

December 14, 2021

E-TARIFF

The Honorable Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Re: PacifiCorp, Amended and Restated Midpoint-Meridian Agreement Docket No. ER22- -000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act ("FPA")¹ and Part 35 of the Regulations of the Federal Energy Regulatory Commission ("FERC" or "Commission"),² PacifiCorp hereby tenders for filing the following:

Amended and Restated Midpoint-Meridian Agreement between PacifiCorp and the Bonneville Power Administration ("Bonneville"), to be designated as First Revised PacifiCorp Rate Schedule No. 369 ("Amended Agreement").

As discussed further below, the Midpoint-Meridian Agreement is a pre-Order No. 888 agreement that, as relevant to this recent amendment, involves legacy transmission service from Bonneville to PacifiCorp, which the Parties have converted to point-to-point service under Bonneville's Open Access Transmission Tariff ("Tariff") commencing on December 1, 2021. Although no Commission-jurisdictional service is impacted by the amendments discussed herein, PacifiCorp nonetheless respectfully requests that the Commission accept the Amended Agreement, effective February 12, 2022.

A. PacifiCorp

PacifiCorp is an Oregon corporation and an indirect, wholly owned subsidiary of Berkshire Hathaway Energy Company ("BHE"). PacifiCorp is a vertically-integrated public utility primarily engaged in providing retail electric service to approximately 1.9 million residential, commercial, industrial, and other customers in portions of the following states: California, Idaho, Oregon, Utah, Washington, and Wyoming. PacifiCorp provides electric transmission service in ten Western states and owns or has interests in approximately 16,500 miles of transmission lines and 71 thermal, hydroelectric, wind-powered generating, and geothermal facilities. PacifiCorp provides open access transmission service in accordance with its OATT, which is on file with the Commission. PacifiCorp operates two balancing authority areas, PacifiCorp East ("PACE") and PacifiCorp West ("PACW").

¹ 16 U.S.C. § 824d (2018).

² 18 C.F.R. Part 35 (2021).

³ See Silver Merger Sub, Inc. et al., 145 FERC ¶ 61,261 (2013) (order authorizing merger of NV Energy, Inc. and a BHE subsidiary).

B. Bonneville Power Administration

Bonneville is a federal power marketing administration that markets electric power from 31 federal hydroelectric projects and some non-federal projects. Bonneville sells wholesale power to meet the firm requirements of certain utility and federal agency customers in the Pacific Northwest, including public utility districts, municipal utilities, and cooperative utilities. In addition, Bonneville operates over 15,000 miles of high-voltage transmission lines in the Pacific Northwest.⁴

C. PacifiCorp Rate Schedule No. 369: Midpoint-Meridian Agreement

The Midpoint-Meridian Agreement is a pre-Order No. 888 agreement, which Bonneville and PacifiCorp executed in 1994 to memorialize the Parties' intended use and coordination of certain Bonneville-owned and PacifiCorp-owned transmission facilities in Oregon and Idaho. In addition, as relevant to the changes discussed herein, Bonneville provides 600MW of legacy transmission service to PacifiCorp's merchant function under Sections 5 through 9 of the Midpoint-Meridian Agreement, which the Parties converted over to 600MW of point-to-point service under Bonneville's Tariff on December 1, 2021.

D. Revisions to PacifiCorp Rate Schedule No. 369

As noted above, the Parties have amended the Midpoint-Meridian Agreement to reflect the conversion of certain legacy Bonneville-provided transmission service to service under Bonneville's Tariff. Specifically, and as illustrated in the enclosed redline, the Parties have mutually agreed to the following changes in the Midpoint-Meridian Agreement:

- The recitals have been updated to reflect the Parties' intentions and the new point-to-point transmission service that Bonneville will provide to PacifiCorp starting on December 1, 2021;
- Section 1 has been revised to strike various definitions that apply only to the legacy transmission service from Bonneville that is being removed in the Amended Agreement;
- Sections 3 and 9 have been amended to strike references to all exhibits pertaining to the legacy transmission service, with the exception of Exhibit A, which houses certain standard Bonneville terms and conditions;
- Sections 5, 6, and 10 have been revised to remove references and provisions related to the legacy transmission service from Bonneville, and preserving other aspects of the Midpoint-Meridian Agreement.
- Sections 7 and 8 have been removed entirely, as those sections pertain to payment for, and procedures for expanding, the legacy service that will now be provided under Bonneville's Tariff.

⁴ As a political subdivision of the United States Department of Energy, Bonneville is not a "public utility" subject to Sections 205 and 206 of the Federal Power Act. 16 U.S.C. § 824(f) (2018).

⁵ The Midpoint-Meridian Agreement is on file with the Commission in Docket No. ER94-1390, and following this filing, will be noted in PacifiCorp's e-Tariff. *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. P 31,276 (2008), *order on clarification*, Order No. 714-A, 147 FERC ¶ 61,115 (2014). ("Existing tariffs and rate schedules not included as part of the baseline filing are required to be filed electronically only when they are revised or amended.").

As indicated in the above summary, the only provisions changing in the Amended Agreement between the Parties pertain to legacy service provided by Bonneville, a non "public utility" under the Federal Power Act. The Parties do not wish to change through this Amended Agreement, and the Amended Agreement does not change, for example, the rights described in Section 4 of the Midpoint-Meridian Agreement (as retained in the Amended Agreement) or any other terms or conditions that are jurisdictional to this Commission through PacifiCorp's status as a "public utility" under the FPA. Accordingly, the Parties' revisions to the Amended Agreement remain consistent with Commission's general policy of preserving pre-Order No. 888 agreements.⁶

E. Effective Date and Request for Waiver

PacifiCorp respectfully requests that the Amended Agreement be accepted as submitted, effective as of February 12, 2022. In addition, PacifiCorp respectfully requests that the Commission waive any portion of Part 35 of the Commission's regulations, which has not been satisfied by this filing.

F. Communications

All communication and correspondence with respect to this filing should be directed to the individuals below. A copy of this filing has been provided to Bonneville.

Thomas C. Woodworth Assistant General Counsel PacifiCorp 825 N.E. Multnomah, Suite 2000 Portland, OR 97232 (503) 813-5356 Thomas.Woodworth@PacifiCorp.com Rick Vail Vice President, Transmission PacifiCorp 825 N.E. Multnomah, Suite 1600 Portland, OR 97232 (503) 813-6938 Richard.Vail@PacifiCorp.com

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G. Notice

A copy of this filing is being served on the following:

⁶ See, e.g., Order No. 888-A, FERC Stats. & Regs. P 31,048 at 30,178; S.C. Elec. & Gas Co., 162 FERC ¶ 61,024, P 3 (2018)

Elizabeth Loebach, Attorney, Office of General Counsel Bonneville Power Administration PO Box 3621, LT-7 Portland, OR 97208 503-230-5099 ekloebach@bpa.gov Public Utility Commission of Oregon P.O. Box 1088 Salem, OR 97308 PUC.FilingCenter@state.or.us

H. Exhibits

Attached to this filing letter are the following Exhibits:

Exhibit A Clean First Amended and Restated Midpoint-Meridian Agreement.

Exhibit B First Amended and Restated Midpoint-Meridian Agreement, with redline

comparison to the 1994 Midpoint-Meridian Agreement.

I. Conclusion

For the reasons stated herein, PacifiCorp respectfully requests that the Commission accept the Amended Agreement as filed with the effective date requested above.

Sincerely,

/s/ Thomas Woodworth Thomas C. Woodworth Counsel for PacifiCorp

Dated: December 14, 2021

EXHIBIT A

Clean First Amended and Restated Midpoint-Meridian Agreement

EXHIBIT B

First Amended and Restated Midpoint-Meridian Agreement
Redline comparison to 1994 Midpoint-Meridian Agreement

DE-MS79-94BP94333

AMENDED AND RESTATED MIDPOINT-MERIDIAN TRANSMISSION AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

PACIFICORP

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Exhibit A (General Wheeling Provisions [GWP Form 4R]

This Amended and Restated Midpoint-Meridian Transmission Agreement ("Agreement") executed December 1, 2021, by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION ("Bonneville") and PacifiCorp ("PacifiCorp"), a corporation organized and existing under the laws of the State of Oregon, (hereinafter referred to individually as "Party" and collectively as "Parties".

WITNESSETH

WHEREAS the Parties entered into the Midpoint-Meridian Transmission Agreement on June 1, 1994, hereinafter referred to as the "1994 Midpoint-Meridian Agreement." The 1994 Midpoint-Meridian Agreement superseded and replaced the Midpoint-Medford Transmission Agreement (Contract No. DE-MS79-79BP90091), as amended, and incorporated terms set forth in an Agreement of Principles, dated May 28, 1993; and

WHEREAS the Parties have entered into the Intertie Agreement (Contract No. DE-MS79-86BP92299), as amended, which hereinafter is referred to as "Intertie Agreement"; and

WHEREAS the Parties have entered into the Transmission Agreement (Contract No. DE-MS79-79BP90091), as amended, which hereinafter is referred to as "Midpoint-Medford Agreement"; and

WHEREAS the Parties have entered into an Agreement of Principles, dated May 28, 1993, which hereinafter is referred to as "Letter of Understanding" and which provides, among other things, for the revision of certain terms and conditions in the Intertie Agreement and the Midpoint-Medford Agreement; and

WHEREAS the Parties have entered into the AC Intertie Agreement (Contract No. DE-MS79-94BP94332), as amended, which hereinafter is referred to as "AC Intertie Agreement" which replaces and supersedes the Intertie Agreement; and

WHEREAS the Parties replaced and superseded the Midpoint-Medford Agreement with the 1994 Midpoint-Meridian Agreement; and

WHEREAS PacifiCorp has constructed a 500 kV transmission line from Midpoint Substation to Meridian Substation ("Midpoint-Meridian Line"), to transmit electric power and energy from resources which it owned or which were under construction by PacifiCorp, as of September 2, 1977, in Wyoming and adjacent states ("PacifiCorp's Eastern System") to the Pacific Northwest; and

WHEREAS the Midpoint-Meridian Line consists of three segments hereinafter referred to as "Midpoint-Summer Lake Line", "Summer Lake-Malin Line" and "Malin-Meridian Line"; and

WHEREAS PacifiCorp has constructed a 500 kV transmission line from the interconnection with Bonneville at Alvey Substation to Meridian Substation ("Alvey-Meridian Line") which is jointly owned by PacifiCorp and Bonneville; and

WHEREAS the Midpoint-Meridian Line is interconnected with the Alvey-Meridian Line at Meridian Substation; and

WHEREAS the Midpoint-Meridian Line is interconnected with the Federal Transmission System and the AC Intertie; and

WHEREAS the Midpoint-Meridian Line is interconnected with the California-Oregon Transmission Project at Captain Jack Substation; and

WHEREAS under the 1994 Midpoint-Meridian Agreement, Bonneville agreed to provide PacifiCorp transmission service over the Federal Transmission System; and

WHEREAS under the 1994 Midpoint-Meridian Agreement, Bonneville agreed to provide additional transmission services to PacifiCorp at times of abnormal operations of the Midpoint-Summer Lake Line and the Summer Lake-Malin Line ("Midpoint-Malin Line"); and

WHEREAS Bonneville and PacifiCorp have entered into Point-to-Point Contract No. 04TX-11722, as such contract may be amended from time to time, which replaces and supersedes the transmission services provided under Section 5 and associated terms, conditions and exhibits of the 1994 Midpoint-Meridian Agreement; and

WHEREAS the Parties desire to supersede and replace the 1994 Midpoint-Meridian Agreement with this Amended and Restated Midpoint-Meridian Agreement to reflect the aforementioned conversion of service under Section 5 of this legacy agreement to BPA point-to-point transmission service; and

WHEREAS the Parties have entered into the Malin Operation and Maintenance Trust Agreement (Contract No. 14-03-62876), as amended which hereinafter is referred to as "Operation and Maintenance Agreement" and which provides, among other things, for the operation and maintenance of certain facilities at Malin Substation; and

WHEREAS Bonneville has constructed a 500 kV transmission line from the Government's Buckley Substation to its Summer Lake Substation ("Buckley-Summer Lake Line") to interconnect with PacifiCorp's Midpoint-Meridian Line at Summer Lake Substation, and the Parties have agreed to exchange rights to capacity in the Buckley-Summer Lake Line and Summer Lake-Malin Line; and

WHEREAS the Parties entered into the Exchange Agreement (Contract No. 14-03-29245) as amended or replaced which is hereinafter referred to as "Exchange Agreement," and which provided, among other things, for points of delivery, scheduling arrangements and an energy exchange account; and

WHEREAS Bonneville is authorized pursuant to law to dispose of electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest, or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the parties hereto mutually agree as follows;

1. <u>Definition and Explanation of Terms.</u>

(a) "AC Intertie" means Bonneville's rights in the alternating current ("AC") transmission facilities for transferring power and energy between Oregon and California as follows: two 500 kV lines extending from John Day Substation to Malin Substation and to the California-Oregon Border; portions of John Day, Grizzly, and Malin Substations and the Sand Springs, Fort Rock, and Sycan Compensation Stations; a portion of the Buckley-Summer Lake 500 kV transmission line and associated substations; portions of the Buckley-Marion and Marion-Alvey 500 kV transmission lines and associated facilities; Bonneville's capacity rights in the Summer Lake-Malin 500 kV transmission

line; Bonneville's share of ownership of the Alvey-Dixonville and Dixonville-Meridian 500 kV transmission lines; portions of the Alvey, Dixonville, Meridian and Captain Jack Substations; the 500 kV transmission line extending from Captain Jack Substation to the California-Oregon Border; and any modifications, improvements, or additions to such facilities.

- (b) "Federal Transmission System" means transmission facilities owned by Bonneville.
- (c) "Workday" for the purpose of scheduling means a day which the Parties observe as a regular workday.
- 2. Term of Agreement. This Agreement shall be effective and shall supersede the 1994 Midpoint-Meridian Agreement upon execution by the Parties and approval or acceptance for filing without change by the Federal Energy Regulatory Commission for a term coincident with the AC Intertie Agreement. Upon termination of this Agreement, all liabilities accrued hereunder shall be and are hereby preserved until satisfied.
- <u>3.</u> <u>Exhibits.</u> Exhibit A is incorporated herein as part of this Agreement. PacifiCorp shall be the "Transferee" mentioned in Exhibit A and Bonneville shall be the "Transferror" therein mentioned.
- 4. Right to Use Transmission Capacity.
 - (a) Buckley-Summer Lake/Summer Lake-Malin Exchange. During the term hereof, the Parties hereby exchange the right to use the capacity in the Buckley-Summer Lake Line and the Summer Lake-Malin Line. PacifiCorp shall have the use of 340 megawatts of bidirectional scheduling capability in the Buckley-Summer Lake Line; and Bonneville shall have the use of 1000 megawatts of bi-directional scheduling capability above PacifiCorp's 1000 megawatts of capability in the Summer Lake-Malin Line. Such rights of use shall include Bonneville's initial terminal facilities in the Buckley and Summer Lake Substations and PacifiCorp's terminal facilities in the Summer Lake and Malin Substations. Such right of use is based on the ratio of each Party's estimated investment in, and the transfer capability of, its respective lines and related facilities. PacifiCorp shall be responsible for the capital and annual costs of two 500 kV line terminal positions at Summer Lake Substation, including two power circuit breakers, and the additions required at Malin Substation in accordance with the Operation and Maintenance Agreement; provided, however, that Bonneville will operate all such equipment at PacifiCorp's expense. Bonneville shall be responsible for all other facilities at Summer Lake and, with other owners of the AC Intertie, for the facilities to connect Buckley to the AC Intertie. For amounts PacifiCorp schedules in or out of Buckley within its 340 megawatt capacity ("Buckley Schedule") PacifiCorp shall reimburse Bonneville for incidental transmission and the associated losses pursuant to the general transmission agreement (Contract No. EW-78-Y83-0035), or for firm transmission and associated losses under an

appropriate firm wheeling agreement. Use of one Party's capacity in either of the Buckley-Summer Lake Line or the Summer Lake-Malin Line by the other shall be subject to availability, as determined by the other Party, and shall be subject to payment and loss provisions agreed upon by the Parties. The Parties shall be compensated for control area electric power losses pursuant to Section 8 of the AC Intertie Agreement.

- Bonneville's Right to Use PacifiCorp's Summer Lake-Midpoint Transmission (b) Capacity. Commencing on the effective date of this Agreement and continuing until the earlier of (1) the date of commercial operation of an additional high voltage transmission line between the Federal Transmission System and the Idaho Power Company system or (2) the later of (a) January 1, 1997, or (b) the date that PacifiCorp's net firm load obligations in southern Oregon and northern California exceed 1150 megawatts; if Bonneville requires additional capacity to the east in excess of the 350 megawatts capacity of its present interconnections with Idaho Power Company at LaGrande Substation and Hines Substation to serve Bonneville's own loads. Bonneville shall have the use of 200 megawatts of eastbound scheduling capability in the Midpoint-Summer Lake Line to the point where PacifiCorp's facilities interconnect with facilities of Idaho Power Company at Midpoint Substation. Losses associated with amounts of power transmitted over the Midpoint-Summer Lake Line shall be assessed in a manner agreed upon by the parties. There shall be no transmission charges for such transmission service.
- (c) Bonneville's Right to Obtain Additional Summer Lake-Midpoint Capacity. During the term of this Agreement, Bonneville shall have the option to acquire up to 400 megawatts of eastbound firm scheduling rights over the Midpoint-Summer Lake Line and an option to tap such line to serve loads and for interregional transfers. If Bonneville exercises its option to acquire up to 400 megawatts of eastbound firm scheduling rights over the Midpoint-Summer Lake Line. Bonneville shall pay PacifiCorp based upon PacifiCorp's then-effective applicable FERC filed tariff for firm transmission services. If Bonneville exercises this option, during periods when the eastbound capability of the Midpoint-Summer Lake Line is reduced, Bonneville's eastbound scheduling rights shall be reduced pro-rata with such reduction. However, during periods when transfer capability is reduced, PacifiCorp shall provide Bonneville the right to use PacifiCorp's capability not required for PacifiCorp's firm need, as determined by PacifiCorp, at no additional cost. In the event Bonneville wishes to tap the Midpoint-Summer Lake Line. Bonneville and PacifiCorp shall mutually develop the plan of service for such tap. Such tap shall not degrade or reduce PacifiCorp's East to West transfer capability on the Midpoint-Malin Line or reduce PacifiCorp's Load Carrying Capability as defined in the AC Intertie Agreement. Unless otherwise mutually agreed, Bonneville shall be responsible for all costs associated with any such tap. Unless otherwise mutually agreed, such tap shall not increase Bonneville's eastbound transfer rights on the Midpoint-Summer Lake Line.

- 5. <u>Transmission of Electric Power and Energy.</u>
 - (a) [Intentionally Omitted]
 - (b) [Intentionally Omitted]
 - (c) [Intentionally Omitted]
 - (d) If either Party schedules electric energy in any hour on its share of capacity provided under section 4 herein, it shall schedule losses to the other Party in the manner and amounts agreed upon by the Parties at the applicable points of delivery or points of interconnection.
 - (e) [Intentionally Omitted]
 - (f) PacifiCorp shall not transmit electric power and energy west to east over the Midpoint-Meridian Line, or any segment thereof, in a manner which will adversely impact the operation of the Federal Transmission System or the AC Intertie. The determination of an adverse impact shall be made by Bonneville.
- 6. <u>Scheduling.</u> Unless otherwise agreed by the Parties,
 - (a) PacifiCorp shall submit to Bonneville each Workday pursuant to the scheduling provisions of the Exchange Agreement preschedules of each of the following amounts to be made available to Bonneville for each hour of the following day or days:
 - (1) the Buckley Schedule under section 4 herein.
 - (b) PacifiCorp shall submit to Bonneville each Workday retroactive reports of PacifiCorp's use of its capacity in the Buckley-Summer Lake Line under subsection 4(a) herein for service to its Bend area loads.
 - (c) Bonneville shall submit to PacifiCorp each Workday (1) a retroactive report of the hourly amounts of electric energy made available to PacifiCorp for transmittal over the Midpoint-Summer Lake Line pursuant to subsections 4(b) and 4(c) herein and the Summer Lake-Malin Line pursuant to subsection 4(a) herein for the previous day or days and (2) a preschedule of the losses associated with the transmission services provided under (1) for the following day or days. In addition, at PacifiCorp's request, Bonneville shall (1) at the end of each hour notify PacifiCorp of the amounts of electric energy scheduled under this subsection 6(c) during such hour, and (2) by 1200 hours on each workday submit an estimate of the amounts of electric energy to be scheduled under this subsection 6(c) for the following day or days.
 - (d) Scheduling provisions of the Exchange Agreement shall apply to scheduling hereunder. PacifiCorp shall schedule all transactions with California utilities and governmental agencies in California through the Joint Intertie Scheduling

office, as defined in the AC Intertie Agreement, and shall keep the appropriate scheduling personnel advised of all transactions over the Midpoint-Meridian Line and the Buckley-Summer Lake Line.

