



e-FILING REPORT COVER SHEET

COMPANY NAME: PacifiCorp dba Pacific Power

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
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Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR 860-029-0020(1)

Statute

Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other

(For example, federal regulations, or requested by Staff)

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

List Key Words for this report. We use these to improve search results.

QF PPA, PURPA

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

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.



825 NE Multnomah Street, Suite 2000
Portland, Oregon 97232

September 19, 2022

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-1166

RE: RE 142—Informational Filing on Qualifying Facility Transactions

In accordance with OAR 860-029-0020(1), PacifiCorp submits an electronic copy of an executed qualifying facility (QF) power purchase agreement (PPA), as listed on Attachment A.

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,

A handwritten signature in blue ink that reads "Shelley McCoy".

Shelley McCoy
Director, Regulation

Cc: Paul Rossow, OPUC staff

Docket RE 142
Informational Filing
Qualifying Facility
Power Purchase Agreement
September 19, 2022

Attachment A

Oregon / PacifiCorp
Docket: RE 142 – Informational Filing

Oregon Qualifying Facility Power Purchase Agreements
Oregon Administrative Rules 860-029-0020(1)

**** NON-CONFIDENTIAL ****

Oregon State University

NON-FIRM POWER PURCHASE AGREEMENT

BETWEEN

OREGON STATE UNIVERSITY

(an Existing Oregon, Non-Firm Qualifying Facility with 10,000 kW Facility Capacity Rating, or Less)

AND

PACIFICORP

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- EXHIBIT A: DESCRIPTION OF SELLER’S FACILITY
- EXHIBIT B: SELLER’S INTERCONNECTION FACILITIES
- EXHIBIT C: REQUIRED FACILITY DOCUMENTS
- EXHIBIT D: SELLER’S ENERGY DELIVERY SCHEDULE
- EXHIBIT E: [RESERVED]
- EXHIBIT F: SELLER AUTHORIZATION TO RELEASE GENERATION DATA TO PACIFICORP

NON-FIRM POWER PURCHASE AGREEMENT

THIS NON-FIRM POWER PURCHASE AGREEMENT, entered into this 12 day of September, 2022 is between the State of Oregon, acting by and through Oregon State University, “**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 owns, operates and maintains a gas-fired generation facility for the generation of electric power, including interconnection facilities, located in Corvallis, Benton County, Oregon with a Facility Capacity Rating of 6,500 kilowatts (kW) as further described in **Exhibit A** and **Exhibit B** (“**Facility**”);

B. Seller and PacifiCorp are parties to that certain Non-Firm Power Purchase Agreement dated November 23, 2010 (as amended from time to time, “**Original PPA**”), which expires September 30, 2022 (or such earlier date of termination of the Original PPA, the “**Original PPA Expiration Date**”);

C. Seller intends to continue to operate the Facility as a Qualifying Facility after the Original PPA Expiration Date;

D. Seller intends to 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;

E. Seller estimates that the average annual Net Output from the Facility surplus to its needs and sold to PacifiCorp under this Agreement will be 895,975 kilowatt-hours (kWh); and

F. This Agreement is a “New QF Contract” under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol in effect on the Effective Date.

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”** is reflected in **Exhibit A** and **Exhibit B**, previously provided by Seller following completion of construction of the Facility, describing the Facility as actually built, under the Original PPA.

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

1.3 **“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 will not necessarily coincide with calendar months.

1.4 **“Commencement Date”** means the first day following the Original PPA Expiration Date on which the Facility has been designated by the Transmission Provider as a network resource.

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

1.6 **“Contract Price”** means the applicable price for Net Output, stated in Section 5.1.

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 Commencement Date and end on the next succeeding December 31, and the last Contract Year shall end on the Termination Date.

1.8 **“Effective Date”** has the meaning set forth in Section 2.1.

1.9 **“Energy Delivery Schedule”** shall have the meaning set forth in Section 4.3.

1.10 **“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.

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

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

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

1.14 **“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.

1.15 **“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.

1.16 **“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.

1.17 **“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.

1.18 **“Net Output”** means all energy 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.

1.19 **“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**.

1.20 **“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.

1.21 **“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.

