



e-FILING REPORT COVER SHEET

Send completed Cover Sheet and the Report in an email addressed to:
PUC.FilingCenter@state.or.us

REPORT NAME: Qualifying Facilities Transactions

COMPANY NAME: Pacific Power

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water) RO (Other)

Report is required by: OAR 860-029-0020

Statute

Order

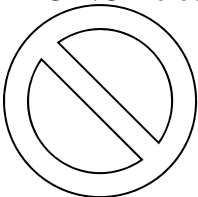
Other

Is this report associated with a specific docket/case? No Yes

If yes, enter docket number: RE 142

List applicable Key Words for this report to facilitate electronic search:
Qualifying Facility

DO NOT electronically file with the PUC Filing Center:



- Annual Fee Statement form and payment remittance or
- OUS or RSPF Surcharge form or surcharge remittance or
- Any other Telecommunications Reporting or
- Any daily safety or safety incident reports or
- Accident reports required by ORS 654.715

Please file the above reports according to their individual instructions.

March 19, 2019

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

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: RE 142 – Informational Filing on Qualifying Facility Transactions

In accordance with OAR 860-029-0020(1), PacifiCorp d/b/a Pacific Power submits a copy of an executed qualifying facility (QF) power purchase agreement (PPA), as listed on Attachment A. The confidential and redacted versions of the QF PPA are provided on the enclosed CDs.

QF PPAs are entered into under the Public Utility Regulatory Policies Act of 1978 (PURPA). Under OAR 860-029-0020(1), public utilities must file a true copy of executed PPAs between the utility and PURPA QFs.

If you have any questions, please contact Cathie Allen at (503) 813-5934.

Sincerely,



Etta Lockey
Vice President, Regulation

Enclosures

cc: Brittany Andrus, PUC Staff

RE 142

Informational Filing – QF Agreements

March 19, 2019

Attachment A

Oregon / PacifiCorp

Docket: RE-142 – Informational Filing

Qualifying Facility (QF) Agreements per OAR 860-029-0020(1)

<p>Oregon Qualifying Facility (QF) Agreements</p>
<p>** NON-CONFIDENTIAL **</p>
<p>Roseburg Forest Products Company – Dillard (Redacted)</p>

<p>Oregon Qualifying Facility (QF) Agreements</p>
<p>** CONFIDENTIAL **</p>
<p>Roseburg Forest Products Company – Dillard</p>

POWER PURCHASE AGREEMENT

BETWEEN

ROSEBURG FOREST PRODUCTS CO.

AND

PACIFICORP

TABLE OF CONTENTS

SECTION 1 DEFINITIONS; RULES OF INTERPRETATION	3
SECTION 2 TERM; EFFECTIVE DATE	10
SECTION 3 REPRESENTATIONS AND WARRANTIES.....	10
SECTION 4 DELIVERY OF POWER.....	12
SECTION 5 PURCHASE PRICES AND LIQUIDATED DAMAGES.....	14
SECTION 6 OPERATION AND CONTROL	14
SECTION 7 METERING	18
SECTION 8 BILLINGS; COMPUTATION AND PAYMENTS.....	19
SECTION 9 CREDIT, SECURITY	19
SECTION 10 DEFAULTS AND REMEDIES.....	20
SECTION 11 INDEMNIFICATION, LIABILITY, AND INSURANCE.....	22
SECTION 12 FORCE MAJEURE.....	23
SECTION 13 SEVERAL OBLIGATIONS.....	24
SECTION 14 CHOICE OF LAW	24
SECTION 15 PARTIAL INVALIDITY.....	24
SECTION 16 WAIVER.....	24
SECTION 17 GOVERNMENTAL AUTHORIZATIONS; REPEAL OF PURPA.....	24
SECTION 18 SUCCESSORS AND ASSIGNS	25
SECTION 19 ENTIRE AGREEMENT	245
SECTION 20 WAIVER OF JURY TRIAL.....	245
SECTION 21 NOTICES	255
SECTION 22 CONFIDENTIALITY	27

EXHIBITS

- Exhibit A: Description Of Facilities
- Exhibit B: Seller's Interconnection Facilities
- Exhibit C: Required Facility Documents
- Exhibit D: Monthly Energy Delivery Estimate & Anticipated Monthly Maintenance Schedules
- Exhibit D-1: Form of Energy Delivery Forecast
- Exhibit E: Reserved
- Exhibit F: Required Insurance
- Exhibit G: Qualified Reporting Entity (QRE) Services Agreement
- Exhibit H: NERC Event Types
- Exhibit I: Contract Prices
- Exhibit J: Seller Authorization To Release Generation Data To PacifiCorp

AGREEMENT

THIS POWER PURCHASE AGREEMENT (the “Agreement”), entered into this 28th day of February 2019, is by and between Roseburg Forest Products Co., an Oregon corporation (“Seller”), and PacifiCorp, an Oregon corporation (“PacifiCorp”), each individually, a “Party” and collectively, the “Parties.”

RECITALS

A. Seller owns, operates and maintains a multiple-shaft steam generation facility for the generation of electric power, including interconnection facilities, located in Dillard, Oregon, in Douglas County with a Facility Capacity Rating of [REDACTED] (kW) as further described in **Exhibit A** and **Exhibit B** (“Facility”);

B. The Parties previously entered into that certain power purchase agreement dated February 26, 2018, as further amended December 27, 2018 (the “Prior PPA”), which terminates by its terms on February 28, 2019;

C. Upon the expiration of the Prior PPA, Seller desire to continue to sell Net Output surplus to its electric power needs served behind the Point of Interconnection at the Facility site to PacifiCorp, when available, and purchase partial electric requirements service from PacifiCorp through its retail tariff, or equivalent under Oregon’s direct access, and such station use will be metered and billed separately, in accordance with the terms and conditions of this Agreement;

D. Seller intends to continue to operate the Facility as a Qualifying Facility (“QF”), as such term is defined in Section 3.2.6 below, under the Public Utility Regulatory Policies Act of 1978 (“PURPA”); and

E. PacifiCorp agrees to purchase the Net Output and associated Green Tags from the Facility in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1
DEFINITIONS; RULES OF INTERPRETATION

1.1 **Definitions.** When used in this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to any entity, each entity that directly or indirectly controls, is controlled by, or is under common control with, such designated entity, with “control” meaning the possession, directly or indirectly, of the power to direct management and policies, whether through the ownership of voting securities or by contract or otherwise. Notwithstanding the foregoing, with respect to PacifiCorp, Affiliate shall only include Berkshire Hathaway Energy Company and its direct, wholly owned subsidiaries.

“**Billing Period**” means a calendar month.

“Business Day” means any day on which banks in Portland, Oregon, are not authorized or required by Requirements of Law to be closed, beginning at 6:00 a.m. and ending at 5:00 p.m. local time in Oregon.

“Commission” means the Oregon Public Utility Commission.

“Contract Price” means the applicable price, expressed in \$/MWh for Net Output and associated Green Tags stated in Section 5.1.

“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 Effective Date and end on December 31 of that calendar year, and the last Contract Year shall end on the Termination Date.

“Credit Requirements” means a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (a) BBB+ or greater from S&P, or (b) Baa1 or greater from Moody's, and if such ratings are split, the lower of the two ratings must be at least ‘BBB+’ or ‘Baa1’ from S&P or Moody's, respectively; provided that if (a) or (b) is not available, an equivalent rating as determined by PacifiCorp through an internal process review and utilizing a proprietary credit scoring model developed in conjunction with a third party.

“Default Security” means the amount of either a Letter of Credit or cash placed in an escrow account equal to the payments PacifiCorp would make for three (3) months based on an average month provided in Exhibit D over the Term of this Agreement at the average of the On-Peak Price and Off-Peak Price over the Term of this Agreement.

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

“Electric System Authority” means each of NERC, WECC, WREGIS, an RTO, a regional or sub-regional reliability council or authority, and any other similar council, corporation, organization or body of recognized standing with respect to the operations of the electric system in the WECC region, as such are applicable to the Seller or PacifiCorp.