- 7. [Intentionally Omitted]
- 8. [Intentionally Omitted]
- 9. Revision of Exhibits. Exhibit A shall be subject to revision by the Parties upon mutual agreement.
- 10. <u>Reactive Power</u>. The Parties shall jointly plan and operate their systems so that the flow of reactive power accompanying or resulting from deliveries of electric power and energy hereunder will not adversely affect the system of either party.
- 11. <u>Termination of Agreement</u>. The Parties agree that the 1994 Midpoint-Meridian Transmission Agreement superseded and terminated in its entirety the Midpoint-Medford Agreement, Contract No. DE-MS79-79BP90091, provided, however, that any liabilities incurred thereunder are hereby preserved until satisfied.

12.	Signatures

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and may be executed by electronic signature and delivered electronically. The Parties have executed this Agreement as of the last date indicated below.

PACIFIC	CORP	Departme	UNITED STATES OF AMERICA Department of Energy Bonneville Power Administration			
By:	/s/ Rick Link	By:	/s/ Eric Carter			
Title:	Senior Vice President	Title:	Senior Transmission Account Executive			
If opting	out of the electronic signature:					
By:						
Name:	Print/Type)					
Title:						
Date:						

Exhibit A (GENERAL WHEELING PROVISIONS [GWP Form-4R] (04-15-83))

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GENERAL APPLICATION

- 1. Interpretation.
- (a) The provisions in this exhibit shall be deemed to be a part of the contract body to which they are an exhibit. If a provision in such contract body is in conflict with a provision contained herein, the former shall prevail.
- (b) If a provision in the General Transmission Rate Schedule Provisions is in conflict with a provision in this exhibit or the contract body, this exhibit or the contract body shall prevail.
- (c) Nothing contained in this contract shall, in any manner, be construed to abridge, limit, or deprive any party thereto of any means of enforcing any remedy, either at law or in equity, for the breach of any of the provisions thereof which it would otherwise have.
 - 2. Definitions. As used in this contract:
 - (a) "Contractor," "Utility" or "Borrower" means the party-to this contract other than Bonneville.
- (b) "Federal System" or "Federal System Facilities" means the facilities of the Federal Columbia River Power System, which for the purposes of this contract shall be deemed to include the generating facilities of the Government in the Pacific Northwest for which Bonneville is designated as marketing agent; the facilities of the Government under the Jurisdiction of Bonneville; and any other facilities:
 - (1) from which Bonneville receives all or a portion of the generating capability (other than station service) for use in meeting Bonneville's loads, such facilities being included only to the extent Bonneville has the right to receive such capability; <u>provided</u>, <u>however</u>, that 'Bonneville's loads" shall not include that portion of the loads of any Bonneville customer which are served by a nonfederal generating resource purchased or owned directly by such customer which may be scheduled by Bonneville;
 - (2) which Bonneville may use under contract, or license; or
 - (3) to the extent of the rights acquired by Bonneville pursuant to the Treaty, between the Government and Canada, relating to the cooperative development of water resources of the Columbia River Basin, signed in Washington, D.C., on January 17, 1961.
- (c) "Integrated Demand" means the number of kilowatts which is equal to the number of kilowatt-hours delivered at any point during a clock hour.
- (d) "Measured Demand" means the maximum Integrated Demand for a billing month determined from measurements made as specified in the contract or as determined in section 4 hereof when metering or other data are not available for such purpose. Bonneville, in determining the Measured Demand, will exclude any abnormal Integrated Demands due to, or resulting from emergencies or breakdowns on, or maintenance of, either parties' facilities, and (b) emergencies on facilities of the Transferee, provided that such facilities have been adequately maintained and prudently operated as determined by Bonneville.

If the contract provides for delivery of more than one class of power to a Transferee at any Point of Delivery, the portion of each Integrated Demand assigned to any class of power shall be determined as specified in the contract. The portion of the Integrated Demand so assigned shall constitute the Measured Demand for such class of power.

- (e) "Month" means the period commencing at the time when the meters mentioned in this contract are read by Bonneville and ending approximately 30 days thereafter when a subsequent reading of such meters is made by Bonneville.
- (f) "Point(s) of Delivery" means the point(s) of delivery listed either in the Points of Delivery Exhibit to this contract or in the body of this contract.

- (g) "System" or "Facilities" means the transmission facilities: (1) which are owned or controlled by either party, or (2) which either party may use under lease, easement, or license.
 - (h) "Transferee' means an entity which receives power or energy from the system of the Transferor.
- (i) "Transferor" means an entity which receives at one point on its system a supplying entity's power or energy and makes such power or energy available at another point on its system for the account of the delivering entity or a third party.

(j) "Uncontrollable Forces" means:

- (1) strikes or work stoppage affecting the operation of the Contractor's works, system, or other physical facilities or of the Federal System Facilities or the physical facilities of any Transferee upon which such operation is completely dependent; the term strikes or work stoppage' shall be deemed to include threats of imminent strikes or work stoppage which reasonably require a party or Transferee to restrict or terminate its operations to prevent substantial loss or damage to its works, system, or other physical facilities; or
- (2) such of the following events as the Contractor or Bonneville or any Transferee by exercise of reasonable diligence and foresight, could not reasonably have been expected to avoid:
 - (A) events, reasonably beyond the control of either party or any Transferee, causing failure, damage, or destruction of any works, system or facilities of such party or Transferee; the word "failure" shall be deemed to include interruption of, or interference with, the actual operation of such works, system, or facilities;
 - (B) floods or other conditions caused by nature which limit or prevent the operation of, or which constitute an imminent threat of damage to, any such works, system, or facilities; and
 - (C) orders and temporary or permanent injunctions which prevent operation, in whole or in part, of the works, system, or facilities of either party or any Transferee, and which are issued in any bona fide proceeding by:
 - i. any duly constituted court of general jurisdiction; or
 - ii. any administrative agency or officer, other than Bonneville or its officers, provided by law (a) if said party or Transferee has no right to a review of the validity of such order by a court of competent jurisdiction; or (b) if such order is operative and effective unless suspended, set aside, or &nulled by a court of competent jurisdiction and such order is not suspended, set aside, or annulled in a judicial proceeding prosecuted by said party or Transferee in good faith; provided, however, that if such order is suspended, set aside, or annulled in such a judicial proceeding, it shall be deemed to be an "uncontrollable force" for the period during which it is in effect; provided, further, that said party or Transferee, shall not be required to prosecute such a proceeding, in order to have the benefits of this section, if the parties agree that there is no valid basis for contesting the order.

The term "operation" as used in this subsection shall be deemed to include construction, if construction is required to implement the contract and is specified therein.

3. Prior Demands.

- (a) In determining any credit demand mentioned in, or money compensation to be paid under this contract for any month, Integrated Demands at which electric energy was delivered by the Transferor at Points of Delivery mentioned herein for the account of the other party to this contract prior to the date upon which the contract takes effect shall be considered in the same manner as if this contract had been in effect.
- (b) If either party has delivered electric power and energy to the other party at any Point of Delivery specified in this contract or in any previous contract, and such Point of Delivery is superseded by another Point of

Delivery specified in this contract, the Measured Demands, if any, at the superseded Point of Delivery shall be considered for the purpose of determining the charges paid to the Transferor for the electric power and energy delivered under this contract at such superseded point.

4. <u>Measurements</u>. Except as it is otherwise provided in section 7, each measurement of each meter mentioned in this contract shall be the measurement automatically recorded by such meter or, at the request of either party, the measurement as mutually determined by the best available information.

If it is provided in this contract that measurements made by any of the meters specified therein are to be adjusted for losses, such adjustments shall be made by using factors, or by compensating the meters, as agreed upon by the parties hereto. If changes in conditions occur which substantially affect any such loss factor or compensation, it will be changed in a manner which will conform to such change in conditions.

- 5. <u>Measurements and Installation of Meters</u>. Bonneville may at any time install a meter or metering equipment to make the measurements for any Point of Delivery required for any computation or determination mentioned in this contract, and if so installed, such measurements shall be used thereafter in such computation or determination.
- 6. <u>Tests of Metering Installations</u>. Each party to this contract shall, at its expense, test its metering installations associated with this contract at least once every two years, and, if requested to do so by the other party, shall make additional tests or inspections of such installations, the expense of which shall be paid by such other party unless such additional tests or inspections show the measurements of such installations to be inaccurate as specified in section 7. Each party shall give reasonable notice of the time when any such test or inspection is to be made to the other party who may have representatives present at such test or inspection. Any component of such installations found to be defective or inaccurate shall be adjusted, repaired or replaced to provide accurate metering.

7. Adjustment for Inaccurate Metering.

- (a) If any meter mentioned in this contract fails to register, or if the measurement made by such meter during a test made as provided in section 6 varies by more than one percent from the measurement made by the standard meter used in such test, or if an error in meter reading occurs, adjustment shall be made correcting all measurements for the actual period during which such inaccurate measurements were made, if such period can be determined. If such period cannot be determined, the adjustment shall be made for the period immediately preceding the test of such meter which is equal to the lesser of (a) one-half the time from the date of the last preceding test of such meter, or (b) six months. Such corrected measurements shall be used to recompute the amounts of any electric power and energy to be made available, or any credits to be made in any exchange energy account, and of any money compensation to be paid to the Transferor as provided in this contract.
- (b) If the credit theretofore made to the Transferor in the exchange energy account varies from the credit-to be made as recomputed, the amount of the variance will be credited in such exchange energy account to the party entitled thereto.
- (c) If the money compensation theretofore paid to the Transferor varies from the money compensation to be paid as recomputed, the amount of the variance will be paid to the party entitled thereto after both parties have agreed to such recomputation and within 30 days after receipt of invoice by the designated payment office of the payer; provided, however, that the other party may deduct such amount due it from any money compensation which thereafter becomes due the Transferor under this contract.
- 8. <u>Character of Service</u>. Unless otherwise specifically provided for in the contract, electric power and energy made available pursuant to this contract shall be in the form of three-phase current, alternating at a nominal frequency of 60 hertz.
- 9. <u>Point(s) of Delivery and Delivery Voltage</u>. Electric power and energy shall be delivered to each Transferee at such point or points and at such voltage or voltages as are agreed upon by the parties hereto.

- 10. <u>Combining Deliveries Coincidentally</u>. If it is provided in this contract that charges or electric power an energy made available at two or more Points of Delivery will be made by combining deliveries at such points coincidentally:
- (a) the total Measured Demand to be considered in determining the billing demand for each billing month shall be the largest sum obtained-by adding for each demand interval of such month the corresponding Integrated Demands of the Transferee at all such points after adjusting said Integrated Demands as appropriate to such points;
- (b) the number of kilowathours to be used in determining the energy charge, if any, and the average power factor at which electric energy is delivered at such points under this contract, during such month, shall be the sum of the amounts of electric energy delivered at such points under this contract during such month; and
- (c) the number of reactive kilovolt-ampere-hours to be used in determining such average monthly power factor shall be the sum of the reactive kilovolt-ampere-hours delivered at such points under this contract such month.
- 11. <u>Suspension of Deliveries</u>. The other party to this contract may at any time notify the Transferor in writing to suspend the deliveries of electric power and energy provided for in this contract. Upon receipt of any such notice, the Transferor will forthwith discontinue, and will not resume, such deliveries until notified to do so by the other party, and upon receipt of such notice from the other party to do so, will forthwith resume such deliveries.
- 12. <u>Continuity of Service</u>. Either party may temporarily interrupt or reduce deliveries of electric power and energy if such party determines that such interruption or reduction is necessary or desirable in case of system emergencies, Uncontrollable Forces, or in order to install equipment in, make repairs to, make replacements within, make investigations and inspections of, or perform other maintenance work on its system. Except in case of emergency and in order that each party's operations will not be unreasonably interfered with, such party shall give notice to the other party of any such interruption or reduction, the reason therefor, and the probable duration thereof to the extent such party has knowledge thereof. Each party shall effect the use of temporary facilities or equipment to minimize the effect of any such interruption or outage to the extent reasonable or appropriate.
- 13. <u>Uncontrollable Forces</u>. Each party shall notify the other as soon as possible of any Uncontrollable Forces which may in any way affect the delivery of power hereunder. In the event the operations of either party are interrupted or curtailed due to such Uncontrollable Forces, such party shall exercise due diligence to reinstate such operations with reasonable dispatch.
- 14. Reducing Charges for Interruptions. If deliveries of electric power and energy to the Transferee are suspended, interrupted, interfered with or curtailed due to Uncontrollable Forces on either the Transferee's System or Transferor's System, or if the Transferor interrupts or reduces deliveries to the Transferee for any of the reasons stated in section 12 hereof, the credit in the exchange energy account which would otherwise be made, or the money compensation which would otherwise be paid to the Transferor, shall be appropriately reduced. No interruption, or equivalent interruption, of less than 30 minutes duration will be considered for computation of such reduction in charges.
- 15. Net Billing. Upon mutual agreement of the parties, payment due one party may be offset against payments due the other party under all contracts between the parties hereto for the sale and exchange of electric power and energy, use of transmission facilities, operation and maintenance of electric facilities, lease of electric facilities, mutual supply of emergency and standby electric power and energy, and under such other contracts between such parties as the parties may agree, unless otherwise provided in existing contracts between the parties. Under contracts included in this procedure, all payments due one party in any month shall be offset against payments due the other party in such month, and the resulting net balance shall be paid to the party in whose favor such balance exists unless the latter elects to have such balance carried forward to be added to the payments due it in a succeeding month.

10.	<u>Avera</u>	ge P	<u>ower</u>	ractor.

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Average Power Factor =	Kilowatthours
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/(Kilowatthours) +	(Reactive Kilovolt-ampere-hours)	2

The data used in the above formula shall be obtained from meters which are ratcheted to prevent reverse registration.

- (b) When delivery of electric power and energy by the Transferor at any point is commingled with any other class or classes of power and it is impracticable to separately meter the kilowatthours and reactive kilovolt-ampere-hours for each class, the average power factor of the total delivery of such electric power and energy for the month will be used, where applicable, as the power factor for each of the separate classes.
- (c) Except as it is otherwise specifically provided in this contract, no adjustment will be made for power factor at any point of delivery described in this contract while the varhours delivered at such point are not measured.
- (d) The Transferor may, but shall not be obligated to, deliver electric energy hereunder at a power factor of less than 0.85 leading or lagging.

17. Permits.

- (a) If any equipment or facilities associated with any Point of Delivery and belonging to a party to this contract are or are to be located on the property of the other party, a permit to install, test, maintain, inspect, replace, repair, and operate during the term of this contract and to remove such equipment and facilities at the expiration of said term, together with the right of entry to said property at all reasonable times in such term, is hereby granted by the other party.
- (b) Each party shall have the right at all reasonable times to enter the property of the other party for the purpose of reading any and all meters mentioned in this contract which are installed on such property.
- (c) If either party is required or permitted to install, test, maintain, inspect, replace, repair, remove, or operate equipment on the property of the other, the owner of such property shall furnish the other party with accurate drawings and wiring diagrams of associated equipment and facilities, or, if such drawings or diagrams are not available, shall furnish accurate information regarding such equipment or facilities. The owner of such property shall notify the other party of any subsequent modification which may affect the duties of the other party in regard to such equipment, and furnish the other party with accurate revised drawings, if possible.

18. Ownership of Facilities.

- (a) Except as otherwise expressly provided, ownership of any and all equipment, and of all salvable facilities installed or previously installed by a party to this contract on the property of the other party shall be and remain in the installing party.
- (b) Each party shall identify all movable equipment and all other salvable facilities which are installed by such party on the property of the other by permanently affixing thereto suitable markers plainly stating the name of the owner of the equipment and facilities so identified. Within a reasonable time subsequent to initial installation, and subsequent to any modification of such installation, representatives of the parties shall jointly prepare an itemized list of said movable equipment and facilities.
- 19. Adjustment for Change of Conditions. If changes in conditions hereafter occur which substantially affect any factor required by this contract to be used in determining (a) any credit in any exchange energy account to be made, money compensation to be paid, or amount of electric power and energy or losses to be made available to one party by the other party, or (b) any maximum replacement demand, or average power factor mentioned in this contract, such factor will be changed in an equitable manner which will conform to such changes of conditions. If an increase in the capacity of the facilities being used by the Transferor in making deliveries hereunder is required at any time after execution of this contract to enable the Transferor to make the deliveries herein required together with those required for its own operations, the construction or installation of additional or other equipment or facilities for that purpose shall be deemed to be a change of conditions within the meaning of the preceding sentence.

If, pursuant to the terms of the agreement establishing such exchange energy account, another rate is substituted for the rate to be used in settling the balance in such account, the number of kilowatthours to be credited to the Transferor in such account for each month as provided in this agreement, shall be changed for each month thereafter to the amount computed by multiplying such number of kilowatthours by 2.5 mills and dividing the resulting product by the currently effective substituted rate in mills per kilowatthour.

- 20. Dispute Resolution and Arbitration.
- (a) Pending resolution of a disputed matter the parties will continue performance of their respective obligations pursuant to this contract. If the parties cannot reach timely mutual agreement on any matter in the administration of this contract Bonneville shall, unless otherwise specifically provided for in subsection (b) below and, to the extent necessary for its continued-performance, make a determination of such matter without prejudice to the rights of the other party. Such determination shall not constitute a waiver of any other remedy belonging to the Contractor.
- (b) The questions of fact stated below shall be subject to arbitration. Other questions of fact under this contract may be submitted to arbitration upon written mutual agreement of the parties. The party calling for arbitration shall serve notice in writing upon the other party, setting forth in detail the question or questions to be arbitrated and the arbitrator appointed by such party. The other party shall, within 10 days after the receipt of such notice, appoint a second arbitrator, and the two so appointed shall choose and appoint a third. In case such other party fails to appoint an arbitrator within said 10 days, or in case the two so appointed fail for 10 days to agree upon and appoint a third, the party calling for the arbitration, upon 5 days' written notice delivered to the other party, shall apply to the person who at the time shall be the presiding judge of the United States Court of Appeals for the Ninth Circuit for appointment of the second and third arbitrator, as the case may be.

The determination of the question or questions submitted for arbitration shall be made by a majority of the arbitrators and shall be binding on the parties. Each party shall pay for the services and expenses of the arbitrator appointed by or for it, for its own attorney fee compensation for its witnesses or consultants. All other costs incurred in connection with the arbitration shall be shared equally by the parties thereto.

The questions of fact to be determined as provided in this section shall be limited to:

- (1) the determination of the measurements to be made by the parties hereto pursuant to section 4;
- (2) the correction of the measurements to be made pursuant to section 7;
- (3) the duration of the interruption or equivalent interruption in section 14;
- (4) whether changes in conditions mentioned in section 19 have occurred;
- (5) whether the changes mentioned in section 30 were made "promptly";
- (6) whether an increase or decrease in load or change in load factor mentioned in section 32 is unusual;
- (7) (0) any issue which both parties agree is an issue of fact mentioned in sections 30, 31, and 34;
 - (8) the occurrence of an abnormal nonrecurring demand and the amount and time thereof;
 - (9) whether a party has complied with section 34(b); and
 - (10) the acceptable level of harmonics for purposes of section 35.
- 21. Contract Work flours and Safety Standards.