1.22 **“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.

1.23 **“Original PPA”** has the meaning set forth in Recital B.

1.24 **“Original PPA Expiration Date”** has the meaning set forth in Recital B

1.25 **“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**.

1.26 **“Standard Avoided Cost Rates Schedule”** means the Commission-approved Standard Avoided Cost Rates Schedule of Pacific Power & Light Company, providing pricing options for Base Load and Wind Qualifying Facilities of 10,000 kW or less, or Fixed and Tracking Solar Qualifying Facilities of 3,000 kW or less, which is in effect on the Effective Date of this Agreement.

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

1.28 **“Transmission Provider”** means PacifiCorp acting in its transmission function capacity.

1.29 **“WREGIS”** means the Western Renewable Energy Generation Information System or successor organization in case WREGIS is ever replaced.

1.30 **“WREGIS Certificate”** means “Certificate” as defined by WREGIS in the WREGIS Operating Rules dated July 15, 2013.

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

by WREGIS, dated July 15, 2013.

SECTION 2: TERM; COMMENCEMENT DATE

2.1 This Agreement shall become effective after execution by both Parties (“**Effective Date**”); provided that the Parties’ obligations with respect to the delivery, purchase and sale of Net Output shall not commence until the Commencement Date, as provided in Section 4.

2.2 Except as otherwise provided herein, this Agreement shall terminate on September 30, 2027 (“**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 Public University 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, 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 Standard Avoided Cost Rates Schedule 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 PacifiCorp's Standard Avoided Cost Rates Schedule.

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 Obligation to Deliver, Sell and Purchase Net Output. Commencing on the Commencement Date, unless otherwise provided herein, Seller will sell and PacifiCorp will purchase all Net Output from the Facility surplus to Seller's retail load, as further described in **Exhibit B**. Seller is prohibited from delivering Net Output to the Point of Delivery during the period of time, if any, between the Original PPA Expiration Date and the Commencement Date.

4.2 Average Annual Generation. Seller estimates that the Facility will generate, deliver and sell, on average, 894,975 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 Energy Delivery Schedule. Seller has provided an estimated monthly schedule of Net Output expected to be delivered by the Facility ("**Energy Delivery Schedule**"), attached hereto as **Exhibit D**.

SECTION 5: PURCHASE PRICES

5.1 Net Output. For all Net Output delivered to the Point of Delivery, PacifiCorp shall pay Seller 93% of the blended firm prices at Four Corners, COB, Mid-C and Palo Verde, as published in *Intercontinental Exchange (ICE) Day Ahead Power Price Report*, 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 8. 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.

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

SECTION 6: OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of any construction affecting the Facility, Seller shall provide PacifiCorp an update to the As-built Supplement (previously provided under the Original PPA) to specify the actual Facility as built. The update to 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 any time upon at least six month's prior written notice, Seller may increase Net Output if such increase is due to normal variances in estimated versus actual performance, changed Facility operations, or improvements in Facility efficiency. Seller may not increase Net Output under this Agreement by installing additional generating units or replacing the existing generating units with units of greater capacity.

6.3 Safe Operations. 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 reasonable efforts to notify PacifiCorp of planned outages at least ninety (90) days prior.

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) expected to last more than 48 hours, Seller reasonably shall notify PacifiCorp of the unscheduled outage or curtailment, the time when such has occurred or will occur, and the anticipated duration.

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 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.

7.3 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 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 8: BILLINGS, COMPUTATIONS, AND PAYMENTS

8.1 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.

8.2 Corrections. PacifiCorp shall have up to eighteen months to adjust any payment made pursuant to Section 8.1. In the event PacifiCorp determines it has overpaid Seller, PacifiCorp may adjust Seller's future payment accordingly in order to recapture any overpayment in a reasonable time.

8.3 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 9: DEFAULTS AND REMEDIES

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

9.1.1 Breach of Material Term. Failure of a Party to perform any material obligation imposed upon that Party by this Agreement or breach by a Party of a representation or warranty set forth in this Agreement.

9.1.2 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.

9.1.3 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.

9.2 Notice; Opportunity to Cure.

9.2.1 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.