“Energy Delivery Forecast” shall have the meaning set forth in Section 4.6.

“Environmental Attributes” means 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: (a) except as provided in (iii) below, 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 (b) 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 or any Governmental Authority to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) any tax credits associated with the construction, ownership or operation of the Facility, (ii) any fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion

of local environmental benefits, or (iii) emission reduction credits encumbered or used by the Facility for compliance with local, state, or federal operating and/or air quality permits.

“**Event of Default**” shall have the meaning as set forth in Section 10.

“**Excess Output**” means energy delivered to PacifiCorp at the Point of Delivery in excess of the Maximum Monthly Delivery (as defined in Section 4.4) on a monthly basis.

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

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

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

“**Firm Market Price Index**” means (a) the average price reported by Intercontinental Exchange, Inc. (“ICE”) Day-Ahead Mid-C On-Peak Index, for On-Peak Hours, and (b) the average price reported on the ICE Day-Ahead Mid-C Off-Peak Index, for Off-Peak Hours. If either index is not available for a given period, for purposes of calculations hereunder, the Firm Market Price Index shall be deemed to equal the volumetrically-weighted average price derived from data published by ICE for the same number of days immediately preceding and immediately succeeding the period in which the index in question was not available, regardless of which days of the week are used for this purpose. If the Firm Market Price Index or its replacement or any component of that index or its replacement ceases to be published or available, or useful for its intended purpose hereunder, during the Term, the Parties shall agree upon a replacement Firm Market Price Index or component that, after any necessary adjustments, provides the most reasonable substitute quotation of the daily price of electricity for the applicable periods.

“**Forced Outage**” means NERC Event Types U1, U2 and U3, as set forth in attached **Exhibit H**, and specifically excludes any Maintenance Outage or Planned Outage.

“**Generation Interconnection Agreement**” means the Large Generator Interconnection Agreement entered into separately between Seller and the Transmission Provider, providing for the construction and operation of the interconnection facilities at the Point of Delivery, which agreement is listed in **Exhibit C**.

“**Governmental Authority**” means any supranational, federal, state or other political subdivision thereof, having jurisdiction over Seller, PacifiCorp or this Agreement, including any municipality, township or county, and any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any corporation or other entity owned or controlled by any of the foregoing.

“**Green Tags**” means (a) the Environmental Attributes associated with all Net Output, together with (b) the Green Tag Reporting Rights associated with such energy and Environmental Attributes, however commercially transferred or traded under any or other product names, such as “Renewable Energy Credits,” “Green-e Certified,” or otherwise. One Green Tag represents the Environmental Attributes made available by the generation of one MWh of energy from the Facility.

“Green Tags Price Component” means: (1) the price for Green Tags determined by arithmetically averaging quotes for Green Tags from three nationally recognized independent Green Tag brokers selected by PacifiCorp pursuant to which PacifiCorp could reasonably purchase substitute Green Tags similar to those Green Tags that Seller failed to deliver, with delivery terms, vintage period and any renewable program certification eligibility that are similar to those contained herein, calculated as of the date of default or as soon as reasonably possible thereafter; or (2) if after the Effective Date a liquid market for Green Tags exists, the price established for Green Tags from the established liquid market for Green Tags in a form and location that PacifiCorp determines reasonably states the market value of the Green Tags delivered hereunder.

“Green Tag Reporting Rights” means the exclusive right of a purchaser of Environmental Attributes to report ownership of Environmental Attributes in compliance with federal or state law, if applicable, and to federal or state agencies or other parties at such purchaser's discretion, including under any present or future domestic, international, or foreign emissions trading program or renewable portfolio standard.

“Inadvertent Energy” means energy delivered to PacifiCorp at the Point of Delivery at a rate exceeding the Maximum GIA Delivery Rate on an hour-averaged basis.

“Letter of Credit” means an irrevocable standby letter of credit from a Qualifying Institution in substantially the form requested by PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests thereunder.

“Liquidated Damages” is defined in Section 6.8.

“Maintenance Outage” means NERC Event Type MO, as set forth in attached **Exhibit H**, that is not a Forced Outage or a Planned Outage. A Maintenance Outage may occur any time during the year and may have a flexible start date.

“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.

“Maximum GIA Delivery Rate” means the maximum rate (kW) at which the Generator Interconnection Agreement allows the Facility to deliver energy to the Point of Delivery and is set forth in **Exhibit A**.

“Moody's” means Moody's Investor Services, Inc.

“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, kilovolt-amperes, kilowatts, volts, or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

“NERC” means the North American Electric Reliability Corporation.

“**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 for a given hour shall be the amount, if positive, of the amount of energy flowing through the Point of Delivery from the Facility to PacifiCorp during such hour. Net Output for a given month shall not include Excess Output.

“**Network Service Provider**” means PacifiCorp Transmission, as a provider of network service to PacifiCorp under the Tariff.

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

“**On-Peak Hours**” means all hours between 6 a.m. and 10 p.m. PPT, Mondays through Saturdays, excluding WECC and NERC holidays.

“**On-Peak Price**” and “**Off-Peak Price**” shall have the meanings set forth in Section 5.

“**Output Shortfall**” shall have the meaning set forth in Section 6.7.

“**Pacific Prevailing Time**” or “**PPT**” means Pacific Standard Time or Pacific Daylight Time, as applicable in Oregon on the day in question.

“**PacifiCorp**” is defined in the first paragraph of this Agreement, and excludes PacifiCorp Transmission.

“**PacifiCorp's Cost to Cover**” means the positive difference, if any, between (a) the sum of (i) the time weighted average of the Firm Market Price Index for each day for which the determination is being made, plus (ii) the Green Tags Price Component, and (b) the Contract Price specified in **Exhibit I** in effect on such days, stated as an amount per MWh. If for a given month in the case of calculating Output Shortfall, the difference between (a) and (b) referenced above is zero or negative, then PacifiCorp's Cost to Cover shall be zero dollars (\$0), and Seller shall have no obligation to pay any amount to PacifiCorp on account of Section 6.8 with respect to such month in the case of calculating Output Shortfall.

“**PacifiCorp Transmission**” means PacifiCorp, an Oregon corporation, acting in its interconnection and transmission function capacity.

“**Planned Outage**” means NERC Event Type PO, as set forth in attached **Exhibit H**, and specifically excludes any Maintenance Outage or Forced Outage.

“**Point of Delivery**” means the Point of Change of Ownership as specified in the Generation Interconnection Agreement and in **Exhibit B**.

“**Premises**” means the real property on which the Facility is located, as more fully described on **Exhibit A**.

“**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.

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

“Qualifying Institution” means a United States commercial bank or trust company organized under the laws of the United States of America or a political subdivision thereof having assets of at least \$10,000,000,000 (net of reserves) and a credit rating on its long-term senior unsecured debt of at least “A” from S&P and “A2” from Moody’s.

“Required Facility Documents” means all licenses, permits, authorizations, and agreements necessary for operation, and maintenance of the Facility including without limitation those set forth in **Exhibit C**.

“Requirements of Law” means any applicable and mandatory (but not merely advisory) federal, state and local law, statute, regulation, rule, action, order, code or ordinance enacted, adopted, issued or promulgated by any federal, state, local or other Governmental Authority or regulatory body (including those pertaining to electrical, building, zoning, environmental and wildlife protection and occupational safety and health).

“RTO” means any entity (including an independent system operator) that becomes responsible as system operator for, or directs the operation of, the System.

“S&P” means Standard & Poor’s Rating Group (a division of S&P Global, Inc.).

“System” means the electric transmission substation and transmission or distribution facilities owned, operated or maintained by Transmission Provider, which shall include, after construction and installation of the Facility, the circuit reinforcements, extensions, and associated terminal facility reinforcements or additions required to interconnect the Facility, all as set forth in the Generation Interconnection Agreement.

“Tariff” means the PacifiCorp Transmission FERC Electric Tariff Volume No. 11 Open Access Transmission Tariff or the Transmission Provider’s corresponding FERC tariff or both, as revised from time to time.