This contract, if and to the extent required by applicable law and if not otherwise exempted, is subject to the following provisions:

- (a) Overtime Requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics, shall require or permit any laborer or mechanic in any workweek in which such worker is employed on such work to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek unless such laborer or mechanic receives. compensation at a rate not less than one and one-half times such worker's basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of 40 hours in such workweek, as the case may be.
- (b) <u>Violation; Liability for Unpaid Wages; Liquidated Damages</u>. In the event of any violation of the provisions of subsection (a), the Contractor and any subcontractor responsible therefor shall be liable to any affected employee for such employee's unpaid wages. In addition, such contractor and subcontractor shall be liable to the Government for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of subsection (a) in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed in such work in excess of eight hours or in excess of such employee's standard workweek of 40 hours without payment of the overtime wages required by subsection (a) above.
- (c) <u>Withholding for Unpaid Wages and Liquidated Damages</u>. Bonneville may withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in subsection (b) above.
- (d) <u>Subcontracts</u>. The Contractor shall insert in any subcontracts the clauses set forth in subsections (a) through (c) of this provision and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.
- (e) <u>Records</u>. The Contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for 3 years from the completion of the contract.
- 22. <u>Convict Labor</u>. In connection with the performance of work under this contract, the Contractor agrees, if and to the extent required by applicable law or if not otherwise exempted, not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11756, December 29, 1973.
- 23. <u>Equal Employment Opportunity</u>. During the performance of this contract, if and to the extent required by applicable law or if not otherwise exempted, the Contractor agrees as follows:
- (a) The Contractor will not discriminate against any employee or 'applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to. the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Bonneville setting forth the provisions of the Equal Opportunity clause.
- (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (c) The Contractor will send to each labor union or representative of workers with which said Contractor has a collective bargaining agreement or other contract or understanding. a notice, to be provided by Bonneville, advising the labor union or worker's representative of the Contractor's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- (d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (e) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and relevant orders of the Secretary of Labor, or pursuant thereto, and will permit access to said Contractor's books, records, and accounts by Bonneville and the Secretary of Labor for purposes of investigations to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (g) The Contractor will include the provisions of paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will-be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as Bonneville may direct as a means of enforcing such provisions, including sanctions for noncompliance. In the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by Bonneville, the Contractor may request the Government to enter into such litigation to protect the interests of the Government.
- 24. <u>Additional Provisions</u>. The Contractor agrees to comply with the clauses for 'Government contracts contained in the following statutes, Executive Orders, and regulations to the extent applicable:
- (a) the Rehabilitation Act of 1972, Public Law 93-112, as amended, and 41 CFR 60-741 (affirmative action for handicapped workers);
- (b) the Vietnam Era Veterans Readjustment Assistance Act of 1974, Public Law 92-540, as amended, and 41 CFR 60-250 (affirmative action for disabled veterans and veterans of the Vietnam era);
 - (c) Executive Order 11625 and 41 CFR 1-1.1310-2 (utilization of minority business enterprises);
 - (d) the Small Business Act, as amended.
- 25. Reports. The other party to this contract will furnish Bonneville such information as is necessary for making any computation required for the purposes of this contract, and the parties will cooperate in exchanging such additional information as may be reasonably useful for their respective operations.
- 26. <u>Assignment of Contract</u>. This contract shall inure to the benefit of, and shall be binding upon the respective successors and assigns of the parties to this contract. Such contract or any interest therein shall not be transferred or assigned by either party to any party other than the Government or an agency thereof without the written consent of the other except as specifically provided in this section. The consent of Bonneville is hereby given to any security assignment or other like financing instrument which may be required under terms of any mortgage, trust, security agreement or holder of such instrument of indebtedness made by and between the Contractor and any mortgagee, trustee, secured party, subsidiary of the Contractor or holder of such instrument of indebtedness, as security for bonds of other indebtedness of such Contractor, present or future; such mortgagee, trustee, secured party, subsidiary, or holder may realize upon such security in foreclosure or other suitable proceedings, and succeed to all right, title, and interests of such Contractor.
- 27. <u>Waiver of Default</u>. Any waiver at any time by any party to this contract of its rights with respect to any default of any other party thereto, or with respect to any other matter arising in connection with such contract, shall not be considered a waiver with respect to any subsequent default or matter.

- 28. <u>Notices and Computation of Time</u>. Any notice required by this contract to be given to any party shall be effective when it is received by such party, and in-computing any period of time from such notice, such period shall commence at 2400 hours on the date of receipt of such notice.
- 29. <u>Interest of Member of Congress</u>. No Member of, or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

APPLICABLE ONLY IF TRANSFEREE IS A PARTY TO THIS CONTRACT

- 30. <u>Balancing Phase Demands</u>. If required by the Transferor at any time during the term of this contract, the Transferee shall promptly make such changes as are necessary on its system to balance the phase currents at any Point of Delivery so that the current of any one phase shall not exceed the current on any other phase at such point by more than 10 percent.
- 31. <u>Adjustment for Unbalanced Phase Demands</u>. If the Transferee fails to promptly make the changes mentioned in section 30, the Transferor may, after giving written notice one month in advance, determine that the Measured Demand of the Transferee at the Point of Delivery in question during each month thereafter, until such changes are made, is equal to the product obtained by multiplying by three the largest of the Integrated Demands on any phase adjusted as appropriate to such point during such month.
- 32. Changes in Requirements or Characteristics. The Transferee will, whenever possible, give reasonable notice to the Transferor of any unusual increase or decrease of its demands for electric power and energy on the Transferor's system, or of any unusual change in the load-factor or power factor at which the Transferee will take delivery of electric power and energy under this contract.
- 33. <u>Inspection of Facilities</u>. Each party may for any reasonable purpose under this contract inspect the other party's electric installation at any reasonable time. Such inspection, or failure to inspect, shall not render such party, its officers, agents, or employees, liable or responsible for any injury, loss, damage, or accident resulting from defects in such electric installation, or for violation of this contract. The inspecting party shall observe written instructions and rules posted in facilities and such other necessary instructions or standards for inspection as the parties agree to. Only those electric installations used in complying with the terms of this contract shall be subject to inspection.

34. Electric Disturbances.

- (a) For the purposes of this section, an electric disturbance is any sudden, unexpected, changed, or abnormal electric condition occurring in or on an electric system which causes damage.
- (b) Each party shall design, construct, operate, maintain and use its electric system in conformance with accepted utility practices:
 - (1) to minimize electric disturbances such as, but not limited to, the abnormal flow of power which may damage or interfere with the electric system of the other party or any electric system connected with such other party's electric system; and
 - (2) to minimize the effect on its electric system and on its customers of electric disturbances originating on its own or another electric system.
- (c) If both parties to this contract are parties to the Western Interconnected Electric System Agreement, their relationship with respect to system damages shall be governed by that Agreement.
- (d) During such time as a party to this contract is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, its relations with the other party with respect to system damages shall be governed by the following sentence, notwithstanding the fact that the other party may be a party to said Agreement Limiting Liability Among Western Interconnected Systems. A party to this contract shall not be liable to the other party for damage to the

other party's system or facilities caused by an electric disturbance on the first party's system, whether or not such electric disturbance is the result of negligence by the first party, if the other party has failed to fulfill its obligations under subsection (b)(2) above.

- (e) If one of the parties to this contract is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, each party to this contract shall hold harmless and indemnify the other party, its officers and employees, from any claims for loss, injury, or damage suffered by those to whom the first party delivers power not for resale, which loss, injury or damage is caused by an electric disturbance on the other party's system, whether or not such electric disturbance results from the negligence of such other party, if such first party has failed to fulfill Its obligations under subsection (b)(2) above, and such failure contributed to the loss, injury or damage.
- (f) Nothing in this section 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 contract.
- 35. <u>Harmonic Control</u>. Each party shall design, construct, operate, maintain and use its electric facilities in accordance with good engineering practices to reduce to acceptable levels the harmonic currents and voltages which pass into the other party's facilities. Harmonic reductions shall be accomplished with equipment which is specifically designed and permanently operated and maintained as an integral part of the facilities of the party which owns the system on which harmonics are generated.

APPLICABLE ONLY IF TRANSFEREE IS NOT A PARTY TC THIS CONTRACT

36. <u>Protection of the Transferor</u>. Protection is or will be afforded to Bonneville or its Transferor under such of the following provisions and conditions as are specified in each contract executed or to be executed by Bonneville and each third party Transferee named in this contract: the power factor clause of the applicable Bonneville Wholesale Rate Schedule and the subject matter set forth in the General Contract Provisions under the following titles, namely:

Adjustment for Unbalanced Phase Demands; Uncontrollable Forces; Continuity of Service; Changes in Demands or Characteristics; Electric Disturbances; Harmonic Control; Balancing Phase Demands; Permits; Ownership of Facilities; and Inspection of Facilities.

RELATING TO RURAL ELECTRIFICATION ADMINISTRATION BORROWERS

37. <u>Approval of Contract</u>. If the Contractor borrows from the Rural Electrification Administration or any other entity under an indenture which requires the lender's approval of contracts, this contract and any amendment thereto shall not be binding on the parties thereto if they are not approved by the Rural Electrification Administration or such other entity. The Contractor shall notify Bonneville of any such entity. If approval is given, such contract or amendment shall be effective at the time stated therein.

APPLICABLE ONLY IF BONNEVILLE IS THE TRANSFEROR

- 38. Equitable Adjustment of Rates.
- (a) Bonneville shall establish, periodically review and revise rates for the wheeling of electric power and/or energy pursuant to the terms of this contract. Such rates shall be established in accordance with applicable law.
- (b) As used in this section, the words "Rate Adjustment Date" shall mean any date specified by Bonneville in a notice of intent to file revised rates as published in the Federal Register; provided, however, that such date shall not occur sooner than (1) nine months from the date that such notice of intent is published; or (2) twelve months from any previous Rate Adjustment Date. By giving written notice to the Contractor 45 days prior to such Rate Adjustment Date, Bonneville may delay such Rate Adjustment Date for up to 90 days if Bonneville determines either that the revenue level of the proposed rates differs by more than five percent from the revenue requirements indicated by most recent repayment studies entered in the hearings record or that external events beyond Bonneville's control will prevent Bonneville from meeting such Rate Adjustment Date. Bonneville may cancel a notice of intent to file revised rates at any time (I) by written notice to the Contractor; or (2) by publishing in the Federal. Register a new notice of intent to file revised rates which specifically cancels a previous notice.

(c) The Contractor shall pay Bonneville for the service made available under this contract during the period commencing on each Rate Adjustment Date and ending at the beginning of the next Rate Adjustment Date at the rate specified in any rate schedule available at the beginning of such period for service of the class, quality, and type provided for in this contract, and in accordance with the terms thereof, and of the General Transmission Rate Schedule Provisions, if any, as changed with, incorporated in or referred to in such rate schedule. New rates shall not be effective on any Rate Adjustment Date unless they have been approved on a final or interim basis by a governmental agency designated by law to approve Bonneville's rates. Rates shall be applied in accordance with the terms thereof, the General Transmission Rate Schedule Provisions as changed with, incorporated in or referred to in such rate schedule and the terms of this contract.

(WP -PKJ -0222f)

DE-MS79-94BP94333

$\frac{\mathbf{AMENDED} \; \mathbf{AND} \; \mathbf{RESTATED}}{\mathbf{AGREEMENT}_{\underline{}}} \mathbf{MIDPOINT-MERIDIAN} \; \mathbf{TRANSMISSION}$

executed by the

UNITED STATES OF AMERICA_

DEPARTMENT OF ENERGY

acting by and through the_

BONNEVILLE POWER ADMINISTRATION_

and_

PACIFICORP

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This MIDPOINT MERIDIAN TRANSMISSION AGREEMENT Amended and Restated Midpoint-Meridian Transmission Agreement (""Agreement"); executed June December 1______, 19942021, by the UNITED STATES OF AMERICA—("Government"), Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (""Bonneville"); and PACIFICORP PacifiCorp (""PacifiCorp"), a corporation organized and existing under the Taws laws of the State of Oregon, (hereinafter referred to individually as ""Party" and collectively as ""Parties").

WITNESSETH

WHEREAS the Parties entered into the Midpoint-Meridian Transmission Agreement on June 1, 1994, hereinafter referred to as the "1994 Midpoint-Meridian Agreement." The 1994 Midpoint-Meridian Agreement superseded and replaced the Midpoint-Medford

Transmission Agreement (Contract No. DE-MS79-79BP90091), as amended, and incorporated terms set forth in an Agreement of Principles, dated May 28, 1993; and

WHEREAS the Parties have entered into the Intertie Agreement (Contract No. DE-MS79-86BP92299), as amended, which hereinafter is referred to as ""[Intertie Agreement"]; and

WHEREAS the Parties have entered into the Transmission Agreement (Contract No. DE-MS79-79BP90091), as amended, which hereinafter is referred to as ""Midpoint-Medford Agreement"; and

WHEREAS the Parties have entered into an Agreement of Principles, dated May 28, 1993, which hereinafter is referred to as "Letter of Understanding" and which provides, among other things, for the revision of certain terms and conditions in the Intertie Agreement and the Midpoint-Medford Agreement; and

WHEREAS the Parties have entered into the AC Intertie Agreement (Contract No. DE-MS79-94BP94332), as amended, which hereinafter is referred to as "AC Intertie Agreement" which replaces and supersedes the Intertie Agreement; and

WHEREAS the Parties desire to replace replaced and supersede superseded the Midpoint-Medford Agreement with this the 1994 Midpoint-Meridian Agreement; and

WHEREAS PacifiCorp has constructed a 500 kV transmission line from Midpoint Substation to Meridian Substation ("Midpoint-Meridian Line"), to transmit electric power and energy from resources which it owned or which were under construction by PacifiCorp, as of September 2, 1977, in Wyoming and adjacent states ("PacifiCorp's Eastern System") to the Pacific Northwest; and

WHEREAS the Midpoint-Meridian Line consists of three segments hereinafter referred to as "Midpoint-Summer Lake Line", "Summer Lake-Malin Line" and "Malin-meridian Line"; and

WHEREAS PacifiCorp has constructed a 500 kV transmission line from the interconnection with Bonneville at Alvey Substation to Meridian Substation ("Alvey-Meridian Line") which -is jointly owned by PacifiCorp and Bonneville; and

WHEREAS the Midpoint-Meridian Line is interconnected with the Alvey-Meridian Line at Meridian Substation; and

WHEREAS the Midpoint-Meridian Line is interconnected with the Federal Transmission System and the AC Intertie; and

WHEREAS the Midpoint-Meridian Line is interconnected with the California-Oregon Transmission Project at Captain Jack Substation; and

WHEREAS <u>under the 1994 Midpoint-Meridian Agreement</u>, Bonneville <u>has</u> agreed to provide PacifiCorp transmission service <u>hereunder</u> over the Federal Transmission System; and

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WHEREAS <u>under the 1994 Midpoint-Meridian Agreement</u>, Bonneville <u>has</u> agreed to provide additional transmission services to PacifiCorp at times of abnormal operations of the Midpoint-Summer Lake Line and the Summer Lake-Malin Line ("Midpoint-Malin Line"); and

WHEREAS Bonneville and PacifiCorp have entered into Point-to-Point Contract No. 04TX-11722, as such contract may be amended from time to time, which replaces and supersedes the transmission services provided under Section 5 and associated terms, conditions and exhibits of the 1994 Midpoint-Meridian Agreement; and

WHEREAS the Parties desire to supersede and replace the 1994 Midpoint-Meridian Agreement with this Amended and Restated Midpoint-Meridian Agreement to reflect the aforementioned conversion of service under Section 5 of this legacy agreement to BPA point-to-point transmission service; and

WHEREAS the Parties have entered into the Malin Operation and Maintenance Trust Agreement (Contract No. 14-03-62876), as amended which hereinafter is referred to as "Operation and Maintenance Agreement" and which provides, among other things, for the operation and maintenance of certain facilities at Malin Substation; and

WHEREAS Bonneville has constructed a 500 kV transmission line from the Government's Buckley Substation to its Summer Lake Substation ("Buckley-Summer Lake Line") to interconnect with PacifiCorp's Midpoint-Meridian Line at Summer Lake Substation, and the Parties have agreed to exchange rights to capacity in the Buckley-Summer Lake Line and Summer Lake-Malin Line and for Bonneville to provide additional service arrangements under the terms and conditions of this Agreement; and

WHEREAS the Parties have entered into the Exchange Agreement (Contract No. 14-03-29245) as amended or replaced which is hereinafter referred to as "Exchange Agreement," and which provides provided, among other things, for points of delivery, scheduling arrangements and an energy exchange account; and

WHEREAS Bonneville is authorized pursuant to law to dispose of electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest, or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the parties hereto mutually agree as follows;

<u>1.</u> <u>Definitions 1.</u> <u>Definition and Explanation of Terms.</u>

(a) "AC Intertie" means Bonneville's rights in the alternating current ("AC") transmission facilities for transferring power and energy between Oregon and California as follows: two 500 kV lines extending from John Day Substation to Malin Substation and to the California-Oregon Border; portions of John Day, Grizzly, and Malin Substations and the Sand Springs, Fort Rock, and Sycan Compensation Stations; a portion of the Buckley-Summer Lake 500 kV transmission line and associated substations; portions of the Buckley-Marion and-Marion-Alvey 500 kV transmission lines and associated facilities; Bonneville's capacity rights in the Summer Lake-Malin 500 kV transmission

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line; Bonneville's share of ownership of the Alvey-Dixonville and Dixonville-Meridian 500 kV transmission lines; portions of the Alvey, Dixonville, Meridian and Captain Jack Substations; the 500 kV transmission line extending from Captain Jack Substation to the California-Oregon Border; and any modifications, improvements, or additions to such facilities.

- (b) "Compensation Charge" means the charge specified in Exhibit E, which is the weighted average of the Transmission Charges.
- (c) "East to West Schedule" means the total amounts of electric energy scheduled each hour from PacifiCorp's Eastern System to the Idaho Power Company for delivery on behalf of PacifiCorp to Bonneville at LaGrande Substation, to PacifiCorp at Enterprise Substation and to PacifiCorp at Midpoint Substation.
- (d) "Federal Share" means a fraction, the numerator of which equals the Total Demand and the denominator of which equals the sum of the Total Demand and the scheduling capability of the Midpoint-Malin Line as specified in Exhibit H.
 - (b) (e) "Federal Transmission System" means transmission facilities owned by Bonneville.
- (f) "Points of Delivery" means the points specified in Exhibit E and described in the Exchange Agreement and/or the Surplus Firm Capacity Sales Agreement, Contract No. DE-MS79-88BP92497.
 - (g) "Points of Interconnection" means the points specified in Exhibit E.
 - (h) "Total Demand" means the sum of the Transmission Demands specified in Exhibit E.
 - (i) "Transmission Charge" means the charge specified in Exhibit E for each Point of Delivery.
- (j) "Transmission Demand" means the amount specified in Exhibit E, expressed in kilowatts, for each Point of Delivery.
 - (c) (k) "Workday" for the purpose of scheduling means a day which the Parties observe as a regular workday.
- 2. Term of Agreement. This Agreement shall be effective and shall supersede the 1994 Midpoint-Medford Meridian Agreement in accordance with section 11 herein upon execution by the Parties and approval or acceptance for filing without change by the Federal Energy Regulatory Commission for a term coincident with the AC Intertie Agreement. Upon termination of this Agreement, all liabilities accrued hereunder shall be and are hereby preserved until satisfied.

- 3. <u>Exhibits. A through H are Exhibit A is</u> incorporated herein as part of this Agreement. PacifiCorp shall be the <u>""</u>Transferee mentioned in Exhibit A and Bonneville shall be the "<u>Transferor Transferror</u>" therein mentioned.
- 4. Right to Use Transmission Capacity.
 - (a) Buckley-Summer Lake/Summer Lake-Malin Exchange. During the term hereof, the Parties hereby exchange the right to use the capacity in the Buckley-Summer Lake Line and the Summer Lake-Malin Line. PacifiCorp shall have the use of 340 megawatts of bi-directional scheduling capability in the Buckley-Summer Lake Line; and Bonneville shall have the use of 1000 megawatts of bi-directional scheduling capability above PacifiCorp!'s 1000 megawatts of capability in the Summer Lake-Malin Line. Such rights of use shall include Bonneville's initial terminal facilities in the Buckley and Summer Lake Substations and PacifiCorp's terminal facilities in the Summer Lake and Malin Substations. Such right of use is based on the ratio of each Party's estimated investment in, and the transfer capability of, its respective lines and related facilities. PacifiCorp shall be responsible for the capital and annual costs of two 500 kV line terminal positions at Summer Lake Substation, including two power circuit breakers, and the additions required at Malin Substation in accordance with the Operation and Maintenance Agreement; provided, however, that Bonneville will operate all such equipment at PacifiCorp's expense. Bonneville shall be responsible for all other facilities at Summer Lake and, with other owners of the AC Intertie, for the facilities to connect Buckley to the AC Intertie. For amounts PacifiCorp schedules in or out of Buckley within its 340 megawatt capacity ("Buckley Schedule") PacifiCorp shall reimburse Bonneville for incidental transmission and the associated losses pursuant to the general transmission agreement (Contract No. EW-78-Y83-0035), or for firm transmission and associated losses under an

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appropriate firm wheeling agreement. Use of one Party's capacity in either of the Buckley-Summer Lake Line or the Summer Lake-Malin Line by the other shall be subject to availability, as determined by the other Party, and shall be subject to payment and loss provisions agreed upon by the Parties. The Parties shall be compensated for control area electric power losses pursuant to Section 8 of the AC intertieIntertie Agreement.

