	54.11	54.35	54.64	54.90	55.18	56.00	59.87	61.10
2036	62.73	62.40	58.31	55.79	55.45	55.72	55.99	56.26	56.54	57.37	61.32	62.58
2037	64.26	63.92	59.75	57.18	56.83	57.12	57.39	57.66	57.95	58.80	62.83	64.11
2038	65.84	65.49	61.24	58.62	58.26	58.55	58.82	59.11	59.40	60.27	64.37	65.68
2039	67.26	66.91	62.67	59.90	59.54	59.84	60.12	60.40	60.70	61.58	65.77	67.11
2040	69.00	68.64	64.22	61.50	61.13	61.43	61.71	62.01	62.31	63.21	67.49	68.84

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2b Avoided Costs Standard Fixed Price Option for Wind OF Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	23.11	16.61	17.11	12.11	14.11	15.36	20.11	22.36	21.85	19.36	21.61	24.61
2016	23.22	22.15	19.49	14.70	12.81	8.59	19.29	23.90	21.67	23.46	24.13	26.27
2017	28.36	25.15	22.13	17.56	15.32	11.52	21.46	25.58	24.11	26.02	26.76	29.12
2018	28.61	27.30	24.04	18.21	15.90	11.67	23.81	29.44	26.72	28.50	28.72	32.33
2019	30.35	28.97	25.52	19.35	16.91	12.75	25.28	31.23	28.35	30.68	31.53	34.29
2020	32.76	31.27	27.57	20.95	18.31	13.64	27.30	33.70	30.80	33.08	34.02	36.96
2021	35.85	35.64	31.31	23.37	20.52	15.67	30.52	35.97	31.13	31.28	33.29	34.62
2022	36.28	36.45	35.11	33.16	32.94	33.01	33.17	33.94	33.91	34.15	36.68	38.02
2023	38.32	38.35	35.96	34.60	33.90	33.51	34.08	34.25	34.43	35.16	37.67	38.82
2024	39.89	39.34	37.63	35.88	35.08	34.74	34.91	35.08	35.26	36.52	38.79	39.75
2025	41.25	40.82	39.01	37.66	37.36	37.56	37.74	37.83	38.13	38.81	41.92	42.92
2026	45.62	48.84	46.09	44.49	44.25	44.48	44.71	44.95	45.19	45.98	49.30	49.84
2027	50.84	51.19	46.07	44.46	44.21	44.44	44.67	44.89	45.13	45.82	49.17	50.23
2028	50.69	50.94	46.29	44.69	44.43	44.67	44.89	45.12	45.36	46.07	49.68	50.85
2029	52.25	51.81	48.52	46.60	46.15	46.39	46.63	46.87	47.12	47.84	51.31	53.52
2030	53.69	53.24	48.68	46.83	46.55	46.79	47.03	47.27	47.52	48.26	51.78	55.11
2031	54.14	53.63	50.13	47.84	47.53	47.78	48.02	48.27	48.52	49.28	52.66	54.00
2032	55.21	54.80	51.12	48.78	48.47	48.73	48.97	49.22	49.46	50.25	53.91	55.07
2033	56.36	56.05	52.19	49.82	49.50	49.76	50.01	50.26	50.53	51.31	55.04	56.22
2034	57.43	57.11	53.15	50.76	50.43	50.70	50.95	51.21	51.48	52.28	56.08	57.29
2035	58.73	58.40	54.39	51.82	51.59	51.86	52.12	52.38	52.66	53.48	57.35	58.58
2036	60.17	59.84	55.75	53.23	52.89	53.17	53.43	53.70	53.98	54.81	58.77	60.02
2037	61.65	61.30	57.13	54.57	54.22	54.50	54.77	55.05	55.33	56.18	60.21	61.49
2038	63.17	62.82	58.57	55.95	55.59	55.88	56.16	56.44	56.73	57.60	61.71	63.01
2039	64.55	64.19	59.86	57.18	56.82	57.12	57.40	57.68	57.98	58.87	63.06	64.39
2040	65.23	65.87	61.45	58.73	58.35	58.65	58.94	59.24	59.54	60.44	64.71	66.07

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 3a Avoided Costs Standard Fixed Price Option for Solar OF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	28.63	27.38	28.68	33.13
2016	31.43	30.01	28.93	25.51	24.81	23.06	31.90	38.28	32.22	30.97	31.97	34.43
2017	34.12	32.98	29.20	28.13	27.35	25.40	34.51	39.28	34.86	33.83	34.97	37.63
2018	36.46	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.83	30.89	30.03	27.89	39.72	44.05	39.11	37.58	38.80	41.81
2020	40.38	38.51	34.52	32.68	31.77	29.50	40.97	46.02	41.38	39.76	41.05	44.25
2021	42.04	41.78	37.40	36.53	36.68	38.83	38.88	37.13	37.28	37.44	39.45	40.77
2022	42.55	42.73	41.39	39.83	39.21	38.29	39.45	39.81	39.76	40.42	43.16	44.29
2023	44.71	44.73	42.35	40.90	40.30	40.31	40.48	40.65	40.62	41.56	44.27	45.29
2024	46.38	45.84	44.13	42.39	41.58	41.24	41.41	41.59	41.77	43.03	45.29	46.28
2025	47.89	47.48	46.85	44.30	44.00	44.20	44.38	44.58	44.77	45.45	48.56	49.56
2026	53.39	53.61	52.86	51.26	51.02	51.26	51.48	51.72	51.96	52.78	56.07	56.71
2027	57.85	58.08	52.87	51.36	51.11	51.34	51.57	51.80	52.03	52.73	56.07	57.13
2028	57.73	57.97	53.32	51.72	51.46	51.70	51.93	52.16	52.39	53.10	56.61	57.68
2029	59.45	58.77	55.89	53.77	53.32	53.56	53.79	54.03	54.28	55.01	58.47	60.58
2030	63.00	62.65	58.99	54.14	53.65	54.10	54.34	54.58	54.83	55.57	59.09	62.42
2031	61.59	61.29	57.58	56.30	54.99	55.24	55.48	55.72	55.96	56.73	60.32	61.46
2032	62.78	62.47	58.69	56.36	56.05	56.30	56.55	56.80	57.06	57.83	61.49	62.64
2033	64.10	63.78	59.93	57.55	57.23	57.49	57.74	57.99	58.26	59.05	62.77	63.96
2034	65.33	65.01	61.08	58.66	58.33	58.60	58.85	59.11	59.38	60.18	63.98	65.19
2035	66.77	66.44	62.43	59.98	59.63	59.90	60.16	60.42	60.70	61.52	65.39	66.62
2036	68.35	68.00	63.94	61.42	61.08	61.35	61.62	61.89	62.17	63.00	66.65	68.21
2037	70.00	69.66	65.49	62.92	62.57	62.86	63.13	63.40	63.69	64.54	68.57	69.85
2038	71.68	71.34	67.09	64.47	64.11	64.40	64.67	64.96	65.25	66.12	70.22	71.53
2039	73.22	72.87	68.50	65.85	65.50	65.80	66.08	66.36	66.66	67.54	71.73	73.07
2040	75.08	74.72	70.30	67.58	67.21	67.51	67.79	68.09	68.39	69.29	73.57	74.92

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)

2) Renewable Fixed Price Option

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	29.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.99	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.05	26.04	21.47	19.23	15.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.80	31.29	28.03	22.20	19.89	15.89	27.80	33.43	30.71	32.88	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.60	38.36
2020	35.97	34.42	31.72	25.08	22.48	17.99	31.45	37.55	34.75	37.24	38.17	41.14
2021	40.11	38.87	35.54	34.60	34.75	34.90	35.05	35.20	35.35	35.51	37.52	38.85
2022	40.59	40.76	39.42	37.47	37.25	37.32	37.48	37.65	37.82	38.48	41.19	42.33
2023	42.71	42.74	40.35	38.89	38.79	38.30	38.47	38.64	38.82	39.55	42.25	43.31
2024	44.36	43.81	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.99	43.26	44.22
2025	45.81	45.38	43.57	42.22	41.92	42.12	42.30	42.48	42.66	43.37	46.48	47.48
2026	51.27	51.49	50.74	49.14	49.90	49.14	49.36	49.60	49.84	50.64	53.95	54.59
2027	55.86	55.93	50.81	49.20	48.85	48.18	48.41	48.63	48.87	50.55	53.91	54.87
2028	55.52	55.77	51.12	49.52	49.26	49.90	49.72	49.85	50.19	50.80	54.41	55.48
2029	57.17	56.53	53.44	51.52	51.07	51.81	51.65	51.79	52.04	52.76	56.23	58.44
2030	58.61	58.28	53.70	51.85	51.57	51.81	52.05	52.29	52.54	53.28	56.80	60.13
2031	59.25	58.95	55.25	52.96	52.65	52.90	53.14	53.39	53.64	54.40	57.95	59.12
2032	60.42	60.11	56.33	54.00	53.88	53.94	54.18	54.43	54.69	55.46	59.12	60.28
2033	61.67	61.38	57.60	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.53
2034	62.85	62.53	58.89	56.19	55.85	56.12	56.37	56.63	56.90	57.70	61.90	62.71
2035	64.25	63.92	59.91	57.44	57.11	57.38	57.64	57.90	58.18	59.00	62.87	64.10
2036	65.60	65.47	61.36	58.96	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.30	67.04	62.87	60.31	59.99	60.24	60.51	60.79	61.07	61.92	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.46	67.56	68.86
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.36	63.64	63.94	64.83	69.02	70.35
2040	72.31	71.95	67.63	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.79	72.15

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.

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.

Sellers will retain all Environmental Attributes generated by the facility during the Renewable Resource Sufficiency Period. A Renewable QF choosing the Renewable Fixed Price Option must cede all RPS Attributes generated by the facility to the Company during the Renewable Resource Deficiency Period.

Prices paid to the Seller under the Renewable Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both Wind QF resources (Tables 5a and 5b) and the avoided proxy resource, the basis used to determine Renewable Avoided Costs for the Renewable Fixed Price Option, are assumed to have a capacity contribution to peak of 5%. The capacity contribution for Solar QF resources (Tables 6a and 6b) is assumed to be 5%. The capacity contribution for Base Load QF resources (Tables 4a and 4b) is assumed to be 100%.

The Renewable Avoided Costs during the Renewable Resource Deficiency Period reflect an increase for avoided wind integration costs, shown in Table 7.

Prices paid to the Seller under the Renewable Fixed Price Option for Wind QFs (Tables 5a and 5b) include a reduction for the wind integration costs in Table 7, which cancels out wind integration costs included in the Renewable Avoided Costs during the Renewable Resource Deficiency Period. 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 5a and 5b.

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.

Effective for service on and after September 23, 2015

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	25.13	21.88	22.88	25.13	33.13	34.72	29.65	27.38	29.89	33.13
2016	31.58	30.15	27.08	25.68	24.96	23.21	32.05	38.41	32.37	31.12	32.12	34.98
2017	34.27	32.71	29.35	28.26	27.50	25.55	34.66	39.41	35.01	33.68	35.07	37.78
2018	36.61	34.95	31.34	29.68	28.86	26.82	37.16	42.28	37.53	36.07	37.24	40.12
2019	38.30	36.56	32.79	31.05	30.19	28.05	38.88	44.22	39.27	37.74	38.96	41.97
2020	130.42	130.40	129.59	130.04	133.82	132.76	132.39	132.24	130.72	129.59	130.57	129.37
2021	133.36	133.64	131.85	133.13	136.49	135.59	134.91	135.52	133.73	132.64	134.08	132.51
2022	135.24	136.10	133.65	136.90	139.41	138.20	137.67	137.62	136.32	135.14	136.83	135.12
2023	139.33	139.88	136.54	138.99	141.68	141.01	140.50	140.17	138.78	137.81	139.81	138.53
2024	141.20	141.38	139.07	141.45	144.67	143.47	143.33	143.02	142.81	139.99	141.17	141.32
2025	144.44	144.83	142.24	145.02	148.08	147.69	146.72	146.76	143.11	144.48	144.07	
2026	148.08	147.89	145.87	148.54	153.80	149.69	149.69	150.17	149.84	146.23	148.39	147.27
2027	150.98	150.46	148.51	151.01	158.07	152.84	152.20	153.90	152.54	149.20	150.73	150.17
2028	153.78	152.95	150.76	154.12	160.65	154.93	155.77	155.78	154.75	152.38	153.65	152.73
2029	157.02	156.74	153.80	157.89	169.40	159.30	159.39	159.45	156.48	156.44	156.31	
2030	160.28	159.94	157.24	160.65	173.85	164.43	161.89	161.75	163.38	158.51	159.10	160.23
2031	163.23	162.64	160.72	164.67	177.15	169.11	164.90	166.01	168.26	161.75	163.05	162.54
2032	165.76	165.18	163.21	167.22	179.91	171.73	167.48	169.59	168.84	164.26	165.50	165.06
2033	168.59	168.08	166.98	171.09	184.05	175.70	171.33	172.48	172.74	168.06	169.41	168.88
2034	173.01	172.39	170.35	174.65	187.79	179.24	174.79	175.87	176.23	171.45	172.84	172.28
2035	176.35	175.72	173.65	177.91	191.39	182.70	178.18	179.35	179.63	174.76	176.17	175.62
2036	179.40	178.78	176.65	180.99	194.89	185.85	181.24	182.45	182.74	177.79	179.22	178.65
2037	183.23	182.57	180.31	184.85	198.95	189.82	185.10	186.35	186.63	181.59	183.04	182.49
2038	186.78	186.09	183.90	188.42	202.89	193.48	188.59	189.95	190.23	185.00	186.57	185.98
2039	190.37	189.68	187.44	192.05	206.80	197.22	192.32	193.61	193.91	188.65	190.17	189.57
2040	193.66	192.96	190.69	195.37	210.16	200.62	195.84	196.95	197.25	191.92	193.48	192.85

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.85	15.85	17.88	18.13	23.88	26.13	25.83	23.13	25.38	28.38
2016	27.21	28.14	23.47	18.69	16.80	13.58	23.28	27.89	25.66	27.45	28.12	30.38
2017	30.42	29.21	26.18	21.62	18.38	15.58	25.52	30.84	28.17	30.08	30.82	33.18
2018	32.75	31.44	28.18	22.35	20.04	16.11	27.95	33.58	30.85	33.04	33.85	36.47
2019	34.56	33.22	29.75	23.56	21.14	16.98	29.51	35.46	32.58	34.89	35.76	38.52
2020	74.05	74.35	76.18	74.70	70.70	70.98	71.32	72.70	73.78	75.21	74.99	75.50
2021	78.61	75.69	77.70	76.06	72.65	72.71	73.43	73.88	75.25	77.68	74.78	76.50
2022	77.70	77.31	78.98	77.47	73.68	74.12	76.90	74.74	76.69	78.10	76.00	78.31
2023	78.70	78.78	81.53	78.38	74.14	75.53	77.17	76.51	78.04	80.71	77.14	79.80
2024	79.35	79.42	83.14	79.16	74.56	77.78	76.40	76.83	78.61	81.03	79.55	80.29
2025	80.86	80.84	84.88	80.33	74.54	78.20	78.02	78.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	85.28	80.89	75.34	79.31	78.11	78.84	79.12	83.81	82.41	82.47
2027	84.14	84.11	86.28	82.90	75.15	80.77	81.16	80.43	80.90	86.39	83.39	83.99
2028	86.29	86.01	88.97	83.07	74.43	82.57	82.78	81.19	82.83	87.06	84.33	86.62
2029	85.87	83.84	89.61	83.72	88.73	82.93	84.21	82.59	84.39	88.00	86.85	88.12
2030	87.21	88.38	92.45	86.89	83.43	83.64	84.88	85.17	84.05	89.66	88.81	89.94
2031	89.10	90.50	93.89	87.32	89.81	83.38	86.78	86.97	85.14	91.14	90.93	90.04
2032	90.57	92.00	95.23	89.78	70.87	84.75	88.21	88.41	85.54	92.84	92.44	91.53
2033	92.57	94.03	97.24	90.72	72.53	86.63	90.18	90.38	88.46	94.69	94.48	93.55
2034	94.36	95.94	99.22	92.47	73.89	88.30	91.90	92.10	90.16	96.52	96.30	95.36
2035	96.18	97.89	101.13	94.25	75.36	90.00	93.68	93.86	91.80	98.38	98.18	97.20
2036	97.77	99.31	102.80	96.81	76.61	91.49	95.22	95.43	93.42	100.00	99.78	98.80
2037	99.93	101.50	105.07	97.93	78.30	93.51	97.33	97.54	95.48	102.21	101.89	100.99
2038	101.85	103.46	107.10	99.82	79.81	95.31	99.20	99.42	97.33	104.10	103.95	102.93
2039	103.82	105.45	109.17	101.74	81.35	97.15	101.12	101.34	99.21	108.20	108.96	104.92
2040	105.54	107.20	110.97	103.42	82.89	99.76	102.79	103.02	100.85	107.85	107.71	106.65

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind OF												
On-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	27.36	21.36	22.36	18.11	18.11	21.36	29.36	30.96	25.56	23.61	25.11	28.36
2016	27.74	26.32	23.24	21.82	21.12	19.37	28.21	32.67	28.53	27.28	25.28	30.74
2017	30.36	28.80	25.44	24.37	23.69	21.84	30.75	35.60	31.10	30.07	31.16	33.87
2018	32.62	30.96	27.35	25.69	24.87	22.83	33.17	38.27	33.64	32.08	33.25	36.13
2019	34.33	32.49	28.72	26.98	26.12	23.86	34.91	40.15	35.30	33.87	34.89	37.90
2020	39.69	38.87	33.77	32.31	31.00	29.03	31.89	31.67	30.00	28.95	29.84	33.64
2021	41.73	42.00	39.23	37.50	34.85	33.96	33.28	33.88	32.10	30.81	32.44	36.88
2022	43.81	43.68	41.42	39.47	36.98	35.77	35.23	35.19	33.89	32.71	34.39	39.88
2023	46.01	45.50	43.17	40.61	38.50	37.64	37.23	36.79	35.80	34.43	36.45	42.15
2024	47.25	47.43	45.12	42.50	40.71	39.51	39.38	39.07	38.85	37.03	37.21	43.37
2025	49.61	49.89	47.31	44.08	42.15	40.78	40.79	40.82	39.17	39.55	39.13	
2026	52.27	51.88	50.15	47.74	45.89	43.89	43.37	43.63	40.42	40.58	40.47	
2027	54.33	53.77	51.82	50.32	48.38	46.51	45.72	45.85	42.51	42.64	42.49	
2028	56.15	55.58	54.57	53.03	51.07	49.34	48.18	48.18	44.73	44.68	44.54	
2029	58.61	57.93	56.99	55.86	53.90	51.80	50.60	50.94	46.98	46.94	46.81	
2030	60.84	60.49	59.80	58.70	57.21	55.40	54.25	54.31	50.94	50.97	50.93	
2031	62.84	62.24	61.32	60.27	58.75	56.80	55.50	55.86	52.35	52.35	52.34	
2032	64.68	64.08	62.93	61.78	60.15	58.14	56.79	56.77	53.18	53.18	53.19	
2033	66.27	65.62	64.32	63.07	61.31	59.34	58.07	58.09	54.30	54.30	54.32	
2034	67.61	66.91	65.47	64.12	62.14	60.31	59.00	59.00	55.41	55.41	55.44	
2035	68.71	68.01	66.88	65.43	63.63	61.63	60.40	60.40	56.51	56.51	56.55	
2036	69.57	68.87	67.64	66.29	64.54	62.54	61.29	61.29	57.60	57.60	57.65	
2037	70.19	69.49	68.16	67.01	65.45	63.45	62.19	62.19	58.69	58.69	58.75	
2038	70.57	69.87	68.54	67.39	65.36	63.36	62.10	62.10	59.78	59.78	59.85	
2039	70.71	69.99	68.66	67.51	65.47	63.47	62.21	62.21	60.87	60.87	60.95	
2040	70.61	69.89	68.56	67.41	65.37	63.37	62.11	62.11	61.96	61.96	62.05	