“Term” shall mean the period between the Effective Date and the Termination Date.

“Termination Date” shall have the meaning set forth in Section 2.2.

“Transmission Provider” means PacifiCorp Transmission, or its successor.

“WECC” means the Western Electricity Coordinating Council.

“WREGIS” means the Western Renewable Energy Generation Information System.

“WREGIS Certificate” or **“Certificate”** means **“Certificate”** as defined by the WREGIS

Operating Rules.

“**WREGIS Operating Rules**” means the operating rules and requirements adopted by WREGIS.

1.2 Rules of Interpretation.

1.2.1 Each Party conducts its operations in a manner intended to comply with FERC Order No. 717, Standards of Conduct for Transmission Providers, requiring the separation of transmission and marketing functions. Moreover, the Parties acknowledge that Transmission Provider’s transmission function offers transmission service on its system in a manner intended to comply with FERC policies and requirements relating to the provision of open-access transmission service. The Parties recognize that Seller has entered into a separate Generation Interconnection Agreement.

1.2.2 The Parties acknowledge and agree that the Generation Interconnection Agreement is a separate and freestanding contract and that the terms of this Agreement are not binding upon Transmission Provider.

1.2.3 Except as explicitly provided in this Agreement, nothing in the Generation Interconnection Agreement shall alter or modify the Parties’ rights, duties, and obligations under this Agreement. This Agreement shall not be construed to create any rights between Seller and Transmission Provider.

1.2.4 Seller recognizes that, for purposes of this Agreement, Transmission Provider shall be deemed to be a separate entity and not a Party to the Agreement.

1.2.5 Unless otherwise required by the context in which any term appears, (a) the singular includes the plural and vice versa; (b) references to “Articles,” “Sections,” “Schedules,” “Annexes,” “Appendices” or “Exhibits” are to articles, sections, schedules, annexes, appendices or exhibits hereof; (c) all references to a particular entity or an electricity market price index include a reference to such entity’s or index’s successors; (d) “herein,” “hereof” and “hereunder” refer to this Agreement as a whole; (e) all accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles, consistently applied; (f) the masculine includes the feminine and neuter and vice versa; (g) “including” means “including, without limitation” or “including, but not limited to”; (h) all references to a particular law or statute mean that law or statute as amended from time to time; (i) all references to energy or capacity are to be interpreted as utilizing alternating current, unless expressly stated otherwise; and (j) the word “or” is not necessarily exclusive. Reference to “days” shall be calendar days, unless expressly stated otherwise herein.

1.2.6 Each term hereof shall be construed according to its fair meaning and not strictly for or against either Party. The Parties have jointly prepared this Agreement, and no term hereof shall be construed against a Party on the ground that the Party is the author of that provision.

1.2.7 Section and paragraph headings are for reference only and shall not affect the interpretation or meaning of any provisions of this Agreement.

1.2.8 Example calculations and other examples set forth herein are for purposes of illustration only and are not intended to constitute a representation, warranty or covenant concerning the example itself or the matters assumed for purposes of such example. If there is a conflict between an example and the text hereof, the text shall control.

SECTION 2

TERM; EFFECTIVE DATE

2.1 Effective Date. This Agreement shall become effective at midnight March 1, 2019 PPT (“Effective Date”).

2.2 Termination. Except as otherwise provided herein, this Agreement shall terminate the earlier of (a) midnight on December 31, 2028, or (b) the 90th day following PacifiCorp’s receipt of written notice by Seller of early termination of this Agreement (“Termination Date”).

SECTION 3

REPRESENTATIONS AND WARRANTIES

3.1 PacifiCorp Representations and Warranties. 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 Representations and Warranties. Seller represents, covenants, and warrants

to PacifiCorp that:

3.2.1 Seller is a corporation duly organized and validly existing under the laws of the State of Oregon.

3.2.2 Seller has the requisite power and authority to enter into this Agreement and to perform according to the terms hereof.

3.2.3 Seller's officers and management, as appropriate, 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 Under no circumstances shall the hourly Net Output exceed the Maximum GIA Delivery Rate.

3.2.8 The anticipated use of the Facility complies with all applicable restrictive covenants affecting the Premises.

3.2.9 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, and provides evidence acceptable to PacifiCorp in its reasonable discretion proving 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) Seller meets the Credit Requirements.

Seller hereby declares (Seller initial one only):

- X Seller affirms and adopts all warranties of this Section 3.2.9, and therefore is not required to post security under Section 10; or
- Seller does not affirm and adopt all warranties of this Section 3.2.9, and therefore Seller elects to post the security specified in Section 10.

3.2.10 Retail Service Agreement. Seller will take station use energy requirements not supplied by the Facility pursuant to separate tariff electric service agreement with PacifiCorp during the Term of this Agreement.

SECTION 4
DELIVERY OF POWER

4.1 Purchase and Sale. Unless otherwise provided herein, Seller will sell and PacifiCorp will purchase (a) commencing on the Effective Date, all Net Output and Excess Output from the Facility delivered to the Point of Delivery and (b) commencing January 1, 2021, all Green Tags associated with the Net Output or otherwise resulting from the generation of energy by the Facility (which shall come from the Facility and from no other source) delivered to the Point of Delivery.

4.2 Delivery Over the Term. Seller estimates that the Facility will deliver REDACTED kWh per year over the Term to the Point of Delivery as provided in **Exhibit D**.

4.3 Minimum Delivery. Seller shall make available from the Facility a minimum of

████████ kWh of Net Output per year during the Term and further defined in **Exhibit D** as Minimum Monthly Delivery provided that such minimum Net Output shall be reduced on a pro-rata basis for any periods during the Term that the Facility was prevented from generating electricity for reasons of Force Majeure (“Minimum Monthly Delivery”).

4.4 Maximum Delivery. Seller estimates that it will make available from the Facility a maximum of █████████ kWh of Net Output during Term and further defined in **Exhibit D** as Maximum Monthly Delivery (“Maximum Monthly Delivery”). Seller’s basis for determining the Minimum and Maximum Monthly Delivery amounts is set forth in **Exhibit D**.

4.5 Deliveries in Deficit of Minimum Delivery Obligation. Seller’s failure to deliver the Minimum Monthly Delivery in any month shall be a default, and Seller shall be liable for Liquidated Damages in accordance with Section 6.8.

4.6 Energy Delivery Forecast. Seller shall provide a monthly schedule of Net Output expected to be delivered by the Facility (“Energy Delivery Forecast”) in accordance with Section 6.4, incorporated into **Exhibit D-1**.

4.7 Green Tags.

4.7.1 Seller shall transfer the Green Tags associated with Net Output to PacifiCorp from January 1, 2021 through the Termination Date.

4.7.2 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. 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. Seller shall ensure that the Facility will participate in and comply with, during the Term, all aspects of WREGIS. Seller shall, at its sole expense, effectuate the transfer of WREGIS certificates to PacifiCorp in accordance with WREGIS reporting protocols and rules. Seller may either elect to enter into a Qualified Reporting Entity Services Agreement with PacifiCorp in a form similar to that in **Exhibit G** or elect to act as its own WREGIS-defined Qualified Reporting Entity. Unless the failure to deliver WREGIS certificates was caused by action of PacifiCorp, PacifiCorp shall be entitled to a refund of the Green Tags Price Component of Green Tags associated with any Output for which WREGIS certificates are not delivered, and shall not transfer the affected Green Tags back to Seller, provided that Seller shall have thirty (30) days to correct any error and deliver such WREGIS certificates to PacifiCorp and receive such refund payment. Seller shall promptly provide PacifiCorp copies of all documentation it submits to WREGIS.

4.7.3 Seller shall not make any public statement or report under any program that any of the Green Tags purchased by PacifiCorp hereunder belong to any person other than PacifiCorp. 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 maintained registered the Facility by providing copies of all such information as PacifiCorp reasonably requires for such registration.