- (b) Bonneville's Right to Use PacifiCorp's Summer Lake-Midpoint Transmission Capacity. Commencing on the effective date of this Agreement and continuing until the earlier of (1) the date of commercial operation of an additional high voltage transmission line between the Federal Transmission System and the Idaho Power Company system or (2) the later of (a) January 1, 1997, or (b) the date that PacifiCorp's net firm load obligations in southern Oregon and northern California exceed 1150 megawatts; if Bonneville requires additional capacity to the east in excess of the 350 megawatts capacity of its present interconnections with Idaho Power Company at LaGrande Substation and Hines substation to serve Bonneville's own loads. Bonneville shall have the use of 200 megawatts of eastbound scheduling capability in the Midpoint-Summer Lake Line to the point where PacifiCorp's facilities interconnect with facilities of Idaho Power Company at Midpoint Substation. Losses associated with amounts of power transmitted over the Midpoint-Summer Lake Line shall be assessed in a manner agreed upon by the parties. There shall be no transmission charges for such transmission service.
- Bonneville's Right to Obtain Additional Summer Lake-Midpoint Capacity. (c) During the term of this Agreement, Bonneville shall have the option to acquire up to 400 megawatts of eastbound firm scheduling rights over the Midpoint-Summer Lake Line and an option to tap such line to serve loads and for inter-regional transfers. If Bonneville exercises its option to acquire up to 400 megawatts of eastbound firm scheduling rights over the Midpoint-Summer Lake Line, Bonneville shall pay PacifiCorp based upon PacifiCorp's then-effective applicable FERC filed tariff for firm transmission services. If Bonneville exercises this option, during periods when the eastbound capability of the Midpoint-Summer Lake Line is reduced, Bonneville's eastbound scheduling rights shall be reduced pro-rata with such reduction. However, during periods when transfer capability is reduced, PacifiCorp shall provide Bonneville the right to use PacifiCorp's capability not required for PacifiCorp's firm need, as determined by PacifiCorp, at no additional cost. In the event Bonneville wishes to tap the Midpoint-Summer Lake Line, Bonneville and PacifiCorp shall mutually develop the plan of service for such tap. Such tap shall not degrade or reduce PacifiCorp's East to West transfer capability on the Midpoint-Malin Line or reduce PacifiCorp's Load Carrying Capability as defined in the AC Intertie Agreement. Unless otherwise mutually agreed, Bonneville shall be responsible for all costs associated with any such tap. Unless otherwise mutually agreed, such tap shall not increase Bonneville's eastbound transfer rights on the Midpoint-Summer Lake Line.

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- Transmission of Electric Power and Energy. The parties hereto agree that PacifiCorp may, upon 30 days' notice and for a period of not less than 12 months, designate the power transmitted under subsection 5(a) herein to meet its contractual rights and obligations in the Walla Walla and Yakima areas to the extent PacifiCorp owns or leases facilities other than Bonneville's which allow it to serve such loads. During such period Bonneville shall deem all or a portion of the deliveries under subsection 5(a) herein to be made to the Walla Walla and Yakima Areas; provided, however, that PacifiCorp shall continue to deliver losses and pay for transmission services as if such power were designated to the Points of Delivery.
 - During each hour of the term hereof, PacifiCorp shall make available to Bonneville at the Points of Interconnection and Bonneville shall make available to PacifiCorp at the Points of Delivery, an amount of electric energy equal to the product of the Federal Share and PacifiCorp's East to West Schedule for such hour reduced by the amounts of electric energy that PacifiCorp delivers on such hour to Bonneville in the Walla Walla and Yakima areas under contractual rights and obligations including the obligation accounts of California utilities and governmental agencies ("PacifiCorp's Obligations"), which such reduction shall not exceed 350 megawatts; provided, however, that the amount of electric energy transmitted under this subsection 5(a) shall not exceed the Total Demand less PacifiCorp's Obligations for such hour.[Intentionally Omitted]
 - (b) During each hour of the term hereof that an outage or a loss of any component of the Midpoint-Malin Line reduces the scheduling capability thereof, Bonneville shall transmit over the Federal Transmission System to PacifiCorp's points of delivery an additional amount of electric energy equal to the amount of PacifiCorp's East to west Schedule for such hour which is in excess of the sum of the Total Demand and the scheduling capability of the Midpoint Malin Line determined pursuant to Exhibit H for such hour; provided, however, that such additional amount shall not exceed 700 megawatts. The additional amounts of electric energy made available pursuant to this subsection 5(b) shall be made available at points of interconnection and delivery agreed upon by the Parties-[Intentionally Omitted]
 - (c) If during the periods of reduction in the scheduling capability of the Midpoint-Malin Line PacifiCorp desires Bonneville to transmit during an hour an amount of electric energy in excess of the sum of the Total Demand and the 700 megawatts of transmission capability made available under subsection 5(b) herein, Bonneville shall make available to-PacifiCorp transmission capability which Bonneville determines is available on the Federal Transmission System for such transmission during such hour; provided, however, that such excess amount shall not exceed 300 megawatts. The hourly amounts of electric energy transmitted for PacifiCorp pursuant to this subsection 5(c) shall be equal to the amount of PacifiCorp's East to West schedule for such hour which is in excess of the sum of the Total-Demand, 700 megawatts, schedules for transmission by other utilities, and the schedulingcapability of the Midpoint-Malin Line, determined pursuant to Exhibit H for such hour. PacifiCorp shall make such amounts of electric energy available to Bonneville during each such hour and Bonneville shall on the same hour make equal amounts available to-PacifiCorp at points of interconnection and delivery, respectively, agreed upon by the parties.[Intentionally Omitted]
 - (d) To compensate Bonneville for losses incurred in providing the transmission services

hereunder, PacifiCorp shall make available and schedule to Bonneville from the Points of Delivery, or other

points of delivery on PacifiCorp's Main Subsystem as agreed upon by the parties, electric energy (1) for each hour or the corresponding hour 168 hours later, at Bonneville's option, or (2) at another hour mutually agreed upon, in an amount determined in the following manner:

- (1) the losses associated with the amount of electric energy transmitted each hour pursuant to subsections 5(a) and 5(b) herein shall be determined by solving for Lw in the respective hourly loss calculations specified in the tables of Exhibit F; Pw in such calculations shall be the amount transmitted pursuant to subsections 5(a) and 5(b) herein on such hour; and
- (2) the hourly losses associated with the amounts of electric energy transmitted each hour pursuant to subsection 5(e) herein shall be equal to the product of the amounts transmitted on such hour, and the appropriate loss specified in Exhibit D.
- If either Party schedules electric energy in any hour on its share of capacity provided under section 4 herein, it shall schedule losses to the other Party in the manner described in this subsection 5(d), and amounts agreed upon by the Parties at the applicable points of delivery or points of interconnection agreed by the parties and in the amounts agreed by the parties.
- (e) PacifiCorp shall, as soon as reasonably practicable upon a reduction of the scheduling capability of the Midpoint Malin Line due to an outage or loss of any component thereof, notify Bonneville as to PacifiCorp's intent to transmit electric energy pursuant to subsections 5(b) and 5(c) herein. [Intentionally Omitted]
- (f) PacifiCorp shall not transmit electric power and energy west to east over the Midpoint-Meridian Line, or any segment thereof, in a manner which will adversely impact the operation of the Federal Transmission System or the AC Intertie. The determination of an adverse impact shall be made by Bonneville.

6. 6. Scheduling. Unless otherwise agreed by the Parties,

- (a) PacifiCorp shall submit to Bonneville each Workday pursuant to the scheduling provisions of the Exchange Agreement preschedules of each of the following amounts to be made available to Bonneville for each hour of the following day or days:
 - (1) (1) the Buckley Schedule under section 4 herein;
 - (2) the amounts to be transmitted pursuant to subsection 5(c) herein; and
 - (3) the amount of losses to be delivered pursuant to subsection 5(d) herein.

- (b) PacifiCorp shall submit to Bonneville each Workday retroactive reports of the hourly amounts of electric energy made available to Bonneville pursuant to subsections 5(a) and 5(b) herein, PacifiCorp's East to West Schedule for the previous day or days and PacifiCorp's use of its capacity in the Buckley-Summer Lake Line under subsection 4(a) herein for service to its Bend area loads. In addition, at Bonneville's request. PacifiCorp shall (1) at the end of each hour notify Bonneville of the amounts of electric energy so made available during such hour and (2) by 1200 hours on each Workday submit an estimate of the amounts of electric energy to be made available pursuant to subsections 5(a) and 5(b) for each hour of the following day or days.
- (c) Bonneville shall submit to PacifiCorp each Workday (1) a retroactive report of the hourly amounts of electric energy made available to PacifiCorp for transmittal over the Midpoint-Summer Lake Line pursuant to subsections 4(b) and 4(c) herein and the Summer Lake-Malin Line pursuant to subsection 4(a) herein for the previous day or days and (2) a preschedule of the losses associated with the transmission services provided under (1) for the following day or days. In addition, at PacifiCorp!'s request, Bonneville shall (1) at the end of each hour notify PacifiCorp of the amounts of electric energy scheduled under this subsection 6(c) during such hour, and (2) by 1200 hours on each Workdayworkday submit an estimate of the amounts of electric energy to be scheduled under this subsection 6(c) for the following day or days.
- (d) Scheduling provisions of the Exchange Agreement shall apply to scheduling hereunder. PacifiCorp shall schedule all transactions with California utilities and governmental agencies in California through the Joint Intertie Scheduling Office

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office, as defined in the AC intertie Intertie Agreement, and shall keep the appropriate scheduling personnel advised of all transactions over the Midpoint-Meridian Line and the Buckley-Summer Lake Line.

7. Payment for Transmission. Intentionally Omitted

- (a) PacifiCorp shall pay Bonneville each month for the transmission services provided in subsection 5(a) herein, in accordance with the provisions of Exhibit B, an amount equal to the product obtained by multiplying the Total Demand by the Compensation Charge as specified in Exhibit E.
- (b) If Bonneville transmits electric energy for PacifiCorp pursuant to subsection 5(b) herein.

 PacifiCorp shall pay Bonneville for the services provided during each period of reduction, in accordance with the provisions of Exhibit B, in the amount of the weighted Monthly Charge specified in the appropriate table of Exhibit G for the period of:
 - (1) one month if the duration of such reduction is at least 48 hours but less than 96 hours;
 - (2) two months if such duration is at least 96 hours but less than 168 hours;
 - four months if such duration is at least 168 hours but less than 336 hours;
 - (4) eight months if such duration is at least 336 hours but less than 730 hours; or
 - (5) twelve months if such duration is 730 hours, plus one month for each additional increment of 730 hours that such reduction continues.

If a reduction is of a duration of less than 48 hours, the transmission services provided pursuant to subsection 5(b) herein shall be provided at no charge to PacifiCorp. The payment provisions of this subsection 7(b) may be changed upon mutual agreement of the parties.

- (c) If Bonneville transmits electric energy for PacifiCorp pursuant to subsection 5(c) herein,

 PacifiCorp shall pay Bonneville at the rate specified in Exhibit D, in accordance with the provisions of

 Exhibit B.
- 8. <u>Increase or Reduction of the Total Demand.[Intentionally Omitted]</u>
 (a) The Total Demand may be increased or reduced upon the following terms and conditions, respectively:

- (1) The Total Demand shall be increased if PacifiCorp constructs or purchases additional firm generation in PacifiCorp's Eastern System beyond those plants or units owned or under construction by it or those firm purchases in effect, as of September 2, 1977, for serving its Pacific Northwest obligations without constructing or acquiring additional transmission capability to transmit such purchases or generation to its Pacific Northwest loads. The amount of such increase shall be mutually agreed and shall be effective as of the effective date of such purchase of firm generation or the date of commercial operation of such plants or units.
- (2) The Total Demand may be reduced by an amount agreed upon by the parties if PacifiCorp (i) constructs or acquires additional transmission capability which increases the amount of transmission capability available to PacifiCorp to transmit electric power and energy from PacifiCorp's Eastern System to serve PacifiCorp's obligations in the Pacific Northwest, or (ii) reduces the amount of generation available to it for transmission from PacifiCorp's Eastern System to points of delivery on its system, and the parties agree that such changes will reduce the services provided by Bonneville hereunder.

PacifiCorp shall notify Bonneville in writing two years prior to the earliest of (1) the date of commercial operation of new generation facilities as described in subsection 8(a)(1) herein, (2) the date of commercial operation or acquisition of additional transmission capability as described in subsection 8(a)(2)(i) herein or (3) the date of reduction of the availability in generation as described in subsection 8(a)(2)(ii) herein.

(b) Unless mutually agreed to, the Transmission Demand specified for each Point of Delivery in Exhibit E shall not be changed until such time as the Total Demand is changed pursuant to the provisions of this section 8. In the event of such change, the new transmission demands and/or points of delivery shall be subject to the approval of Bonneville and shall, upon such approval, be incorporated in a new Exhibit E which shall replace the then effective Exhibit E as of the date specified in such new exhibit. Any notification specified herein shall be extended, if necessary, to ensure compliance with the National Environmental Policy Act.

9. Revision of Exhibits.

- (a) The rate schedules attached hereto as the Exhibits C and D have been confirmed and approved by the Federal Energy Regulatory Commission ("FERC") on an interim basis. If the final rate schedules which are confirmed and approved by the FERC are amendments or modifications of the initial rate schedules, such amended or modified rate schedules and associated General Transmission Rate Schedule provisions shall be attached hereto and made a part of this agreement effective as of the date specified in the FERC's approval. The Transmission Charges specified in the initial Exhibit E or any subsequent transmission charges specified in this Agreement, shall be recalculated according to the provisions of such amended or modified rate schedule and associated provisions, and Bonneville shall prepare a new Exhibit E incorporating the revised transmission charges which will become effective as of the date specified therein, and payments by PacifiCorp under section 7 shall be adjusted accordingly. Any overpayments made by PacifiCorp pursuant to the terms of the initial rate schedules as a result of payments made hereunder shall be subject to retroactive adjustment with interest in accordance with the terms of the FERC's approval of such amended or modified rate schedules and associated provisions, and such adjustments shall be made to PacifiCorp's wholesale power bill as soon as reasonably practicable after the effective date of such rate schedules.
- (b) If Bonneville determines that the charges specified in Exhibits E and G or any subsequent charges specified in this Agreement must be changed pursuant to Sections 19 or 38 of Exhibit A, Bonneville shall prepare new Exhibits E and G incorporating such changes which will become effective as of the date specified therein. Such new Exhibits E and G shall then be substituted for the Exhibits E and G, respectively, then in effect.
- (e) Exhibit F may be revised from time to time by Bonneville to incorporate values which represent then current Federal Transmission System operating conditions, revised transmission demands, revised weighted mileages, or any value used therein to calculate the hourly losses pursuant to subsection 5(d) herein. Bonneville shall prepare a new Exhibit F incorporating such revisions and such revised exhibit shall become effective as of the date specified therein.

- (d) The Revision of Exhibits. Exhibit A shall be subject to revision by the Parties shall, from time to time, review the scheduling capabilities and the outage conditions specified in Exhibit H and shall, upon mutual agreement, revise such exhibit.
 - 10. Reactive Power. It is the intent of the Parties that the voltage level at the Points of Interconnection and the Points of Delivery be controlled in accordance with prudent utility practice. The Parties shall jointly plan and operate their systems so that the flow of reactive power accompanying or resulting from deliveries of electric power and energy hereunder will not adversely affect the system of either party.
 - 11. <u>Termination of Agreement</u>. The Parties agree that this the 1994 Midpoint-Meridian Transmission Agreement supersedes superseded and terminates terminated in its entirety the Midpoint-Medford Agreement, Contract No. DE-MS79-79BP90091, provided, however, that any liabilities incurred thereunder are hereby preserved until satisfied.

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12. Signatures	
	eral counterparts, all of which taken together d may be executed by electronic signature and
	ve executed this Agreement as of the last date
indicated below.	
PACIFICORP	UNITED STATES OF AMERICA
	Department of Energy
	Bonneville Power Administration
By <u>:</u>	
ACTIN	G (Assistant Administrator for Power Sales)
ACHN	G (Assistant Administrator for Fower Sales)
Date	5/26/94
PACIFICORPBy:	
The state of the byte	
Title:	Title:
(Senior Vice President) Transmission Acco	ount Executive
If opting out of the electronic signature:	
ir opting out of the electronic signature.	
<u>By:</u>	
Name:	
<u>(Print/Type)</u>	
Title:	
Date <u>June 1, 1994</u> :	

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Exhibit A (GENERAL WHEELING PROVISIONS [GWP Form-4R] (04-15-83))

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GENERAL APPLICATION

1. <u>Interpretation</u>.

- (a) The provisions in this exhibit shall be deemed to be a part of the contract body to which they are an exhibit. If a provision in such contract body is in conflict with a provision contained herein, the former shall prevail.
- (b) If a provision in the General Transmission Rate Schedule Provisions is in conflict with a provision in this exhibit or the contract body, this exhibit or the contract body shall prevail.
- (c) Nothing contained in this contract shall, in any manner, be construed to abridge, limit, or deprive any party thereto of any means of enforcing any remedy, either at law or in equity, for the breach of any of the provisions thereof which it would otherwise have.
 - 2. Definitions. As used in this contract:
 - (a) "Contractor," "Utility" or "Borrower" means the party-to this contract other than Bonneville.
- (b) "Federal System" or "Federal System Facilities" means the facilities of the Federal Columbia River Power System, which for the purposes of this contract shall be deemed to include the generating facilities of the Government in the Pacific Northwest for which Bonneville is designated as marketing agent; the facilities of the Government under the Jurisdiction of Bonneville; and any other facilities:
 - (1) from which Bonneville receives all or a portion of the generating capability (other than station service) for use in meeting Bonneville's loads, such facilities being included only to the extent Bonneville has the right to receive such capability; <u>provided</u>, <u>however</u>, that 'Bonneville's loads" shall not include that portion of the loads of any Bonneville customer which are served by a nonfederal generating resource purchased or owned directly by such customer which may be scheduled by Bonneville;
 - (2) which Bonneville may use under contract, or license; or
 - (3) to the extent of the rights acquired by Bonneville pursuant to the Treaty, between the Government and Canada, relating to the cooperative development of water resources of the Columbia River Basin, signed in Washington, D.C., on January 17, 1961.
- (c) "Integrated Demand" means the number of kilowatts which is equal to the number of kilowatt-hours delivered at any point during a clock hour.
- (d) "Measured Demand" means the maximum Integrated Demand for a billing month determined from measurements made as specified in the contract or as determined in section 4 hereof when metering or other data are not available for such purpose. Bonneville, in determining the Measured Demand, will exclude any abnormal Integrated Demands due to, or resulting from emergencies or breakdowns on, or maintenance of, either parties' facilities, and (b) emergencies on facilities of the Transferee, provided that such facilities have been adequately maintained and prudently operated as determined by Bonneville.

If the contract provides for delivery of more than one class of power to a Transferee at any Point of Delivery, the portion of each Integrated Demand assigned to any class of power shall be determined as specified in the contract. The portion of the Integrated Demand so assigned shall constitute the Measured Demand for such class of power.

(e) "Month" means the period commencing at the time when the meters mentioned in this contract are read by Bonneville and ending approximately 30 days thereafter when a subsequent reading of such meters is made by Bonneville.

- (f) "Point(s) of Delivery" means the point(s) of delivery listed either in the Points of Delivery Exhibit to this contract or in the body of this contract.
- (g) "System" or "Facilities" means the transmission facilities: (1) which are owned or controlled by either party, or (2) which either party may use under lease, easement, or license.
 - (h) "Transferee' means an entity which receives power or energy from the system of the Transferor.
- (i) "Transferor" means an entity which receives at one point on its system a supplying entity's power or energy and makes such power or energy available at another point on its system for the account of the delivering entity or a third party.

(i) "Uncontrollable Forces" means:

- (1) strikes or work stoppage affecting the operation of the Contractor's works, system, or other physical facilities or of the Federal System Facilities or the physical facilities of any Transferee upon which such operation is completely dependent; the term strikes or work stoppage' shall be deemed to include threats of imminent strikes or work stoppage which reasonably require a party or Transferee to restrict or terminate its operations to prevent substantial loss or damage to its works, system, or other physical facilities; or
- (2) such of the following events as the Contractor or Bonneville or any Transferee by exercise of reasonable diligence and foresight, could not reasonably have been expected to avoid:
 - (A) events, reasonably beyond the control of either party or any Transferee, causing failure, damage, or destruction of any works, system or facilities of such party or Transferee; the word "failure" shall be deemed to include interruption of, or interference with, the actual operation of such works, system, or facilities;
 - (B) floods or other conditions caused by nature which limit or prevent the operation of, or which constitute an imminent threat of damage to, any such works, system, or facilities; and
 - (C) orders and temporary or permanent injunctions which prevent operation, in whole or in part, of the works, system, or facilities of either party or any Transferee, and which are issued in any bona fide proceeding by:
 - i. any duly constituted court of general jurisdiction; or
 - ii. any administrative agency or officer, other than Bonneville or its officers, provided by law (a) if said party or Transferee has no right to a review of the validity of such order by a court of competent jurisdiction; or (b) if such order is operative and effective unless suspended, set aside, or &nulled by a court of competent jurisdiction and such order is not suspended, set aside, or annulled in a judicial proceeding prosecuted by said party or Transferee in good faith; provided, however, that if such order is suspended, set aside, or annulled in such a judicial proceeding, it shall be deemed to be an "uncontrollable force" for the period during which it is in effect; provided, further, that said party or Transferee, shall not be required to prosecute such a proceeding, in order to have the benefits of this section, if the parties agree that there is no valid basis for contesting the order.

The term "operation" as used in this subsection shall be deemed to include construction, if construction is required to implement the contract and is specified therein.