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind OF												
Off-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	23.11	18.61	17.11	12.11	14.11	15.36	20.11	22.36	21.88	18.36	21.61	24.61
2016	23.37	22.30	19.63	14.85	12.96	9.74	19.44	24.05	21.82	23.61	24.28	26.42
2017	26.61	25.30	22.28	17.71	15.47	11.67	21.81	26.73	24.26	26.17	26.91	29.27
2018	28.76	27.45	24.19	18.36	16.05	12.12	23.98	29.59	26.87	29.05	29.87	32.48
2019	30.61	29.13	25.68	19.61	17.07	12.91	25.44	31.39	28.51	30.82	31.69	34.46
2020	39.90	38.20	34.03	29.25	25.55	18.83	31.17	38.95	35.81	38.88	40.83	43.85
2021	42.35	41.49	37.47	32.47	28.42	19.49	33.25	41.25	37.65	40.82	42.93	46.17
2022	44.39	43.00	38.66	33.26	28.87	20.59	35.00	43.00	38.88	42.38	44.69	48.00
2023	46.31	44.37	39.74	34.89	29.75	21.14	36.78	44.78	40.35	43.65	46.16	49.81
2024	47.88	45.95	41.67	36.69	30.80	22.31	38.31	46.36	41.86	45.36	48.06	51.82
2025	49.40	47.38	42.92	38.27	32.58	23.49	39.84	47.93	43.35	46.93	49.53	53.83
2026	50.87	48.77	43.93	39.64	34.09	24.67	41.37	49.50	44.84	48.50	51.10	55.84
2027	52.29	50.11	45.14	40.74	35.24	25.86	42.90	51.07	46.35	49.97	52.61	57.85
2028	53.66	51.38	46.38	41.84	36.43	27.05	44.43	52.64	47.86	51.48	54.12	59.86
2029	54.98	52.61	47.53	42.93	37.62	28.24	45.96	54.21	49.37	52.99	55.63	61.87
2030	56.25	53.78	48.62	43.92	38.81	29.43	47.49	55.78	50.88	54.50	57.14	63.88
2031	57.47	54.91	49.67	44.91	39.99	30.62	49.02	57.35	52.39	55.99	58.61	65.89
2032	58.64	56.08	50.68	45.90	41.18	31.81	50.55	59.22	53.90	57.50	60.02	67.90
2033	59.76	57.20	51.65	46.89	42.37	32.99	52.08	61.09	55.41	59.01	61.53	69.91
2034	60.83	58.27	52.60	47.88	43.56	34.18	53.61	63.06	56.92	60.52	63.04	71.92
2035	61.85	59.29	53.53	48.87	44.75	35.37	55.14	65.03	58.43	62.03	64.55	73.93
2036	62.82	60.26	54.44	49.86	45.94	36.56	56.67	67.00	60.04	63.54	66.06	75.94
2037	63.74	61.19	55.33	50.85	47.13	37.75	58.20	69.07	62.05	65.05	67.57	77.95
2038	64.61	62.07	56.20	51.84	48.32	38.94	59.73	71.14	64.06	66.56	69.08	79.96
2039	65.43	62.90	57.05	52.83	49.51	40.13	61.26	73.21	66.07	68.07	70.59	81.97
2040	66.20	63.67	57.88	53.82	50.70	41.32	62.79	75.28	68.08	69.58	72.10	83.98

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a Renewable Avoided Costs Renewable Fixed Price Option for Solar OF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018	31.13	25.13	25.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	29.88	33.13
2019	31.68	30.18	27.08	25.66	24.96	23.21	32.05	36.41	32.37	31.12	32.12	34.68
2017	34.27	32.71	29.35	28.28	27.90	26.55	34.66	38.41	35.01	33.98	35.07	37.78
2018	36.61	34.85	31.34	29.68	28.86	26.82	37.16	42.26	37.53	36.07	37.24	40.12
2019	38.30	36.58	32.79	31.05	30.19	28.05	38.88	44.22	39.27	37.74	38.86	41.87
2020	83.64	83.02	92.92	93.46	97.24	96.19	95.81	95.67	84.15	83.00	83.99	92.79
2021	95.96	96.23	94.45	95.73	99.08	98.19	97.31	93.11	85.33	85.14	96.97	95.11
2022	98.12	97.97	95.73	97.78	101.22	100.06	99.54	99.50	89.20	87.02	98.70	98.99
2023	100.40	99.69	97.66	100.00	102.89	102.03	101.62	101.18	100.19	88.62	100.84	99.54
2024	101.72	101.90	99.59	101.97	105.19	103.88	103.85	103.54	103.32	100.50	101.65	101.84
2025	104.07	104.45	101.87	104.64	108.71	107.32	106.19	106.35	105.38	102.73	104.11	103.69
2026	106.02	106.53	104.81	107.39	112.65	108.54	108.64	108.02	108.68	105.07	107.23	106.12
2027	108.03	108.51	106.56	109.06	116.12	110.69	110.25	111.96	110.59	107.25	108.78	108.22
2028	111.02	109.79	107.40	111.35	117.99	112.17	113.01	113.02	111.59	109.62	110.89	109.97
2029	113.43	113.15	110.01	114.00	125.82	115.72	115.81	115.81	115.89	111.90	112.66	112.73
2030	115.86	115.51	112.82	118.22	129.42	120.01	117.47	117.33	118.98	114.09	114.75	114.61
2031	117.94	117.36	115.44	119.39	131.87	123.82	119.62	120.73	120.98	118.47	117.78	117.26
2032	119.89	119.29	117.34	121.35	134.05	125.87	121.59	122.72	122.98	118.39	119.72	119.20
2033	122.54	121.93	119.83	124.04	137.01	128.65	124.29	125.44	125.70	121.01	122.37	121.63
2034	124.90	124.28	122.25	126.44	139.66	131.13	126.88	127.88	128.12	123.35	124.73	124.18
2035	127.32	126.68	124.61	128.88	142.35	133.89	129.12	130.32	130.58	125.73	127.14	126.58
2036	129.42	128.77	126.67	131.00	144.78	135.87	131.25	132.48	132.75	127.83	129.24	128.67
2037	132.28	131.62	129.46	133.99	147.90	138.87	134.16	135.40	135.68	130.53	132.05	131.51
2038	134.83	134.16	131.96	136.48	150.75	141.55	136.74	138.02	138.30	133.15	134.64	134.05
2039	137.43	136.75	134.51	139.12	153.65	144.28	139.38	140.68	140.97	135.72	137.24	136.64
2040	139.70	139.01	136.73	141.41	156.20	146.87	141.89	143.00	143.30	137.90	139.51	138.89

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b Renewable Avoided Costs Renewable Fixed Price Option for Solar OF Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018	28.38	28.38	28.38	28.38	28.38	28.38	28.38	28.38	28.38	28.38	28.38	28.38
2019	27.21	26.14	23.47	18.69	16.80	13.58	23.28	27.59	25.66	27.45	28.12	30.26
2017	30.42	28.21	26.19	21.62	19.38	15.58	25.62	30.64	28.17	30.08	30.82	33.18
2018	32.75	31.44	28.18	22.35	20.04	16.11	27.95	33.58	30.86	33.04	33.88	36.47
2019	34.68	33.20	29.75	23.58	21.14	16.98	29.51	35.48	32.58	34.89	35.76	38.52
2020	74.05	74.35	76.15	74.70	70.70	70.98	71.32	72.70	73.78	75.21	74.88	75.50
2021	78.81	75.89	77.70	78.08	72.65	72.71	73.48	73.88	75.25	77.66	74.78	78.90
2022	77.70	77.31	79.55	77.27	73.68	74.12	75.90	74.74	76.89	78.10	78.00	78.21
2023	78.70	78.78	81.53	78.38	74.14	75.83	77.17	76.51	78.04	80.71	77.14	79.80
2024	79.35	79.42	83.14	79.16	74.65	77.78	78.40	78.83	78.81	81.03	79.55	80.28
2025	80.56	80.94	84.88	80.33	74.54	78.20	78.02	79.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	85.28	80.89	75.34	79.31	79.11	79.94	79.12	83.01	82.41	82.47
2027	84.14	84.11	88.78	82.89	76.15	80.77	81.18	80.43	80.80	86.38	83.38	83.29
2028	85.28	86.01	88.87	85.07	74.43	82.97	82.76	81.19	82.83	87.06	84.33	86.62
2029	88.87	88.84	90.81	89.72	86.73	82.93	84.21	82.59	84.33	88.00	86.85	88.12
2030	87.21	88.28	92.48	88.68	82.43	83.84	84.98	85.17	84.05	89.88	88.91	89.64
2031	89.10	90.50	93.69	87.32	89.81	83.38	86.78	86.57	85.14	91.14	90.99	90.94
2032	90.57	92.00	95.23	88.76	70.97	84.75	85.21	88.41	88.54	92.84	92.44	91.63
2033	92.57	94.03	97.34	90.72	72.63	86.83	80.16	90.38	88.46	94.69	94.48	93.55
2034	94.38	95.84	99.22	92.47	73.93	88.30	81.90	92.10	90.16	96.52	96.30	95.36
2035	96.18	97.69	101.13	94.25	75.36	90.00	83.68	93.88	91.80	98.38	98.16	97.20
2036	97.77	99.31	102.80	95.81	76.81	91.49	85.22	96.43	93.42	100.00	99.78	98.80
2037	99.93	101.50	105.07	97.93	78.30	93.51	87.33	97.54	95.49	102.21	101.99	100.99
2038	101.86	103.45	107.10	99.82	79.81	95.31	89.20	99.42	97.33	104.19	103.95	102.93
2039	103.82	105.46	109.17	101.74	81.35	97.15	101.12	101.34	99.21	106.20	105.96	104.92
2040	105.54	107.20	110.97	103.42	82.68	98.78	102.79	103.02	100.85	107.95	107.71	106.65

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2015	3.77
2016	3.84
2017	3.91
2018	3.99
2019	4.07
2020	4.15
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.56
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42
2035	5.52
2036	5.63
2037	5.74
2038	5.85
2039	5.96
2040	6.08

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

MONTHLY SERVICE CHARGE

Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

INTERCONNECTION REQUIREMENTS (Continued)

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.

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA

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.

Definition of Community-Based

- 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.
- 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.

Definition of Family-Owned

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Concluded)

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA (Continued)

Definition of Person(s) or Affiliated Person(s)

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.

Definition of Same Site

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.

Definition of Shared Interconnection and Infrastructure

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.

OTHER DEFINITIONS

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

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

OTHER DEFINITIONS (Continued)

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.

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. 489A.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.

Definition of Environmental Attributes

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 (SO_x), nitrogen oxides (NO_x), 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.

Definition of Resource Sufficiency Period

This is the period from the current year through 2020.

Definition of Resource Deficiency Period

This is the period from 2021 through 2034.

Definition of Renewable Resource Sufficiency Period

This is the period from the current year through 2019.

Definition of Renewable Resource Deficiency Period

This is the period from 2020 through 2034.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

DISPUTE RESOLUTION

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:

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.

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.

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 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.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 27th day, June 2016, is between HARNEY SOLAR I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Harney County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt-AC ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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 (SO_x), nitrogen oxides (NO_x), 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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with Bonneville Power Administration's electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period - the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the Effective Date Seller shall begin initial deliveries of Net Output; and

2.2.2. By the thirty-six (36) month anniversary of the Effective Date, *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.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 10,000 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 19,200,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 30,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Harney Solar I LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

and a copy to:
Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
greg@richardsonadams.com

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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

PGE

By: [Signature]

Name: Monica Pava

Title: SUP, Power Supply Ops & Res Shaking

Date: 6/28/2016

PGE Approved By:	
Business Terms	<u>[Signature]</u>
Credit	<u>[Signature]</u>
Legal	<u>[Signature]</u>
Risk Mgt.	<u>[Signature]</u>



HARNEY SOLAR I LLC

(Name Seller)

By: [Signature]

Name: Jacob Stephens

Title: Manager

Date: 6/27/2016

B-1

EXHIBIT A

DESCRIPTION OF SELLER'S FACILITY

Harney Solar I is a photovoltaic generating facility which will generate up to 10 MW-AC at the point of interconnection subject to available solar energy input. Firming capabilities may be added as described below. The facility will employ the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty TBD by final design.
2. Inverter AC Generator Units: Commercially-available inverters to convert DC to AC power, per unit rating TBD per final design, collected by AC wiring to switchboard.
3. Pad-mounted transformers: to convert collected generators voltage from inverter output voltage level to plant AC collection voltage and then to interconnection voltage.
4. Racking systems to mount the PV Modules and direct them and control their angle to receive light from the sun.
5. Additional interconnection and tie-line facilities as may be required.
6. Firming capacity via batteries with integrating controller system governing facility nameplate and max production, inclusion and final specification subject to final design. Battery storage system will be designed and installed 'behind' the inverter system of the facility (and be limited by the inverter capacity, per system AC nameplate limitations).
7. Transmission and interconnection plan: Power will be delivered to PGE system via BPA transmission system. Interconnection studies have been initiated with BPA in early 2016 such that final study results will be completed by mid-2017, based on the BPA SGIR tariff timelines, allowing sufficient time for construction of required interconnection facilities. Seller has examined prior studies in the interconnection vicinity and assessed reasonable cost outcomes.

Harney Solar I is located per its FERC docket QF16-672-000 and its associated Form 556: Facility comprised of assemblage of up to 160 acres of land located near intersection of Greenhouse Lane and Frenchglen Hwy, at approximately West 119.019 degrees and 43.532 degrees North, near Hines, OR.

Final quantities of primary components (commodities) will be specified in final design, per 10 MW AC max production generation facility.

EXHIBIT B

REQUIRED FACILITY DOCUMENTS

1. Seller's Generation Interconnection Agreement
2. Harney County CUP & Building Permits
3. BPA: Transmission Service Agreement
4. Additional items as may be determined by Seller to be required for facility permitting, construction, and interconnection.

EXHIBIT C

START-UP TESTING

Seller-identified start-up tests

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;

8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Test energy delivery and metering checks.
10. Excitation and voltage regulation operation tests per insolation inputs.
11. Meteorological station commissioning and report (if applicable);
12. Facility communications equipment commissioning and report; and
13. Other tests as may be required by equipment manufacturers.

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

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

PURPOSE

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.

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 282, 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.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security deemed sufficient by the Company as set forth in the Standard PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 464-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

PPA

In accordance with terms set forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller.

A Seller must execute a PPA with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard PPA.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PPA (Continued)

Any Seller may elect to negotiate a PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-360, and Schedule 202. Negotiations for power purchase pricing will be based on either the filed Standard Avoided Costs or Renewable Avoided Costs in effect at that time.

STANDARD PPA (Nameplate capacity of 10 MW or less)

A Seller choosing a Standard PPA will complete all informational and price option selection requirements in the applicable Standard PPA and submit the executed Agreement to the Company prior to service under this schedule. The Standard PPA is available at www.portlandgeneral.com. The available Standard PPAs are:

- Standard In-System Non-Variable Power Purchase Agreement
- Standard Off-System Non-Variable Power Purchase Agreement
- Standard In-System Variable Power Purchase Agreement
- Standard Off-System Variable Power Purchase Agreement
- Standard Renewable In-System Non-Variable Power Purchase Agreement
- Standard Renewable Off-System Non-Variable Power Purchase Agreement
- Standard Renewable In-System Variable Power Purchase Agreement
- Standard Renewable Off-System Variable Power Purchase Agreement

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.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

To execute the Standard PPA the Seller must complete all of the general project information requested in the applicable Standard PPA.

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.

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.

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. 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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

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.

BASIS FOR POWER PURCHASE PRICE

AVOIDED COST SUMMARY

The power purchase prices are based on either the Company's Standard Avoided Costs or Renewable Avoided Costs in effect at the time the agreement is executed. Avoided Costs are defined in 18 CFR 292.101(6) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

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.

ON-PEAK PERIOD

The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.

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.

Standard Avoided Costs are based on forward market price estimates through the Resource Sufficiency Period, the period of time during which the Company's Standard Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Resource Deficiency Period, the Standard Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of energy plus capitalized energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

Renewable Avoided Costs are based on forward market price estimates through the Renewable Resource Sufficiency Period, the period of time during which the Company's Renewable Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Renewable Resource Deficiency Period, the Renewable Avoided Costs reflect the fully allocated costs of a wind plant including capital costs.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING FOR STANDARD PPA

Pricing represents the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.

The Company will pay the Seller either the Off-Peak Standard Avoided Cost pursuant to Tables 1b, 2b, or 3b or the Off-Peak Renewable Avoided Costs pursuant to Tables 4b, 5b, or 6b for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard PPA; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller either the On-Peak Standard Avoided Cost pursuant to Tables 1a, 2a, or 3a or the On-Peak Renewable Avoided Costs pursuant to Tables 4a, 5a, or 6a for all other Net Output. (See the PPA for defined terms.)

1) Standard Fixed Price Option

The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.

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.

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%.