4.7.4 PacifiCorp waives any claim to Seller's ownership of Green Tags from the Effective Date through December 31, 2020.

4.8 Adjustments to Net Output Deliveries. Seller shall have the right to adjust the Minimum Monthly Deliveries and Maximum Monthly Deliveries every two (2) Contract Years following the Effective Date, provided Seller provides PacifiCorp at least three (3) months prior notice of the requested adjustments. The effective date of such adjustments will be January 1st of the following Contract Year, unless otherwise agreed by the Parties.

SECTION 5 **PURCHASE PRICES AND LIQUIDATED DAMAGES**

5.1 Contract Price; Includes Green Tags. For all Net Output and associated Green Tags up to the Maximum Monthly Delivery, delivered to the Point of Delivery after the Effective Date, PacifiCorp shall pay Seller the Contract Price in the table in **Exhibit I** for the applicable month of the year and On-Peak/Off-Peak Hour of delivery.

5.2 Excess Output. Excess Output delivered to PacifiCorp in excess of the Maximum Monthly Delivery, excluding Inadvertent Energy, will be paid as described below.

(a) The price paid by PacifiCorp to Seller for Excess Output delivered during On-Peak hours shall be [REDACTED] of the monthly average price reported by ICE for On-Peak Hours.

(b) The price paid by PacifiCorp to Seller for Excess Output delivered during Off-Peak hours shall be [REDACTED] of the monthly average price reported by ICE for Off-Peak Hours:

5.3 Inadvertent Energy. Inadvertent Energy delivered to PacifiCorp in excess of the Maximum GIA Delivery Rate shall not be compensated and subject to the provisions of Section 6.6.

5.4 Final Purchase Price. The final monthly purchase payment for output of the Facility shall be the payment for Net Output calculated in Section 5.1 and 5.2, less Liquidated Damages (if any) calculated in accordance with Section 6.8.

5.5 Replacement of ICE Index. If the ICE index or any replacement of that index ceases to be published during the term of this Agreement, PacifiCorp shall select as a replacement a substantially equivalent index that, after any appropriate or necessary adjustments, provides the most reasonable substitute for the index in question. PacifiCorp's selection shall be subject to Seller's consent, which Seller shall not unreasonably withhold, condition or delay.

SECTION 6 **OPERATION AND CONTROL**

6.1 Operation. Seller shall operate and maintain the Facility in a safe manner in accordance with (a) the applicable standards, criteria and formal guidelines of FERC, all applicable Electric System Authorities and any successors to the functions thereof; (b) the Generation

Interconnection Agreement; (c) Prudent Electrical Practices; and (d) in accordance with all applicable Requirements of Law, including the National Electric Safety Code, as such laws and code may be amended from time to time.

6.2 Curtailment. PacifiCorp shall not be obligated to purchase, receive, pay for, or pay any damages associated with, Net Output (or associated Green Tags) if such Net Output (or associated Green Tags) is not delivered to the System or Point of Delivery due to any of the following: (a) the interconnection between the Facility and the System is disconnected, suspended or interrupted, in whole or in part, pursuant to the terms of the Generation Interconnection Agreement, (b) the Transmission Provider or Network Service Provider directs a general curtailment, reduction, or redispatch of generation in the area (which would include the Net Output) for any reason, even if such curtailment or redispatch directive is carried out by PacifiCorp, which may fulfill such directive by acting in its sole discretion; or if PacifiCorp curtails or otherwise reduces the Net Output in order to meet its obligations to the Transmission Provider or Network Service Provider to schedule within system limits, (c) the Facility's Output is not received because the Facility is not fully integrated or synchronized with the System, or (d) an event of Force Majeure prevents either Party from delivering or receiving Net Output.

6.3 Separation of Functions. Seller acknowledges that PacifiCorp, acting in its marketing capacity function as purchaser under this Agreement, has no responsibility for or control over PacifiCorp Transmission or any successor Network Service Provider and that interaction between PacifiCorp and PacifiCorp Transmission are at arms' length pursuant to the Tariff and applicable FERC regulations and orders.

6.4 Scheduling. For PacifiCorp's planning purposes, at least ten (10) days before the beginning of each calendar month, Seller shall notify PacifiCorp in writing, pursuant to the notice section of the Agreement, of the expected hourly delivery rate for each day of the calendar month per the form in **Exhibit D-1**.

6.4.1 Hourly Deviations from Forecast. Seller shall promptly notify PacifiCorp when Net Output is expected to deviate from Seller's most recently provided Energy Delivery Forecast by more than five (5) MWs in any hour ("Material Hourly Deviation"). Seller shall thereafter update and deliver to PacifiCorp a revised Energy Delivery Forecast for the the balance of the calendar month within two (2) Business Days of the Material Hourly Deviation.

6.4.2 Weekly Deviations from Forecast. Seller shall notify PacifiCorp when Net Output is expected to deviate from Seller's most recently provided Energy Delivery Forecast for a calendar week by more than [REDACTED] MWhs ("Material Weekly Deviation"). Seller shall thereafter update and deliver to PacifiCorp a revised Energy Delivery Forecast for the the balance of the calendar month within two (2) Business Days of the Material Weekly Deviation.

6.4.3 Cooperation and Standards. With respect to any and all scheduling requirements in this Agreement, (a) Seller shall cooperate with PacifiCorp with respect to scheduling Net Output, and (b) each Party shall designate authorized representatives to communicate with regard to scheduling and related matters arising hereunder.

6.4.4 Schedule Coordination. If, as a result of this Agreement, PacifiCorp is

deemed by a RTO to be financially responsible for Seller's performance under the Generation Interconnection Agreement due to Seller's lack of standing as a "scheduling coordinator" or other RTO recognized designation, qualification or otherwise, then (a) Seller shall acquire such RTO recognized standing (or shall contract with a third party who has such RTO recognized standing) such that PacifiCorp is no longer responsible for Seller's performance under the Generation Interconnection Agreement, and (b) Seller shall defend, indemnify and hold PacifiCorp harmless against any liability arising due to Seller's performance or failure to perform under the Generation Interconnection Agreement or RTO requirement.

6.5 Outages.

6.5.1 Planned Outages. Except as otherwise provided herein, Seller shall not schedule Planned Outage during any portion of the months of November, December, January, February, June, July, and August, except to the extent a Planned Outage is reasonably required to enable a vendor to satisfy a guarantee requirement in a situation in which the vendor is not otherwise able to perform the guarantee work at a time other than during one of the months specified above or on those specific holidays the Seller has scheduled a shutdown of their wood products manufacturing plant operations. Seller shall, in **Exhibit D**, provide PacifiCorp with an annual forecast of Planned Outages and shall promptly update such schedule, or otherwise change it only, to the extent that Seller is reasonably required to change it in order to comply with Prudent Electrical Practices. Seller shall not schedule any maintenance of Interconnection Facilities during such months, without the prior written approval of PacifiCorp, which approval may be withheld by PacifiCorp in its sole discretion.

6.5.2 Maintenance Outages. If Seller reasonably determines that it is necessary to schedule a Maintenance Outage, Seller shall notify PacifiCorp of the proposed Maintenance Outage as soon as practicable but in any event at least five (5) days before the outage begins. Upon such notice, the Parties shall plan the Maintenance Outage to mutually accommodate the reasonable requirements of Seller and the service obligations of PacifiCorp. Seller shall take all reasonable measures and use best efforts consistent with Prudent Electrical Practices to not schedule any Maintenance Outage during the following periods: June 15 through June 30, July, August, and September 1 through September 15 except on those specific holidays the Seller has scheduled a shutdown of their wood products manufacturing plant operations. Seller shall include in such notice of a proposed Maintenance Outage the expected start date and time of the outage, the amount of generation capacity of the Facility that will not be available, and the expected completion date and time of the outage. Seller may provide notices under this Section 6.5.2 orally. Seller shall confirm any such oral notification in writing as soon as practicable. PacifiCorp shall promptly respond to such notice and may request reasonable modifications in the schedule for the outage. Seller shall use all reasonable efforts to comply with PacifiCorp's request to modify the schedule for a Maintenance Outage if such modification has no substantial impact on Seller. Seller shall notify PacifiCorp of any subsequent changes in generation capacity of the Facility during such Maintenance Outage and any changes in the Maintenance Outage completion date and time. Seller shall take all reasonable measures and exercise its best efforts consistent with Prudent Electrical Practices to minimize the frequency and duration of Maintenance Outages.