9.2.2 Opportunity to Cure. A Party defaulting under Section 9.1.1 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.

9.3 Termination.

9.3.1 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. 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. Further, the Parties may by mutual written agreement amend this Agreement in lieu of a Party's exercise of its right to terminate.

- 9.3.2 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. At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Indemnities.

- 10.1.1 Indemnity by Seller. Subject to the Oregon Tort Claims Act (ORS 30.260 through 30.300) and the Oregon Constitution, Article XI, Section 7, 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.
- 10.1.2 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.

10.2 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.

10.3 No Consequential Damages. 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 11: INSURANCE

11.1 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.

11.2 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:

11.2.1 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.

11.3 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.

11.4 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.

11.5 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 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 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:

- 12.1.1 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
- 12.1.2 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
- 12.1.3 the non-performing Party uses its best efforts to remedy its inability to perform.

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 event of 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 an event of Force Majeure, within six months after the occurrence of the 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: APPROPRIATION OF FUNDS

Seller's authority and obligation to make any payment or incur any expense required by this Agreement are contingent on Seller receiving funding, appropriations, grant funds, expenditure limitations, allotments, or other expenditure authority sufficient to allow Seller, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, section 7, of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Seller represents that it has sufficient appropriations and expenditure limitations for the current biennium to make all payments and to satisfy all of Seller's performance obligations under this Agreement. Seller shall employ its best, good-faith efforts to request and seek funding, appropriations, grant funds, expenditure limitations, allotments, or other expenditure authority sufficient to allow Seller to perform its obligations throughout the term of this Agreement.

SECTION 15: 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 16: 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 17: 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 18: 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 19: 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 20: 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 21: ENTIRE AGREEMENT

21.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the subject matter of this Agreement. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

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

SECTION 22: NOTICES

22.1 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 97232-2315 Attn: Contract Administration, Suite 600 Email: cntadmin@pacificorp.com Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	Oregon State University Maintenance and Energy Operations Manager 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-4395 Facsimile 541 737-4657 Federal Tax ID Number: 48-1278540
All Invoices:	(same as street address above) Attn: Back Office, Suite 700 Email: powerinvoices@pacificorp.com	Oregon State University Maintenance and Energy Operations Manager 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-4395 Facsimile 541 737-4657
Scheduling:	(same as street address above) Attn: Pre-Scheduling, Suite 600 Phone: (503) 813 - 6090 Email: ctpreschd@pacificorp.com	Oregon State University Maintenance and Energy Operations Manager 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-4395 Facsimile 541 737-4657
Payments:	(same as street address above) Attn: Central Cashiers Office, Suite 550 Phone: (503) 813 - 6826	Oregon State University Attention Accounting Department 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-2588 Facsimile 541 737-3013
Wire Transfer:	To be provided in separate letter from PacifiCorp to Seller	N/A
Credit and Collections:	(same as street address above) Attn: Credit Manager, Suite 600 Phone: (503) 813 - 7280 Facsimile: (503) 813 – 5609	Oregon State University Attention Accounting Department 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-2588 Facsimile 541 737-3013

Notices	PacifiCorp	Seller
<p>With Additional Notices of an Event of Default or Potential Event of Default to:</p>	<p>(same as street address above) Attn: PacifiCorp Legal Department, Suite 2000</p>	<p>Oregon State University Attention Director of Facilities Services 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-7705 Facsimile 541 737-4810</p>

22.2 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 22.

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:
DocuSigned by:
Melanie Cunningham
20DC73B219C3456...

 Name: Melanie Cunningham
 Title: Associate Power Marketer

Seller

Oregon State University
 By:
DocuSigned by:
Bruce Daley
0D83D6D2F0B84E6...