3. Prior Demands.

- (a) In determining any credit demand mentioned in, or money compensation to be paid under this contract for any month, Integrated Demands at which electric energy was delivered by the Transferor at Points of Delivery mentioned herein for the account of the other party to this contract prior to the date upon which the contract takes effect shall be considered in the same manner as if this contract had been in effect.
- (b) If either party has delivered electric power and energy to the other party at any Point of Delivery specified in this contract or in any previous contract, and such Point of Delivery is superseded by another Point of Delivery specified in this contract, the Measured Demands, if any, at the superseded Point of Delivery shall be considered for the purpose of determining the charges paid to the Transferor for the electric power and energy delivered under this contract at such superseded point.
- 4. <u>Measurements</u>. Except as it is otherwise provided in section 7, each measurement of each meter mentioned in this contract shall be the measurement automatically recorded by such meter or, at the request of either party, the measurement as mutually determined by the best available information.

If it is provided in this contract that measurements made by any of the meters specified therein are to be adjusted for losses, such adjustments shall be made by using factors, or by compensating the meters, as agreed upon by the parties hereto. If changes in conditions occur which substantially affect any such loss factor or compensation, it will be changed in a manner which will conform to such change in conditions.

- 5. <u>Measurements and Installation of Meters</u>. Bonneville may at any time install a meter or metering equipment to make the measurements for any Point of Delivery required for any computation or determination mentioned in this contract, and if so installed, such measurements shall be used thereafter in such computation or determination.
- 6. Tests of Metering Installations. Each party to this contract shall, at its expense, test its metering installations associated with this contract at least once every two years, and, if requested to do so by the other party, shall make additional tests or inspections of such installations, the expense of which shall be paid by such other party unless such additional tests or inspections show the measurements of such installations to be inaccurate as specified in section 7. Each party shall give reasonable notice of the time when any such test or inspection is to be made to the other party who may have representatives present at such test or inspection. Any component of such installations found to be defective or inaccurate shall be adjusted, repaired or replaced to provide accurate metering.

7. Adjustment for Inaccurate Metering.

- (a) If any meter mentioned in this contract fails to register, or if the measurement made by such meter during a test made as provided in section 6 varies by more than one percent from the measurement made by the standard meter used in such test, or if an error in meter reading occurs, adjustment shall be made correcting all measurements for the actual period during which such inaccurate measurements were made, if such period can be determined. If such period cannot be determined, the adjustment shall be made for the period immediately preceding the test of such meter which is equal to the lesser of (a) one-half the time from the date of the last preceding test of such meter, or (b) six months. Such corrected measurements shall be used to recompute the amounts of any electric power and energy to be made available, or any credits to be made in any exchange energy account, and of any money compensation to be paid to the Transferor as provided in this contract.
- (b) If the credit theretofore made to the Transferor in the exchange energy account varies from the credit-to be made as recomputed, the amount of the variance will be credited in such exchange energy account to the party entitled thereto.
- (c) If the money compensation theretofore paid to the Transferor varies from the money compensation to be paid as recomputed, the amount of the variance will be paid to the party entitled thereto after both parties have agreed to such recomputation and within 30 days after receipt of invoice by the designated payment office of the payer;

<u>provided</u>, <u>however</u>, that the other party may deduct such amount due it from any money compensation which thereafter becomes due the Transferor under this contract.

- 8. <u>Character of Service</u>. Unless otherwise specifically provided for in the contract, electric power and energy made available pursuant to this contract shall be in the form of three-phase current, alternating at a nominal frequency of 60 hertz.
- 9. <u>Point(s) of Delivery and Delivery Voltage</u>. Electric power and energy shall be delivered to each Transferee at such point or points and at such voltage or voltages as are agreed upon by the parties hereto.
- 10. <u>Combining Deliveries Coincidentally</u>. If it is provided in this contract that charges or electric power an energy made available at two or more Points of Delivery will be made by combining deliveries at such points coincidentally:
- (a) the total Measured Demand to be considered in determining the billing demand for each billing month shall be the largest sum obtained-by adding for each demand interval of such month the corresponding Integrated Demands of the Transferee at all such points after adjusting said Integrated Demands as appropriate to such points;
- (b) the number of kilowathours to be used in determining the energy charge, if any, and the average power factor at which electric energy is delivered at such points under this contract, during such month, shall be the sum of the amounts of electric energy delivered at such points under this contract during such month; and
- (c) the number of reactive kilovolt-ampere-hours to be used in determining such average monthly power factor shall be the sum of the reactive kilovolt-ampere-hours delivered at such points under this contract such month.
- 11. <u>Suspension of Deliveries</u>. The other party to this contract may at any time notify the Transferor in writing to suspend the deliveries of electric power and energy provided for in this contract. Upon receipt of any such notice, the Transferor will forthwith discontinue, and will not resume, such deliveries until notified to do so by the other party, and upon receipt of such notice from the other party to do so, will forthwith resume such deliveries.
- 12. <u>Continuity of Service</u>. Either party may temporarily interrupt or reduce deliveries of electric power and energy if such party determines that such interruption or reduction is necessary or desirable in case of system emergencies, Uncontrollable Forces, or in order to install equipment in, make repairs to, make replacements within, make investigations and inspections of, or perform other maintenance work on its system. Except in case of emergency and in order that each party's operations will not be unreasonably interfered with, such party shall give notice to the other party of any such interruption or reduction, the reason therefor, and the probable duration thereof to the extent such party has knowledge thereof. Each party shall effect the use of temporary facilities or equipment to minimize the effect of any such interruption or outage to the extent reasonable or appropriate.
- 13. <u>Uncontrollable Forces</u>. Each party shall notify the other as soon as possible of any Uncontrollable Forces which may in any way affect the delivery of power hereunder. In the event the operations of either party are interrupted or curtailed due to such Uncontrollable Forces, such party shall exercise due diligence to reinstate such operations with reasonable dispatch.
- 14. Reducing Charges for Interruptions. If deliveries of electric power and energy to the Transferee are suspended, interrupted, interfered with or curtailed due to Uncontrollable Forces on either the Transferee's System or Transferor's System, or if the Transferor interrupts or reduces deliveries to the Transferee for any of the reasons stated in section 12 hereof, the credit in the exchange energy account which would otherwise be made, or the money compensation which would otherwise be paid to the Transferor, shall be appropriately reduced. No interruption, or equivalent interruption, of less than 30 minutes duration will be considered for computation of such reduction in charges.

- 15. Net Billing. Upon mutual agreement of the parties, payment due one party may be offset against payments due the other party under all contracts between the parties hereto for the sale and exchange of electric power and energy, use of transmission facilities, operation and maintenance of electric facilities, lease of electric facilities, mutual supply of emergency and standby electric power and energy, and under such other contracts between such parties as the parties may agree, unless otherwise provided in existing contracts between the parties. Under contracts included in this procedure, all payments due one party in any month shall be offset against payments due the other party in such month, and the resulting net balance shall be paid to the party in whose favor such balance exists unless the latter elects to have such balance carried forward to be added to the payments due it in a succeeding month.
 - 16. Average Power Factor.

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(a)	The formula	tor determ	ining ave	rage nower	tactor	10 20	tollowe.
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Average Power Factor = _	<u>Kilowatthours</u>
	/(Kilowatthours) + (Reactive Kilovolt-ampere-hours) ²

The data used in the above formula shall be obtained from meters which are ratcheted to prevent reverse registration.

- (b) When delivery of electric power and energy by the Transferor at any point is commingled with any other class or classes of power and it is impracticable to separately meter the kilowatthours and reactive kilovolt-ampere-hours for each class, the average power factor of the total delivery of such electric power and energy for the month will be used, where applicable, as the power factor for each of the separate classes.
- (c) Except as it is otherwise specifically provided in this contract, no adjustment will be made for power factor at any point of delivery described in this contract while the varhours delivered at such point are not measured.
- (d) The Transferor may, but shall not be obligated to, deliver electric energy hereunder at a power factor of less than 0.85 leading or lagging.

17. Permits.

- (a) If any equipment or facilities associated with any Point of Delivery and belonging to a party to this contract are or are to be located on the property of the other party, a permit to install, test, maintain, inspect, replace, repair, and operate during the term of this contract and to remove such equipment and facilities at the expiration of said term, together with the right of entry to said property at all reasonable times in such term, is hereby granted by the other party.
- (b) Each party shall have the right at all reasonable times to enter the property of the other party for the purpose of reading any and all meters mentioned in this contract which are installed on such property.
- (c) If either party is required or permitted to install, test, maintain, inspect, replace, repair, remove, or operate equipment on the property of the other, the owner of such property shall furnish the other party with accurate drawings and wiring diagrams of associated equipment and facilities, or, if such drawings or diagrams are not available, shall furnish accurate information regarding such equipment or facilities. The owner of such property shall notify the other party of any subsequent modification which may affect the duties of the other party in regard to such equipment, and furnish the other party with accurate revised drawings, if possible.

18. Ownership of Facilities.

(a) Except as otherwise expressly provided, ownership of any and all equipment, and of all salvable facilities installed or previously installed by a party to this contract on the property of the other party shall be and remain in the installing party.

- (b) Each party shall identify all movable equipment and all other salvable facilities which are installed by such party on the property of the other by permanently affixing thereto suitable markers plainly stating the name of the owner of the equipment and facilities so identified. Within a reasonable time subsequent to initial installation, and subsequent to any modification of such installation, representatives of the parties shall jointly prepare an itemized list of said movable equipment and facilities.
- 19. Adjustment for Change of Conditions. If changes in conditions hereafter occur which substantially affect any factor required by this contract to be used in determining (a) any credit in any exchange energy account to be made, money compensation to be paid, or amount of electric power and energy or losses to be made available to one party by the other party, or (b) any maximum replacement demand, or average power factor mentioned in this contract, such factor will be changed in an equitable manner which will conform to such changes of conditions. If an increase in the capacity of the facilities being used by the Transferor in making deliveries hereunder is required at any time after execution of this contract to enable the Transferor to make the deliveries herein required together with those required for its own operations, the construction or installation of additional or other equipment or facilities for that purpose shall be deemed to be a change of conditions within the meaning of the preceding sentence.

If, pursuant to the terms of the agreement establishing such exchange energy account, another rate is substituted for the rate to be used in settling the balance in such account, the number of kilowatthours to be credited to the Transferor in such account for each month as provided in this agreement, shall be changed for each month thereafter to the amount computed by multiplying such number of kilowatthours by 2.5 mills and dividing the resulting product by the currently effective substituted rate in mills per kilowatthour.

- 20. <u>Dispute Resolution and Arbitration</u>.
- (a) Pending resolution of a disputed matter the parties will continue performance of their respective obligations pursuant to this contract. If the parties cannot reach timely mutual agreement on any matter in the administration of this contract Bonneville shall, unless otherwise specifically provided for in subsection (b) below and, to the extent necessary for its continued-performance, make a determination of such matter without prejudice to the rights of the other party. Such determination shall not constitute a waiver of any other remedy belonging to the Contractor.
- (b) The questions of fact stated below shall be subject to arbitration. Other questions of fact under this contract may be submitted to arbitration upon written mutual agreement of the parties. The party calling for arbitration shall serve notice in writing upon the other party, setting forth in detail the question or questions to be arbitrated and the arbitrator appointed by such party. The other party shall, within 10 days after the receipt of such notice, appoint a second arbitrator, and the two so appointed shall choose and appoint a third. In case such other party fails to appoint an arbitrator within said 10 days, or in case the two so appointed fail for 10 days to agree upon and appoint a third, the party calling for the arbitration, upon 5 days' written notice delivered to the other party, shall apply to the person who at the time shall be the presiding judge of the United States Court of Appeals for the Ninth Circuit for appointment of the second and third arbitrator, as the case may be.

The determination of the question or questions submitted for arbitration shall be made by a majority of the arbitrators and shall be binding on the parties. Each party shall pay for the services and expenses of the arbitrator appointed by or for it, for its own attorney fee compensation for its witnesses or consultants. All other costs incurred in connection with the arbitration shall be shared equally by the parties thereto.

The questions of fact to be determined as provided in this section shall be limited to:

- (1) the determination of the measurements to be made by the parties hereto pursuant to section 4;
- (2) the correction of the measurements to be made pursuant to section 7;
- (3) the duration of the interruption or equivalent interruption in section 14;
- (4) whether changes in conditions mentioned in section 19 have occurred;

- (5) whether the changes mentioned in section 30 were made "promptly";
- (6) whether an increase or decrease in load or change in load factor mentioned in section 32 is unusual;
- (7) (0) any issue which both parties agree is an issue of fact mentioned in sections 30, 31, and 34;
 - (8) the occurrence of an abnormal nonrecurring demand and the amount and time thereof;
 - (9) whether a party has complied with section 34(b); and
 - (10) the acceptable level of harmonics for purposes of section 35.
- 21. <u>Contract Work flours and Safety Standards</u>.

This contract, if and to the extent required by applicable law and if not otherwise exempted, is subject to the following provisions:

- (a) Overtime Requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics, shall require or permit any laborer or mechanic in any workweek in which such worker is employed on such work to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek unless such laborer or mechanic receives. compensation at a rate not less than one and one-half times such worker's basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of 40 hours in such workweek, as the case may be.
- (b) <u>Violation; Liability for Unpaid Wages; Liquidated Damages</u>. In the event of any violation of the provisions of subsection (a), the Contractor and any subcontractor responsible therefor shall be liable to any affected employee for such employee's unpaid wages. In addition, such contractor and subcontractor shall be liable to the Government for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of subsection (a) in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed in such work in excess of eight hours or in excess of such employee's standard workweek of 40 hours without payment of the overtime wages required by subsection (a) above.
- (c) <u>Withholding for Unpaid Wages and Liquidated Damages</u>. Bonneville may withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in subsection (b) above.
- (d) <u>Subcontracts</u>. The Contractor shall insert in any subcontracts the clauses set forth in subsections (a) through (c) of this provision and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.
- (e) <u>Records</u>. The Contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for 3 years from the completion of the contract.
- 22. <u>Convict Labor</u>. In connection with the performance of work under this contract, the Contractor agrees, if and to the extent required by applicable law or if not otherwise exempted, not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11756, December 29, 1973.

- 23. <u>Equal Employment Opportunity</u>. During the performance of this contract, if and to the extent required by applicable law or if not otherwise exempted, the Contractor agrees as follows:
- (a) The Contractor will not discriminate against any employee or 'applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to. the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Bonneville setting forth the provisions of the Equal Opportunity clause.
- (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (c) The Contractor will send to each labor union or representative of workers with which said Contractor has a collective bargaining agreement or other contract or understanding. a notice, to be provided by Bonneville, advising the labor union or worker's representative of the Contractor's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (e) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and relevant orders of the Secretary of Labor, or pursuant thereto, and will permit access to said Contractor's books, records, and accounts by Bonneville and the Secretary of Labor for purposes of investigations to ascertain compliance with such rules, regulations, and orders.
- (£) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (g) The Contractor will include the provisions of paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will-be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as Bonneville may direct as a means of enforcing such provisions, including sanctions for noncompliance. In the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by Bonneville, the Contractor may request the Government to enter into such litigation to protect the interests of the Government.
- 24. <u>Additional Provisions</u>. The Contractor agrees to comply with the clauses for 'Government contracts contained in the following statutes, Executive Orders, and regulations to the extent applicable:
- (a) the Rehabilitation Act of 1972, Public Law 93-112, as amended, and 41 CFR 60-741 (affirmative action for handicapped workers);

- (b) the Vietnam Era Veterans Readjustment Assistance Act of 1974, Public Law 92-540, as amended, and 41 CFR 60-250 (affirmative action for disabled veterans and veterans of the Vietnam era);
 - (c) Executive Order 11625 and 41 CFR 1-1.1310-2 (utilization of minority business enterprises);
 - (d) the Small Business Act, as amended.
- 25. Reports. The other party to this contract will furnish Bonneville such information as is necessary for making any computation required for the purposes of this contract, and the parties will cooperate in exchanging such additional information as may be reasonably useful for their respective operations.
- Assignment of Contract. This contract shall inure to the benefit of, and shall be binding upon the respective successors and assigns of the parties to this contract. Such contract or any interest therein shall not be transferred or assigned by either party to any party other than the Government or an agency thereof without the written consent of the other except as specifically provided in this section. The consent of Bonneville is hereby given to any security assignment or other like financing instrument which may be required under terms of any mortgage, trust, security agreement or holder of such instrument of indebtedness made by and between the Contractor and any mortgagee, trustee, secured party, subsidiary of the Contractor or holder of such instrument of indebtedness, as security for bonds of other indebtedness of such Contractor, present or future; such mortgagee, trustee, secured party, subsidiary, or holder may realize upon such security in foreclosure or other suitable proceedings, and succeed to all right, title, and interests of such Contractor.
- Waiver of Default. Any waiver at any time by any party to this contract of its rights with respect to any default of any other party thereto, or with respect to any other matter arising in connection with such contract, shall not be considered a waiver with respect to any subsequent default or matter.
- 28. <u>Notices and Computation of Time</u>. Any notice required by this contract to be given to any party shall be effective when it is received by such party, and in-computing any period of time from such notice, such period shall commence at 2400 hours on the date of receipt of such notice.
- 29. <u>Interest of Member of Congress</u>. No Member of, or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

APPLICABLE ONLY IF TRANSFEREE IS A PARTY TO THIS CONTRACT

- Balancing Phase Demands. If required by the Transferor at any time during the term of this contract, the Transferee shall promptly make such changes as are necessary on its system to balance the phase currents at any Point of Delivery so that the current of any one phase shall not exceed the current on any other phase at such point by more than 10 percent.
- 31. Adjustment for Unbalanced Phase Demands. If the Transferee fails to promptly make the changes mentioned in section 30, the Transferor may, after giving written notice one month in advance, determine that the Measured Demand of the Transferee at the Point of Delivery in question during each month thereafter, until such changes are made, is equal to the product obtained by multiplying by three the largest of the Integrated Demands on any phase adjusted as appropriate to such point during such month.
- 32. Changes in Requirements or Characteristics. The Transferee will, whenever possible, give reasonable notice to the Transferor of any unusual increase or decrease of its demands for electric power and energy on the Transferor's system, or of any unusual change in the load-factor or power factor at which the Transferee will take delivery of electric power and energy under this contract.

33. <u>Inspection of Facilities</u>. Each party may for any reasonable purpose under this contract inspect the other party's electric installation at any reasonable time. Such inspection, or failure to inspect, shall not render such party, its officers, agents, or employees, liable or responsible for any injury, loss, damage, or accident resulting from defects in such electric installation, or for violation of this contract. The inspecting party shall observe written instructions and rules posted in facilities and such other necessary instructions or standards for inspection as the parties agree to. Only those electric installations used in complying with the terms of this contract shall be subject to inspection.

34. Electric Disturbances.

- (a) For the purposes of this section, an electric disturbance is any sudden, unexpected, changed, or abnormal electric condition occurring in or on an electric system which causes damage.
- (b) Each party shall design, construct, operate, maintain and use its electric system in conformance with accepted utility practices:
 - (1) to minimize electric disturbances such as, but not limited to, the abnormal flow of power which may damage or interfere with the electric system of the other party or any electric system connected with such other party's electric system; and
 - (2) to minimize the effect on its electric system and on its customers of electric disturbances originating on its own or another electric system.
- (c) If both parties to this contract are parties to the Western Interconnected Electric System Agreement, their relationship with respect to system damages shall be governed by that Agreement.
- (d) During such time as a party to this contract is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, its relations with the other party with respect to system damages shall be governed by the following sentence, notwithstanding the fact that the other party may be a party to said Agreement Limiting Liability Among Western Interconnected Systems. A party to this contract shall not be liable to the other party for damage to the other party's system or facilities caused by an electric disturbance on the first party's system, whether or not such electric disturbance is the result of negligence by the first party, if the other party has failed to fulfill its obligations under subsection (b)(2) above.
- (e) If one of the parties to this contract is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, each party to this contract shall hold harmless and indemnify the other party, its officers and employees, from any claims for loss, injury, or damage suffered by those to whom the first party delivers power not for resale, which loss, injury or damage is caused by an electric disturbance on the other party's system, whether or not such electric disturbance results from the negligence of such other party, if such first party has failed to fulfill Its obligations under subsection (b)(2) above, and such failure contributed to the loss, injury or damage.
- (f) Nothing in this section 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 contract.
- 35. <u>Harmonic Control</u>. Each party shall design, construct, operate, maintain and use its electric facilities in accordance with good engineering practices to reduce to acceptable levels the harmonic currents and voltages which pass into the other party's facilities. Harmonic reductions shall be accomplished with equipment which is specifically designed and permanently operated and maintained as an integral part of the facilities of the party which owns the system on which harmonics are generated.