6.5.3 Forced Outages. Seller shall promptly provide to PacifiCorp an oral report, via telephone to a number specified by PacifiCorp, of any Forced Outage of the Facility. Such

report shall include the amount of generation capacity of the Facility that will not be available because of the Forced Outage and the expected return date and time of such generation capacity. Seller shall promptly update the report as necessary to advise PacifiCorp of changed circumstances. If the Forced Outage resulted in more than 15% of the Nameplate Capacity Rating of the Facility being unavailable, Seller shall confirm the oral report in writing as soon as practicable. Seller shall take all reasonable measures and exercise its best efforts consistent with Prudent Electrical Practices to avoid Forced Outages and to minimize their duration.

6.5.4 Notice of Deratings and Outages. Without limiting other notice requirements, Seller shall notify PacifiCorp, via telephone to a number specified by PacifiCorp, of any limitation, restriction, derating or outage known to Seller that affects the generation capacity of the Facility in an amount greater than fifteen percent (15%) of the Nameplate Capacity Rating and Net Output delivery for the following day. Seller shall promptly update such notice to reflect any material changes to the information in such notice.

6.5.5 Effect of Outages on Estimated Output. Seller shall factor Planned Outages and Maintenance Outages that Seller reasonably expects to encounter in the ordinary course of operating the Facility into the Energy Delivery Forecast set forth in **Exhibit D-1**.

6.6 Delivery Exceeding the Maximum GIA Delivery Rate. Seller shall not deliver energy from the Facility to the Point of Delivery at a rate that exceeds the Maximum GIA Delivery Rate. Seller's failure to limit such deliveries to the Maximum GIA Delivery Rate shall be a breach of a material obligation subject to Section 10.1.1.

6.7 Output Shortfall. In any month, if Seller's Net Output is less than the Minimum Monthly Delivery, Seller shall incur an Output Shortfall ("Outage Shortfall").

6.8 Liquidated Damages for Output Shortfall. For any Output Shortfall, Seller agrees to pay PacifiCorp the Liquidated Damages (if any) calculated as the sum of the following:

- (a) PacifiCorp's Cost to Cover multiplied by the Output Shortfall; and
- (b) additional transmission charges, if any, reasonably incurred by PacifiCorp in causing replacement power to be delivered to the Point of Delivery or such points in PacifiCorp's western control area as are determined by PacifiCorp in its reasonable discretion; and
- (c) 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).

6.9 Each Party agrees and acknowledges that (a) the damages that PacifiCorp would incur due to an Output Shortfall would be difficult or impossible to predict with certainty, and (b) the Liquidated Damages contemplated by Section 6.8 are a fair and reasonable calculation of such damages.

6.10 Interconnection Costs. To the extent not otherwise provided in the Generation

Interconnection Agreement, all reasonable costs incurred that are associated with the modifications to PacifiCorp's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PacifiCorp's system consistent with applicable interconnection standards, or any increase in generating capability of the Facility, or any increase of delivery of Net Output from the Facility, shall be borne by Seller.

6.11 Access Rights. Upon reasonable prior notice and subject to the prudent safety requirements of Seller, and Requirements of Law relating to workplace health and safety, Seller shall provide PacifiCorp and its authorized agents, employees and inspectors ("PacifiCorp Representatives") with reasonable access to the Facility: (a) for the purpose of reading or testing metering equipment, (b) as necessary to witness any acceptance tests, (c) for purposes of implementing Section 8, and (d) for other purposes at the reasonable request of PacifiCorp. PacifiCorp shall release Seller 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 actions or omissions by any of the PacifiCorp Representatives in connection with their access to the Facility, except to the extent caused by the intentional or grossly negligent act or omission of Seller.

SECTION 7 **METERING**

7.1 PacifiCorp shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment required pursuant to the Generation Interconnection Agreement, if applicable.

7.2 Net Output delivered to the Point of Delivery shall be deemed to equal the net hourly positive flow of energy measured by the revenue meter (shown in **Exhibit B**) located at the Point of Delivery. Metering shall be performed in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All quantities of energy purchased hereunder shall be adjusted to account for electrical losses and transformation 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.

7.3 PacifiCorp shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement, if applicable. 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.

7.4 Meter Data. Seller shall provide the Transmission Provider in writing in a form similar to that found in **Exhibit J** to provide any and all meter or other data associated with the Facility or Net Output directly to PacifiCorp. Should Seller refuse to provide a release similar to that found in **Exhibit J**, Seller shall establish a mechanism at its expense that allows PacifiCorp,

in its merchant function, to obtain all necessary meter and other data to fully perform and verify Seller's performance under this Agreement. Notwithstanding any other provision hereof, PacifiCorp shall have the right to provide such data to any Electric System Authority.

7.5 WREGIS Metering. Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility.

SECTION 8 **BILLINGS; COMPUTATION AND PAYMENTS**

8.1 Bills. All bills or payments shall be paid within thirty (30) days after issuance of the bill. PacifiCorp shall send to Seller an invoice or payment for Seller's purchases or deliveries, as the case may be, together with computations supporting such invoice or payment. PacifiCorp or Seller may offset any such payment to reflect amounts owing from Seller to PacifiCorp or from PacifiCorp to Seller pursuant to this Agreement or any other agreement between the Parties.

8.2 Disputes. In the event that a portion of the bill or adjustment arising hereunder is disputed, payment of the portion not in dispute shall be made when due. Seller and PacifiCorp shall seek to make a determination on any disputed amount within sixty (60) days after issuance of Seller's notice of dispute. Either Party may resort to any remedy available at law or in equity.

8.3 Interest. Any amounts owing after the due date thereof shall bear interest at the lesser of five-tenths percent (0.5%) per month or the maximum rate allowed by law, from the date due until paid.

8.4 Corrections. Corrected billings may be made to adjust for incorrect billings (excluding incorrect billings resulting from metering errors addressed in Section 7.3) made pursuant to Section 8.1. The Parties may issue corrected billings or invoices to make adjustments to incorrect billings up to but in no event later than thirty-six (36) months after the incorrect billing was issued. In the event PacifiCorp determines it has overpaid Seller, PacifiCorp may, in addition to any other available remedy, draw on Default Security or adjust Seller's future payment accordingly in order to correct the error in a reasonable time.

SECTION 9 **CREDIT, SECURITY**

9.1 Unless Seller has adopted the creditworthiness warranties contained in Section 3.2.9 and has provided the required evidence proving creditworthiness, or in the event Seller, at any time, fails to maintain continued compliance with the creditworthiness warranties contained in Section 3.2.9, Seller must provide security (if requested by PacifiCorp) in the form of a cash escrow or Letter of Credit. Seller hereby elects to provide, in accordance with the applicable terms of this Section 9, the following security (Seller to initial one selection only):

_____ Cash Escrow

_____ Letter of Credit or Guaranty

X Seller has adopted the Creditworthiness Warranties of Section 3.2.9.

9.2 In the event Seller's obligation to post Default Security under this Agreement 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.

9.3 In the event Seller sells the facility pursuant to Section 18, the assignee in such transaction shall comply with Section 9 of this Agreement.

9.4 Cash Escrow. If Seller has elected cash escrow in Section 9.1, 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 ten (10) Business Days, restore the Default Security as if no such deduction had occurred.

9.5 Letter of Credit; Guaranty. If Seller has elected in Section 9.1 to provide either a Letter of Credit or Guaranty, 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 ten (10) Business Days, restore the Default Security as if no such deduction had occurred.