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1a												
Avoided Costs												
Standard Fixed Price Option for Base Load Of												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	26.13	28.13	21.88	22.88	25.13	33.13	34.73	23.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	26.61	24.81	23.05	31.80	36.25	32.22	30.97	31.67	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.25	34.88	33.63	34.82	37.63
2018	36.46	34.85	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.66	30.03	27.59	38.72	44.05	39.11	37.58	38.80	41.61
2020	40.36	38.51	34.52	32.68	31.77	29.50	40.97	48.62	41.38	39.78	41.06	44.25
2021	78.65	78.41	74.08	73.15	73.29	73.65	73.59	73.74	73.90	74.05	76.07	77.38
2022	79.87	80.05	78.71	78.75	78.63	78.61	78.77	78.94	79.11	79.25	82.45	84.61
2023	82.88	82.91	80.52	79.06	78.47	78.48	78.64	78.81	78.99	79.72	82.44	83.38
2024	85.05	84.50	82.79	81.04	80.24	78.89	80.07	80.24	80.42	81.68	83.94	84.91
2025	87.42	86.98	85.17	83.62	83.53	83.72	83.91	84.10	84.30	84.97	88.09	88.08
2026	93.67	93.80	93.15	91.55	91.31	91.65	91.77	92.00	92.24	93.05	96.36	97.00
2027	98.81	98.16	94.04	92.43	92.18	92.41	92.63	92.89	93.10	93.79	97.14	98.19
2028	99.59	99.63	95.18	93.58	93.32	93.58	93.79	94.01	94.25	94.96	98.47	99.54
2029	102.28	101.44	98.26	96.44	96.98	96.33	96.48	96.70	96.95	97.67	101.14	103.35
2030	104.39	104.04	99.48	97.63	97.34	97.59	97.83	98.07	98.32	99.06	102.58	105.91
2031	106.92	106.62	101.91	99.62	99.32	99.57	99.81	100.05	100.31	101.06	104.65	105.79
2032	107.66	107.37	103.59	101.28	100.94	101.20	101.44	101.69	101.95	102.73	106.38	107.64
2033	110.15	109.84	105.98	103.61	103.28	103.55	103.80	104.05	104.32	105.10	108.83	110.01
2034	112.43	112.11	108.18	105.75	105.43	105.69	105.95	106.21	106.48	107.28	111.08	112.29
2035	114.62	114.29	110.28	107.81	107.48	107.75	108.01	108.27	108.55	109.37	113.24	114.47
2036	116.88	116.65	112.56	110.04	109.70	109.97	110.24	110.51	110.78	111.62	115.57	116.83
2037	119.72	119.38	115.21	112.64	112.29	112.57	112.84	113.12	113.41	114.26	118.29	119.57
2038	122.36	122.01	117.78	115.14	114.79	115.08	115.35	115.63	115.93	116.79	120.80	122.11
2039	124.88	124.52	120.19	117.52	117.16	117.45	117.73	118.02	118.32	119.20	123.39	124.72
2040	127.74	127.37	122.95	120.22	119.86	120.16	120.45	120.74	121.04	121.94	126.22	127.57

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1b												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.68	25.38	20.88	15.88	12.88	16.13	23.89	28.13	28.69	23.13	25.38	28.33
2016	27.06	25.99	23.32	18.64	16.65	13.43	23.13	27.74	26.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	19.23	15.43	25.37	30.48	28.02	28.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.60	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.69	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.80	38.36
2020	38.91	35.42	31.72	25.08	22.46	17.96	31.45	37.85	34.75	37.24	38.17	41.14
2021	40.11	39.87	35.54	34.60	34.75	34.90	35.05	35.20	35.36	35.61	37.52	38.65
2022	40.59	40.76	38.42	37.47	37.25	37.32	37.49	37.65	37.82	38.46	41.19	42.33
2023	42.71	42.74	40.35	38.99	38.29	38.30	38.47	38.64	38.82	39.55	42.28	43.21
2024	44.38	43.81	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.99	43.26	44.22
2025	45.81	45.38	43.57	42.22	41.82	42.12	42.30	42.49	42.69	43.37	46.48	47.48
2026	51.27	51.49	50.74	49.14	48.90	49.14	49.39	49.60	49.84	50.64	53.95	54.99
2027	55.68	55.93	55.81	49.20	48.95	49.16	49.41	49.63	49.87	50.56	53.91	54.97
2028	55.52	55.77	51.12	49.52	49.26	49.50	49.72	49.95	50.19	50.90	54.41	55.48
2029	57.17	58.53	53.44	51.52	51.07	51.31	51.55	51.79	52.04	52.76	56.23	58.44
2030	58.61	58.26	53.70	51.85	51.57	51.81	52.05	52.29	52.54	53.28	56.80	60.13
2031	59.28	58.95	55.25	52.98	52.65	52.90	53.14	53.39	53.64	54.40	57.69	59.12
2032	60.42	60.11	56.33	54.00	53.68	53.94	54.18	54.43	54.69	55.46	59.12	60.28
2033	61.67	61.38	57.90	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.53
2034	62.85	62.53	58.60	56.18	55.85	56.12	56.37	56.63	56.90	57.70	61.50	62.71
2035	64.25	63.92	59.91	57.44	57.11	57.38	57.64	57.90	58.18	59.00	62.87	64.10
2036	65.80	65.47	61.38	58.88	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.93	60.24	60.51	60.78	61.07	61.92	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.58	68.86
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.36	63.64	63.94	64.83	69.02	70.38
2040	72.31	71.95	67.53	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.79	72.15

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	27.35	21.36	22.39	18.11	19.11	21.38	28.38	30.98	25.86	23.61	25.11	29.36
2016	27.59	26.17	23.09	21.67	20.97	19.22	28.05	32.42	28.98	27.18	28.13	30.69
2017	30.21	28.65	25.29	24.22	23.44	21.49	30.60	35.35	30.95	29.92	31.01	33.72
2018	32.47	30.91	27.20	25.54	24.72	22.68	33.02	38.12	33.99	31.93	33.10	35.98
2019	34.07	32.33	28.56	26.82	25.96	23.82	34.65	39.99	35.04	33.51	34.73	37.74
2020	36.21	34.36	30.37	28.53	27.62	25.35	36.82	42.47	37.23	35.61	36.91	40.10
2021	37.81	37.56	33.23	32.30	32.45	32.60	32.75	32.90	33.05	33.21	35.22	36.54
2022	38.24	38.42	37.08	35.12	34.90	34.98	35.14	35.30	35.47	36.11	38.85	39.98
2023	40.33	40.36	37.67	35.51	35.51	35.62	36.09	36.28	36.43	37.17	38.88	40.83
2024	41.82	41.37	38.68	37.92	37.11	36.77	36.84	37.12	37.30	38.56	40.82	41.79
2025	43.33	42.90	41.00	38.74	38.44	38.64	38.82	40.02	40.21	40.89	44.00	45.00
2026	48.74	48.96	48.21	46.81	46.37	46.61	46.83	47.07	47.31	48.11	51.42	52.05
2027	53.11	53.35	49.23	46.82	46.37	46.60	46.83	47.06	47.29	47.99	51.33	52.39
2028	52.90	53.14	48.48	46.89	46.83	46.87	47.10	47.32	47.55	48.27	51.78	52.85
2029	54.50	53.85	50.77	48.65	48.40	48.64	48.87	49.11	49.35	50.09	53.55	55.78
2030	56.98	56.83	50.97	48.12	48.83	49.08	49.32	49.56	49.81	50.55	54.07	57.40
2031	56.47	56.17	52.48	50.16	49.87	50.12	50.38	50.80	50.88	51.81	55.20	58.34
2032	57.57	57.26	53.48	51.15	50.84	51.09	51.34	51.59	51.85	52.62	56.27	57.43
2033	58.79	58.47	54.82	52.24	51.92	52.18	52.43	52.68	52.95	53.74	57.48	58.65
2034	59.91	59.59	56.66	53.24	52.91	53.18	53.43	53.69	53.95	54.76	58.56	59.77
2035	61.25	60.82	56.91	54.44	54.11	54.38	54.64	54.90	55.18	56.00	59.87	61.10
2036	62.73	62.40	58.31	55.79	55.45	55.72	55.99	56.26	56.54	57.37	61.32	62.58
2037	64.25	63.82	59.75	57.16	56.83	57.12	57.39	57.69	57.95	58.80	62.83	64.11
2038	65.84	65.49	61.24	58.62	58.26	58.55	58.82	59.11	59.40	60.27	64.37	65.68
2039	67.28	66.91	62.57	59.90	59.54	59.84	60.12	60.40	60.70	61.58	65.77	67.11
2040	69.00	68.64	64.22	61.50	61.13	61.43	61.71	62.01	62.31	63.21	67.49	68.84

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2b Avoided Costs Standard Fixed Price Option for Wind QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	23.11	16.61	17.11	12.11	14.11	16.36	20.11	22.36	21.86	19.36	21.61	24.61
2016	23.22	22.15	19.48	14.70	12.81	9.68	19.28	23.90	21.07	23.46	24.13	26.27
2017	26.36	25.15	22.13	17.56	15.32	11.52	21.46	26.58	24.11	28.02	26.76	29.12
2018	28.61	27.30	24.04	18.21	15.90	11.97	23.81	29.44	26.72	28.90	28.72	32.33
2019	30.55	28.97	25.52	19.36	16.91	12.75	25.28	31.23	28.35	30.88	31.53	34.29
2020	32.78	31.27	27.57	20.93	18.31	13.84	27.30	33.70	30.60	33.09	34.02	36.99
2021	35.98	34.64	31.31	23.37	20.52	15.67	30.52	36.97	31.13	31.29	33.23	34.62
2022	36.08	36.45	35.11	33.15	32.94	33.01	33.17	33.94	33.51	34.15	36.88	38.02
2023	38.32	38.35	35.95	34.50	33.90	33.91	34.08	34.26	34.43	35.10	37.87	38.92
2024	39.89	39.34	37.63	35.88	35.08	34.74	34.91	35.08	35.26	36.52	38.79	39.75
2025	41.25	40.82	39.01	37.66	37.36	37.58	37.74	37.93	38.13	38.81	41.92	42.92
2026	48.62	46.84	46.05	44.49	44.25	44.49	44.71	44.95	45.19	45.88	49.30	49.94
2027	50.94	51.19	49.07	44.48	44.21	44.44	44.67	44.89	45.13	45.82	49.17	50.23
2028	50.89	50.94	49.29	44.63	44.43	44.67	44.89	45.12	45.36	46.07	49.59	50.65
2029	52.25	51.61	49.52	46.60	46.15	46.39	46.63	46.87	47.12	47.84	51.31	53.52
2030	53.99	53.24	49.68	48.83	48.95	49.19	49.43	49.67	49.92	50.26	51.78	55.11
2031	54.14	53.83	50.13	47.84	47.53	47.79	48.02	48.27	48.52	49.28	52.86	54.00
2032	55.21	54.90	51.12	48.79	48.47	48.73	48.97	49.22	49.48	50.25	53.91	56.07
2033	56.36	56.05	52.19	49.92	49.50	49.76	50.01	50.26	50.53	51.31	55.04	56.22
2034	57.49	57.11	53.16	50.76	50.43	50.70	50.95	51.21	51.48	52.28	56.08	57.29
2035	58.73	58.40	54.39	51.92	51.59	51.86	52.12	52.38	52.65	53.46	57.35	58.56
2036	60.17	59.84	56.75	53.23	52.89	53.17	53.43	53.70	53.96	54.81	59.77	60.02
2037	61.65	61.30	57.13	54.57	54.22	54.50	54.77	55.05	55.33	56.18	60.21	61.49
2038	63.17	62.82	58.67	55.95	55.59	55.88	56.16	56.44	56.73	57.60	61.71	63.01
2039	64.85	64.19	59.88	57.18	56.82	57.12	57.40	57.68	57.98	58.87	63.08	64.39
2040	66.73	65.87	61.45	58.73	58.36	58.68	58.94	59.24	59.54	60.44	64.71	66.07

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 3a Avoided Costs Standard Fixed Price Option for Solar QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	28.63	27.39	28.88	33.13
2017	34.12	32.56	29.20	25.13	27.35	25.40	34.51	39.26	34.66	33.63	34.92	37.63
2018	36.48	34.80	31.19	28.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.00	41.81
2020	40.39	38.51	34.52	32.96	31.77	29.53	40.97	46.92	41.38	39.76	41.09	44.25
2021	42.94	41.79	37.46	36.53	34.99	33.83	43.98	47.13	37.44	39.43	40.77	
2022	42.55	42.73	41.39	39.43	39.21	39.28	39.45	39.61	39.76	40.42	43.16	44.29
2023	44.72	44.75	42.36	40.90	40.30	40.31	40.48	40.65	40.82	41.56	44.27	45.22
2024	46.39	45.84	44.13	42.39	41.58	41.24	41.41	41.59	41.77	43.03	45.29	46.29
2025	47.89	47.46	45.65	44.30	44.00	44.20	44.38	44.58	44.77	45.45	48.29	49.56
2026	53.39	53.61	52.86	51.26	51.02	51.26	51.48	51.72	51.96	52.76	56.07	56.71
2027	57.85	58.09	57.97	51.38	51.11	51.34	51.57	51.80	52.03	52.73	56.07	57.13
2028	57.73	57.97	53.32	51.72	51.46	51.70	51.93	52.15	52.39	53.10	56.91	57.99
2029	59.42	59.77	56.69	53.77	53.32	53.58	53.79	54.03	54.28	55.01	58.47	60.09
2030	60.90	60.56	58.59	54.14	53.85	54.10	54.34	54.58	54.83	55.57	59.09	62.42
2031	61.59	61.29	57.58	56.30	54.99	55.24	55.48	55.72	55.98	56.73	60.32	61.46
2032	62.78	62.47	58.69	56.36	56.05	56.30	56.55	56.80	57.06	57.83	61.43	62.64
2033	64.10	63.78	60.83	57.55	57.23	57.49	57.74	57.99	58.26	59.05	62.77	63.96
2034	65.33	65.01	61.06	58.66	58.33	58.60	58.86	59.11	59.38	60.18	63.99	65.19
2035	66.77	66.44	62.43	59.96	59.63	59.90	60.16	60.42	60.70	61.52	65.39	66.62
2036	68.35	68.03	63.94	61.42	61.08	61.35	61.62	61.89	62.17	63.00	66.95	68.21
2037	70.00	69.69	65.49	62.92	62.57	62.84	63.13	63.40	63.69	64.54	68.57	69.85
2038	71.69	71.34	67.09	64.47	64.11	64.40	64.67	64.96	65.25	66.12	70.22	71.53
2039	73.22	72.87	68.53	65.86	65.50	65.80	66.08	66.38	66.68	67.54	71.73	73.07
2040	75.08	74.72	70.30	67.58	67.21	67.51	67.79	68.09	68.39	69.29	73.57	74.92

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 3b												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.98	26.38	20.88	15.88	17.88	19.13	23.88	28.13	25.52	23.13	25.38	28.38
2016	27.06	25.89	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	18.23	15.43	25.37	30.49	28.02	29.83	30.87	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.98	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.88	18.82	29.35	35.30	32.42	34.73	35.60	38.38
2020	36.91	35.42	31.72	25.05	22.45	17.99	31.43	37.85	34.75	37.24	38.17	41.14
2021	40.11	38.67	35.54	34.60	34.75	34.90	36.05	35.20	35.35	35.51	37.52	38.85
2022	43.98	40.76	39.42	37.47	37.28	37.32	37.48	37.65	37.82	38.49	41.19	42.33
2023	42.71	42.74	40.35	36.89	38.29	38.30	38.47	38.64	38.82	39.55	42.26	43.21
2024	44.39	43.81	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.99	43.26	44.22
2025	45.81	45.38	43.57	42.22	41.82	42.12	42.30	42.49	42.69	43.37	46.48	47.48
2026	51.27	51.49	50.74	49.14	49.90	49.14	49.38	49.60	49.84	50.84	53.95	54.69
2027	56.68	55.93	50.81	48.20	48.95	49.18	49.41	49.63	49.87	50.58	53.91	54.97
2028	55.02	53.77	51.12	49.82	49.26	49.30	49.72	49.95	50.19	50.90	54.41	55.48
2029	57.17	56.53	53.44	51.92	51.07	51.31	51.85	51.79	52.04	52.76	56.23	57.44
2030	58.61	58.28	53.70	51.85	51.57	51.81	52.05	52.29	52.54	53.28	56.80	58.13
2031	58.20	58.95	55.25	52.96	52.65	52.90	53.14	53.39	53.64	54.40	57.98	59.12
2032	60.42	60.11	56.33	54.00	53.68	53.94	54.18	54.43	54.69	55.46	59.12	60.29
2033	61.67	61.36	57.50	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.53
2034	62.85	62.53	58.60	56.18	55.85	56.12	56.37	56.63	56.90	57.70	61.50	62.71
2035	64.25	63.92	58.91	57.44	57.11	57.38	57.64	57.90	58.18	59.00	62.87	64.10
2036	65.60	65.27	61.38	59.06	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.68	60.24	60.51	60.79	61.07	61.92	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.98	68.86
2039	70.51	70.15	65.82	63.14	62.78	63.06	63.36	63.64	63.94	64.83	69.02	70.35
2040	72.31	71.95	67.53	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.79	72.15

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)

2) Renewable Fixed Price Option

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.

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.

Sellers will retain all Environmental Attributes generated by the facility during the Renewable Resource Sufficiency Period. A Renewable QF choosing the Renewable Fixed Price Option must cede all RPS Attributes generated by the facility to the Company during the Renewable Resource Deficiency Period.

Prices paid to the Seller under the Renewable Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both Wind QF resources (Tables 5a and 5b) and the avoided proxy resource, the basis used to determine Renewable Avoided Costs for the Renewable Fixed Price Option, are assumed to have a capacity contribution to peak of 5%. The capacity contribution for Solar QF resources (Tables 6a and 6b) is assumed to be 5%. The capacity contribution for Base Load QF resources (Tables 4a and 4b) is assumed to be 100%.

The Renewable Avoided Costs during the Renewable Resource Deficiency Period reflect an increase for avoided wind integration costs, shown in Table 7.

Prices paid to the Seller under the Renewable Fixed Price Option for Wind QFs (Tables 5a and 5b) include a reduction for the wind integration costs in Table 7, which cancels out wind integration costs included in the Renewable Avoided Costs during the Renewable Resource Deficiency Period. 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 5a and 5b.