APPLICABLE ONLY IF TRANSFEREE IS NOT A PARTY TC THIS CONTRACT

36. <u>Protection of the Transferor</u>. Protection is or will be afforded to Bonneville or its Transferor under such of the following provisions and conditions as are specified in each contract executed or to be executed by Bonneville and each third party Transferee named in this contract: the power factor clause of the applicable Bonneville Wholesale Rate Schedule and the subject matter set forth in the General Contract Provisions under the following titles, namely:

Adjustment for Unbalanced Phase Demands; Uncontrollable Forces; Continuity of Service; Changes in Demands or Characteristics; Electric Disturbances; Harmonic Control; Balancing Phase Demands; Permits; Ownership of Facilities; and Inspection of Facilities.

RELATING TO RURAL ELECTRIFICATION ADMINISTRATION BORROWERS

37. <u>Approval of Contract</u>. If the Contractor borrows from the Rural Electrification Administration or any other entity under an indenture which requires the lender's approval of contracts, this contract and any amendment thereto shall not be binding on the parties thereto if they are not approved by the Rural Electrification Administration or such other entity. The Contractor shall notify Bonneville of any such entity. If approval is given, such contract or amendment shall be effective at the time stated therein.

APPLICABLE ONLY IF BONNEVILLE IS THE TRANSFEROR

- 38. Equitable Adjustment of Rates.
- (a) Bonneville shall establish, periodically review and revise rates for the wheeling of electric power and/or energy pursuant to the terms of this contract. Such rates shall be established in accordance with applicable law.
- (b) As used in this section, the words "Rate Adjustment Date" shall mean any date specified by Bonneville in a notice of intent to file revised rates as published in the Federal Register; provided, however, that such date shall not occur sooner than (1) nine months from the date that such notice of intent is published; or (2) twelve months from any previous Rate Adjustment Date. By giving written notice to the Contractor 45 days prior to such Rate Adjustment Date, Bonneville may delay such Rate Adjustment Date for up to 90 days if Bonneville determines either that the revenue level of the proposed rates differs by more than five percent from the revenue requirements indicated by most recent repayment studies entered in the hearings record or that external events beyond Bonneville's control will prevent Bonneville from meeting such Rate Adjustment Date. Bonneville may cancel a notice of intent to file revised rates at any time (I) by written notice to the Contractor; or (2) by publishing in the Federal. Register a new notice of intent to file revised rates which specifically cancels a previous notice.
- (c) The Contractor shall pay Bonneville for the service made available under this contract during the period commencing on each Rate Adjustment Date and ending at the beginning of the next Rate Adjustment Date at the rate specified in any rate schedule available at the beginning of such period for service of the class, quality, and type provided for in this contract, and in accordance with the terms thereof, and of the General Transmission Rate Schedule Provisions, if any, as changed with, incorporated in or referred to in such rate schedule. New rates shall not be effective on any Rate Adjustment Date unless they have been approved on a final or interim basis by a governmental agency designated by law to approve Bonneville's rates. Rates shall be applied in accordance with the terms thereof, the General Transmission Rate Schedule Provisions as changed with, incorporated in or referred to in such rate schedule and the terms of this contract.

(WP -PKJ -0222f)

Exhibit B
(General Transmission Rate Schedule Provisions)

SECTION I. ADOPTION OF REVISED TRANSMISSION RATE SCHEDULES AND GENERAL TRANSMISSION RATE SCHEDULE PROVISIONS (GTRSPs)

A.—Approval of Rates

These rate schedules and GTRSPs shall become effective upon interim approval or upon final confirmation and approval by FERC. BPA will request FERC approval effective October 1, 1993.

B.—General Provisions

These 1993 Transmission Rate Schedules and associated GTRSPs are virtually identical to and supersede EIPNs 1991 Transmission Rate Schedules and GTRSPs (which became effective October 1, 1991) but do not supersede prior rate schedules required by agreement to remain in force.

Transmission service provided shall be subject to the following Acts, as amended: the Bonneville Project Act. the Regional Preference Act (Pt. 88-552). the Federal Columbia River Transmission System Act, and the Pacific Northwest Electric Power Planning and Conservation Act, and the Energy Policy Act of 1992, Pub. L. 102-486, 106 Stat. 2776 (1992).

The meaning of terms used in the transmission rate schedules shall be as defined in agreements or provisions which are attached to the Agreement or as in any of the above Acts.

C. Interpretation

If a provision in the executed Agreement is in conflict with a provision contained herein. the former shall prevail.

SECTION II. BILLING FACTOR DEFINITIONS AND BILLING ADJUSTMENTS

A. Baits Factors

1.—Scheduled Demand

The largest of howl), amounts wheeled which are scheduled by the customer during the time period specified in the rate schedules.

2. Metered Demand

The Metered Demand in kilowatts shall be the largest of the 60-minute clock-hour integrated demands measured by meters installed at each POD during each time period specified in the applicable rate schedule. Such measurements shall be made as specified in the Agreement. BPA, in determining the Metered Demand will exclude any abnormal readings due to or resulting from: (a) emergencies or breakdowns on, or maintenance of the FCRTS; or (b) emergencies on the customer's facilities, provided that such facilities have been adequately maintained and prudently operated as determined by BPA. If more than one dais of power is delivered to any POD, the portion of the metered quantities assigned to any class of power shall be as agreed so by dm parties. The amount so assigned shall constitute the Metered Demand for such class of power.

3.—Transmission Demand

The demand as defined in the Agreement.

4.—Total Transmission Demand

The sum of the transmission demands as defined in the Agreement.

5.—Ratchet Demand

The maximum demand established during die previous 11 billing matrix Exception: If a Transmission Demand or Total Transmission Demand has beat decreased pursuant to the terms of the Agreement during the previous 11 billing month, such decrease will be reflected in determining the Ratchet Demand.

B. Billing Adjustments

Average Power Factor

The adjustment for average power factor, when specified in a transmission rate schedule or in the Agreement, shall be made in accordance with the average power factor section of the General Wheeling Provisions.

To maintain acceptable operating conditions on the Federal system, BPA may restrict deliveries of power at any time that the average leading power factor or average lagging power factor for all classes of power delivered to such point or to such system is below 85 percent.

SECTION III. OTHER DEFINITIONS

Definitions of the terms below shall be applied to these provisions and the Transmission Rate Schedules, unless-otherwise defined in the Agreement.

A.—Agreement

An agreement between SPA mid a customer to which these rate schedules and provisions may be applied

B.—Eastern Intertie

The segment of the FCRTS for which the transmission facilities consist of the Townsend Garrison double circuit 500 kV transmission line segment including related termina at Garrison.

C. Electric Power

Electric peaking capacity (kW) and/or electric energy (kWh).

D. Federal Columbia River Transmission

The transmission facilities of the Federal Columbia River Power System, which include all transmission facilities owned by the government mid operated by BPA, and other facilities aver which BPA has ambled transmission rights.

E. Firm Transmission Service

Transmission service which BPA provides for any non-BPA power except for transmission service which is scheduled as nonfirm. If the firm service is provided pursuant to the Agreement, the terms of the Agreement may further define the service.

F. Integrated Network

The segment of the FCRTS for which the transmission facilities provide the bulk of transmission of electric power-

within the Pacific Northwest, excluding facilities not segmented to the network as shown in the Wholesale Power-Rate Development Study used in BPA's rate development.

G. Main Grid

As used in the FPT and IR rate schedules, that portion of the Integrated Network with facilities rated 230 kV and higher.

H.—Main Grid Distance

As used in the FPT rate schedules, the distance in airline miles cm the Main Grid between the POI and the POD, multiplied by 1.15.

I.—Main Grid Interconnection Terminal

As used in the FPT rate schedules. Main Grid terminal facilities that interconnect the FCRTS with non-BPA facilities.

J. Main Grid Miscellaneous Facilities

As used in the FPT rate schedules, switching, transformation, and other facilities of the Main Grid not included in other components.

K. Main Grid Terminal

As used in the FPT rate schedules, the Main Grid terminal facilities located at the sending and/or receiving end of a line exclusive of the Interconnection terminals.

L.—Nonfirm Transmission Service

Interruptible transmission service which BPA may provide for non-BPA power.

M.—Northern Intertie

The segment of the FCRTS for which the transmission facilities consist of two 500 kV lines between Custer Substation and the United States Canadian border, one 500 kV line between Custer and Monroe Substations, and two 230 kV lines from Boundary Substation to the United States Canadian border, and the associated substation facilities.

N.—Point of Integration (POI)

Connection points between the FCRTS and non-BPA facilities where non-Federal power is made available to SPA for wheeling.

O.—Point of Delivery (POD)

Connection points between the FCRTS and non-BPA facilities where non-Federal power is delivered to a customer-by BPA.

P. Secondary System

As used in the FPT and IR rate schedules, that portion of the Integrated Network facilities with operating voltage of

115 kV or 69 kV.

Q. Secondary System Distance

As used in the FPT rate schedules, the number of circuit miles of Secondary System transmission lines between the secondary POI and the Main Grid or the secondary POD, or the Main Grid and the secondary POD.

R. Secondary System Interconnection Terminal

As used in the FPT rate schedules, the terminal facilities on the Secondary System that interconnect the FCRTS with non-BPA facilities.

S. Secondary System Intermediate Terminal

As used in the FPT rate schedules, the first and final terminal facilities in the Secondary System transmission pathexelusive of the Secondary System Interconnection terminals.

T. Secondary Transformation

As used in the MT rate schedules, transformation from Main Grid to Secondary System facilities.

U. Southern Interne

The segment of the FCRTS for which the major transmission facilities consist of two 500 kV AC lines from John Day Substation to the Oregon California border; a portion of the 500 kV AC line from Buckley Substation to Summer Lake Substation; when completed, the Third AC facilities, which include Captain Jack Substation and the Alvey Meridian 500 kV AC line; one 1.000 kV DC line between the Cello Substation and the Oregon Nevada border, and associated substation facilities.

V.—Transmission Service

As used in the MT rate schedule, Transmission Service is as defined in the Western Systems Power Pool Agreement

SECTION IV.—**BILLING INFORMATION**

A.—Payment of Bills

Bills for transmission service shall be rendered monthly by BPA. Failure to receive a bill shall not release the customer from liability for payment. Bills for amounts due of \$50,000 or more must be paid by direct wile transfer; customers who expect that their average monthly bill will not exceed \$50,000 and who expect special difficulties in meeting this requirement may request, and BPA may approve. an exemption from this requirement. Bills for amounts due BPA wider \$50,000 may be paid by direct wile transfer or mailed to the Bonneville Power Administration. P.O. Box 6040, Portland, Oregon 97228-6040, or to another location as directed by BPA. The procedures to be followed in making direct wire transfers will be provided by the Office of Financial Management and updated as necessary.

1. Computation of Bills

The transmission billing determinant is the electric power quantified by the method specified in the Agreement or Transmission Rate Schedule. Scheduled power or metered power will be used.

The transmission customer shall provide necessary information to BPA for any computation required to determine the proper charges for use of the FCRTS, and shall cooperate with SPA in the exchange of additional information which may be reasonably useful for respective operations.

Demand and energy billings for transmission service wider each applicable rate schedule shall be rounded to whole dollar amounts, by eliminating any amount which is less than 50 cents and increasing any amounts from 50 cents through 99 cents to the next higher dollar.

2.—Estimated Bills

At its option, BPA may elect to render an estimated bill to be followed at a subsequent billing date by a final-bill. The estimated bill shall have the validity of and be subject to the same payment provisions as a final-bill.

3.—Billing Month

For charges based on scheduled quantities, the billing month is the calendar month. For charges based on metered quantities, the billing month is defined as the interval between scheduled meter-reading dates. The billing month will not exceed 31 days in any case. While it may be necessary to read meters on a day other than the scheduled meter-reading date, for determination of billing demand, the billing month will cease at 2400 hours on the last scheduled meter-reading date. Schedules will be predetermined. The customer must give 30 days' notice to request a change to the schedule.

4.—Due Date

Bills shall be due by close of business on the 20th day after the date of the bill (due date). Should the 20th day be a Saturday, Sunday, or holiday (as celebrated by the customer), the due date Ball be the next following business day.

5. Late Payment

Bills not paid in full on or before close of business at the due date shall be subject to a penalty charge of \$25. In addition. an interest charge of one twentieth percent (0.05 percent) shall be applied each day to the sum of me unpaid amount and the penalty charge. This interest charge shall be assessed on a daily basis until such time as the unpaid amount and penalty charge are paid in full.

Remittances received by mail will be accepted without assessment of the charges referred to in the preceding paragraph provided the postmark indicates the payment was mailed on or before the due date. Whenever a power bill or a portion thereof remains unpaid subsequent to the due date and after giving 30 days' advance notice in writing, BPA may cancel the contract for service to the customer. However, such cancellation shall not affect the customer's liability for any charges accrued prior thereto under such agreement

6. Disputed Billings

In the event of a disputed billing, full payment shall be rendered to BPA and the disputed amount natal Disputed amounts are subject to the late payment provisions specified above. BPA shall separately account for the disputed amount. If it is determined that the customer is entitled to the disputed amount. BPA shall rebind the disputed amount with interest as determined by BPA's Office of Financial Management.

BPA retains the right to verify, in a manner satisfactory to the Administrator, all data submitted to BPA for use in the calculation of BPA's rates and corresponding rate adjustments. BPA also retains the right to deny eligibility fax any BPA rate or corresponding rate adjustment cull all submitted data have been accepted by

BPA as complete, accurate. and appropriate for the rate or adjustment under consideration.

7.—Revised Bills

As necessary, BPA may render a revised bill.

a. If the amount of the revised bill is less than or equal to the amount of the original bill the revised bill shall replace all previous bills issued by BPA that pertain to the specified customer for the specified billing period and the revised bill shall have the same date as die replaced bill.

If a revision causes an additional amount to be due BPA or the <u>specified customer</u> beyond the amount of the original bill, a revised bill will be issued for the difference and the date of the revised bill shall be its date of issue.

Exhibit C (Schedule FPT-93.1 Formula Power Transmission)

SECTION I.—AVAILABILITY

This schedule supersedes schedule FPT-91.1 for all firm transmission agreements which provide that rates may be adjusted not more frequently than once a year. It is available for firm transmission of electric power and energy using the Main GM and/or Secondary System of the Federal Columbia River Transmission System (FCRTS). This schedule is for full year and partial year service and for either continuous or intermittent service when firm availability of service is required. For facilities at voltages lower than the Secondary System, a different rate schedule may be specified. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions (GTRSPs).

SECTION II.—RATE

A. Full-Year Service

The monthly charge per kilowatt of billing demand shall be one twelfth of the sum of the Main Grid Charge and the Secondary System Charge, as applicable and as specified in the Agreement

1. Main Grid Charge

The Main Grid Charge per kilowatt of billing demand shall be the sum of one or more of the following component factors as specified in the Agreement:

- a. Main Grid Distance Factor: The amount computed by multiplying the Main Grid Distance by \$0.0371 per mile
- b. Main Grid Interconnection Terminal Factor: \$0.27
- c. Main Grid Terminal Factor: \$0.44
- d. Main Grid Miscellaneous Facilities Factor: \$1.88

2. Secondary System Charge

The Secondary System Charge per kilowatt of billing demand shall be the sum of one or more of the following component factors as specified in the Agreement:

a. Secondary System Distance Factor: The amount determined by multiplying the Secondary System Distance by \$0.2784 per mile

- b. Secondary System Transformation Factor: \$4.10
- e. Secondary System Intermediate Terminal Factor: \$1.29
- d. Secondary System Interconnection Terminal Factor: \$0.68

B. Partial-Year Service

The monthly charge per kilowatt of billing demand shall be as specified in Section II.A. for all months of the year except for agreements with terms 5 years or less and which specify service for fewer than 12 months per year. The monthly charge shall be:

- 1. During maids for which service is specified, the monthly charge defined in Section II.A., and
- 2. During other months, the monthly charge defined in Section II.A. multiplied by 0.2.

SECTION III. BILLING FACTORS

Unless otherwise stated in the Agreement. the billing demand shall be the largest of:

- A.—The Transmission Demand;
- B. The highest hourly Scheduled Demand for the match: or
- C.—The Ratchet Demand.

Exhibit D (Schedule ET-93 Energy Transmission)

SECTION I.—AVAILABILITY

This schedule supersedes ET-91, unless otherwise specified in the Agreement, with respect to delivery using Federal Columbia River Transmission System facilities other than the Southern blade, Eastern Wade, or the Northern Intertie, and is available for firm (of not more than 1 year duration) or manna transmission between points within the Pacific Northwest. BPA may interrupt mem service which is provided under this rate schedule. Service under this schedule is subject to BPA's General Transmission Rate Schedule Provisions.

SECTION II. RATE

The charge for transmission of non-BPA power shall be 2.02 mills per kilowatthour.

SECTION III. BILLING FACTORS

Billing Energy

The billing energy shall be the monthly sum of scheduled kilowatthours.

Exhibit E(Charges, Demands, Points of Interconnection and Points of Delivery)

(LaGrande-McNary to PacifiCorp's Main System)

These charges are based on Transmission Rate Schedule FPT 93.1

Poir	its of	Transmission-	Transmission	Compensation
<u>Interconnection</u>	<u>Delivery</u>	Demand (kW)	charge \$/kW/mo	charge \$/kW/mo
LaGrande 230 kV	Roundup 69 kV	55,000	0.770	0.071

LaGrande 230 kV	Alvey 500 kV	145,000	1.118	0.270
McNary 230 kV	Alvey 500 kV	241,000	0.993	0.399
McNary 230 kV	McNary 69 kV	35,000	0.555	0.032
McNary 230 kV	Santiam 69 kv	4 0,000	1.042	0.069
McNary 230 kV	Albany 115 kV	<u>84,000</u>	<u>1.361</u>	<u>0.191</u>
Total Demand		600,000		1.032

Calculation of Charges

	Annual Charges	Applicable Annual Charges (\$/kW- from LaGrande 230 kV to	
Facility	per kW		Alvey 500 kv
<u> </u>	p	Roundup 07 K V	711vcy 300 kv
Main Grid			
Interconnection Terminal	\$0.27	0.00	0.00
Terminal	\$0.44	0.44	0.44
Transmission Distance Charge	\$0.0371/mi	1.70	11.09
(1.15 x \$0.0371/mi			
x airline miles)			
(39.8 mi. LaGrande Roundup)			
(259.9 mi. LaGrande Alvey)			
Miscellaneous Facilities	\$1.88	1.88	1.88
Terminal	\$0.44	0.44	0.00
Interconnection Terminal	\$0.27	0.00	0.00
Secondary System			
Transformation	\$4.10	4.10	0.00
Interconnection Terminal	\$0.68	0.00	0.00
Intermediate Terminal	\$1.29	0.00	0.00
Transmission Distance Charge	\$0.2784/mi	0.00	0.00
(1.15 x \$0.2784/mi			
x airline miles)			
Intermediate Terminal	\$1.29	0.00	0.00
Interconnection Terminal	\$0.68	0.68	0.00
Use of Facilities		<u>0.00</u>	<u>0.00</u>
T + 1 A 1 C		ΦΟ 24 /1 33 7/	Φ12 41/1 XX/
Total Annual Charge		\$9.24/kW/yr	\$13.41/kW/yr
Total Monthly Charge		\$0.770/kW/mo	\$1,118/kW/mo

Calculation of Charges

Facility	Annual Charges per kW		al Charges (\$/kW) ry 230 kV to McNary 69 kv
Main Grid			
Interconnection Terminal	\$0.27	0.00	0.00
Terminal	\$0.44	0.44	0.00
Transmission Distance Charge	\$0.0371/mi	9.60	0.00
(1.15 x \$0.0371/mi			
x airline miles)			
(224.9 mi. McNary-Alvey)			
(0.0 mi. McNary-McNary)			
Miscellaneous Facilities	\$1.88	1.88	1.88
Terminal	\$0.44	0.00	0.00
Interconnection Terminal	\$0.27	0.00	0.00
Secondary System			
Transformation	\$4.10	0.00	4.10
Interconnection Terminal	\$0.68	0.00	4.10 0.00
Intermediate Terminal	\$1.29	0.00	0.00
Transmission Distance Charge	\$0.2784/mi	0.00	0.00
(1.15 x \$0.2784/mi	ψ0.270 1 /IIII	0.00	0.00
x airline miles)			
Intermediate Terminal	\$1.29	0.00	0.00
Interconnection Terminal	\$0.68	0.00	0.00
Use of Facilities	ψ0.00	0.00	0.00
Coo of Lashines		<u>0.00</u>	<u>0.00</u>
Total Annual Charge		\$11.92/kW/yr	\$6.66/kW/yr
Total Monthly Charge		\$0.993/kW/mo	\$0.555/kW/mo

Calculation of Charges

<u>Facility</u>	Annual Charges per kW	Applicable Annua from McNar Santiam 69 kV	
Main Grid			
Interconnection Terminal	\$0.27	0.00	0.00
Terminal	\$0.44	0.44	0.44
Transmission Distance Charge	\$0.0371/mi	7.77	8.81
(1.15 x \$0.0371/mi			
x airline miles)			
(182.0 mi. McNary-Santiam)			
(206.5 mi. McNary-Albany)			
Miscellaneous Facilities	\$1.88	1.88	1.88
Terminal	\$0.44	0.44	0.44
Interconnection Terminal	\$0.27	0.00	0.00

Secondary System			
Transformation	\$4.10	0.00	4.10
Interconnection Terminal	\$0.68	0.00	0.00
Intermediate Terminal	\$1.29	1.29	0.00
Transmission Distance Charge	\$0.2784/mi	0.00	0.00
(1.15 x \$0.2784/mi			
x airline miles)			
Intermediate Terminal	\$1.29	0.00	0.00
Interconnection Terminal	\$0.68	0.68	0.68
Use of Facilities		<u>0.00</u>	<u>0.00</u>
Total Annual Charge		\$11.92/kW/yr	\$6.66/kW/yr
Total Monthly Charge		\$0.993/kW/mo	\$0.555/kW/mo

Exhibit F
(Calculation of Hourly Losses Associated with Firm Transmission and Backup Transmission)

Table 1

Assume:

Lp	<u>-</u>	Peak wheeling loss applicable to a specified amount of power wheeled under this Agreement during the time of peak Federal system generation. Lp is a constant for each hour of a billing period.
Dm -	_	Weighted average airline transmission distance plus 15%.
Wm	_	Maximum power wheeled over main system under this Agreement.
Wt-	=	Maximum power wheeled through step-down transformation to points of delivery under this Agreement.
Lm	=	Average loss per megawatt mile on the main system. Lm is a constant for each hour of a billing period.
Lt	_	Average 230/115/69-kV transformation loss (percent).
Lw -	=	Wheeling loss for the power scheduled for a particular hour under Section 5(a) of this Agreement.
Pf	_	Federal generation for a particular hour.
Pfp-	_	Amount of Federal generation upon which the average wheeling loss, Lm, was based. Pfp is constant for each hour of a billing period.
Pw	=	Amount of power scheduled for a particular hour to be wheeled under section-

5(a) of this Agreement.