SECTION 10

DEFAULTS AND REMEDIES

10.1 Events of Default. The following events shall constitute an "Event of Default" under this Agreement:

10.1.1 Material Breach. Failure of a Party to perform any material obligation imposed upon that Party by this Agreement (including but not limited to failure to make a payment when due) or breach by a Party of a representation or warranty set forth in this Agreement, if such failure or breach is not cured within thirty (30) days following written notice;

10.1.2 Bankruptcy. Filing of a petition in bankruptcy by or against a Party if such petition is not withdrawn or dismissed within sixty (60) days after it is filed;

10.1.3 Material Adverse Change. A Material Adverse Change has occurred with respect to Seller (or in the event of an assignment of this Agreement, Seller's assignee) and Seller (or Seller's assignee, in the case of an assignment) 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;

10.1.4 Default Under Other Agreements. Seller's failure to cure Event of Default

under the Generation Interconnection Agreement or the retail electric service agreement for station use within the time allowed for a cure under such agreement.

10.1.5 Sale to Third Party. Seller sells Net Output from the Facility to a party other than PacifiCorp.

10.1.6 Failure to Maintain Facility Documents and Permits. After the Effective Date, Seller fails to maintain any Required Facility Documents or Permits necessary to own or operate the Facility, after the expiration of applicable notice, cure and waiver periods.

10.2 Termination. In the event of any default hereunder that is not cured in the manner provided for in this Agreement, 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, subject to Section 20. The rights provided in this Section 10 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

10.3 Termination Payment. If this Agreement is terminated because of Seller's Event of Default, Seller shall pay PacifiCorp, in addition to any damages accrued but not paid prior to termination ("prior damages"), a lump sum termination payment equal to the calculated Liquidated Damages (calculated pursuant to Section 6.8 by month for the On-Peak and Off-Peak Hours, setting Output Shortfall equal to monthly Net Output) for a period of three (3) months from the date of termination. The Parties agree that the amount of termination payment shall be calculated by PacifiCorp within thirty (30) days after termination of the Agreement. Amounts owed pursuant to this section shall be due five (5) business days after PacifiCorp provides Seller notice of amount due. Prior damages and the termination payment shall be the sole remedy for default; *provided however*, that Seller shall not intentionally breach this Agreement in order to sell Facility output to another buyer.

10.4 Covenant Running with the Land. In the event this Agreement is terminated because of Seller's Event of Default and Seller or Seller's successor wishes to again sell Net Output to PacifiCorp following such termination, PacifiCorp in its sole discretion may require that Seller or Seller's successor shall do so subject to the terms of this Agreement, including but not limited to the contract pricing of Section 5.1, until the Termination Date. At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement. This Section 10.4 shall be deemed a covenant running with the land and shall survive any early termination of this Agreement.

10.5 Dispute Resolution. Whenever a Party believes that a dispute has arisen in connection with this Agreement, that Party shall promptly provide written notice to the other Party describing the matter in dispute. Unless the dispute is resolved sooner, senior management representatives of PacifiCorp and Seller shall meet at least once within a period of thirty (30) days following notice to attempt in good faith to resolve the dispute. If the Parties' senior management does not resolve the dispute, each Party shall have the right to pursue whatever remedies it may have under the terms of this Agreement or applicable regulations, laws, or principles of equity, subject to Section 20.

10.6 Set-Off. Upon an Event of Default or termination event under this Agreement, in addition to and not in limitation of any other right or remedy under contract or applicable law (including any right to set-off, counterclaim, or otherwise withhold payment), the non-defaulting Party may at its option set-off, against any amounts owed to the defaulting Party, any amounts owed by the defaulting Party under any contract or agreement between the Parties. The obligations of the Parties shall be deemed satisfied and discharged to the extent of any such set-off. The non-defaulting Party shall give the defaulting Party written notice of any set-off, but failure to give such notice shall not affect the validity of the set-off.

SECTION 11

INDEMNIFICATION, LIABILITY, AND INSURANCE

11.1 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.

11.2 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.

11.3 Notice of Claims. If either Party receives notice of a threatened or asserted claim for which such Party might seek indemnification or defense or to be held harmless, it shall promptly give notice of such claim to the other Party.

11.4 Third-Party Beneficiaries, Dedication, and Status. 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.

11.5 INCIDENTAL AND CONSEQUENTIAL DAMAGES. NEITHER PARTY NOR ITS DIRECTORS, BOARD MEMBERS, COMMISSIONERS, OFFICERS, EMPLOYEES, OR

AGENTS SHALL HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY LOST PROFITS, LOST REVENUES, OR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

11.6 Workers' Compensation Law. Seller shall comply with all applicable Workers' Compensation Laws and shall furnish proof thereof satisfactory to PacifiCorp prior to connection of the Facility to PacifiCorp's electric system.

11.7 Required Policies and Coverages. Without limiting any liabilities or any other obligations of Seller hereunder, Seller shall secure and continuously carry the insurance coverage specified on **Exhibit F** during the Term or longer period if specified in **Exhibit F**.

SECTION 12 **FORCE MAJEURE**

12.1 Neither Party shall be subject to any liability or damages due to an event of Force Majeure. As used in this Agreement, "Force Majeure" means an inability to meet its obligations under this Agreement to the extent that such failure shall be due to causes beyond the reasonable control of either PacifiCorp or Seller, which, despite the exercise of due diligence, such Party is unable to prevent or overcome. Examples of Force Majeure events include, but are not limited to the following: (a) the operation and effect of any rules, regulations and orders promulgated by the Commission, any municipality, or governmental agency of the United States, or subdivision thereof (so long as the claiming Party has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such government action); (b) restraining order, injunction or similar decree of any court; (c) war, sabotage or acts of terrorism; (d) flood, fire, storms or lightning; (e) earthquake; (f) act of God; (g) civil disturbance; or (h) strikes or boycotts, which is, in each case above, (i) beyond the reasonable control of such Party, (ii) by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and (iii) by the exercise of due diligence, such Party is unable to prevent or overcome. The Party claiming Force Majeure shall make every reasonable attempt to remedy the cause thereof as diligently and expeditiously as possible. Force Majeure, however, specifically excludes the cost or availability of fuel or motive force to operate the Facility; changes in market conditions that affect the price of energy or transmission; failure to comply with applicable Requirements of Law, or other disruptions in Facility performance resulting from Seller's voluntary conveyance of this Agreement or any related agreement in connection with a sale or closure of the Facility. Except for the obligation to pay amounts owed when due, time periods for performance obligations of Parties herein shall be extended for the period during which Force Majeure was in effect.

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

12.3 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.

12.4 PacifiCorp may terminate the Agreement if Seller fails to remedy Seller's inability

to perform, due to a Force Majeure event, within six (6) months after the occurrence of the Force Majeure event.

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

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 16
WAIVER

Any waiver at any time by either Party of its rights with respect to an Event of 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 AUTHORIZATIONS; REPEAL OF PURPA

17.1 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.

17.2 This Agreement shall not terminate upon the repeal of the PURPA, unless federal or state law mandates such termination. The repeal of PURPA during the Term, shall not cause Seller to be deemed in breach of Seller's warranty in Section 3.2.6.

SECTION 18
SUCCESSORS AND ASSIGNS

18.1 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 (a) the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld, conditioned or delayed; (b) Seller agreeing to require as a condition of sale of the Facility that the buyer thereof agree to abide by the terms of this Agreement; (c) the assignee agreeing in writing to be bound by the terms hereof; and (d) assignee agreeing to comply with Section 10. Notwithstanding part (a) of the foregoing, either Party may assign this Agreement without the other Party's consent (x) to a lender as part of a financing transaction or (y) as part of a sale of the Facility (in the case of Seller) or of all or substantially all of the assigning Party's assets (in the case of PacifiCorp) or (z) as part of a merger, consolidation or other reorganization of the assigning Party.

SECTION 19
ENTIRE AGREEMENT

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.

SECTION 20
WAIVER OF JURY TRIAL.

EACH PARTY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON THIS AGREEMENT, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT WITH ANY PROCEEDING IN WHICH A JURY TRIAL HAS NOT OR CANNOT BE WAIVED.