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4a Renewable Avoided Costs Renewable Fixed Price Option for Base Load QF On-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	28.63	27.38	28.88	33.13
2016	31.58	30.15	27.08	25.68	24.98	23.21	32.05	38.41	32.37	31.12	32.12	34.68
2017	34.27	32.71	29.35	28.28	27.50	25.65	34.66	39.41	35.01	33.98	35.07	37.78
2018	36.61	34.95	31.34	28.68	28.55	26.92	37.16	42.26	37.83	39.07	37.24	40.12
2019	38.30	36.55	32.79	31.05	30.19	28.05	38.88	44.22	39.27	37.74	38.95	41.97
2020	130.42	130.40	129.50	130.04	133.82	132.78	132.39	132.24	130.72	128.58	130.57	129.37
2021	133.24	133.54	131.98	133.13	136.49	135.59	134.91	135.62	133.73	132.54	134.08	132.51
2022	136.24	136.10	133.85	135.90	139.41	138.20	137.67	137.62	136.32	135.14	138.83	135.12
2023	139.39	138.88	136.54	138.99	141.89	141.01	140.90	140.17	139.18	137.81	139.83	136.63
2024	141.20	141.38	139.07	141.45	144.67	143.47	143.33	143.02	142.81	139.69	141.17	141.32
2025	144.44	144.83	142.24	145.02	149.08	147.69	148.57	146.72	145.78	143.11	144.48	144.07
2026	148.08	147.89	145.97	148.54	153.83	149.69	149.89	150.17	149.84	146.23	148.39	147.27
2027	150.98	150.49	148.51	151.01	158.07	152.84	152.29	153.90	152.64	148.26	150.73	150.17
2028	153.78	152.55	150.16	154.12	160.68	154.93	155.77	155.78	154.75	152.38	153.85	152.73
2029	157.02	156.74	153.60	157.59	169.40	159.30	159.39	159.45	159.40	156.44	158.44	156.31
2030	160.28	159.94	157.24	160.66	173.85	164.43	161.89	161.75	163.38	158.51	159.18	159.23
2031	163.23	162.64	160.72	164.67	177.15	169.11	164.90	165.01	166.26	161.76	163.06	162.54
2032	166.75	165.18	163.21	167.22	179.91	171.73	167.45	168.59	168.94	164.26	165.59	165.06
2033	169.29	168.38	166.98	171.09	184.08	175.70	171.33	172.48	172.74	168.06	169.41	168.98
2034	173.01	172.38	170.38	174.55	187.78	179.24	174.79	175.97	175.23	171.46	172.84	172.29
2035	176.35	175.72	173.05	177.91	191.39	182.70	178.15	179.36	179.63	174.78	176.17	175.62
2036	178.40	178.76	176.65	180.99	194.69	185.85	181.24	182.46	182.74	177.70	179.22	178.65
2037	183.23	182.57	180.41	184.85	198.85	189.82	185.10	186.35	186.69	181.58	183.04	182.48
2038	188.76	188.09	185.90	188.42	202.59	193.48	188.58	189.95	190.23	185.08	186.57	185.98
2039	190.37	189.88	187.44	189.05	206.00	197.22	192.32	193.81	193.91	188.85	190.17	189.57
2040	193.66	192.86	190.59	195.37	210.18	200.62	195.64	196.96	197.26	191.92	193.46	192.85

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4b Renewable Avoided Costs Renewable Fixed Price Option for Base Load QF Off-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.21	26.14	23.47	18.89	18.90	13.68	23.28	27.89	25.66	27.45	28.12	30.28
2017	30.42	28.21	25.19	21.62	18.38	15.58	25.52	30.64	28.17	30.08	30.82	33.18
2018	32.75	31.44	28.18	22.35	20.04	16.11	27.95	33.59	30.68	32.04	33.86	36.47
2019	34.59	33.20	29.75	23.58	21.14	16.98	29.51	35.46	32.59	34.89	35.76	38.52
2020	74.05	74.35	78.18	74.70	70.70	70.98	71.32	72.70	73.78	75.21	74.98	75.50
2021	76.61	75.69	77.70	78.08	72.65	72.71	73.48	73.88	75.25	77.66	74.78	78.80
2022	77.70	77.31	79.95	77.27	73.68	74.12	75.90	74.74	76.69	78.04	80.71	76.00
2023	78.70	78.76	81.53	78.38	74.14	75.53	77.17	76.51	78.04	80.71	77.14	78.60
2024	79.35	79.42	83.14	79.16	74.55	77.78	75.40	76.83	78.61	81.03	79.55	80.29
2025	80.96	80.94	84.88	80.33	74.54	78.20	76.02	79.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	86.28	80.89	75.34	79.31	75.11	79.94	79.12	83.91	82.41	82.47
2027	84.14	84.11	88.28	82.90	75.15	80.77	81.16	80.83	83.90	85.39	83.39	83.99
2028	85.20	86.01	89.97	85.07	74.43	82.57	82.76	81.19	82.83	87.06	84.33	84.82
2029	85.87	86.84	90.61	86.72	88.73	82.93	84.21	82.59	84.39	88.00	86.85	88.12
2030	87.21	88.28	92.45	88.69	88.43	83.64	84.58	85.17	84.95	89.60	88.91	89.94
2031	89.10	90.90	93.69	87.32	89.81	83.38	86.76	86.87	85.14	91.14	90.93	90.04
2032	90.57	92.00	95.23	88.76	70.97	84.75	88.21	88.41	86.54	82.64	82.44	91.53
2033	92.57	94.03	97.34	90.72	72.53	85.83	90.18	90.36	88.45	94.89	94.48	93.55
2034	94.98	95.94	99.22	92.47	73.93	88.30	91.92	92.10	91.18	96.52	96.30	95.36
2035	95.18	97.69	101.13	94.25	75.36	90.00	93.68	93.85	91.50	98.38	98.16	97.20
2036	97.77	98.31	102.80	95.81	76.91	91.49	95.22	95.43	93.42	100.00	99.78	98.60
2037	99.93	101.50	106.07	97.93	78.30	93.51	97.33	97.54	95.49	102.21	101.99	100.89
2038	101.86	103.46	107.10	99.82	79.81	95.31	99.20	99.42	97.23	104.19	103.95	102.93
2039	103.82	105.45	109.17	101.74	81.35	97.15	101.12	101.34	99.21	106.20	105.96	104.92
2040	105.54	107.20	110.97	103.42	82.69	98.78	102.78	103.02	100.85	107.95	107.71	106.65

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5a Renewable Avoided Costs Renewable Fixed Price Option for Wind OF On-Peak Forecast (MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	27.36	21.36	22.36	18.11	19.11	21.36	29.36	30.95	25.86	23.61	25.11	29.36
2016	27.74	26.32	23.24	21.82	21.12	18.37	26.21	32.57	26.53	27.28	28.28	30.74
2017	30.36	28.80	25.44	24.37	23.89	21.54	30.75	35.50	31.10	30.07	31.16	33.87
2018	32.62	30.95	27.35	25.59	24.87	22.83	33.17	38.27	33.54	32.08	33.25	36.13
2019	34.23	32.49	28.72	26.98	26.12	25.98	34.81	40.15	35.20	33.67	34.89	37.90
2020	35.69	33.87	29.77	28.21	27.09	27.03	31.89	37.52	32.00	30.85	32.84	36.84
2021	31.73	32.00	30.23	31.50	34.85	35.98	33.28	33.08	32.10	30.91	32.44	30.68
2022	33.81	33.68	31.42	33.47	36.99	35.77	35.23	35.19	33.89	32.71	34.39	32.58
2023	36.01	35.50	33.17	35.61	38.50	37.54	37.23	36.79	35.80	34.43	36.45	34.15
2024	37.25	37.43	35.12	37.50	40.71	39.51	39.38	39.07	38.85	37.03	39.21	37.37
2025	39.51	39.89	37.31	40.03	42.15	40.78	40.63	40.18	39.82	38.17	39.55	39.13
2026	102.27	101.86	100.18	102.74	103.00	104.89	104.37	104.02	100.42	102.58	101.47	
2027	104.29	103.77	101.82	104.32	111.39	105.95	105.51	107.22	105.85	102.51	104.04	103.48
2028	108.18	104.96	102.57	108.63	113.07	107.36	108.18	108.19	107.18	104.79	108.06	108.14
2029	109.51	108.23	105.09	109.08	120.90	110.80	110.89	110.94	106.58	107.94	107.81	
2030	110.84	110.49	107.80	111.21	124.40	114.99	112.45	112.31	113.94	109.07	109.73	109.79
2031	112.82	112.24	110.32	114.27	128.75	118.70	114.50	115.61	115.86	111.35	112.86	112.14
2032	114.69	114.08	112.13	116.15	128.84	120.89	116.38	117.51	117.77	113.18	114.51	113.99
2033	117.23	116.62	114.62	119.73	131.70	123.34	118.97	120.13	120.39	115.70	117.05	116.52
2034	118.48	118.85	116.83	121.92	134.24	125.71	121.26	122.44	122.70	117.83	119.31	118.78
2035	121.80	121.18	119.09	123.38	136.83	128.14	123.60	124.80	125.07	120.21	121.62	121.08
2036	123.79	123.14	121.04	125.37	139.07	130.24	125.63	126.85	127.12	122.17	123.61	123.04
2037	126.54	125.86	123.72	128.18	142.16	133.13	128.42	129.68	129.94	124.89	126.35	125.77
2038	128.98	128.31	126.11	130.53	144.90	135.70	130.88	132.17	132.45	127.30	128.79	128.20
2039	131.47	130.79	128.55	133.16	147.70	138.32	133.42	134.72	135.01	129.76	131.28	130.68
2040	133.62	132.93	130.65	133.33	150.12	140.99	135.91	138.92	137.22	131.88	133.43	132.81

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5b Renewable Avoided Costs Renewable Fixed Price Option for Wind OF Off-Peak Forecast (MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	23.11	16.61	17.11	12.11	14.11	15.36	20.11	22.36	21.86	19.36	21.61	24.61
2016	23.37	22.30	19.83	14.85	12.86	9.74	18.44	24.05	21.82	23.61	24.28	26.42
2017	28.51	25.30	22.28	17.71	15.47	11.67	21.81	26.73	24.26	26.17	26.91	29.27
2018	28.75	27.45	24.18	18.38	16.05	12.12	23.96	29.59	26.87	28.05	29.97	32.48
2019	30.51	29.15	25.88	19.51	17.07	12.91	25.44	31.33	28.51	30.82	31.63	34.45
2020	32.91	30.30	27.03	20.55	18.83	11.71	28.55	34.61	31.06	33.83	34.35	
2021	32.38	31.48	30.47	31.85	32.42	30.48	29.25	29.65	29.02	28.43	28.55	28.57
2022	33.39	33.00	31.65	32.96	34.37	33.91	33.19	32.43	31.68	30.93	31.69	31.90
2023	34.31	34.37	33.14	34.99	36.75	36.14	35.28	34.43	33.68	32.93	33.69	33.91
2024	34.88	34.95	33.87	35.69	38.08	37.31	36.53	35.76	35.01	34.26	35.02	35.24
2025	36.40	36.38	35.32	37.77	39.86	39.04	38.28	37.51	36.76	36.01	36.77	37.00
2026	78.70	77.77	76.63	78.24	79.89	78.66	74.48	75.29	74.47	73.28	74.78	74.92
2027	79.40	79.37	81.54	80.25	80.41	78.33	78.42	75.69	76.19	81.85	78.64	78.25
2028	80.48	81.18	84.14	80.24	80.80	77.74	77.93	78.38	78.00	82.23	78.50	81.79
2029	80.55	81.82	85.69	81.80	83.81	78.01	78.29	77.67	78.47	83.08	81.93	83.20
2030	82.19	83.26	87.44	81.87	83.41	78.62	79.93	80.15	79.93	84.84	83.89	84.92
2031	83.98	85.38	88.87	82.20	84.89	78.26	81.68	81.85	80.02	86.02	85.81	84.92
2032	85.39	86.79	90.02	83.55	85.70	79.54	83.00	83.20	81.33	87.43	87.23	86.32
2033	87.29	88.72	92.03	85.41	87.22	81.29	84.86	85.05	83.15	89.38	89.17	88.24
2034	88.94	90.42	93.80	87.05	88.51	82.38	86.48	86.68	84.74	91.10	90.89	89.94
2035	90.66	92.17	95.61	88.73	89.84	84.48	88.16	88.35	86.38	92.96	92.64	91.68
2036	92.14	93.68	97.17	90.18	90.98	85.86	89.59	89.80	87.79	94.37	94.15	93.17
2037	94.19	95.75	99.33	92.19	92.96	87.77	91.59	91.80	89.75	96.47	96.25	95.25
2038	96.01	97.61	101.25	93.97	94.96	89.46	93.35	93.57	91.48	98.34	98.10	97.08
2039	97.88	99.50	103.21	95.78	96.39	91.19	95.18	95.38	93.25	100.24	100.00	98.93
2040	99.48	101.12	104.89	97.34	98.61	92.88	96.71	96.94	94.77	101.87	101.63	100.57

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE Ea Renewable Avoided Costs Renewable Fixed Price Option for Solar QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	28.13	21.88	22.88	25.13	33.13	34.73	28.83	27.38	28.58	33.13
2016	31.88	30.18	27.08	25.88	24.08	23.21	32.08	36.41	32.37	31.12	32.12	34.88
2017	34.27	32.71	29.35	28.26	27.50	25.55	34.66	39.41	35.01	33.98	35.07	37.78
2018	36.81	34.95	31.34	29.88	28.88	28.82	37.18	42.26	37.63	36.07	37.24	40.12
2019	38.30	36.56	32.79	31.05	30.19	28.05	36.88	44.22	39.27	37.74	38.96	41.97
2020	39.84	38.82	32.92	31.46	30.24	28.18	36.81	45.87	41.15	39.00	40.99	42.79
2021	41.46	40.23	34.48	32.73	31.08	29.19	37.51	47.11	42.33	40.14	42.07	44.11
2022	43.12	41.97	35.73	34.08	32.43	30.54	38.25	48.35	43.57	41.38	43.31	45.35
2023	44.80	43.65	37.08	35.33	33.68	31.69	39.00	49.60	44.82	42.63	44.56	46.60
2024	46.50	45.35	38.43	36.68	34.83	32.84	40.00	50.85	46.07	43.88	45.81	47.85
2025	48.20	47.05	39.78	38.03	36.08	34.00	41.00	52.10	47.32	45.13	47.06	49.10
2026	49.90	48.75	41.13	39.38	37.33	35.15	42.00	53.35	48.57	46.38	48.31	50.35
2027	51.60	50.45	42.48	40.68	38.58	36.30	43.00	54.60	49.82	47.63	49.56	51.60
2028	53.30	52.15	43.83	41.98	39.83	37.45	44.00	55.85	51.07	48.88	50.81	52.85
2029	55.00	53.85	45.18	43.28	41.08	38.60	45.00	57.10	52.32	50.13	52.06	54.10
2030	56.70	55.55	46.53	44.58	42.23	39.75	46.00	58.35	53.57	51.38	53.31	55.35
2031	58.40	57.25	47.88	45.88	43.38	40.90	47.00	59.60	54.82	52.63	54.56	56.60
2032	60.10	58.95	49.23	47.18	44.53	42.05	48.00	60.85	56.07	53.88	55.81	57.85
2033	61.80	60.65	50.58	48.48	45.68	43.20	49.00	62.10	57.32	55.13	57.06	59.10
2034	63.50	62.35	51.93	49.78	46.83	44.35	50.00	63.35	58.57	56.38	58.31	60.35
2035	65.20	64.05	53.28	51.08	48.08	45.50	51.00	64.60	59.82	57.63	59.56	61.60
2036	66.90	65.75	54.63	52.38	49.23	46.65	52.00	65.85	61.07	58.88	60.81	62.85
2037	68.60	67.45	55.98	53.68	50.38	47.80	53.00	67.10	62.32	60.13	62.06	64.10
2038	70.30	69.15	57.33	54.98	51.53	48.95	54.00	68.35	63.57	61.38	63.31	65.35
2039	72.00	70.85	58.68	56.28	52.68	50.10	55.00	69.60	64.82	62.63	64.56	66.60
2040	73.70	72.55	59.98	57.58	53.83	51.25	56.00	70.85	66.07	63.88	65.81	67.85

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE Eb Renewable Avoided Costs Renewable Fixed Price Option for Solar QF Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.88	23.88	15.88	17.88	18.13	23.88	26.13	25.83	23.13	25.38	28.38
2016	27.21	25.14	23.47	18.69	18.80	13.58	23.28	27.89	25.66	27.48	28.12	30.26
2017	30.42	29.21	28.19	21.62	19.38	15.58	25.62	30.64	28.17	30.08	30.82	33.18
2018	32.75	31.44	29.18	22.35	20.04	16.11	27.95	33.68	30.86	33.04	33.86	36.47
2019	34.58	33.20	29.75	23.58	21.14	16.99	28.51	35.46	32.58	34.89	35.76	38.52
2020	36.05	34.35	30.18	24.70	22.00	17.38	29.12	37.24	34.06	36.14	37.63	40.57
2021	37.61	35.69	31.70	26.08	23.05	17.77	29.65	38.93	35.31	37.41	38.90	42.62
2022	39.20	37.31	33.28	27.47	24.04	18.16	30.18	40.64	36.56	38.68	40.17	44.67
2023	40.80	38.78	34.83	28.86	25.03	18.55	30.71	42.35	37.81	40.15	41.74	46.72
2024	42.40	40.26	36.43	30.25	26.00	18.94	31.24	44.02	39.06	41.63	43.31	48.77
2025	44.00	41.75	37.98	31.64	27.07	19.33	31.77	45.69	40.31	43.11	44.88	50.82
2026	45.60	43.35	39.58	33.03	28.04	19.72	32.30	47.36	41.56	44.59	46.45	52.87
2027	47.20	44.95	41.18	34.42	29.05	20.11	32.83	49.03	42.81	46.07	48.02	54.92
2028	48.80	46.55	42.78	35.81	30.06	20.50	33.36	50.70	44.06	47.55	49.59	56.97
2029	50.40	48.15	44.38	37.20	31.07	20.89	33.89	52.37	45.31	49.03	51.16	59.02
2030	52.00	49.75	45.98	38.59	32.08	21.28	34.42	54.04	46.56	50.51	52.73	61.07
2031	53.60	51.35	47.58	40.00	33.09	21.67	34.95	55.71	47.81	52.00	54.30	63.12
2032	55.20	52.95	49.18	41.41	34.10	22.06	35.48	57.38	49.06	53.48	55.87	65.17
2033	56.80	54.55	50.78	42.82	35.11	22.45	36.01	59.05	50.31	54.96	57.44	67.22
2034	58.40	56.15	52.38	44.23	36.12	22.84	36.54	60.72	51.56	56.44	59.01	69.27
2035	60.00	57.75	53.98	45.64	37.13	23.23	37.07	62.39	52.81	57.92	60.58	71.32
2036	61.60	59.35	55.58	47.05	38.14	23.62	37.60	64.06	54.06	59.40	62.15	73.37
2037	63.20	60.95	57.18	48.46	39.15	24.01	38.13	65.73	55.31	60.88	63.72	75.42
2038	64.80	62.55	58.78	49.87	40.16	24.40	38.66	67.40	56.56	62.36	65.29	77.47
2039	66.40	64.15	60.38	51.28	41.17	24.79	39.19	69.07	57.81	63.84	66.86	79.52
2040	68.00	65.75	61.98	52.69	42.18	25.18	39.72	70.74	59.06	65.32	68.43	81.57

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2015	3.77
2016	3.84
2017	3.91
2018	3.99
2019	4.07
2020	4.16
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.55
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42
2035	5.52
2036	5.63
2037	5.74
2038	5.85
2039	5.96
2040	6.08

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

MONTHLY SERVICE CHARGE

Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

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 safe opinion of the Company, continued operation of the QF in connection with the utility's system may create or contribute to a system emergency.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

INTERCONNECTION REQUIREMENTS (Continued)

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.

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA

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.

Definition of Community-Based

- 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.
- 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.

Definition of Family-Owned

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Concluded)

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA (Continued)

Definition of Person(s) or Affiliated Person(s)

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.

Definition of Same Site

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.

Definition of Shared Interconnection and Infrastructure

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.

OTHER DEFINITIONS

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

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

OTHER DEFINITIONS (Continued)

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.

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. 489A.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.

Definition of Environmental Attributes

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 (SO_x), nitrogen oxides (NO_x), 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.

Definition of Resource Sufficiency Period

This is the period from the current year through 2020.

Definition of Resource Deficiency Period

This is the period from 2021 through 2034.

Definition of Renewable Resource Sufficiency Period

This is the period from the current year through 2019.

Definition of Renewable Resource Deficiency Period

This is the period from 2020 through 2034.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

DISPUTE RESOLUTION

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:

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.

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.