Given:

Points of Interconnection	Points of Delivery	Transmission Demand (kW)	Airline Distance + 15% (miles)
LaGrande 230 kV	Roundup 69 kV	55,000	45.8
LaGrande 230 kV	Alvey 500 kV	145,000	298.9
McNary 230 kV	Alvey 500 kV	241,000	258.8
McNary 230 kV	McNary 69 kV	35,000	0.0
McNary 230 kV	Santiam 69 kV	40,000	209.3
McNary 230 kV	Albany 115 kV	84,000	237.6

Therefore,

 $\frac{Dm}{} = \frac{227.60}{}$

Wm = 600,000 kW

Also, as of January 1, 1993

Lm = 0.143 kW/mW-mi

Lt 0.337 %

Pfp = 16,221,000 kW

Peak Loss Calculation:

Lp = (Dm)(Wm)(Lm) + (Wt)(Lt)

= (227.60)(600,000)(0.000143) + (214,000)(0.00337)

= 20,249 kW

Hourly Wheeling Loss Calculation:

 $Lw = \frac{[(Lp)(Pf) (Pw)] [(Pfp)(Wm)]}{[(Pfp)(Wm)]}$

Let $K = (Lp) \div [(Pfp)(Wm)]$

= 20,249 4 -[(16,221,000)(600,000)]

$$= \frac{2.081 \times 10^{-9} \text{/kW or } 2.081 \times 10^{-6} \text{/MW}}{10^{-6} \text{/mW}}$$

Therefore

$$\frac{Lw}{=} \frac{K(Pf)(Pw)}{(2.081-x \cdot 10^{-6}/MW)(Pf)(Pw) \text{ megawatts of loss}}$$

Hourly losses are determined by inserting the amounts of Pf and Pw for a particular hour.

Table 2

Calculation of Hourly Losses Associated with Backup Transmission

Assume:

Lp	<u> </u>	Peak wheeling loss applicable to a specified amount of power wheeled under this Agreement during the time of peak Federal system generation. Lp is a constant for each hour of a billing period.
Dm-	=	Weighted average airline transmission distance plus 15%.
Wm	_	Maximum power wheeled over main system under this Agreement.
Wt	=	Maximum power wheeled through step-down transformation to points of delivery-under this Agreement.
Lm	=	Average loss per megawatt mile on the main system. Lm is a constant for each hour of a billing period.
Lt	=	Average 230/115/69-kV transformation loss (percent).
Lw	=	Wheeling loss for the power scheduled for a particular hour under Section 5(b) of this Agreement.
Pf	<u>-</u>	Federal generation for a particular hour.
Pfp	_	Amount of Federal generation upon which the average wheeling loss, Lm, was based. Pfp is constant for each hour of a billing period.
Pw	=	Amount of power scheduled for a particular hour to be wheeled under section 5(b) of this Agreement.

Given:

Points of		Transmission-	Airline Distance
<u>Interconnection</u>	Points of Delivery	Demand (kW)	+ 15% (miles)

LaGrande-Hatwai	John Day 500 kV	255,000	130.0
McNary 230 kV	Alvey 230 kV	105,000	296.7
	Alvey 500 kV	340,000	296.7

Therefore,

Dm = 235.97

 $W_{m} = 700,000 \, kW$

Also, as of January 1, 1993

Lm = 0.143 kW/mW mi

Lt 0.337 %

Pfp = 16,221,000 kW

Peak Loss Calculation:

Lp = (Dm)(Wm)(Lm) + (Wt)(Lt)

= (235.97)(700,000)(0.000143)(0.000143) + 0.0

= 23,621 kW

Hourly Wheeling Loss Calculation:

$$Lw = [(Lp)(Pf)(Pw)] \div [(Pfp)(Wm)] + (0.011)(Pw)^{4}$$

Let $K = (Lp) \div [(Pfp)(Wm)]$

= 20,249 4- [(16,221,000)(600,000)]

 $= \frac{2.081 \times 10^{-9} \text{/kW or } 2.081 \times 10^{-6} \text{/MW}}{2.081 \times 10^{-6} \text{/MW}}$

Therefore

$$\frac{Lw}{=} \frac{K(Pf)(Pw)}{(2.081-x \cdot 10^{-6}/MW)(Pf)(Pw) \text{ megawatts of loss}}$$

Hourly losses are determined by inserting the amounts of Pf and Pw for a particular hour.

¹ This factor equates to the average losses on the AC Intertie weighted by the ratio of the demands designated for delivery over said facilities to the total demands (Wm). I

(0.03) x (255,000) + (700,000) = .011

Exhibit G (Calculation of Backup Charges)

	Annual Classes	(\$/kW McNary (ble Annual C) from LaGra and Hatwai 23	nnde, 30 kV to
<u>Facility</u>	Annual Charges per kW	John Day <u>500 kV</u>	Alvey 230 kV	Alvey <u>500 kV</u>
Main Grid Interconnection Terminal	\$0.27	\$0.207	\$0.27	\$0.27
Transmission Distance Charge (1.15 x \$0.0371/mi x airline miles)	\$0.0371/mi			
(113 mi. to John Day)		4.82		44.04
(258 mi. to Alvey) Miscellaneous Facilities	¢1 00	1 00	11.01	11.01
Terminal	\$1.88 \$0.44	1.88 0.44	1.88	1.88 0.44
Terminar	Ψυ.ττ	0.11		0.11
Total Unadjusted Annual Charge		\$7.41	\$13.60	\$13.16
Intertie Charge	\$8.47	<u>8.47</u>	<u>0.00</u>	<u>0.00</u>
Total Annual Charge		\$15.88	\$13.60	\$13.16
Transmission Charge		\$1.3233	\$1.1333	\$1.0967
Kilowatt Demand Weighting		255,000	105,000	340,000
Weighted Monthly Charge	\$829,316/mo.			

Exhibit H
(Scheduling Capability of Midpoint-Malin Line (East to West)

Facility Outage	Scheduling Capability of <u>Midpoint Malin Line (East to West)</u>
None	1,187 MW
Midpoint 500/345 kV Transformation ¹	0 MW
Midpoint-Summer Lake Line ¹	0 MW
Summer Lake Malin Line ¹	340 MW

¹ Partial outages of the identified facilities may result in less severe scheduling limitations of PacifiCorp's Midpoint Malin Line.

Midpoint Series Capacitors in the Midpoint Summer Lake Line

1,037 MW

DE-MS79-94BP94333

AMENDED AND RESTATED MIDPOINT-MERIDIAN TRANSMISSION AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

PACIFICORP

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Exhibit A (General Wheeling Provisions [GWP Form 4R]

This Amended and Restated Midpoint-Meridian Transmission Agreement ("Agreement") executed December 1, 2021, by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION ("Bonneville") and PacifiCorp ("PacifiCorp"), a corporation organized and existing under the laws of the State of Oregon, (hereinafter referred to individually as "Party" and collectively as "Parties".

WITNESSETH

WHEREAS the Parties entered into the Midpoint-Meridian Transmission Agreement on June 1, 1994, hereinafter referred to as the "1994 Midpoint-Meridian Agreement." The 1994 Midpoint-Meridian Agreement superseded and replaced the Midpoint-Medford Transmission Agreement (Contract No. DE-MS79-79BP90091), as amended, and incorporated terms set forth in an Agreement of Principles, dated May 28, 1993; and

WHEREAS the Parties have entered into the Intertie Agreement (Contract No. DE-MS79-86BP92299), as amended, which hereinafter is referred to as "Intertie Agreement"; and

WHEREAS the Parties have entered into the Transmission Agreement (Contract No. DE-MS79-79BP90091), as amended, which hereinafter is referred to as "Midpoint-Medford Agreement"; and

WHEREAS the Parties have entered into an Agreement of Principles, dated May 28, 1993, which hereinafter is referred to as "Letter of Understanding" and which provides, among other things, for the revision of certain terms and conditions in the Intertie Agreement and the Midpoint-Medford Agreement; and

WHEREAS the Parties have entered into the AC Intertie Agreement (Contract No. DE-MS79-94BP94332), as amended, which hereinafter is referred to as "AC Intertie Agreement" which replaces and supersedes the Intertie Agreement; and

WHEREAS the Parties replaced and superseded the Midpoint-Medford Agreement with the 1994 Midpoint-Meridian Agreement; and

WHEREAS PacifiCorp has constructed a 500 kV transmission line from Midpoint Substation to Meridian Substation ("Midpoint-Meridian Line"), to transmit electric power and energy from resources which it owned or which were under construction by PacifiCorp, as of September 2, 1977, in Wyoming and adjacent states ("PacifiCorp's Eastern System") to the Pacific Northwest; and

WHEREAS the Midpoint-Meridian Line consists of three segments hereinafter referred to as "Midpoint-Summer Lake Line", "Summer Lake-Malin Line" and "Malin-Meridian Line"; and

WHEREAS PacifiCorp has constructed a 500 kV transmission line from the interconnection with Bonneville at Alvey Substation to Meridian Substation ("Alvey-Meridian Line") which is jointly owned by PacifiCorp and Bonneville; and

WHEREAS the Midpoint-Meridian Line is interconnected with the Alvey-Meridian Line at Meridian Substation; and

WHEREAS the Midpoint-Meridian Line is interconnected with the Federal Transmission System and the AC Intertie; and

WHEREAS the Midpoint-Meridian Line is interconnected with the California-Oregon Transmission Project at Captain Jack Substation; and

WHEREAS under the 1994 Midpoint-Meridian Agreement, Bonneville agreed to provide PacifiCorp transmission service over the Federal Transmission System; and

WHEREAS under the 1994 Midpoint-Meridian Agreement, Bonneville agreed to provide additional transmission services to PacifiCorp at times of abnormal operations of the Midpoint-Summer Lake Line and the Summer Lake-Malin Line ("Midpoint-Malin Line"); and

WHEREAS Bonneville and PacifiCorp have entered into Point-to-Point Contract No. 04TX-11722, as such contract may be amended from time to time, which replaces and supersedes the transmission services provided under Section 5 and associated terms, conditions and exhibits of the 1994 Midpoint-Meridian Agreement; and

WHEREAS the Parties desire to supersede and replace the 1994 Midpoint-Meridian Agreement with this Amended and Restated Midpoint-Meridian Agreement to reflect the aforementioned conversion of service under Section 5 of this legacy agreement to BPA point-to-point transmission service; and

WHEREAS the Parties have entered into the Malin Operation and Maintenance Trust Agreement (Contract No. 14-03-62876), as amended which hereinafter is referred to as "Operation and Maintenance Agreement" and which provides, among other things, for the operation and maintenance of certain facilities at Malin Substation; and

WHEREAS Bonneville has constructed a 500 kV transmission line from the Government's Buckley Substation to its Summer Lake Substation ("Buckley-Summer Lake Line") to interconnect with PacifiCorp's Midpoint-Meridian Line at Summer Lake Substation, and the Parties have agreed to exchange rights to capacity in the Buckley-Summer Lake Line and Summer Lake-Malin Line; and

WHEREAS the Parties entered into the Exchange Agreement (Contract No. 14-03-29245) as amended or replaced which is hereinafter referred to as "Exchange Agreement," and which provided, among other things, for points of delivery, scheduling arrangements and an energy exchange account; and

WHEREAS Bonneville is authorized pursuant to law to dispose of electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest, or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the parties hereto mutually agree as follows;

- 1. <u>Definition and Explanation of Terms.</u>
 - (a) "AC Intertie" means Bonneville's rights in the alternating current ("AC") transmission facilities for transferring power and energy between Oregon and California as follows: two 500 kV lines extending from John Day Substation to Malin Substation and to the California-Oregon Border; portions of John Day, Grizzly, and Malin Substations and the Sand Springs, Fort Rock, and Sycan Compensation Stations; a portion of the Buckley-Summer Lake 500 kV transmission line and associated substations; portions of the Buckley-Marion and Marion-Alvey 500 kV transmission lines and associated facilities; Bonneville's capacity rights in the Summer Lake-Malin 500 kV transmission

line; Bonneville's share of ownership of the Alvey-Dixonville and Dixonville-Meridian 500 kV transmission lines; portions of the Alvey, Dixonville, Meridian and Captain Jack Substations; the 500 kV transmission line extending from Captain Jack Substation to the California-Oregon Border; and any modifications, improvements, or additions to such facilities.

- (b) "Federal Transmission System" means transmission facilities owned by Bonneville.
- (c) "Workday" for the purpose of scheduling means a day which the Parties observe as a regular workday.
- 2. <u>Term of Agreement</u>. This Agreement shall be effective and shall supersede the 1994 Midpoint-Meridian Agreement upon execution by the Parties and approval or acceptance for filing without change by the Federal Energy Regulatory Commission for a term coincident with the AC Intertie Agreement. Upon termination of this Agreement, all liabilities accrued hereunder shall be and are hereby preserved until satisfied.
- 3. <u>Exhibits.</u> Exhibit A is incorporated herein as part of this Agreement. PacifiCorp shall be the "Transferee" mentioned in Exhibit A and Bonneville shall be the "Transferror" therein mentioned.
- 4. Right to Use Transmission Capacity.
 - (a) Buckley-Summer Lake/Summer Lake-Malin Exchange. During the term hereof, the Parties hereby exchange the right to use the capacity in the Buckley-Summer Lake Line and the Summer Lake-Malin Line. PacifiCorp shall have the use of 340 megawatts of bi-directional scheduling capability in the Buckley-Summer Lake Line; and Bonneville shall have the use of 1000 megawatts of bi-directional scheduling capability above PacifiCorp's 1000 megawatts of capability in the Summer Lake-Malin Line. Such rights of use shall include Bonneville's initial terminal facilities in the Buckley and Summer Lake Substations and PacifiCorp's terminal facilities in the Summer Lake and Malin Substations. Such right of use is based on the ratio of each Party's estimated investment in, and the transfer capability of, its respective lines and related facilities. PacifiCorp shall be responsible for the capital and annual costs of two 500 kV line terminal positions at Summer Lake Substation, including two power circuit breakers, and the additions required at Malin Substation in accordance with the Operation and Maintenance Agreement: provided, however, that Bonneville will operate all such equipment at PacifiCorp's expense. Bonneville shall be responsible for all other facilities at Summer Lake and, with other owners of the AC Intertie, for the facilities to connect Buckley to the AC Intertie. For amounts PacifiCorp schedules in or out of Buckley within its 340 megawatt capacity ("Buckley Schedule") PacifiCorp shall reimburse Bonneville for incidental transmission and the associated losses pursuant to the general transmission agreement (Contract No. EW-78-Y83-0035), or for firm transmission and associated losses under an

- appropriate firm wheeling agreement. Use of one Party's capacity in either of the Buckley-Summer Lake Line or the Summer Lake-Malin Line by the other shall be subject to availability, as determined by the other Party, and shall be subject to payment and loss provisions agreed upon by the Parties. The Parties shall be compensated for control-area electric power losses pursuant to Section 8 of the AC Intertie Agreement.
- (b) Bonneville's Right to Use PacifiCorp's Summer Lake-Midpoint Transmission Capacity. Commencing on the effective date of this Agreement and continuing until the earlier of (1) the date of commercial operation of an additional high voltage transmission line between the Federal Transmission System and the Idaho Power Company system or (2) the later of (a) January 1, 1997, or (b) the date that PacifiCorp's net firm load obligations in southern Oregon and northern California exceed 1150 megawatts; if Bonneville requires additional capacity to the east in excess of the 350 megawatts capacity of its present interconnections with Idaho Power Company at LaGrande Substation and Hines Substation to serve Bonneville's own loads. Bonneville shall have the use of 200 megawatts of eastbound scheduling capability in the Midpoint-Summer Lake Line to the point where PacifiCorp's facilities interconnect with facilities of Idaho Power Company at Midpoint Substation. Losses associated with amounts of power transmitted over the Midpoint-Summer Lake Line shall be assessed in a manner agreed upon by the parties. There shall be no transmission charges for such transmission service.
- (c) Bonneville's Right to Obtain Additional Summer Lake-Midpoint Capacity. During the term of this Agreement, Bonneville shall have the option to acquire up to 400 megawatts of eastbound firm scheduling rights over the Midpoint-Summer Lake Line and an option to tap such line to serve loads and for interregional transfers. If Bonneville exercises its option to acquire up to 400 megawatts of eastbound firm scheduling rights over the Midpoint-Summer Lake Line. Bonneville shall pay PacifiCorp based upon PacifiCorp's theneffective applicable FERC filed tariff for firm transmission services. If Bonneville exercises this option, during periods when the eastbound capability of the Midpoint-Summer Lake Line is reduced, Bonneville's eastbound scheduling rights shall be reduced pro-rata with such reduction. However, during periods when transfer capability is reduced, PacifiCorp shall provide Bonneville the right to use PacifiCorp's capability not required for PacifiCorp's firm need, as determined by PacifiCorp, at no additional cost. In the event Bonneville wishes to tap the Midpoint-Summer Lake Line. Bonneville and PacifiCorp shall mutually develop the plan of service for such tap. Such tap shall not degrade or reduce PacifiCorp's East to West transfer capability on the Midpoint-Malin Line or reduce PacifiCorp's Load Carrying Capability as defined in the AC Intertie Agreement. Unless otherwise mutually agreed, Bonneville shall be responsible for all costs associated with any such tap. Unless otherwise mutually agreed, such tap shall not increase Bonneville's eastbound transfer rights on the Midpoint-Summer Lake Line.

- 5. Transmission of Electric Power and Energy.
 - (a) [Intentionally Omitted]
 - (b) [Intentionally Omitted]
 - (c) [Intentionally Omitted]
 - (d) If either Party schedules electric energy in any hour on its share of capacity provided under section 4 herein, it shall schedule losses to the other Party in the manner and amounts agreed upon by the Parties at the applicable points of delivery or points of interconnection.
 - (e) [Intentionally Omitted]
 - (f) PacifiCorp shall not transmit electric power and energy west to east over the Midpoint-Meridian Line, or any segment thereof, in a manner which will adversely impact the operation of the Federal Transmission System or the AC Intertie. The determination of an adverse impact shall be made by Bonneville.
- 6. <u>Scheduling.</u> Unless otherwise agreed by the Parties,
 - (a) PacifiCorp shall submit to Bonneville each Workday pursuant to the scheduling provisions of the Exchange Agreement preschedules of each of the following amounts to be made available to Bonneville for each hour of the following day or days:
 - (1) the Buckley Schedule under section 4 herein.
 - (b) PacifiCorp shall submit to Bonneville each Workday retroactive reports of PacifiCorp's use of its capacity in the Buckley-Summer Lake Line under subsection 4(a) herein for service to its Bend area loads.
 - (c) Bonneville shall submit to PacifiCorp each Workday (1) a retroactive report of the hourly amounts of electric energy made available to PacifiCorp for transmittal over the Midpoint-Summer Lake Line pursuant to subsections 4(b) and 4(c) herein and the Summer Lake-Malin Line pursuant to subsection 4(a) herein for the previous day or days and (2) a preschedule of the losses associated with the transmission services provided under (1) for the following day or days. In addition, at PacifiCorp's request, Bonneville shall (1) at the end of each hour notify PacifiCorp of the amounts of electric energy scheduled under this subsection 6(c) during such hour, and (2) by 1200 hours on each workday submit an estimate of the amounts of electric energy to be scheduled under this subsection 6(c) for the following day or days.
 - (d) Scheduling provisions of the Exchange Agreement shall apply to scheduling hereunder. PacifiCorp shall schedule all transactions with California utilities and governmental agencies in California through the Joint Intertie Scheduling

office, as defined in the AC Intertie Agreement, and shall keep the appropriate scheduling personnel advised of all transactions over the Midpoint-Meridian Line and the Buckley-Summer Lake Line.