SECTION 21
NOTICES

21.1 Addresses and Delivery Methods. All notices, requests, statements or payments shall be made to the addresses set out below. In addition, copies of a notice of termination of this Agreement under Section 10.2 shall be sent to the then-current President and General Counsel of PacifiCorp. Notices required to be in writing shall be delivered by letter, facsimile or other tangible documentary form. Notice by overnight mail or courier shall be deemed to have been given on the date and time evidenced by the delivery receipt. Notice by hand delivery shall be deemed to have been given when received or hand delivered. Notice by overnight mail shall be deemed to have been given the Business Day after it is sent, if sent for next day delivery to a domestic address by

a recognized overnight delivery service (e.g., Federal Express or UPS). Notice by certified or registered mail, return receipt requested, shall be deemed to have been given upon receipt.

Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Facsimile: (503) 813 – 6291 Email: cntadmin@PacifiCorp.com Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	Roseburg Forest Products Co. PO Box 1088 Roseburg, Oregon Phone: (541) 679 - 2157 Facsimile: (541) 679 – 2696 Duns: 13-107-5863 Federal Tax ID Number: 93-1240670
All Invoices:	Attn: Back Office, Suite 700 Facsimile: (503) 813 – 5580 Email: powerinvoices@pacificorp.com	Attn: Susan Moser Phone: 541-679-2604 Facsimile: 541-679-2107
Scheduling:	Attn: Pre-Scheduling, Suite 600 Phone: (503) 813 – 6090 Email: ctpreschd@pacificorp.com	Attn: Mark Misener Phone: 541-679-2183 Email: MarkMi@rfpco.com
Payments:	Attn: Central Cashiers Office, Suite 550 Phone: (503) 813 - 6826	Attn: Accounts Receivable Phone: 541-679-3311 Facsimile: 877-407-7261
Wire Transfer:	Bank One N.A. To be provided in separate letter from PacifiCorp to Seller	US Bank To be provided in separate letter from Seller to PacifiCorp
Credit and Collections:	Attn: Credit Manager, Suite 700 Phone: (503) 813 - 7280 Facsimile: (503) 813-5609	Attn: Susan Moser Phone: 541-679-2604 Facsimile: 541-679-2107
With Additional Notices of an Event of Default or Potential Event of Default to:	Attn: Assistant General Counsel 825 NE Multnomah Street, Suite 1800 Portland, OR 97232 Phone: (503) 813-5356	Attn: General Counsel 3660 Gateway Street Springfield, OR 97477 Phone: 541-678-6262 Facsimile: 541-679-9150

21.2 Changes to Notice Information. 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.

SECTION 22 **CONFIDENTIALITY**

22.1 Confidential Business Information. The following constitutes "Confidential Business Information," whether oral or written: (a) the Parties' proposals and negotiations concerning this Agreement, made or conducted prior to the Effective Date, (b) the actual charges billed to PacifiCorp hereunder, and (c) any information delivered by PacifiCorp to Seller prior to the Effective Date relating to the market prices of energy or Green Tags and methodologies for their determination or estimation. Seller and PacifiCorp each agree to hold such Confidential Business Information wholly confidential, except as otherwise expressly provided in this Agreement. "Confidential Business Information" shall not include information that (x) is in or enters the public domain through no fault of the Party receiving such information, or (y) was in the possession of a Party prior to the Effective Date, other than through delivery thereof as specified in subsections (a) and (c) above. A Party providing any Confidential Business Information under this Agreement shall clearly mark all pages of all documents and materials to be treated as Confidential Business information with the term "Confidential" on the front of each page, document or material. If the Confidential Business Information is transmitted by electronic means the title or subject line shall indicate the information is Confidential Business Information. All Confidential Business Information shall be maintained as confidential, pursuant to the terms of Section 22, for a period of two years from the date it is received by the receiving Party unless otherwise agreed to in writing by the Parties.

22.2 Duty to Maintain Confidentiality. Each Party agrees not to disclose Confidential Business Information to any other person (other than its Affiliates, accountants, auditors, counsel, consultants, lenders, prospective lenders, employees, officers and directors), without the prior written consent of the other Party, provided that: (a) either Party may disclose Confidential Business Information, if and to the extent such disclosure is required (i) by Requirements of Law, (ii) in order for PacifiCorp to receive regulatory recovery of expenses related to this Agreement, (iii) pursuant to an order of a court or regulatory agency, or (iv) in order to enforce this Agreement or to seek approval hereof, and (b) notwithstanding any other provision hereof, PacifiCorp may in its sole discretion disclose or otherwise use for any purpose in its sole discretion the Confidential Business Information described in Sections 22.1(b) or 22.1(c). In the event a Party is required by Requirements of Law to disclose Confidential Business Information, such Party shall to the extent possible promptly notify the other Party of the obligation to disclose such information.

22.3 PacifiCorp Regulatory Compliance. The Parties acknowledge that PacifiCorp is required by law or regulation to report certain information that is or could otherwise embody Confidential Business Information from time to time. Such reports include models, filings, reports of PacifiCorp's net power costs, general rate case filings, power cost adjustment

mechanisms, FERC-required reporting such as those made on FERC Form 1, Form 12, or Form 714, market power and market monitoring reports, annual state reports that include resources and loads, integrated resource planning reports, reports to entities such as NERC, WECC, Pacific Northwest Utility Coordinating Committee, WREGIS, or similar or successor organizations, forms, filings, or reports, the specific names of which may vary by jurisdiction, along with supporting documentation. Additionally, in regulatory proceedings in all state and federal jurisdictions in which it does business, PacifiCorp will from time to time be required to produce Confidential Business Information. PacifiCorp may use its business judgment in its compliance with all of the foregoing and the appropriate level of confidentiality it seeks for such disclosures. PacifiCorp may submit Confidential Business Information in regulatory proceedings without notice to Seller.

22.4 Irreparable Injury; Remedies. Each Party agrees that violation of the terms of this Section 22 constitutes irreparable harm to the other, and that the harmed Party may seek any and all remedies available to it at law or in equity, including injunctive relief.

[signature page follows]

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

By: **Bruce**
Griswold  Digitally signed by Bruce
Griswold
Date: 2019.03.01 09:08:46
-08'00'

Name: Bruce Griswold

Title: Director, Short-term Origination

Roseburg Forest Products Co.

By: *Stuart W. Gray*

Name: Stuart W. Gray

Title: SVP & General Counsel

**EXHIBIT A
DESCRIPTION OF FACILITIES**

Seller's Facility consists of six (6) generators manufactured by General Electric & Elliot. More specifically, each generator at the Facility is described as:

#1 Steam Turbine Generator

Type (synchronous or inductive): Synchronous

Model: GE, generator model ATB-2

Number of Phases: 3

Rated Output (kW): [REDACTED] Rated Output (kVA): [REDACTED]

Rated Voltage (line to line): [REDACTED]

Rated Current (A): Stator: 867 A; Rotor: 223 A

Maximum kW Output: [REDACTED] Maximum kVA Output: [REDACTED]

Minimum kW Output: kW

#2 Steam Turbine Generator

Type (synchronous or inductive): Synchronous

Model: GE, generator model ATB-2

Number of Phases: 3

Rated Output (kW): [REDACTED] Rated Output (kVA): [REDACTED]

Rated Voltage (line to line): [REDACTED]

Rated Current (A): Stator: 867 A; Rotor: 223 A

Maximum kW Output: [REDACTED] kW Maximum kVA Output: [REDACTED]

Minimum kW Output: kW

#3 Steam Turbine Generator

Type (synchronous or inductive): Synchronous

Model: GE

Number of Phases: 3

Rated Output (kW): [REDACTED] Rated Output (kVA): [REDACTED]

Rated Voltage (line to line): [REDACTED]

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

Maximum kW Output: [REDACTED] kW Maximum kVA Output: [REDACTED] kVA

Minimum kW Output: kW

#4 Steam Turbine Generator

Type (synchronous or inductive): Synchronous

Model: GE Turbine, Elliot Generator

Number of Phases: 3

Rated Output (kW): [REDACTED] **Rated Output (kVA):** [REDACTED]
Rated Voltage (line to line): [REDACTED]
Rated Current (A): Stator: A; Rotor: A
Maximum kW Output: [REDACTED] kW **Maximum kVA Output:** [REDACTED]
Minimum kW Output: kW