 Name: Bruce Daley
 Title: AVP UFIO

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

Seller's Facility consists of two gas-fired generators manufactured by Solar Taurus 5.5 MW and Elliot 1.0 MW. More specifically, each generator at the Facility is described as:

Type (inductive): Gas turbine
Model: Kato 4p10.7-3050
Number of Phases: 3
Rated Output (kW): 4800 **Rated Output (kVA):** 6000
Rated Voltage (line to line): 13,800
Rated Current (A): 251 a Stator: ___ N/A ___ A; Rotor: ___ N/A ___ A
Maximum kW Output: _ 5750 kW **Maximum kVA Output:** _ 6388kVA
Minimum kW Output: _ 0 kW
Manufacturer's Guaranteed Cut-in Wind Speed [if applicable]: N/A

Type (inductive): Steam turbine
Model: Kato AA28302000
Number of Phases: 3
Rated Output (kW): 1000 **Rated Output (kVA):** 1250
Rated Voltage (line to line): 7967/13800
Rated Current (A): 52.3 A Stator: ___ N/A ___ A; Rotor: ___ N/A ___ A
Maximum kW Output: 1000 kW **Maximum kVA Output:** 1250 kVA
Minimum kW Output: 0 kW
Manufacturer's Guaranteed Cut-in Wind Speed [if applicable]: N/A

Facility Capacity Rating (Nameplate Rating): 5.5 MW and 1.0 MW

Identify the maximum output of the generator(s) and describe any differences between that output and the Nameplate Capacity Rating: The difference between the gas turbine rated output and its maximum output is due to the changes in entering air temperature between winter and summer. The expected average output from the generator is 5950 kW.

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

The OSU Energy Center serves the parasitic loads from the plant, approximately 450 kW, and all of the campus loads that are connected to the campus power grid that is served from the Energy Center metering point.

Location of the Facility: The Facility is on the OSU campus on the corner of 35th and Jefferson in Corvallis in Benton County, Oregon. The location is more particularly described as follows:

Oregon State University campus:
Section 34, Township 11S, Range 5W, city of Corvallis, Oregon

Power factor requirements:

Rated Power Factor (PF) or reactive load (kVAR): 0.93 PF

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

Instructions to Seller:

1. Include description of point of metering, and Point of Delivery:

The Point of Delivery shall be a virtual point of delivery ("POIv"), defined as the combined contemporaneous flow (kW) at: (1) the interconnection point located on 30th Street between Jefferson Way and Washington Way on the Energy Center site (POI#1); and (2) the interconnection point also located on 30th Street (POI#2). Energy delivered to Seller at POI#1 shall be the energy metered at the point of metering in Meter Vault A (labeled by a "1" inside a hexagon) shown on the attached PacifiCorp one-line drawing No. 142165.001 (attached). Energy delivered to Seller at POI#2 shall be the energy metered at the point of metering in Meter Vault B (labeled by a "2" inside a hexagon) shown on the attached PacifiCorp one-line drawing No. 142165.001.

When the hourly net flow of energy at POIv (which equals the sum of flows at POI#1 and POI#2, combined) is from Seller to PacifiCorp, PacifiCorp shall pay Seller for Net Output (measured at POIv) in accordance with Section 5 of this Agreement and Seller's retail consumption shall be zero.¹ When the hourly net flow of energy at POIv (which equals the sum of flows at POI#1 and POI#2, combined) is from PacifiCorp to Seller, Seller shall pay PacifiCorp for net energy and demand received in accordance with the applicable Pacific Power retail service schedule(s) and energy purchased by PacifiCorp under this Agreement shall be zero.

Other Generation at OSU. As of the Effective Date, Seller warrants that it is not generating electricity onto Seller's side of the Point of Delivery from any source other than the Facility. Seller shall not for the term of this Agreement generate electricity onto Seller's side of the Point of Delivery from any source other than the Facility without first obtaining written approval from PacifiCorp in the form of an amendment to this **Exhibit B** that, to PacifiCorp's reasonable satisfaction, results in accurate measurement of the Net Output from the Facility in satisfaction of PURPA and does not result in PacifiCorp at any time purchasing energy from the Facility in an amount greater than the energy 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.

2. Provide interconnection single line drawing of Facility including any transmission facilities on Seller's side of the Point of Delivery. [See one-line diagram, next page.]

¹When Seller's retail consumption is zero, other charges under the applicable schedule(s) may still apply.