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 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.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 27th day, June 2016, is between Riley Solar I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Harney County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with Bonneville Power Administration electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period – the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the effective date Seller shall begin initial deliveries of Net Output; and

2.2.2. By thirty-six (36) month anniversary of the Effective Date Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth (16th) Contract Year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 10,000 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 20,000,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 40,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Riley Solar I LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars
Los Angeles, CA 90067-6078
Snguyen@reedsmith.com

with a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
PO Box 7218,
Boise, ID 83702
greg@richardsonadams.com

To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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

PGE

By: [Signature]
Name: Michael Pepe
Title: SVP, Rossmore Street, Operating & Power supply
Date: 6/24/2016

PGE Approved By:	
Business Terms	<u>[Signature]</u>
Credit	<u>[Signature]</u>
Legal	<u>[Signature]</u>
Risk Mgt.	<u>JB</u>

PILEY SELLER I LLC
(Name Seller)

By: [Signature]
Name: Jacob H Stephens
Title: Manager
Date: 6/27/2016

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

Riley Solar I is a photovoltaics-based solar generating facility located in the vicinity of Riley, OR, near the intersection of Hwy 20 and Best Lane (which is at 43.539, -119.698), which upon reaching full commercial operations have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input and its dispatching. Partial firming capabilities may be added as described below. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty <= [14MM/(module rating)].
2. Inverters: Commercially-available string inverter (90kW-AC, nominal) or central station inverter convert DC to AC power, collected by AC wiring to switchboard.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (34.5 KV, nominally, subject to final design)
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.
6. Firming capabilities by batteries. Under no circumstance will generation exceed 10 MW-AC at point of interconnection. Battery storage system will be designed and installed 'behind' the inverter system of the facility (and be limited by the inverter capacity, per system AC nameplate limitations."
7. Transmission and interconnection plan: "Power will be delivered to PGE system via BPA transmission system. Interconnection studies have been initiated with BPA in early 2016 such that final study results will be completed by mid-2017, based on the BPA SGIR tariff timelines, allowing sufficient time for construction of required interconnection facilities. Seller has examined prior studies in the interconnection vicinity and assessed reasonable cost outcomes.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement(s) with interconnecting utilit(ies),
as applicable
2. Transmission Agreement between Seller and Transmission Provider
3. Harney County CUP & Building Permits
4. Additional items as may be determined by Seller to be required for facility
permitting, construction, and interconnection.

EXHIBIT C
START-UP TESTING

[Seller identify appropriate tests]

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers, batteries) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with applicable interconnecting utility (Central and/or BPA) and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

EXHIBIT D

SCHEDULE

[Attach currently in-effect Schedule 201]

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

PURPOSE

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.

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.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security deemed sufficient by the Company as set forth in the Standard PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 484-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

PPA

In accordance with terms set forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller.

A Seller must execute a PPA with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard PPA.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PPA (Continued)

Any Seller may elect to negotiate a PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-300, and Schedule 202. Negotiations for power purchase pricing will be based on either the filed Standard Avoided Costs or Renewable Avoided Costs in effect at that time.

STANDARD PPA (Nameplate capacity of 10 MW or less)

A Seller choosing a Standard PPA will complete all informational and price option selection requirements in the applicable Standard PPA and submit the executed Agreement to the Company prior to service under this schedule. The Standard PPA is available at www.portlandgeneral.com. The available Standard PPAs are:

- Standard In-System Non-Variable Power Purchase Agreement
- Standard Off-System Non-Variable Power Purchase Agreement
- Standard In-System Variable Power Purchase Agreement
- Standard Off-System Variable Power Purchase Agreement
- Standard Renewable In-System Non-Variable Power Purchase Agreement
- Standard Renewable Off-System Non-Variable Power Purchase Agreement
- Standard Renewable In-System Variable Power Purchase Agreement
- Standard Renewable Off-System Variable Power Purchase Agreement

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.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

To execute the Standard PPA the Seller must complete all of the general project information requested in the applicable Standard PPA.

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.

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.

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. 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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

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.

BASIS FOR POWER PURCHASE PRICE

AVOIDED COST SUMMARY

The power purchase prices are based on either the Company's Standard Avoided Costs or Renewable Avoided Costs in effect at the time the agreement is executed. Avoided Costs are defined in 18 CFR 292.101 (6) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

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.

ON-PEAK PERIOD

The On-Peak period is 8:00 a.m. until 10:00 p.m., Monday through Saturday.

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.

Standard Avoided Costs are based on forward market price estimates through the Resource Sufficiency Period, the period of time during which the Company's Standard Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Resource Deficiency Period, the Standard Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of Energy plus capitalized Energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

Renewable Avoided Costs are based on forward market price estimates through the Renewable Resource Sufficiency Period, the period of time during which the Company's Renewable Avoided Costs are associated with incremental purchases of energy and capacity from the market. For the Renewable Resource Deficiency Period, the Renewable Avoided Costs reflect the fully allocated costs of a wind plant including capital costs.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING FOR STANDARD PPA

Pricing represents the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.

The Company will pay the Seller either the Off-Peak Standard Avoided Cost pursuant to Tables 1b, 2b, or 3b or the Off-Peak Renewable Avoided Costs pursuant to Tables 4b, 5b, or 6b for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard PPA; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller either the On-Peak Standard Avoided Cost pursuant to Tables 1a, 2a, or 3a or the On-Peak Renewable Avoided Costs pursuant to Tables 4a, 5a, or 6a for all other Net Output. (See the PPA for defined terms.)

1) Standard Fixed Price Option

The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.

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.

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%.

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1a Avoided Costs Standard Fixed Price Option for Base Load OF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	28.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	28.93	25.51	24.81	23.08	31.90	38.28	32.22	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	38.28	34.88	33.83	34.82	37.63
2018	36.48	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.08	39.97
2019	38.14	36.43	32.63	30.89	30.03	27.89	38.72	44.06	38.11	37.58	38.80	41.81
2020	40.36	38.51	34.92	32.88	31.77	29.50	40.97	46.82	41.38	39.78	41.08	44.55
2021	42.85	40.81	37.08	35.15	33.89	31.45	43.59	49.74	43.90	42.05	43.07	47.59
2022	45.87	43.61	39.71	38.75	36.53	34.81	46.77	52.84	47.11	45.48	46.48	51.61
2023	49.88	47.41	43.52	42.47	40.24	38.48	50.54	56.81	50.78	49.24	50.24	55.38
2024	54.05	51.50	47.39	46.24	43.91	41.97	54.47	61.82	55.81	54.27	55.27	60.61
2025	59.42	56.88	52.77	51.62	49.29	47.35	59.44	68.80	62.78	61.24	62.24	67.61
2026	66.07	63.53	59.42	58.27	55.94	54.00	65.47	76.78	70.76	69.22	70.22	75.65
2027	73.91	71.37	67.26	66.11	63.78	61.84	72.50	84.79	78.77	77.23	78.23	83.66
2028	83.05	80.51	76.40	75.25	72.92	70.98	80.63	93.78	87.76	86.22	87.22	92.65
2029	93.50	90.96	86.85	85.70	83.37	81.43	89.67	103.86	97.84	96.30	97.30	102.73
2030	105.38	102.84	98.73	97.58	95.25	93.31	101.55	115.04	109.22	107.68	108.68	114.11
2031	118.70	116.16	112.05	110.90	108.57	106.63	114.77	128.26	122.44	120.90	121.90	127.33
2032	133.58	131.04	126.93	125.78	123.45	121.51	129.65	144.14	138.32	136.78	137.78	143.21
2033	150.02	147.48	143.37	142.22	139.89	137.95	146.09	161.02	155.20	153.66	154.66	160.09
2034	168.14	165.60	161.49	160.34	158.01	156.07	164.21	180.09	174.27	172.73	173.73	179.16
2035	188.95	186.41	182.30	181.15	178.82	176.88	185.02	198.90	193.08	191.54	192.54	197.97
2036	212.57	210.03	205.92	204.77	202.44	200.50	208.64	224.52	218.70	217.16	218.16	223.59
2037	239.01	236.47	232.36	231.21	228.88	226.94	235.08	251.96	246.14	244.60	245.60	251.03
2038	268.27	265.73	261.62	260.47	258.14	256.20	264.34	281.22	275.40	273.86	274.86	280.29
2039	300.45	297.91	293.80	292.65	290.32	288.38	296.52	313.40	307.58	306.04	307.04	312.47
2040	335.63	333.09	328.98	327.83	325.50	323.56	331.70	348.58	342.76	341.22	342.22	347.65

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1b Avoided Costs Standard Fixed Price Option for Base Load QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	26.88	20.38	20.88	15.88	17.88	18.13	23.99	26.13	26.53	23.13	25.38	26.38
2016	27.98	25.99	23.32	18.54	16.85	13.43	23.13	27.74	25.51	27.30	27.87	30.11
2017	30.77	29.56	28.04	21.47	19.23	15.43	26.37	30.49	28.02	29.93	30.87	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	16.82	28.35	35.30	32.42	34.73	35.60	38.38
2020	36.91	35.42	31.72	25.08	22.48	17.99	31.46	37.85	34.75	37.24	38.17	41.14
2021	40.11	39.87	35.54	34.60	34.75	34.90	35.05	35.20	35.35	35.51	37.52	38.85
2022	40.68	40.76	39.42	37.47	37.28	37.32	37.49	37.63	37.82	38.46	41.19	42.33
2023	42.71	42.74	40.35	38.63	38.28	38.30	38.47	38.64	38.82	39.55	42.26	43.71
2024	44.38	43.81	42.10	40.35	39.66	39.21	39.38	39.55	39.73	40.88	43.26	44.22
2025	45.81	45.38	43.57	42.22	41.82	42.12	42.30	42.48	42.66	43.37	46.49	47.48
2026	51.27	51.49	50.74	49.14	48.90	49.14	49.36	49.60	49.84	50.64	53.95	54.59
2027	55.68	55.83	50.81	49.20	48.95	49.18	49.41	49.63	49.87	50.56	53.91	54.97
2028	55.52	55.77	51.12	49.52	49.28	49.50	49.72	49.95	50.19	50.90	54.41	55.49
2029	57.77	58.53	53.44	51.52	51.07	51.31	51.55	51.79	52.04	52.76	56.23	58.44
2030	58.61	58.28	53.70	51.83	51.57	51.81	52.05	52.29	52.54	53.28	56.90	60.13
2031	58.28	58.05	55.26	52.96	52.65	52.90	53.14	53.38	53.64	54.40	57.98	61.12
2032	60.42	60.11	56.33	54.00	53.68	53.94	54.18	54.43	54.69	55.46	59.12	60.28
2033	61.67	61.38	57.50	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.53
2034	62.85	62.53	58.60	56.19	55.85	56.12	56.37	56.63	56.90	57.70	61.50	62.71
2035	64.25	63.92	59.91	57.44	57.11	57.38	57.64	57.90	58.18	59.00	62.87	64.10
2036	65.80	65.47	61.38	58.88	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.93	60.24	60.51	60.79	61.07	61.92	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.59	68.88
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.38	63.68	63.98	64.83	69.02	70.35
2040	72.51	71.95	67.53	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.79	72.15

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a Avoided Costs Standard Fixed Price Option for Wind QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	27.38	21.39	22.38	18.11	19.11	21.36	23.36	30.96	25.86	23.61	25.11	26.35
2016	27.59	26.17	23.69	21.67	20.87	18.22	23.56	32.42	28.38	27.13	28.13	30.59
2017	30.21	28.65	26.28	24.22	23.44	21.49	30.50	35.35	30.95	29.92	31.01	33.72
2018	32.47	30.81	27.20	25.64	24.72	22.68	33.02	38.12	33.39	31.93	33.10	35.88
2019	34.07	32.33	28.58	26.82	25.86	23.82	34.63	39.69	35.04	33.51	34.73	37.74
2020	36.21	34.38	30.37	28.53	27.62	25.35	36.82	42.47	37.23	35.61	36.91	40.10
2021	37.81	37.56	33.23	32.30	32.45	32.60	32.75	32.90	33.05	33.21	35.22	36.64
2022	38.24	38.42	37.08	35.12	34.90	34.68	35.14	35.30	35.47	36.11	38.88	39.98
2023	40.33	40.39	37.97	36.51	36.31	35.92	36.09	36.26	36.43	37.17	39.88	40.83
2024	41.82	41.37	38.65	37.02	37.11	36.77	36.94	37.12	37.30	38.56	40.82	41.79
2025	43.33	42.90	41.09	39.74	39.44	39.54	39.82	40.02	40.21	40.89	44.00	45.00
2026	48.74	48.99	48.21	46.61	46.37	46.61	46.83	47.07	47.31	48.11	51.42	52.06
2027	53.11	53.35	49.23	46.62	46.37	46.60	46.83	47.05	47.29	47.89	51.33	52.39
2028	52.90	53.14	48.49	46.83	46.63	46.87	47.10	47.32	47.56	48.27	51.78	52.85
2029	54.50	53.65	50.77	48.85	48.40	48.64	48.87	49.11	49.36	50.08	53.56	55.78
2030	55.89	55.59	50.87	48.12	48.83	49.08	49.32	49.55	49.81	50.55	54.07	57.40
2031	56.47	56.17	52.46	50.18	49.87	50.12	50.36	50.60	50.85	51.61	55.20	58.34
2032	57.57	57.28	53.49	51.15	50.84	51.09	51.34	51.59	51.85	52.62	56.27	57.43
2033	58.79	58.47	54.62	52.24	51.92	52.18	52.43	52.68	52.95	53.74	57.46	58.65
2034	59.81	59.59	55.96	53.24	52.91	53.18	53.43	53.69	53.96	54.76	58.58	59.77
2035	61.25	60.82	56.91	54.44	54.11	54.38	54.64	54.90	55.15	56.00	59.87	61.10
2036	62.73	62.40	58.31	55.79	55.46	55.72	55.99	56.26	56.54	57.37	61.32	62.58
2037	64.28	63.92	59.75	57.10	56.83	57.12	57.39	57.66	57.95	58.80	62.83	64.11
2038	65.84	65.49	61.24	58.37	58.28	58.58	58.87	59.11	59.40	60.27	64.37	65.69
2039	67.28	66.91	62.57	59.30	59.54	59.84	60.12	60.40	60.70	61.58	65.77	67.11
2040	69.00	68.64	64.22	61.50	61.13	61.43	61.71	62.01	62.31	63.21	67.49	68.84

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 2b Avoided Costs Standard Fixed Price Option for Wind QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	23.11	16.61	17.11	12.11	14.11	15.36	20.11	22.36	21.86	19.36	21.61	24.61
2016	23.22	22.15	19.48	14.70	12.91	9.53	16.28	23.20	21.67	23.48	24.13	26.27
2017	26.36	26.15	22.13	17.66	15.32	11.62	21.46	26.58	24.11	26.02	26.76	29.12
2018	28.61	27.30	24.04	18.21	15.90	11.97	23.81	29.44	26.72	28.90	29.72	32.33
2019	30.35	29.87	25.52	19.35	16.91	12.75	26.28	31.23	28.35	30.66	31.53	34.29
2020	32.76	31.27	27.57	20.93	18.31	13.84	27.30	33.70	30.60	33.03	34.02	36.99
2021	35.86	35.64	31.31	23.37	20.62	16.82	30.87	37.19	34.28	36.28	37.29	40.77
2022	38.29	36.45	35.11	33.16	32.94	33.01	33.17	33.34	33.61	34.15	36.89	38.02
2023	39.32	38.35	35.96	33.56	33.90	33.91	34.02	34.25	34.43	36.18	37.87	38.86
2024	39.89	39.34	37.63	35.88	35.08	34.74	34.91	35.08	35.26	36.62	38.79	39.76
2025	41.25	40.82	39.01	37.66	37.36	37.59	37.74	37.93	38.13	38.61	41.92	42.92
2026	46.62	46.84	46.09	44.48	44.26	44.59	44.71	44.95	45.19	45.99	49.30	49.94
2027	50.84	51.19	48.07	44.46	44.21	44.44	44.67	44.89	45.13	45.82	49.17	50.23
2028	60.69	60.84	48.29	44.89	44.43	44.67	44.89	45.12	45.36	46.07	49.58	50.85
2029	62.25	61.61	48.52	46.80	46.15	46.39	46.63	46.87	47.12	47.84	51.31	53.52
2030	63.99	63.24	48.69	48.83	48.56	48.79	49.02	49.27	49.52	49.28	51.78	55.11
2031	64.14	63.63	50.18	47.84	47.63	47.78	48.02	48.27	48.52	49.28	52.86	54.00
2032	65.21	64.90	51.12	48.79	48.47	48.73	49.07	49.22	49.48	50.25	53.91	55.07
2033	66.36	66.05	52.19	49.82	49.50	49.76	50.01	50.26	50.53	51.31	55.04	56.22
2034	67.43	67.11	53.18	50.76	50.43	50.70	50.95	51.21	51.48	52.26	56.08	57.29
2035	68.73	68.40	54.39	51.92	51.59	51.86	52.12	52.38	52.65	53.48	57.33	58.56
2036	69.17	69.64	56.76	53.23	52.99	53.17	53.43	53.70	53.96	54.81	59.77	61.02
2037	61.85	61.30	57.13	64.67	64.22	64.50	64.77	65.05	65.33	66.18	63.27	61.49
2038	63.17	62.82	60.57	66.95	66.59	66.88	67.16	67.44	67.73	67.60	61.71	63.01
2039	64.55	64.18	59.86	67.18	66.82	67.12	67.40	67.68	67.96	68.87	69.08	64.39
2040	66.23	65.87	61.45	68.73	68.36	68.69	68.94	69.24	69.54	69.44	64.71	66.07

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 3a Avoided Costs Standard Fixed Price Option for Solar QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	31.13	25.13	25.13	21.88	22.89	25.13	33.13	34.73	29.63	27.38	28.38	33.13
2016	31.43	30.01	28.93	25.51	24.61	23.98	31.50	36.26	32.22	30.67	31.97	34.43
2017	34.12	32.66	29.20	26.13	27.35	25.40	34.51	38.26	34.85	33.83	34.92	37.63
2018	36.48	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.08	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	40.36	38.61	34.52	32.68	31.77	29.50	40.97	46.62	41.38	39.76	41.05	44.25
2021	42.64	41.79	37.48	36.53	36.68	36.63	36.68	37.13	37.26	37.44	38.45	40.77
2022	42.55	42.73	41.39	39.43	39.21	38.99	39.65	39.61	39.76	40.42	43.16	44.29
2023	44.72	44.75	42.36	40.30	40.31	40.48	40.65	40.82	41.56	41.27	45.22	45.22
2024	46.39	45.84	44.13	42.30	41.68	41.24	41.41	41.59	41.77	43.03	45.29	46.26
2025	47.89	47.46	45.65	44.30	44.00	44.20	44.38	44.58	44.77	45.45	48.56	49.56
2026	53.39	53.61	52.66	51.28	51.02	51.28	51.49	51.72	51.96	52.76	56.07	56.71
2027	57.85	58.09	52.97	51.36	51.11	51.34	51.57	51.80	52.03	52.73	56.07	57.13
2028	67.73	67.97	63.32	61.72	61.46	61.70	61.93	62.15	62.39	63.10	66.61	67.68
2029	69.42	68.77	65.69	63.77	63.32	63.56	63.79	64.03	64.26	65.01	68.47	69.69
2030	69.90	69.95	69.99	64.16	63.85	64.10	64.34	64.58	64.83	65.67	69.03	72.42
2031	61.69	61.29	67.59	63.30	64.89	65.24	65.46	65.72	65.98	66.73	61.32	61.48
2032	62.76	62.47	68.69	66.38	66.05	66.30	66.55	66.80	67.05	67.83	61.48	62.64
2033	64.10	63.78	69.93	67.55	67.23	67.49	67.74	67.99	68.26	69.05	62.77	63.96
2034	65.33	65.01	61.08	68.66	68.33	68.60	68.85	69.11	69.38	69.18	63.96	65.19
2035	66.77	66.44	62.43	69.36	69.03	69.30	69.56	69.82	69.60	69.42	61.52	66.39
2036	68.36	68.03	63.94	61.42	61.08	61.35	61.62	61.89	62.17	63.00	66.55	68.21
2037	70.00	69.66	65.49	62.92	62.57	62.86	63.13	63.40	63.69	64.54	68.57	69.85
2038	71.69	71.34	67.09	64.47	64.11	64.40	64.67	64.95	65.25	66.12	70.22	71.53
2039	73.22	72.87	68.53	65.86	65.50	65.80	66.08	66.36	66.65	67.54	71.73	73.07
2040	75.08	74.72	70.30	67.58	67.21	67.51	67.79	68.09	68.39	69.29	73.57	74.92