#5 Steam Turbine Generator

Type (synchronous or inductive): Synchronous

Model: Elliot Steam Turbine & Generator

Number of Phases: 3

Rated Output (kW): [REDACTED] **Rated Output (kVA):** [REDACTED]
Rated Voltage (line to line): [REDACTED]
Rated Current (A): Stator: A; Rotor: A
Maximum kW Output: [REDACTED] kW **Maximum kVA Output:** [REDACTED] kVA
Minimum kW Output: kW

#6 Steam Turbine Generator (Out of Service)

Type (synchronous or inductive): Synchronous

Model: Elliot Steam Turbine & Generator

Number of Phases: 3

Rated Output (kW): [REDACTED] **Rated Output (kVA):** [REDACTED]
Rated Voltage (line to line): [REDACTED]
Rated Current (A): Stator: A; Rotor: A
Maximum kW Output: [REDACTED] kW **Maximum kVA Output:** [REDACTED] kVA
Minimum kW Output: kW

Location of the Facility: The Facility is constructed in the vicinity of the town of Dillard in Douglas County, Oregon. The location is more particularly described as follows:

Roseburg Forest Products Company
10500 Old 99 South
Dillard, OR 97432

Power factor requirements:

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

Maximum GIA Delivery Rate: [REDACTED] kW

EXHIBIT B
SELLER'S INTERCONNECTION FACILITIES

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

The Point of Delivery is the Point of Interconnection shown on the attached one-line diagram. Hourly Net Output delivered to the Point of Delivery is measured directly at the Point of Interconnection as shown on the attached one-line diagram.

REDACTED

REDACTED

**EXHIBIT C
REQUIRED FACILITY DOCUMENTS**

REQUIRED OF ALL FACILITIES:

1. QF Certification # QF06-242-000
2. Abstract of seller's insurance policy
3. Interconnection Agreement – Executed June 23, 2005 and provided per previous power purchase agreement. Term of the GIA is for the useful life of the Facility and in effect covering the term of this agreement.

EXHIBIT D

MONTHLY ENERGY DELIVERY ESTIMATE
AND
ANTICIPATED MONTHLY MAINTENANCE SCHEDULES

Month	Estimated Energy Deliveries (MWh)	Minimum Monthly Delivery (MWh)	Maximum Monthly Delivery (MWh)
January	[REDACTED]	[REDACTED]	[REDACTED]
February	[REDACTED]	[REDACTED]	[REDACTED]
March	[REDACTED]	[REDACTED]	[REDACTED]
April	[REDACTED]	[REDACTED]	[REDACTED]
May	[REDACTED]	[REDACTED]	[REDACTED]
June	[REDACTED]	[REDACTED]	[REDACTED]
July	[REDACTED]	[REDACTED]	[REDACTED]
August	[REDACTED]	[REDACTED]	[REDACTED]
September	[REDACTED]	[REDACTED]	[REDACTED]
October	[REDACTED]	[REDACTED]	[REDACTED]
November	[REDACTED]	[REDACTED]	[REDACTED]
December	[REDACTED]	[REDACTED]	[REDACTED]
Year Total	[REDACTED]	[REDACTED]	[REDACTED]

Planned Outage Periods during the Term are tentatively scheduled for:

- [REDACTED]
- [REDACTED]
- [REDACTED]

These maintenance outage should not affect Minimum Monthly Delivery for the affected months.

EXHIBIT E

RESERVED

EXHIBIT F

REQUIRED INSURANCE

1.1 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:

1.1.1 Workers' Compensation. Seller shall comply with any applicable laws or statutes, state or federal jurisdiction, where Seller performs work.

1.1.2 Employers' Liability. Seller shall maintain employers' liability insurance with minimum limits covering bodily injury for: \$1,000,000 – each accident, \$1,000,000 by disease – each employee, and \$1,000,000 by disease – policy limit.

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

1.1.4 Business Automobile Liability. Seller shall secure and continuously carry business automobile liability insurance with a minimum single limit of \$1,000,000 each accident covering bodily injury and property damage with respect to Seller's vehicles whether owned, hired or non-owned.

1.1.5 Umbrella/excess Liability. Seller shall maintain umbrella or excess liability insurance on an occurrence and following form basis with a minimum limits as follows:

(a) Facility Capacity Rating [REDACTED]

(b) Facility Capacity Rating [REDACTED]

1.1.6 Property Insurance. Seller shall maintain property insurance covering equipment and structures in an amount at least equal to the full replacement value for "all risks" of physical loss or damage, including coverage for earth movement, flood, boiler and machinery, and business interruption. The policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. Property insurance will be maintained in accordance with terms available in the insurance market for similar facilities.

1.2 Additional Provisions or Endorsements:

1.2.1 Except for workers' compensation and property insurance, the policies required herein shall include provisions or endorsements as follows:

(a) naming PacifiCorp, parent, divisions, officers, directors and employees as additional insureds;

(b) 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

(c) cross liability coverage or severability of interest.

1.2.2 Unless prohibited by applicable law, all required insurance policies shall contain provisions that the insurer will have no right of recovery or subrogation against PacifiCorp.

1.3 **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) confirming Seller's compliance with the insurance requirements hereunder. Insurance certificate confirming compliance shall be provided to PacifiCorp by Seller at least annually and each time a new insurance policy is issued or becomes effective.

1.4 **Commercial General Liability coverage** written on a "claims-made" basis, if any, shall be specifically identified on the certificate, and Seller 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.

1.5 **Periodic Review.** PacifiCorp may review this schedule of insurance as often as once every two (2) years. PacifiCorp may in its discretion require Seller to make reasonable changes to the policies and coverages described in this Exhibit to the extent reasonably necessary to cause such policies and coverages to conform to the insurance policies and coverages typically obtained or required for power generation facilities comparable to the Facility at the time PacifiCorp's review takes place.

EXHIBIT H

NERC EVENT TYPES

Event Type	Description of Outages
U119	Unplanned (Forced) Outage—Immediate – An outage that requires immediate removal of a unit from service, another outage state or a Reserve Shutdown state. This type of outage results from immediate mechanical/electrical/hydraulic control systems trips and operator-initiated trips in response to unit alarms.
U21	Unplanned (Forced) Outage—Delayed – An outage that does not require immediate removal of a unit from the in-service state but requires removal within six (6) hours. This type of outage can only occur while the unit is in service.
U31	Unplanned (Forced) Outage—Postponed – An outage that can be postponed beyond six hours but requires that a unit be removed from the in-service state before the end of the next weekend. This type of outage can only occur while the unit is in service.
SF1	Startup Failure – An outage that results from the inability to synchronize a unit within a specified startup time period following an outage or Reserve Shutdown. A startup period begins with the command to start and ends when the unit is synchronized. An SF begins when the problem preventing the unit from synchronizing occurs. The SF ends when the unit is synchronized or another SF occurs.
MO	Maintenance Outage – An outage that can be deferred beyond the end of the next weekend, but requires that the unit be removed from service before the next planned outage. (Characteristically, a MO can occur any time during the year, has a flexible start date, may or may not have a predetermined duration and is usually much shorter than a PO.)
ME	Maintenance Outage Extension – An extension of a maintenance outage (MO) beyond its estimated completion date. This is typically used where the original scope of work requires more time to complete than originally scheduled. Do not use this where unexpected problems or delays render the unit out of service beyond the estimated end date of the MO.
PO	Planned Outage – An outage that is scheduled well in advance and is of a predetermined duration, lasts for several weeks and occurs only once or twice a year. (Boiler overhauls, Solar Array replacement or inspections are typical planned outages.)
PE	Planned Outage Extension – An extension of a planned outage (PO) beyond its estimated completion date. This is typically used where the original scope of work requires more time to complete than originally scheduled. Do not use this where unexpected problems or delays render the unit out of service beyond the estimated end date of the PO

EXHIBIT G

Qualified Reporting Entity (QRE) Services Agreement