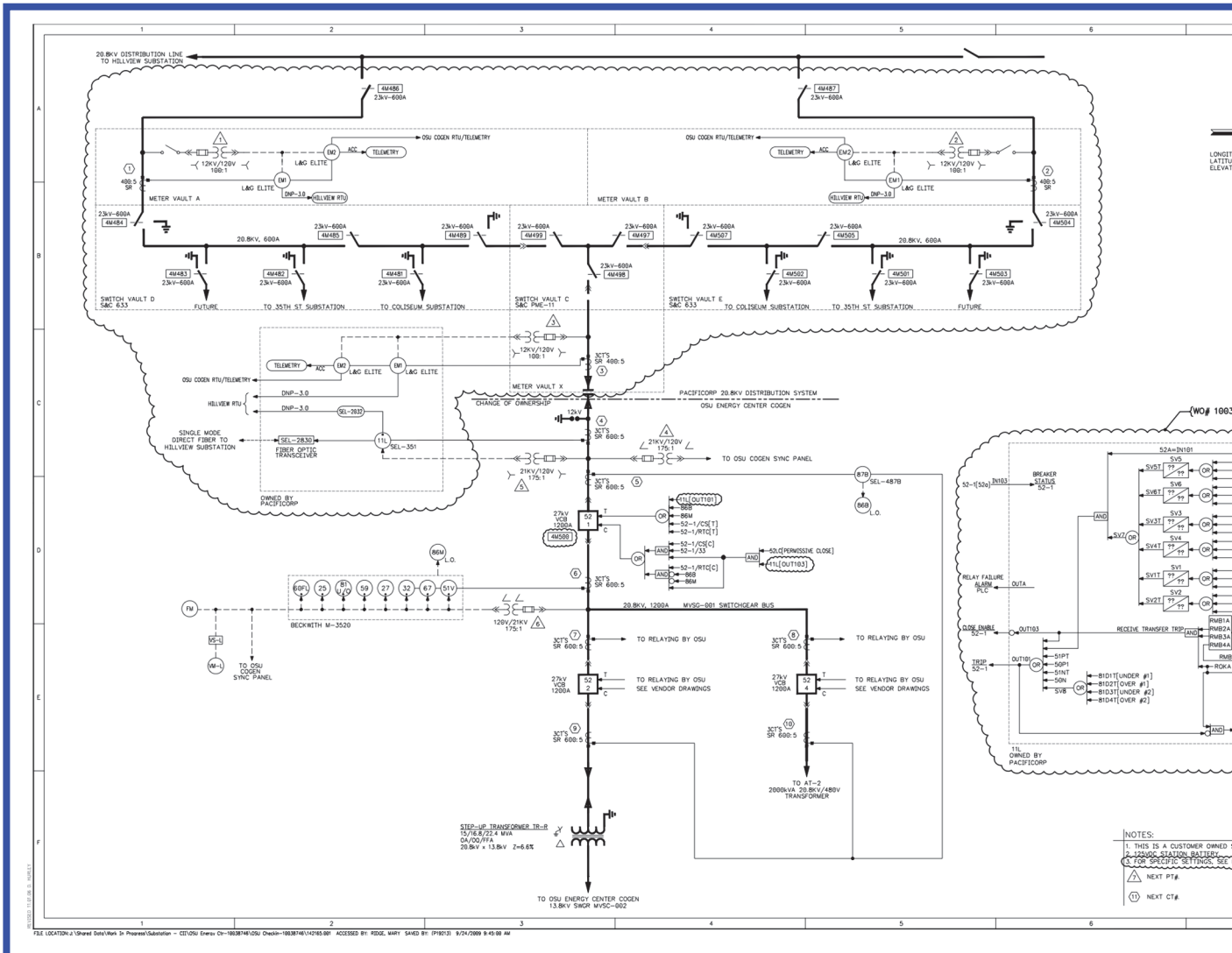


EXHIBIT C
REQUIRED FACILITY DOCUMENTS

REQUIRED OF ALL FACILITIES:

QF Certification QF10-431-000

Interconnection Agreement – Provided March 8, 2010

EXHIBIT D
SELLER'S ENERGY DELIVERY SCHEDULE

Month	Average Energy (kWh)
January	79,417
February	47,546
March	100,296
April	87,363
May	35,059
June	18,501
July	76,887
August	50,878
September	108,542
October	77,594
November	80,869
December	133,023

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