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 5b Avoided Costs Standard Fixed Price Option for Solar QF Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	26.88	29.38	20.88	15.88	17.88	19.13	23.88	26.13	25.83	23.13	25.38	28.38
2016	27.06	25.83	23.32	18.54	18.85	15.43	23.13	27.74	25.51	27.35	27.97	30.11
2017	30.27	28.08	28.04	21.47	19.23	15.43	25.37	30.49	28.02	29.83	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.56	27.80	33.43	30.71	32.89	33.71	35.32
2019	34.42	33.04	29.59	23.42	20.98	18.82	29.35	35.30	32.42	34.73	35.60	38.38
2020	36.91	35.42	31.72	25.08	22.46	17.99	31.45	37.85	34.75	37.24	38.17	41.14
2021	40.11	39.87	35.54	34.60	34.75	34.90	35.05	35.20	35.36	35.51	37.52	38.85
2022	40.59	40.76	39.42	37.47	37.25	37.32	37.49	37.65	37.82	38.48	41.19	42.33
2023	42.71	42.74	40.35	38.89	38.39	38.30	38.47	38.64	38.81	39.55	42.26	43.21
2024	44.36	43.81	42.10	40.35	39.55	39.21	39.38	39.55	39.73	40.88	43.25	44.22
2025	45.81	45.38	43.57	42.22	41.82	42.12	42.30	42.48	42.66	43.37	46.48	47.48
2026	51.27	51.49	50.74	49.14	48.50	49.14	49.38	49.60	49.84	50.64	53.95	54.69
2027	55.89	55.93	50.81	49.20	48.95	49.18	49.41	49.63	49.87	50.66	53.81	54.97
2028	55.52	55.77	51.12	49.52	49.25	49.50	49.72	49.95	50.19	50.90	54.41	55.48
2029	57.17	56.53	53.44	51.82	51.87	51.31	51.55	51.79	52.04	52.78	56.23	58.44
2030	58.81	58.25	53.70	51.85	51.87	51.81	52.05	52.29	52.54	53.28	56.80	60.13
2031	59.26	58.85	55.25	52.98	52.65	52.36	53.14	53.29	53.64	54.40	57.99	59.12
2032	60.42	60.11	56.33	54.00	53.69	53.04	54.18	54.43	54.69	55.46	59.12	60.28
2033	61.67	61.39	57.50	55.13	54.81	55.07	55.32	55.57	55.84	56.62	60.35	61.63
2034	62.85	62.53	58.60	56.18	55.85	56.12	56.37	56.63	56.90	57.70	61.50	62.71
2035	64.25	63.92	59.91	57.44	57.11	57.39	57.64	57.90	58.18	58.90	62.87	64.10
2036	65.80	65.47	61.38	58.88	58.52	58.80	59.06	59.33	59.61	60.44	64.40	65.65
2037	67.39	67.04	62.87	60.31	59.98	60.26	60.51	60.78	61.07	61.92	65.95	67.23
2038	69.02	68.67	64.42	61.80	61.44	61.73	62.01	62.29	62.58	63.45	67.95	69.26
2039	70.51	70.15	65.82	63.14	62.78	63.08	63.36	63.64	63.94	64.83	69.02	70.38
2040	72.31	71.95	67.63	64.81	64.44	64.74	65.02	65.32	65.62	66.52	70.79	72.15

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)

2) Renewable Fixed Price Option

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 489A.005 to 489A.210.

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.

Sellers will retain all Environmental Attributes generated by the facility during the Renewable Resource Sufficiency Period. A Renewable QF choosing the Renewable Fixed Price Option must cede all RPS Attributes generated by the facility to the Company during the Renewable Resource Deficiency Period.

Prices paid to the Seller under the Renewable Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both Wind QF resources (Tables 5a and 5b) and the avoided proxy resource, the basis used to determine Renewable Avoided Costs for the Renewable Fixed Price Option, are assumed to have a capacity contribution to peak of 5%. The capacity contribution for Solar QF resources (Tables 6a and 6b) is assumed to be 5%. The capacity contribution for Base Load QF resources (Tables 4a and 4b) is assumed to be 100%.

The Renewable Avoided Costs during the Renewable Resource Deficiency Period reflect an increase for avoided wind integration costs, shown in Table 7.

Prices paid to the Seller under the Renewable Fixed Price Option for Wind QFs (Tables 5a and 5b) include a reduction for the wind integration costs in Table 7, which cancels out wind integration costs included in the Renewable Avoided Costs during the Renewable Resource Deficiency Period. 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 5a and 5b.

Sellers with PPAs exceeding 15 years will receive pricing equal to the Mid-C Index Price and will retain all Environmental Attributes generated by the facility for all years up to five in excess of the initial 15.

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4a Renewable Avoided Costs Renewable Fixed Price Option for Base Load QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	23.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.88	30.16	27.08	25.66	24.96	23.21	32.05	36.41	32.37	31.12	32.12	34.58
2017	34.27	32.71	29.38	28.28	27.50	25.55	34.66	38.41	35.01	33.98	35.07	37.78
2018	36.81	34.95	31.34	29.68	28.86	26.82	37.16	42.26	37.53	36.07	37.24	40.12
2019	38.30	36.56	32.79	31.05	30.19	28.05	38.88	44.22	39.27	37.74	38.96	41.97
2020	130.42	130.40	129.50	130.04	133.82	132.78	132.39	132.24	130.72	129.58	130.57	129.37
2021	133.38	133.54	131.66	133.13	138.49	135.59	134.91	135.52	133.73	132.54	134.08	132.51
2022	136.24	136.10	133.85	135.90	139.41	138.20	137.67	137.02	136.32	135.14	136.83	135.12
2023	139.39	139.89	136.64	139.99	141.88	141.01	140.60	140.17	139.16	137.41	139.83	138.83
2024	141.20	141.38	139.07	141.45	144.67	143.47	143.33	143.02	142.81	139.99	141.17	141.32
2025	144.44	144.63	142.24	145.02	148.08	147.69	146.57	146.72	145.76	143.11	144.48	144.07
2026	148.08	147.69	145.97	148.54	153.90	149.69	149.89	150.17	149.84	146.23	148.38	147.27
2027	150.98	150.48	148.91	151.01	158.07	152.84	152.20	153.90	152.64	149.20	150.73	150.17
2028	153.78	152.55	150.18	154.12	160.68	154.93	155.77	155.78	154.75	152.38	154.85	152.73
2029	157.02	156.74	153.90	157.99	169.40	159.30	159.39	159.45	158.48	155.44	158.31	156.31
2030	160.28	159.94	157.24	160.66	173.85	164.43	164.89	164.75	163.38	159.51	162.18	159.23
2031	163.23	162.64	160.72	164.67	177.15	168.11	164.90	166.01	166.26	161.75	163.05	162.54
2032	165.75	165.16	163.21	167.22	179.91	171.73	167.45	168.59	168.84	164.28	165.59	165.06
2033	169.69	168.99	166.98	171.09	184.06	175.70	171.33	172.48	172.74	168.06	169.41	168.88
2034	173.01	172.39	170.36	174.95	187.76	179.24	174.79	175.67	176.23	171.46	172.84	172.29
2035	176.35	175.72	173.69	177.91	191.39	182.70	178.19	178.36	179.63	174.78	176.17	175.62
2036	179.40	178.78	176.65	180.98	194.09	185.85	181.24	182.46	182.74	177.79	179.22	178.65
2037	183.23	182.57	180.41	184.85	198.95	189.82	185.10	186.35	186.63	181.58	183.04	182.48
2038	186.76	186.09	183.90	188.42	202.69	193.48	188.68	189.95	190.23	185.08	186.57	186.01
2039	190.37	189.68	187.44	192.05	206.60	197.22	192.32	193.61	193.91	188.65	190.17	189.57
2040	193.68	192.96	190.69	195.37	210.15	200.62	195.84	196.98	197.26	191.92	193.46	192.85

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4b Renewable Avoided Costs Renewable Fixed Price Option for Base Load QF On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	18.13	23.88	25.13	25.63	23.13	25.38	33.13
2016	27.21	26.14	23.47	18.69	16.80	13.58	23.78	27.69	25.65	27.45	28.12	30.28
2017	30.42	28.21	26.18	21.82	18.38	15.89	25.52	30.64	28.17	30.08	30.82	33.18
2018	32.75	31.44	28.18	22.35	20.04	18.11	27.95	33.58	30.86	33.04	33.86	36.47
2019	34.58	33.20	29.75	23.58	21.14	16.98	28.61	35.45	32.58	34.89	35.78	38.52
2020	74.05	74.35	76.18	74.70	70.70	70.98	71.32	72.70	73.78	75.21	74.98	75.50
2021	78.91	75.69	77.70	78.08	72.69	72.71	73.48	73.86	75.25	77.98	74.78	78.80
2022	77.70	77.91	79.86	77.27	73.98	74.12	75.90	74.74	76.89	79.10	76.00	78.21
2023	78.70	78.79	81.53	79.38	74.14	75.53	77.17	78.51	78.04	80.71	77.14	79.60
2024	79.35	79.42	83.14	79.16	74.65	77.78	76.40	78.83	78.91	81.03	78.53	80.29
2025	80.96	80.34	84.88	80.33	74.64	78.20	78.02	79.19	79.32	82.81	82.21	81.48
2026	81.36	82.42	85.28	80.89	75.34	79.31	79.11	79.94	79.12	83.91	82.41	82.47
2027	84.14	84.11	88.28	82.99	75.15	80.77	81.18	80.43	80.90	86.39	83.38	83.99
2028	85.29	86.01	89.97	85.07	74.43	82.87	82.78	81.19	82.93	87.08	84.33	86.82
2029	85.87	86.84	90.81	85.72	83.79	82.93	84.21	82.59	84.39	88.06	86.85	88.12
2030	87.21	88.28	92.48	88.83	88.43	83.64	84.98	85.17	84.95	89.88	88.91	89.94
2031	89.10	90.50	93.69	87.32	88.81	83.38	86.78	86.97	85.14	91.14	90.93	90.04
2032	90.57	92.00	95.29	88.78	70.97	84.75	85.21	88.41	86.54	92.64	92.44	91.53
2033	92.57	94.03	97.34	90.72	72.93	86.63	90.18	90.35	88.46	94.69	94.49	93.55
2034	94.38	95.84	99.22	92.47	73.93	88.30	91.90	92.10	90.16	96.52	96.30	95.36
2035	96.18	97.89	101.13	94.25	75.36	90.00	93.68	93.88	91.90	98.38	98.16	97.20
2036	97.77	99.31	102.80	95.81	76.61	91.40	95.28	95.43	93.42	100.00	99.78	98.80
2037	99.63	101.80	105.07	97.93	78.30	93.51	97.33	97.54	95.69	102.21	101.99	100.99
2038	101.88	103.46	107.10	99.82	79.81	95.31	99.20	99.42	97.33	104.19	103.95	102.93
2039	103.82	105.48	109.17	101.74	81.35	97.15	101.12	101.34	99.21	106.20	105.96	104.82
2040	105.54	107.20	110.87	103.42	82.68	98.78	102.78	103.02	100.85	107.95	107.71	106.65

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind OF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	27.36	21.36	22.36	18.11	19.11	21.36	29.39	30.06	25.06	23.51	25.11	29.39
2016	27.74	25.32	23.24	21.82	21.12	19.37	24.21	32.57	28.53	27.28	29.28	32.74
2017	30.36	28.80	26.44	24.37	23.89	21.84	30.78	35.50	31.10	30.07	31.18	33.87
2018	32.62	30.88	27.35	25.69	24.87	22.83	33.17	38.27	33.54	32.08	33.25	36.13
2019	34.23	32.49	28.72	26.98	26.12	23.98	34.81	40.15	35.20	33.67	34.89	37.50
2020	89.69	89.67	89.77	89.31	93.03	91.69	91.52	90.00	88.85	89.84	88.64	
2021	97.73	92.00	90.73	91.50	84.85	93.96	93.28	93.89	92.10	90.91	92.44	90.88
2022	93.81	93.66	91.42	93.47	96.39	95.77	95.23	95.19	93.89	92.71	94.39	92.69
2023	96.01	95.50	93.17	95.61	98.50	97.94	97.23	96.79	95.80	94.43	96.45	95.15
2024	97.25	97.43	95.12	97.50	100.71	99.51	98.38	99.07	98.85	98.03	97.21	97.37
2025	99.51	99.89	97.31	100.08	104.15	102.78	101.63	101.79	100.82	98.17	99.55	99.13
2026	102.27	101.88	100.15	102.74	108.00	103.89	103.89	104.37	104.03	100.42	102.58	101.47
2027	104.29	103.77	101.82	104.32	111.38	105.95	105.51	107.22	105.85	102.51	104.04	103.48
2028	106.19	104.99	102.57	106.53	113.07	107.34	108.18	108.19	107.18	104.79	106.06	105.14
2029	108.51	108.23	105.09	108.08	120.90	110.60	110.89	110.89	110.94	106.99	107.94	107.81
2030	110.84	110.49	107.50	111.21	124.40	114.99	112.45	112.31	113.84	109.07	109.73	109.79
2031	112.82	112.24	110.32	114.27	128.75	118.70	114.50	115.81	115.60	111.35	112.69	112.14
2032	114.68	114.08	112.13	116.15	128.84	120.66	118.39	117.51	117.77	113.16	114.51	113.89
2033	117.23	116.62	114.62	118.73	131.70	123.34	119.97	120.13	120.39	115.70	117.06	116.52
2034	118.48	118.86	116.83	121.02	134.24	125.71	121.26	122.44	122.70	117.99	119.31	118.78
2035	121.80	121.16	119.09	123.38	136.83	128.14	123.60	124.80	125.07	120.21	121.62	121.06
2036	123.79	123.14	121.04	125.37	139.07	130.24	125.63	126.85	127.12	122.17	123.61	123.04
2037	125.54	125.88	123.72	128.15	142.16	133.13	128.42	129.66	129.94	124.89	126.35	125.77
2038	128.90	128.31	126.11	130.63	144.90	135.70	130.89	132.17	132.48	127.90	129.79	129.20
2039	131.47	130.79	128.55	133.18	147.70	138.32	133.42	134.72	135.01	128.78	131.29	130.68
2040	133.62	132.93	130.65	135.33	150.12	140.99	135.81	136.92	137.22	131.68	133.43	132.81

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewables Fixed Price Option (Continued)

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind OF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2016	23.11	19.61	17.13	12.11	14.11	15.36	20.11	22.36	21.86	19.36	21.81	24.81
2016	23.37	22.30	19.63	14.85	12.96	9.74	19.44	24.05	21.82	23.91	24.29	26.42
2017	26.51	26.30	22.28	17.71	15.47	11.67	21.81	26.73	24.26	26.17	26.91	28.27
2018	28.76	27.45	24.18	18.36	16.05	12.12	23.96	29.69	26.67	28.05	29.87	32.48
2019	30.51	29.13	25.68	19.51	17.07	12.91	26.44	31.39	28.51	30.82	31.69	34.45
2020	69.90	70.20	72.03	70.55	69.55	68.83	67.17	68.55	69.61	71.06	70.83	71.35
2021	72.38	71.46	73.47	71.85	68.42	68.48	69.25	69.65	71.02	73.43	70.55	72.57
2022	73.39	73.06	70.65	72.06	69.37	69.81	71.59	70.43	72.38	74.70	71.69	73.90
2023	74.31	74.57	71.14	74.99	69.75	71.14	72.78	72.12	73.65	75.32	72.75	76.41
2024	74.88	74.06	78.67	74.69	70.08	73.31	71.83	72.38	74.14	78.56	75.09	78.82
2025	76.40	76.38	80.32	75.77	69.98	73.64	73.48	74.63	74.76	78.25	77.65	78.92
2026	78.70	77.37	80.63	76.24	70.69	74.66	74.46	75.29	74.47	79.26	77.78	77.82
2027	79.40	79.37	81.54	78.25	70.41	76.03	76.42	76.89	78.18	81.65	78.64	79.25
2028	80.48	81.18	84.14	80.24	69.80	77.74	77.93	78.36	79.90	82.23	79.50	81.79
2029	80.95	81.82	85.69	81.80	69.81	78.01	78.20	77.67	79.47	83.09	81.93	83.20
2030	82.19	83.28	87.44	81.87	69.41	78.52	78.85	80.15	79.53	84.64	83.89	84.62
2031	83.88	85.39	89.57	82.20	64.69	78.26	81.85	81.05	83.02	86.02	85.81	84.92
2032	85.36	86.79	90.92	83.56	65.76	79.54	83.00	83.20	81.33	87.43	87.23	86.32
2033	87.26	88.72	92.03	85.41	67.22	81.32	84.65	85.05	83.15	89.38	89.17	88.24
2034	88.94	90.42	93.80	87.05	68.51	82.88	86.48	86.68	84.74	91.10	90.85	89.94
2035	90.66	92.17	95.61	88.73	69.84	84.48	88.16	88.36	86.38	92.96	92.64	91.68
2036	92.14	93.68	97.17	90.18	70.98	85.96	89.69	89.80	87.78	94.15	93.17	93.17
2037	94.19	95.76	99.33	92.19	72.59	87.77	91.59	91.80	89.75	96.47	95.25	95.25
2038	96.01	97.61	101.25	93.97	73.96	89.48	93.35	93.57	91.49	98.34	96.10	97.09
2039	97.88	99.50	103.21	95.78	75.39	91.19	95.16	95.38	93.25	100.24	100.00	98.98
2040	99.46	101.12	104.89	97.34	76.81	92.68	96.71	96.94	94.77	101.67	101.63	100.67

Effective for service on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 8a Renewable Avoided Costs Renewable Fixed Price Option for Solar QF On-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	26.13	26.13	21.88	22.68	25.19	33.13	34.73	29.63	27.38	26.88	33.13
2016	31.59	30.16	27.08	25.66	24.96	23.21	32.05	36.41	32.37	31.12	32.12	34.59
2017	34.27	32.71	29.35	28.28	27.50	25.85	34.66	38.41	35.01	33.88	35.07	37.78
2018	36.91	34.85	31.94	29.69	28.86	26.62	37.18	42.28	37.63	36.07	37.24	40.17
2019	38.30	36.59	32.78	31.05	30.19	28.05	38.89	44.22	39.27	37.74	38.56	41.97
2020	93.84	93.82	92.92	93.46	97.24	98.18	93.81	95.87	94.15	93.00	93.59	92.79
2021	95.96	96.23	94.46	95.73	99.08	98.19	97.51	98.11	95.33	95.14	96.67	95.11
2022	95.96	96.23	94.46	95.73	99.08	98.19	97.51	98.11	95.33	95.14	96.67	95.11
2023	100.40	99.89	97.56	100.00	102.89	102.03	101.62	101.18	100.19	98.82	100.84	99.54
2024	101.72	101.90	99.69	101.97	105.18	103.90	103.85	103.54	103.32	100.50	101.68	101.84
2025	104.07	104.45	101.87	104.84	108.71	107.32	106.19	106.35	105.38	102.73	104.11	103.69
2026	106.32	106.53	104.91	107.39	112.65	108.54	108.62	108.88	105.07	107.73	108.12	106.12
2027	109.03	109.51	106.56	109.05	116.12	110.89	110.26	111.95	110.69	107.35	108.78	108.22
2028	111.02	109.79	107.40	111.38	117.90	112.17	113.01	113.02	111.95	108.62	110.89	109.87
2029	113.43	113.15	110.01	114.00	125.82	115.72	115.81	115.81	115.86	111.90	112.80	112.73
2030	115.86	115.51	112.82	116.22	129.42	120.01	117.47	117.33	118.86	114.09	114.75	114.81
2031	117.94	117.35	115.44	119.39	131.87	123.82	119.62	120.73	120.98	116.47	117.78	117.26
2032	119.89	119.29	117.34	121.38	134.05	125.87	121.59	122.72	122.98	118.39	119.72	119.20
2033	122.94	121.93	119.93	124.04	137.01	128.59	124.28	125.44	125.70	121.01	122.37	121.93
2034	124.90	124.28	122.26	126.44	139.66	131.13	126.58	127.66	128.12	123.35	124.73	124.18
2035	127.32	126.68	124.61	128.86	142.35	133.56	128.12	129.32	130.89	125.72	127.14	126.58
2036	128.42	128.77	126.57	131.00	144.70	135.87	131.26	132.46	132.75	127.60	129.24	128.67
2037	132.26	131.62	129.45	133.90	147.90	138.87	134.16	135.40	135.68	130.63	132.09	131.51
2038	134.83	134.16	131.96	136.48	150.75	141.55	136.74	138.02	138.30	133.15	134.64	134.05
2039	137.43	136.75	134.51	139.12	153.69	144.28	138.38	140.68	140.97	135.72	137.24	136.64
2040	139.70	139.01	136.78	141.41	156.20	146.67	141.89	143.00	143.30	137.96	139.51	138.89

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 8b Renewable Avoided Costs Renewable Fixed Price Option for Solar QF Off-Peak Forecast (\$/MWh)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	25.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	26.38
2016	27.21	26.14	23.47	18.69	18.80	13.89	23.28	27.89	25.66	27.45	28.12	30.26
2017	30.42	29.21	26.19	21.62	19.38	15.88	25.52	30.84	28.17	30.08	30.62	33.18
2018	32.78	31.44	28.18	23.35	20.94	18.11	27.95	33.58	30.88	33.04	33.66	36.47
2019	34.88	33.20	29.75	23.58	21.14	18.98	29.51	35.49	32.58	34.69	35.76	38.52
2020	74.05	74.35	76.18	74.70	70.70	70.98	71.32	72.70	73.78	75.71	74.98	76.50
2021	76.81	76.69	77.70	76.08	72.85	72.71	73.48	73.88	75.26	77.66	74.78	76.80
2022	77.70	77.31	79.96	77.27	73.68	74.12	75.90	74.74	76.69	79.10	78.00	78.21
2023	78.70	78.76	81.53	79.38	74.14	75.53	77.17	76.51	78.04	80.71	77.14	78.80
2024	79.35	79.42	83.14	78.16	74.55	77.78	78.40	78.83	78.61	81.03	78.55	80.29
2025	80.66	80.94	84.88	80.33	74.54	78.20	78.02	79.19	79.32	82.81	82.21	81.48
2026	81.35	82.42	85.28	80.69	75.34	79.31	79.11	79.94	79.12	83.81	83.41	82.47
2027	84.14	84.11	86.28	82.66	75.15	80.77	81.16	80.43	80.90	85.39	83.38	83.99
2028	85.29	85.01	88.67	85.07	74.43	82.57	82.76	81.19	82.83	87.08	84.33	86.82
2029	85.87	85.84	90.61	86.72	68.73	82.93	84.21	82.59	84.39	88.00	86.85	88.12
2030	87.21	88.28	92.46	86.89	66.43	83.64	84.89	85.17	84.95	89.89	88.91	89.94
2031	89.10	90.50	93.69	87.32	69.81	83.38	86.78	86.87	85.14	91.14	90.93	90.04
2032	90.57	92.00	95.23	88.76	70.97	84.75	88.21	88.41	86.54	92.64	92.44	91.53
2033	92.57	94.03	97.34	90.72	72.54	86.63	90.16	90.36	88.46	94.69	94.48	93.55
2034	94.30	95.84	99.27	92.47	73.93	88.30	91.80	92.10	90.18	96.02	95.30	94.38
2035	98.18	97.69	101.13	94.25	75.36	90.00	93.68	93.85	91.90	98.38	98.16	97.20
2036	97.77	96.31	102.80	96.81	76.61	91.49	95.22	95.43	93.42	100.00	99.78	98.83
2037	99.93	101.50	105.07	97.93	78.00	93.51	97.30	97.40	95.49	102.21	101.89	100.99
2038	101.86	103.46	107.10	99.92	79.01	95.31	99.20	99.42	97.33	104.19	103.95	102.93
2039	103.82	105.48	109.17	101.74	81.35	97.15	101.12	101.34	99.21	108.20	105.96	104.92
2040	105.54	107.20	110.97	103.42	82.69	98.76	102.79	103.02	100.85	107.95	107.71	106.65

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2015	3.77
2016	3.84
2017	3.91
2018	3.99
2019	4.07
2020	4.15
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.56
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42
2035	5.52
2036	5.63
2037	5.74
2038	5.85
2039	5.96
2040	6.08

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

MONTHLY SERVICE CHARGE

Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

INTERCONNECTION REQUIREMENTS (Continued)

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.

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA

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.

Definition of Community-Based

- 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.
- 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.

Definition of Family-Owned

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.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Concluded)

DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE PRICING UNDER THE STANDARD PPA (Continued)**Definition of Person(s) or Affiliated Person(s)**

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.

Definition of Same Site

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.

Definition of Shared Interconnection and Infrastructure

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.

OTHER DEFINITIONS**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

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

OTHER DEFINITIONS (Continued)

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.

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. 489A.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.

Definition of Environmental Attributes

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.

Definition of Resource Sufficiency Period

This is the period from the current year through 2020.

Definition of Resource Deficiency Period

This is the period from 2021 through 2034.

Definition of Renewable Resource Sufficiency Period

This is the period from the current year through 2019.

Definition of Renewable Resource Deficiency Period

This is the period from 2020 through 2034.

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

DISPUTE RESOLUTION

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:

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.

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.

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 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.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

Effective for service
on and after September 23, 2015

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

THIS AGREEMENT, entered into this 25th day, January
2016, is between Starvation Solar I LLC
("Seller") and Portland General Electric Company ("PGE") (hereinafter each a
"Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Harney _____ County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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 (SO_x), nitrogen oxides (NO_x), 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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with Bonneville Power Administration's electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period - the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the Effective Date Seller shall begin initial deliveries of Net Output; and

2.2.2. By the thirty-sixth month (36th) anniversary of the Effective Date Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 9,920 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 19,200,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 28,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of

this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

20.1. All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in

person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: Starvation Solar I LLC
c/o Jacob Stephens
3033 E Hawthorne St
Tucson, AZ 85716

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078

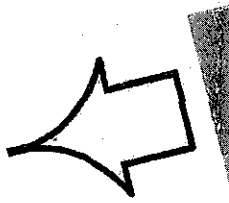
To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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

PGE

By: [Signature]
Name: Maria M. Pope
Title: SRVP Power Supply & Operations & Resource Strategy
Date: 1/25/2016



STARVATION SOLAR I LLC
(Name Seller)
By: [Signature]
Name: Jacob Stephens
Title: Authorized Representative
Date: 1/25/2016

PGE Approved By:	
Business Terms	<u>[Signature]</u>
Credit	<u>[Signature]</u>
Legal	<u>[Signature]</u>
Risk Mgt.	<u>[Signature]</u> for JB

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

Starvation Solar I is a photovoltaics-based solar generating facility which upon reaching full commercial operations have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty \leq [14MM/(module rating)].
2. Inverter AC Generator Units: Commercially-available string inverter (90kW-AC, nominal) convert DC to AC power, collected by AC wiring to switchboard. Each such collected aggregation of inverters shall constitute a single sub-generator for the facility, which once all aggregated shall constitute the entire generator for the facility.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (12.47 KV, nominally)
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement
2. Harney County CUP & Building Permits
3. BPA: Transmission Service Agreement
4. Additional as may be determined by Seller to be required for facility permitting, construction, and interconnection.

EXHIBIT C
START-UP TESTING

[Seller identify appropriate tests]

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	26.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.06	31.90	36.26	32.21	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.86	33.83	34.82	37.63
2018	36.48	34.80	31.19	29.53	28.71	26.87	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	90.01	90.80	89.69	91.31	104.33	109.84	91.65	94.79	91.02	80.75	91.10	90.77
2021	91.63	92.46	91.64	93.60	105.26	110.91	93.15	96.99	93.38	93.37	92.70	92.70
2022	93.68	93.76	93.13	94.96	109.63	114.13	93.07	97.80	94.14	95.42	94.37	94.02
2023	95.65	95.40	94.17	96.50	111.26	116.40	95.15	98.86	95.95	97.21	95.63	96.46
2024	97.23	97.75	96.73	97.65	108.30	117.33	97.35	101.95	98.68	98.48	97.92	98.07
2025	99.10	99.12	98.31	100.06	110.92	119.16	98.24	105.55	100.78	100.27	99.79	100.25
2026	100.57	101.09	99.38	101.04	112.20	119.15	102.18	108.65	103.12	101.05	101.43	101.63
2027	102.26	102.59	100.83	103.03	115.02	120.12	102.88	109.14	103.72	103.12	102.13	102.82
2028	103.68	103.34	101.86	104.33	112.95	122.67	104.44	109.88	104.55	105.12	103.60	104.56
2029	105.79	105.38	103.96	105.98	114.07	124.22	106.94	112.24	108.45	106.07	105.40	105.83
2030	107.13	106.53	106.06	107.76	114.95	127.70	108.39	113.63	109.08	107.05	106.85	107.79
2031	108.69	107.80	107.47	109.33	116.28	128.44	109.64	116.02	110.47	109.12	108.50	110.22
2032	110.36	110.11	108.39	111.18	118.61	128.41	111.91	118.67	111.84	110.49	110.33	111.16
2033	112.90	111.08	110.05	112.92	120.45	128.96	113.31	119.87	113.39	111.85	112.52	112.91
2034	114.73	112.87	111.66	115.44	121.12	132.66	115.58	121.34	115.09	114.26	114.22	115.22
2035	117.24	114.47	113.77	117.41	122.07	132.79	118.17	124.75	117.70	115.81	116.14	117.31
2036	118.22	115.79	115.67	119.90	124.14	134.40	120.45	126.78	119.82	116.92	117.61	118.60
2037	119.91	118.45	117.83	122.26	126.19	135.53	123.87	131.76	123.11	118.70	120.69	120.39
2038	122.36	120.87	119.99	124.68	129.66	137.52	125.74	134.93	123.85	121.13	122.49	122.34
2039	124.04	122.45	121.73	126.00	132.47	140.16	126.54	133.23	124.53	123.29	124.46	124.08
2040	125.65	124.33	123.44	128.77	133.66	142.06	129.44	135.37	126.71	125.04	126.71	126.61

Effective for service
on and after September 23, 2015

Portland General Electric Company

Sheet No. 201-18

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.89	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	19.23	15.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.60	38.36
2020	68.58	67.81	70.03	66.95	51.47	41.59	66.31	63.57	67.34	67.56	68.43	67.52
2021	71.70	70.03	70.67	68.13	54.41	44.45	68.58	64.91	68.43	69.50	69.36	69.20
2022	72.83	72.10	72.50	70.14	52.58	43.90	73.59	66.03	71.26	70.61	70.94	71.27
2023	74.08	73.80	75.03	73.19	51.34	44.74	74.72	68.53	72.72	72.11	72.75	73.03
2024	74.27	73.88	76.02	73.85	58.94	50.44	74.10	67.73	72.49	72.53	73.47	74.32
2025	76.37	76.84	78.49	75.22	60.00	52.58	76.18	69.30	74.23	74.75	76.80	74.78
2026	78.55	78.33	81.13	78.05	64.87	53.28	76.32	71.90	76.57	77.89	78.72	77.07
2027	81.57	80.52	82.48	79.59	65.36	56.20	79.64	72.83	78.65	80.47	80.82	79.73
2028	83.33	83.05	84.80	82.68	69.45	56.44	82.37	73.98	81.24	81.50	82.54	82.21
2029	84.45	85.45	86.98	85.41	72.98	59.37	84.03	75.52	82.32	84.06	85.12	85.43
2030	87.14	88.37	89.47	86.42	76.31	62.56	85.40	78.15	85.63	87.25	87.66	87.28
2031	89.62	91.21	92.09	88.87	79.11	66.01	88.30	81.26	87.31	89.03	90.93	87.50
2032	91.36	92.90	94.09	90.37	81.83	66.80	89.22	81.75	89.34	92.12	91.54	90.26
2033	94.30	96.19	97.29	93.45	84.73	71.50	93.78	83.69	92.81	95.63	94.00	93.33
2034	96.65	98.62	99.97	95.91	86.88	71.32	95.58	86.58	95.37	97.26	96.55	96.04
2035	97.26	101.39	102.07	98.18	90.58	76.12	97.06	86.87	97.82	99.24	98.90	98.15
2036	100.30	103.84	104.15	98.13	92.11	81.09	97.21	87.79	98.23	102.10	102.08	99.77
2037	103.90	106.19	107.32	100.80	96.72	82.63	98.42	89.65	99.63	105.58	103.83	103.24
2038	106.63	108.17	109.11	102.76	97.37	85.19	101.14	90.69	103.90	108.20	105.75	105.85
2039	109.65	111.37	112.13	106.34	98.97	86.96	106.48	96.20	108.22	110.60	108.44	108.86
2040	112.13	113.43	114.50	108.34	100.07	89.08	107.33	97.98	110.92	112.29	110.09	110.91

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 25th day, January 2016, is between TYGH VALLEY SOLAR I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Wasco County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt-AC ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with Bonneville Power Administration's electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours

during the applicable period – the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: $((\text{Mid-C Index Price} - \text{Contract Price}) \times \text{curtailed energy})$ for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the Effective Date Seller shall begin initial deliveries of Net Output; and

2.2.2. By the thirty-six (36) month anniversary of the Effective Date, *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.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 9,920 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 18,500,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 27,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in

effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. 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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Tygh Valley Solar I LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

and a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho

greg@richardsonadams.com

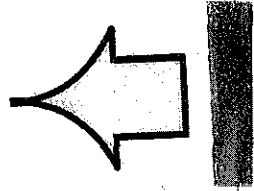
To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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

PGE

By: *MP*
Name: Maria M. Pope
Title: SRVP Power Supply & Operations & Resource Strategy
Date: 1/25/2016



TYGH VALLEY SOLAR I LLC
(Name Seller)
By: *JH*
Name: Jacob Stephens
Title: Authorized Representative
Date: 1/25/2016

PGE Approved By:	
Business Terms	<i>JM</i>
Credit	<i>MP</i>
Legal	<i>VJB</i>
Risk Mgt.	<i>MP for JB</i>

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

TYGH VALLEY Solar I is a photovoltaics-based solar generating facility which upon reaching full commercial operations have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty <= [14MM/(module rating)].

2. Inverter AC Generator Units: Commercially-available string inverter (90kW-AC, nominal) convert DC to AC power, collected by AC wiring to switchboard. Each such collected aggregation of inverters shall constitute a single sub-generator for the facility, which once all aggregated shall constitute the entire generator for the facility.

3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (12.47 KV, nominally)

4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement
2. Wasco County CUP & Building Permits
3. BPA: Transmission Service Agreement
4. Additional as may be determined by Seller to be required for facility permitting, construction, and interconnection.

EXHIBIT C
START-UP TESTING

Seller-identified start-up tests

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

EXHIBIT D SCHEDULE

Portland General Electric Company

Sheet No. 201-17

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.08	31.90	36.26	32.22	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.86	33.83	34.92	37.63
2018	36.46	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	80.01	90.80	89.69	91.31	104.33	109.84	91.65	94.79	91.02	90.75	91.10	90.77
2021	91.63	92.46	91.64	93.60	105.26	110.91	93.15	96.99	93.38	93.37	92.70	92.70
2022	93.66	93.76	93.13	94.96	109.63	114.13	93.07	97.80	94.14	95.42	94.37	94.02
2023	95.65	95.40	94.17	96.50	111.28	116.40	95.15	98.88	95.95	97.21	95.93	96.48
2024	97.23	97.75	96.73	97.65	108.30	117.33	97.35	101.95	99.68	98.48	97.92	98.07
2025	99.10	99.12	98.31	100.06	110.92	119.16	99.24	105.55	100.78	100.27	99.79	100.25
2026	100.57	101.09	99.38	101.04	112.20	119.15	102.18	106.65	102.12	101.05	101.43	101.63
2027	102.25	102.59	100.83	103.03	115.03	120.12	102.88	109.14	103.72	103.12	102.13	102.82
2028	103.68	103.34	101.86	104.33	112.95	122.67	104.44	109.68	104.55	105.12	103.80	104.56
2029	105.79	105.38	103.96	105.98	114.07	124.22	106.94	112.24	108.46	106.07	105.40	105.83
2030	107.13	106.53	106.06	107.76	114.95	127.70	108.39	113.63	109.08	107.05	106.85	107.79
2031	108.69	107.80	107.47	109.33	116.28	128.44	109.64	116.02	110.47	109.12	108.50	110.22
2032	110.36	110.11	108.39	111.18	118.61	128.41	111.91	118.67	111.94	110.49	110.33	111.16
2033	112.90	111.08	110.05	112.92	120.45	128.96	113.31	119.87	113.39	111.85	112.52	112.91
2034	114.73	112.87	111.66	115.44	121.12	132.66	115.58	121.34	115.09	114.26	114.22	115.22
2035	117.24	114.47	113.77	117.41	122.07	132.79	118.17	124.75	117.70	115.81	116.14	117.31
2036	118.22	115.79	115.87	119.90	124.14	134.40	120.45	128.78	119.82	116.92	117.61	118.60
2037	119.91	118.45	117.83	122.26	125.19	135.53	123.87	131.76	123.11	118.70	120.69	120.39
2038	122.38	120.87	119.99	124.68	129.66	137.52	125.74	134.93	123.85	121.13	122.49	122.34
2039	124.04	122.45	121.73	126.00	132.47	140.16	126.54	133.23	124.63	123.29	124.46	124.08
2040	125.65	124.33	123.44	128.77	133.86	142.06	129.44	135.37	126.71	125.04	126.71	126.61

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.99	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	19.23	15.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.59	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.60	38.36
2020	68.58	67.81	70.03	66.95	51.47	41.59	66.31	63.57	67.34	67.56	68.43	67.52
2021	71.70	70.03	70.67	68.13	64.41	44.46	68.58	64.91	68.43	69.50	69.36	69.20
2022	72.83	72.10	72.50	70.14	62.58	43.90	73.59	66.03	71.26	70.61	70.84	71.27
2023	74.08	73.80	75.03	73.19	61.34	44.74	74.72	68.53	72.72	72.11	72.75	73.03
2024	74.27	73.88	76.02	73.85	58.94	50.44	74.10	67.73	72.49	72.53	73.47	74.32
2025	76.37	76.84	78.49	75.22	60.00	52.58	76.18	69.30	74.23	74.75	76.80	74.78
2026	78.55	78.33	81.13	78.05	64.67	53.28	76.32	71.90	76.57	77.89	78.72	77.07
2027	81.57	80.52	82.48	79.59	65.36	56.20	79.64	72.83	78.65	80.47	80.82	79.73
2028	83.33	83.05	84.80	82.69	69.45	56.44	82.37	73.98	81.24	81.50	82.54	82.21
2029	84.45	85.45	86.98	85.41	72.98	59.37	84.03	75.52	82.32	84.06	85.12	85.43
2030	87.14	88.37	89.47	86.42	76.31	62.56	85.40	78.15	85.83	87.25	87.66	87.28
2031	89.62	91.21	92.09	88.87	79.11	66.01	88.30	81.26	87.31	89.03	90.93	87.50
2032	91.36	92.90	94.09	90.37	81.83	66.80	89.22	81.75	89.34	92.12	91.54	90.26
2033	94.30	96.19	97.29	93.45	84.73	71.50	93.78	83.69	92.81	95.63	94.00	93.33
2034	96.65	98.62	99.97	95.91	86.88	71.32	95.58	86.58	95.37	97.26	96.55	96.04
2035	97.26	101.39	102.07	98.18	90.58	76.12	97.06	86.87	97.82	99.24	98.90	98.15
2036	100.30	103.84	104.15	98.13	92.11	81.09	97.21	87.79	98.23	102.10	102.08	99.77
2037	103.90	106.19	107.32	100.80	96.72	82.63	98.42	89.65	99.63	105.58	103.83	103.24
2038	106.63	108.17	109.11	102.76	97.37	85.19	101.14	90.69	103.90	108.20	105.75	105.85
2039	109.65	111.37	112.13	106.34	98.97	86.96	106.48	96.20	108.22	110.80	108.44	108.86
2040	112.13	113.43	114.50	108.34	100.07	89.08	107.33	97.98	110.92	112.29	110.09	110.91

Effective for service
on and after September 23, 2015

STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this 25th day, January 2016, is between WASCO SOLAR I LLC ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a photovoltaics-based solar generation facility for the generation of electric power located in Wasco County, Oregon with a Nameplate Capacity Rating of 10,000 kilowatt-AC ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

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.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

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

1.1. "As-built Supplement" 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.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year)

1.3. "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.

1.4. "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.

1.5. "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:

1.5.1. (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);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.36;

1.5.3. (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;

1.5.4. (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;

1.5.5. (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;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "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.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "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.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with Wasco Electric Cooperative's electric system.

1.12. "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.

1.13. "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.

1.14. "Licensed Professional Engineer" or "LPE" 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.

1.15. "Lost Energy" means "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.

1.16. "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).

1.17. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

1.18. "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.

1.19. "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.

1.20. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.21. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.

1.22. "Number of Units" means the number of Generation Units in the Facility as specified in Exhibit A.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "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.

1.26. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.27. "Point of Delivery" means the PGE system.

1.28. "Pre-Commercial Operation Date Minimum Net Output" shall mean, unless such MWh is specifically set forth by Seller in Exhibit A, an amount in MWh equal to seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)) for each month. If Seller has provided specific expected monthly Net Output amounts for the Facility in Exhibit A, "Pre-Commercial Operation Date Minimum Net Output" shall mean seventy-five percent (75%) X expected net output set forth in Exhibit A for each month.

1.29. "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.

1.30. "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 Western Electricity Coordinating Council 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 laws and regulations. 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 immediate preceding sentence.

1.31. "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.

1.32. "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.

1.33. "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.

1.34. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.35. "Start-Up Lost Energy Value" means for the period after the date specified in Section 2.2.2 but prior to achievement of the Commercial Operation Date: zero, unless the Net Output is less than the pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable delay period, and the time-weighted average of the delay period's Mid-C Index Price for On-Peak Hours and Off-Peak Hours is greater than the time-weighted average of the delay period's Contract Price for On-Peak Hours and Off-Peak Hours, in which case Startup Lost Energy Value equals: (pro-rated Pre-Commercial Operation Date Minimum Net Output for the applicable period - Net Output for the applicable period) X (the lower of: the time-weighted average of the Contract Price for On-Peak hours and Off-Peak Hours during the applicable period; or (the time-weighted average of the Mid-C Index Price for On-Peak Hours and Off-Peak Hours during the applicable period - the time-weighted average of the Contract Price for On-Peak Hours and Off-Peak Hours during the applicable period)). The time-weighted

average in this section will reflect the relative proportions of On-Peak Hours and Off-Peak Hours in each day.

1.36. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.37. "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.

1.38. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.39. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.40. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.41. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery (for any reason other than Force Majeure).

1.42. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: $((\text{Mid-C Index Price} - \text{Contract Price}) \times \text{curtailed energy})$ for periods of Transmission Curtailment.

1.43. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.44. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By thirty-five (35) months after the Effective Date Seller shall begin initial deliveries of Net Output; and

2.2.2. By the thirty-six (36) month anniversary of the Effective Date, *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.

2.2.3. Unless the Parties agree in writing that a later Commercial Operation Date is reasonable and necessary, the Commercial Operation Date shall be no more than three (3) years from the Effective Date. PGE will not unreasonably withhold agreement to a Commercial Operation Date that is more than three (3) years from the Effective date if the Seller has demonstrated that a later Commercial Operation Date is reasonable and necessary.

2.3. This Agreement shall terminate on the completion of the last day of the sixteenth contract year, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a Limited Liability Corporation duly organized under the laws of Delaware.

3.1.2. 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.

3.1.3. 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.

3.1.4. 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.

3.1.5. 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.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is 9,920 kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is 18,500,000 kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. 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

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. 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.

3.1.10.4. 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.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of 27,000,000 kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. 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.

3.1.14. 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.

3.1.15. 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.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1. 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.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. 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. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. 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.

4.4. 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. 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 customary 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. 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.

4.5. During the Renewable Resource Deficiency Period, 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, and any period within the Term of this Agreement after completion of the first fifteen (15) years after the Commercial Operation Date, 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.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. 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. 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.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. 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.

SECTION 6: CREDITWORTHINESS

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.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. 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. 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. 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.

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

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. 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.

8.1.3. 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.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

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.

8.3. 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 non-defaulting 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.

8.4. 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.

8.5. 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.

8.6. Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Section 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. 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.

10.2. 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.

10.3. 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 individual or entity.

10.4. 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.

SECTION 11: INSURANCE

11.1. 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.

11.2. 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.

11.3. 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.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of 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.

12.2. 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:

12.2.1. 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

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

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

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

SECTION 13: SEVERAL OBLIGATIONS

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

SECTION 14: CHOICE OF LAW

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

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

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.

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.

SECTION 16: WAIVER

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

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

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

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld.

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.

SECTION 19: ENTIRE AGREEMENT

19.1. 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.

19.2. 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.

SECTION 20: NOTICES

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

To Seller: Wasco Solar I LLC
3500 South DuPont Highway
Dover, DE 19901
jstephens@newsunenergy.net

with a copy to: Stephane Nguyen
c/o Reed Smith
1901 Avenue of the Stars #700
Los Angeles, CA 90067-6078
snguyen@reedsmith.com

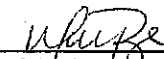
and a copy to: Greg Adams
c/o Richardson Adams, PLLC
515 N. 27th Street, 83702
P.O. Box 7218, 83707
Boise, Idaho
greg@richardsonadams.com

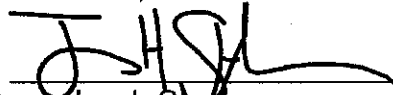
To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

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: Maria M. Pope
Title: SRVP Power Supply & Operations & Resource Strategy
Date: 1/25/2016

WASCO SOLAR I LLC
(Name Seller)
By: 
Name: Jacob Stephens
Title: Authorized Representative
Date: 1/25/2016





PGE Approved By:	
Business Terms	
Credit	
Legal	
Risk Mgt.	

EXHIBIT A DESCRIPTION OF SELLER'S FACILITY

WASCO Solar I is a photovoltaics-based solar generating facility which upon reaching full commercial operations have nameplate capacity of 10 MW-AC net output at the point of interconnection subject to available solar energy input. The facility will consist of the following primary equipment:

1. PV Modules - Commercially-available photovoltaic modules for utility-scale DC energy production. Nominal per module DC production rating of 350W +/-50W-DC. Qty \leq [14MM/(module rating)].
2. Inverter AC Generator Units: Commercially-available string inverter (90kW-AC, nominal) convert DC to AC power, collected by AC wiring to switchboard. Each such collected aggregation of inverters shall constitute a single sub-generator for the facility, which once all aggregated shall constitute the entire generator for the facility.
3. Pad-mounted transformers: for each sub-generator shall transform inverter output voltage to plant AC collection voltage (12.47 KV, nominally)
4. Racking systems, commercially-available, will mount the PV Modules and direct them and control their angle to receive light from the sun. Racking systems will be arranged in generally uniform rows on the facility site.
5. Additional interconnection, transformation, switching, storage, metering, communications, tie-line, and meteorological observations facilities as may be required, subject to final interconnection, permitting, and design requirements.

**EXHIBIT B
REQUIRED FACILITY DOCUMENTS**

1. Seller's Generation Interconnection Agreement
2. Wasco County CUP & Building Permits
3. BPA: Transmission Service Agreement
4. Additional as may be determined by Seller to be required for facility permitting, construction, and interconnection.

EXHIBIT C START-UP TESTING

Seller-identified start-up tests

As part of the start-up of Facility, Seller will perform the following tests, in addition to any further tests deemed required in coordination with EPC contractor (the Facility's manufacturer) and primary supply vendors (PV modules, inverters, transformers) and interconnecting utility. This will include required factory 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). This will include required start-up tests and checks which 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. Validation of mechanical assembly completion for sign-off on EPC vendor warranty of mechanical completion and workmanship, including racking system, wiring (module connections, DC collection, string terminations, inverter connections to collected strings, AC delivery to switchboard and step-up/collection transformers, and AC collection system deliver to interconnection facilities), inverter mounting, and module installation.
2. Electrical performance validation by facility PV string and sub-generator, per insolation input, including:
 - a) DC wiring inputs to inverters
 - b) AC wiring delivery to transformers
3. Inverter Commissioning, per manufacturer specifications, including commissioning report;
4. Facility daily start-up and shut-down automation confirmed;
5. Energization of transformers;
6. Full system performance test;
7. Interconnection facilities: Commissioning of on-site, tie-line, and off-site interconnection facilities (as applicable), including switchyard, substation, breakers, and metering equipment (as applicable), in coordination with interconnecting utility and performing electrical contractor;
8. Cataloguing of installed equipment on-site, including primary equipment serial numbers and manufacturer information for O&M documentation;
9. Complete pre-parallel checks with PGE;
10. Test energy delivery and metering checks.
11. Excitation and voltage regulation operation tests per insolation inputs.
12. Meteorological station commissioning and report;
13. Facility communications equipment commissioning and report; and
14. Other tests as may be required by equipment manufacturers.

EXHIBIT D
SCHEDULE

[Attach currently in-effect Schedule 201]

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	31.13	25.13	26.13	21.88	22.88	25.13	33.13	34.73	29.63	27.38	28.88	33.13
2016	31.43	30.01	26.93	25.51	24.81	23.06	31.90	26.26	32.22	30.97	31.97	34.43
2017	34.12	32.56	29.20	28.13	27.35	25.40	34.51	39.26	34.86	33.83	34.92	37.63
2018	36.46	34.80	31.19	29.53	28.71	26.67	37.01	42.11	37.38	35.92	37.09	39.97
2019	38.14	36.40	32.63	30.89	30.03	27.89	38.72	44.06	39.11	37.58	38.80	41.81
2020	90.01	90.80	89.69	91.31	104.33	109.84	91.65	94.79	91.02	90.75	91.10	90.77
2021	91.93	92.46	91.64	93.60	105.26	110.91	93.15	96.99	93.38	93.37	92.70	92.70
2022	93.66	93.76	93.13	94.96	109.63	114.13	93.07	97.80	94.14	95.42	94.37	94.02
2023	95.65	95.40	94.17	96.50	111.28	116.40	95.15	98.86	95.95	97.21	95.93	96.48
2024	97.23	97.75	96.73	97.65	108.30	117.33	97.35	101.95	99.68	98.48	97.92	98.07
2025	99.10	99.12	98.31	100.06	110.92	119.16	99.24	105.55	100.78	100.27	99.79	100.25
2026	100.57	101.09	99.38	101.04	112.20	119.15	102.18	106.65	102.12	101.05	101.43	101.83
2027	102.25	102.59	100.83	103.03	115.03	120.12	102.88	109.14	103.72	103.12	102.13	102.82
2028	103.68	103.34	101.88	104.33	112.95	122.67	104.44	109.68	104.55	105.12	103.60	104.56
2029	105.79	105.38	103.96	105.98	114.07	124.22	106.94	112.24	108.46	106.07	105.40	105.83
2030	107.13	106.53	106.06	107.76	114.95	127.70	108.39	113.63	109.08	107.05	106.86	107.79
2031	108.69	107.80	107.47	109.33	116.28	128.44	109.64	116.02	110.47	109.12	108.50	110.22
2032	110.36	110.11	108.39	111.18	118.61	128.41	111.91	118.67	111.94	110.49	110.33	111.16
2033	112.80	111.08	110.05	112.92	120.45	128.96	113.31	119.87	113.39	111.85	112.52	112.91
2034	114.73	112.87	111.66	115.44	121.12	132.66	115.58	121.34	115.09	114.26	114.22	115.22
2035	117.24	114.47	113.77	117.41	122.07	132.79	118.17	124.75	117.70	115.81	116.14	117.31
2036	118.22	115.79	115.87	119.90	124.14	134.40	120.45	128.78	119.82	116.92	117.61	118.60
2037	119.91	118.45	117.83	122.26	126.19	135.53	123.87	131.76	123.11	118.70	120.89	120.39
2038	122.36	120.87	119.99	124.68	129.66	137.52	125.74	134.93	123.85	121.13	122.49	122.34
2039	124.04	122.45	121.73	126.00	132.47	140.16	126.54	133.23	124.63	123.29	124.48	124.08
2040	125.65	124.33	123.44	128.77	133.86	142.08	129.44	135.37	126.71	125.04	126.71	126.61

Effective for service
on and after September 23, 2015

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	26.88	20.38	20.88	15.88	17.88	19.13	23.88	26.13	25.63	23.13	25.38	28.38
2016	27.06	25.99	23.32	18.54	16.65	13.43	23.13	27.74	25.51	27.30	27.97	30.11
2017	30.27	29.06	26.04	21.47	19.23	15.43	25.37	30.49	28.02	29.93	30.67	33.03
2018	32.60	31.29	28.03	22.20	19.89	15.96	27.80	33.43	30.71	32.89	33.71	36.32
2019	34.42	33.04	29.99	23.42	20.98	16.82	29.35	35.30	32.42	34.73	35.60	38.38
2020	68.58	67.81	70.03	66.95	51.47	41.59	66.31	63.57	67.34	67.56	68.43	67.52
2021	71.70	70.03	70.67	68.13	54.41	44.45	68.58	64.91	68.43	69.50	69.36	69.20
2022	72.83	72.10	72.50	70.14	52.58	43.90	73.59	66.03	71.26	70.61	70.94	71.27
2023	74.08	73.80	75.03	73.19	51.34	44.74	74.72	68.53	72.72	72.11	72.75	73.03
2024	74.27	73.88	76.02	73.85	58.94	50.44	74.10	67.73	72.49	72.53	73.47	74.32
2025	76.37	76.84	78.49	75.22	60.00	52.58	76.18	69.30	74.23	74.75	76.80	74.78
2026	78.55	78.33	81.13	78.05	64.87	53.28	76.32	71.90	76.57	77.89	78.72	77.07
2027	81.57	80.52	82.46	79.59	65.36	58.20	79.64	72.83	78.65	80.47	80.82	79.73
2028	83.33	83.05	84.80	82.68	69.45	56.44	82.37	73.98	81.24	81.50	82.54	82.21
2029	84.45	85.45	86.98	85.41	72.98	59.37	84.03	75.52	82.32	84.06	85.12	85.43
2030	87.14	88.37	89.47	86.42	76.31	62.56	85.40	78.15	85.83	87.25	87.66	87.28
2031	89.62	91.21	92.09	88.87	79.11	66.01	88.30	81.26	87.31	89.03	90.93	87.50
2032	91.36	92.90	94.09	90.37	81.83	68.80	89.22	81.75	89.34	92.12	91.54	90.26
2033	94.30	96.19	97.29	93.45	84.73	71.50	93.78	83.69	92.81	95.63	94.00	93.33
2034	96.65	98.62	99.97	95.91	86.88	71.32	95.58	86.58	95.37	97.26	96.55	96.04
2035	97.26	101.39	102.07	98.18	90.58	76.12	97.06	86.87	97.82	99.24	98.90	98.15
2036	100.30	103.84	104.15	99.13	92.11	81.09	97.21	87.79	98.23	102.10	102.08	99.77
2037	103.90	106.19	107.32	100.80	95.72	82.63	98.42	89.65	99.63	105.58	103.83	103.24
2038	106.63	108.17	109.11	102.76	97.37	85.19	101.14	90.69	103.90	108.20	105.75	105.85
2039	109.65	111.37	112.13	108.34	98.97	86.96	106.48	96.20	108.22	110.60	108.44	108.86
2040	112.13	113.43	114.50	108.34	100.07	89.08	107.33	97.98	110.92	112.29	110.09	110.91

Effective for service
on and after September 23, 2015