- 7. [Intentionally Omitted]
- 8. [Intentionally Omitted]
- 9. <u>Revision of Exhibits</u>. Exhibit A shall be subject to revision by the Parties upon mutual agreement.
- 10. <u>Reactive Power</u>. The Parties shall jointly plan and operate their systems so that the flow of reactive power accompanying or resulting from deliveries of electric power and energy hereunder will not adversely affect the system of either party.
- 11. <u>Termination of Agreement</u>. The Parties agree that the 1994 Midpoint-Meridian Transmission Agreement superseded and terminated in its entirety the Midpoint-Medford Agreement, Contract No. DE-MS79-79BP90091, provided, however, that any liabilities incurred thereunder are hereby preserved until satisfied.

12. <u>Signatures</u>

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and may be executed by electronic signature and delivered electronically. The Parties have executed this Agreement as of the last date indicated below.

PACIFICORP		UNITED STATES OF AMERICA Department of Energy Bonneville Power Administration	
By:	Rick Link Digitally signed by Rick Link Date: 2021.11.30 16:38:25	By:	ERIC CARTER Digitally signed by ERIC CARTER Date: 2021.11.22 16:04:58 -08'00
Title:	Senior Vice President	Title:	Senior Transmission Account Executive
If optin	g out of the electronic signature:		
By:			
Name:	(Print/Type)		
Title:			
Date:			

GWP Form-4R

GENERAL WHEELING PROVISIONS

(04-15-83)

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GENERAL APPLICATION

1. Interpretation.

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- (a) The provisions in this exhibit shall be deemed to be a part of the contract body to which they are an exhibit. If a provision in such contract body is in conflict with a provision contained herein, the former shall prevail.
- (b) If a provision in the General Transmission Rate Schedule Provisions is in conflict with a provision in this exhibit or the contract body, this exhibit or the contract body shall prevail.
- (c) Nothing contained in this contract shall, in any manner, be construed to abridge, limit, or deprive any party thereto of any means of enforcing any remedy, either at law or in equity, for the breach of any of the provisions thereof which it would otherwise have.
 - 2. Definitions. As used in this contract:
- (a) "Contractor," "Utility" or "Borrower" means the party to this contract other than Bonneville.
- (b) "Federal System" or "Federal System Facilities" means the facilities of the Federal Columbia River Power System, which for the purposes of this contract shall be deemed to include the generating facilities of the Government in the Pacific Northwest for which Bonneville is designated as marketing agent; the facilities of the Government under the jurisdiction of Bonneville; and any other facilities:
 - (1) from which Bonneville receives all or a portion of the generating capability (other than station service) for use in meeting Bonneville's loads, such facilities being included only to the extent Bonneville has the right to receive such capability; provided, however, that "Bonneville's loads" shall not include that portion of the loads of any Bonneville customer which are served by a nonfederal generating resource purchased or owned directly by such customer which may be scheduled by Bonneville;
 - (2) which Bonneville may use under contract, or license; or
 - (3) to the extent of the rights acquired by Bonneville pursuant to the Treaty, between the Government and Canada, relating to the cooperative development of water resources of the Columbia River Basin, signed in Washington, D.C., on January 17, 1961.
- (c) "Integrated Demand" means the number of kilowatts which is equal to the number of kilowatt-hours delivered at any point during a clock hour.
- (d) "Measured Demand" means the maximum Integrated Demand for a billing month determined from measurements made as specified in the contract or as determined in section 4 hereof when metering or other data are not available

for such purpose. Bonneville, in determining the Measured Demand, will exclude any abnormal Integrated Demands due to, or resulting from (a) emergencies or breakdowns on, or maintenance of, either parties' facilities, and (b) emergencies on facilities of the Transferee, provided that such facilities have been adequately maintained and prudently operated as determined by Bonneville.

If the contract provides for **delivery** of more than one class of power to a Transferee at any Point of Delivery, the portion of each Integrated Demand assigned to any class of power shall be determined as specified in the contract. The portion of the Integrated Demand so assigned shall constitute the Measured Demand for such class of power.

- (e) "Month" means the period commencing at the time when the meters mentioned in this contract are read by Bonneville and ending approximately 30 days thereafter when a subsequent reading of such meters is made by Bonneville.
- (f) "Point(s) of Delivery" means the point(s) of delivery listed either in the Points of Delivery Exhibit to this contract or in the body of this contract.
- (g) "System" or "Facilities" means the transmission facilities:
 (1) which are owned or controlled by either party, or (2) which either party may use under lease, easement, or license.
- (h) "Transferee" means an entity which receives power or energy from the system of the Transferor.
- (i) "Transferor" means an entity which receives at one point on its system a supplying entity's power or energy available at another point on its system for the account of the delivering entity or a third party.

(j) "Uncontrollable Forces" means:

- (1) strikes or work stoppage affecting the operation of the Contractor's works, system, or other physical facilities or of the Federal System Facilities or the physical facilities of any Transferee upon which such operation is completely dependent; the term "strikes or work stoppage" shall be deemed to include threats of imminent strikes or work stoppage which reasonably require a party or Transferee to restrict or terminate its operations to prevent substantial loss or damage to its works, system, or other physical facilities; or
- (2) such of the following events as the Contractor or Bonneville or any Transferee by exercise of reasonable diligence and foresight, could not reasonably have been expected to avoid:
 - (A) events, reasonably beyond the control of either party or any Transferee, causing fallure, damage, or destruction of any works, system or facilities of such party or Transferee; the word "failure"

shall be deemed to include interruption of, or interference with, the actual operation of such works, system, or facilities;

- (B) floods or other conditions caused by nature which limit or prevent the operation of, or which constitute an imminent threat of damage to, any such works, system, or facilities; and
- (C) orders and temporary or permanent injunctions which prevent operation, in whole or in part, of the works, system, or facilities of either party or any Transferee, and which are issued in any bona fide proceeding by:
 - i. any duly constituted court of general jurisdiction; or
 - ii. any administrative agency or officer, other than Bonneville or its officers, provided by law (a) if said party or Transferee has no right to a review of the validity of such order by a court of competent jurisdiction; or (b) if such order is operative and effective unless suspended, set aside, or annulled by a court of competent jusidiction and such order is not suspended, set aside, or annulled in a judicial proceeding prosecuted by said party or Transferee in good faith; provided, however, that if such order is suspended, set aside, or annulled in such a judicial proceeding, it shall be deemed to be an "uncontrollable force" for the period during which it is in effect; provided, further, that said party or Transferee, shall not be required to prosecute such a proceeding, in order to have the benefits of this section, if the parties agree that there is no valid basis for contesting the order.

The term "operation" as used in this subsection shall be deemed to include construction, if construction is required to implement the contract and is specified therein.

3. Prior Demands.

- (a) In determining any credit demand mentioned in, or money compensation to be paid under this contract for any month, Integrated Demands at which electric energy was delivered by the Transferor at Points of Delivery mentioned herein for the account of the other party to this contract prior to the date upon which the contract takes effect shall be considered in the same manner as if this contract had been in effect.
- (b) If either party has delivered electric power and energy to the other party at any Point of Delivery specified in this contract or in any previous contract, and such Point of Delivery is superseded by another Point of Delivery specified in this contract, the Measured Demands, if any, at the superseded Point of Delivery shall be considered for the purpose of determining the charges paid to the Transferor for the electric power and energy delivered under this contract at such superseded point.
- 4. Measurements. Except as it is otherwise provided in section 7, each measurement of each meter mentioned in this contract shall be the measurement

automatically recorded by such meter or, at the request of either party, the measurement as mutually determined by the best available information.

If it is provided in this contract that measurements made by any of the meters specified therein are to be adjusted for losses, such adjustments shall be made by using factors, or by compensating the meters, as agreed upon by the parties hereto. If changes in conditions occur which substantially affect any such loss factor or compensation, it will be changed in a manner which will conform to such change in conditions.

- 5. Measurements and Installation of Meters. Bonneville may at any time install a meter or metering equipment to make the measurements for any Point of Delivery required for any computation or determination mentioned in this contract, and if so installed, such measurements shall be used thereafter in such computation or determination.
- 6. Tests of Metering Installations. Each party to this contract shall, at its expense, test its metering installations associated with this contract at least once every two years, and, if requested to do so by the other party, shall make additional tests or inspections of such installations, the expense of which shall be paid by such other party unless such additional tests or inspections show the measurements of such installations to be inaccurate as specified in section 7. Each party shall give reasonable notice of the time when any such test or inspection is to be made to the other party who may have representatives present at such test or inspection. Any component of such installations found to be defective or inaccurate shall be adjusted, repaired or replaced to provide accurate metering.

7. Adjustment for Inaccurate Metering

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- (a) If any meter mentioned in this contract fails to register, or if the measurement made by such meter during a test made as provided in section 6 varies by more than one percent from the measurement made by the standard meter used in such test, or if an error in meter reading occurs, adjustment shall be made correcting all measurements for the actual period during which such innacurate measurements were made, if such period can be determined. If such period cannot be determined, the adjustment shall be made for the period immediately preceding the test of such meter which is equal to the lesser of (a) one-half the time from the date of the last preceding test of such meter, or (b) six months. Such corrected measurements shall be used to recompute the amounts of any electric power and energy to be made available, or any credits to be made in any exchange energy account, and of any money compensation to be paid to the Transferor as provided in this contract.
- (b) If the credit theretofore made to the Transferor in the exchange energy account varies from the credit to be made as recomputed, the amount of the variance will be credited in such exchange energy account to the party entitled thereto.
- (c) If the money compensation theretofore paid to the Transferor varies from the money compensation to be paid as recomputed, the amount of the variance will be paid to the party entitled thereto after both parties have agreed to such recomputation and within 30 days after receipt of invoice by the designated payment office of the payer; provided, however, that the other

party may deduct such amount due it from any money compensation which thereafter becomes due the Transferor under this contract.

- 8. Character of Service. Unless otherwise specifically provided for in the contract, electric power and energy made available pursuant to this contract shall be in the form of three-phase current, alternating at a nominal frequency of 60 hertz.
- 9. Point(s) of Delivery and Delivery Voltage. Electric power and energy shall be delivered to each Transferee at such point or points and at such voltage or voltages as are agreed upon by the parties hereto.
- 10. Combining Deliveries Coincidentally. If it is provided in this contract that charges for electric power and energy made available at two or more Points of Delivery will be made by combining deliveries at such points coincidentally:
- (a) the total Measured Demand to be considered in determining the billing demand for each billing month shall be the largest sum obtained by adding for each demand interval of such month the corresponding Integrated Demands of the Transferee at all such points after adjusting said Integrated Demands as appropriate to such points;
- (b) the number of kilowathours to be used in determining the energy charge, if any, and the average power factor at which electric energy is delivered at such points under this contract, during such month, shall be the sum of the amounts of electric energy delivered at such points under this contract during such month; and
- (c) the number of reactive kilovolt-ampere-hours to be used in determining such average monthly power factor shall be the sum of the reactive kilovolt-ampere-hours delivered at such points under this contract such month.
- 11. Suspension of Deliveries. The other party to this contract may at any time notify the Transferor in writing to suspend the deliveries of electric power and energy provided for in this contract. Upon receipt of any such notice, the Transferor will forthwith discontinue, and will not resume, such deliveries until notified to do so by the other party, and upon receipt of such notice from the other party to do so, will forthwith resume such deliveries.
- 12. Continuity of Service. Either party may temporarily interrupt or reduce deliveries of electric power and energy if such party determines that such interruption or reduction is necessary or desirable in case of system emergencies, Uncontrollable Forces, or in order to install equipment in, make repairs to, make replacements within, make investigations and inspections of, or perform other maintenance work on its system. Except in case of emergency and in order that each party's operations will not be unreasonably interfered with, such party shall give notice to the other party of any such interruption or reduction, the reason therefor, and the probable duration thereof to the extent such party has knowledge thereof. Each party shall effect the use of temporary facilities or equipment to minimize the effect of any such interruption or outage to the extent reasonable or appropriate.

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- 13. Uncontrollable Forces. Each party shall notify the other as soon as possible of any Uncontrollable Forces which may in any way affect the delivery of power hereunder. In the event the operations of either party are interrupted or curtailed due to such Uncontrollable Forces, such party shall exercise due diligence to reinstate such operations with reasonable dispatch.
- 14. Reducing Charges for Interruptions. If deliveries of electric power and energy to the Transferee are suspended, interrupted, interfered with or curtailed due to Uncontrollable Forces on either the Transferee's System or Transferor's System, or if the Transferor interrupts or reduces deliveries to the Transferee for any of the reasons stated in section 12 hereof, the credit in the exchange energy account which would otherwise be made, or the money compensation which would otherwise be paid to the Transferor, shall be appropriately reduced. No interruption, or equivalent interruption, of less than 30 minutes duration will be considered for computation of such reduction in charges.
- 15. Net Billing. Upon mutual agreement of the parties, payment due one party may be offset against payments due the other party under all contracts between the parties hereto for the sale and exchange of electric power and energy, use of transmission facilities, operation and maintenance of electric facilities, lease of electric facilities, mutual supply of emergency and standby electric power and energy, and under such other contracts between such parties as the parties may agree, unless otherwise provided in existing contracts between the parties. Under contracts included in this procedure, all payments due one party in any month snall be offset against payments due the other party in such month, and the resulting net balance shall be paid to the party in whose favor such balance exists unless the latter elects to have such balance carried forward to be added to the payments due it in a succeeding month.
 - 16. Average Power Factor.
 - (a) The formula for determining average power factor is as follows:

Average Power	Factor	Kilowatthours
		/(Kilowatthours) ² + (Reactive Kilovolt-ampere-hours) ²

The data used in the above formula shall be obtained from meters which are ratcheted to prevent reverse registration.

- (b) When delivery of electric power and energy by the Transferor at any point is commingled with any other class or classes of power and it is impracticable to separately meter the kilowatthours and reactive kilovolt-ampere-hours for each class, the average power factor of the total delivery of such electric power and energy for the month will be used, where applicable, as the power factor for each of the separate classes.
- (c) Except as it is otherwise specifically provided in this contract, no adjustment will be made for power factor at any point of delivery described in this contract while the variours delivered at such point are not measured.

(d) The Transferor may, but shall not be obligated to, deliver electric energy hereunder at a power factor of less than 0.85 leading or lagging.

17. Permits.

- (a) If any equipment or facilities associated with any Point of Delivery and belonging to a party to this contract are or are to be located on the property of the other party, a permit to install, test, maintain, inspect, replace, repair, and operate during the term of this contract and to remove such equipment and facilities at the expiration of said term, together with the right of entry to said property at all reasonable times in such term, is hereby granted by the other party.
- (b) Each party shall have the right at all reasonable times to enter the property of the other party for the purpose of reading any and all meters mentioned in this contract which are installed on such property.
- (c) If either party is required or permitted to install, test, maintain, inspect, replace, repair, remove, or operate equipment on the property of the other, the owner of such property shall furnish the other party with accurate drawings and wiring diagrams of associated equipment and facilities, or, if such drawings or diagrams are not available, shall furnish accurate information regarding such equipment or facilities. The owner of such property shall notify the other party of any subsequent modification which may affect the duties of the other party in regard to such equipment, and furnish the other party with accurate revised drawings, if possible.

18. Ownership of Facilities.

- (a) Except as otherwise expressly provided, ownership of any and all equipment, and of all salvable facilities installed or previously installed by a party to this contract on the property of the other party shall be and remain in the installing party.
- (b) Each party shall identify all movable equipment and all other salvable facilities which are installed by such party on the property of the other by permanently affixing thereto suitable markers plainly stating the name of the owner of the equipment and facilities so identified. Within a reasonable time subsequent to initial installation, and subsequent to any modification of such installation, representatives of the parties shall jointly prepare an itemized list of said movable equipment and facilities.
- 19. Adjustment for Change of Conditions. If changes in conditions hereafter occur which substantially affect any factor required by this contract to be used in determining (a) any credit in any exchange energy account to be made, money compensation to be paid, or amount of electric power and energy or losses to be made available to one party by the other party, or (b) any maximum replacement demand, or average power factor mentioned in this contract, such factor will be changed in an equitable manner which will conform to such changes of conditions. If an increase in the capacity of the facilities being used by the Transferor in making deliveries hereunder is required at any time after execution of this contract to enable the Transferor to make the deliveries herein required together with those required for its own operations, the construction or installation of additional or other

equipment or facilities for that purpose shall be deemed to be a change of conditions within the meaning of the preceding sentence.

If, pursuant to the terms of the agreement establishing such exchange energy account, another rate is substituted for the rate to be used in settling the balance in such account, the number of kilowatthours to be credited to the Transferor in such account for each month as provided in this agreement, shall be changed for each month thereafter to the amount computed by multiplying such number of kilowatthours by 2.5 mills and dividing the resulting product by the currently effective substituted rate in mills per kilowatthour.

20. Dispute Resolution and Arbitration.

- (a) Pending resolution of a disputed matter the parties will continue performance of their respective obligations pursuant to this contract. If the parties cannot reach timely mutual agreement on any matter in the administration of this contract Bonneville shall, unless otherwise specifically provided for in subsection (b) below and, to the extent necessary for its continued performance, make a determination of such matter without prejudice to the rights of the other party. Such determination shall not constitute a waiver of any other remedy belonging to the Contractor.
- Other questions of fact under this contract may be submitted to arbitration upon written mutual agreement of the parties. The party calling for arbitration shall serve notice in writing upon the other party, setting forth in detail the question or questions to be arbitrated and the arbitrator appointed by such party. The other party shall, within 10 days after the receipt of such notice, appoint a second arbitrator, and the two so appointed shall choose and appoint a third. In case such other party fails to appoint an arbitrator within said 10 days, or in case the two so appointed fail for 10 days to agree upon and appoint a third, the party calling for the arbitration, upon 5 days' written notice delivered to the other party, shall apply to the person who at the time shall be the presiding judge of the United States Court of Appeals for the Ninth Circuit for appointment of the second and third arbitrator, as the case may be.

The determination of the question or questions submitted for arbitration shall be made by a majority of the arbitrators and shall be binding on the parties. Each party shell pay for the services and expenses of the arbitrator appointed by or for it, for its own attorney fees, and for compensation for its witnesses or consultants. All other costs incurred in connection with the arbitration shall be shared equally by the parties thereto.

The questions of fact to be determined as provided in this section shall be limited to:

- (1) the determination of the measurements to be made by the parties hereto pursuant to section 4:
- (2) the correction of the measurements to be made pursuant to section 7;

- (3) the duration of the interruption or equivalent interruption in section 14;
- (4) whether changes in conditions mentioned in section 19 have occurred:
 - (5) whether the changes mentioned in section 30 were made "promptly";
- (6) whether an increase or decrease in load or change in load factor mentioned in section 32 is unusual;
- (7) any issue which both parties agree is an issue of fact mentioned in sections 30, 31, and 34;
- (8) the occurrence of an abnormal nonrecurring demand and the amount and time thereof;
 - (9) whether a party has complied with section 34(b); and
 - (10) the acceptable level of harmonics for purposes of section 35.

21. Contract Work Hours and Safety Standards.

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This contract, if and to the extent required by applicable law and if not otherwise exempted, is subject to the following provisions:

- (a) Overtime Requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics, shall require or permit any laborer or mechanic in any workweek in which such worker is employed on such work to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times such worker's basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of 40 hours in such workweek, as the case may be.
- (b) Violation; Liability for Unpaid Wages; Liquidated Damages. In the event of any violation of the provisions of subsection (a), the Contractor and any subcontractor responsible therefor shall be liable to any affected employee for such employee's unpaid wages. In addition, such contractor and subcontractor shall be liable to the Government for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of subsection (a) in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed in such work in excess of eight hours or in excess of such employee's standard workweek of 40 hours without payment of the overtime wages required by subsection (a) above.
- (c) <u>Withholding for Unpaid Wages and Liquidated Damages</u>. Bonneville may withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in subsection (b) above.

- (d) <u>Subcontracts</u>. The Contractor shall insert in any subcontracts the clauses set forth in subsections (a) through (c) of this provision and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made.
- (e) Records. The Contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for 3 years from the completion of the contract.
- 22. Convict Labor. In connection with the performance of work under this contract, the Contractor agrees, if and to the extent required by applicable law or if not otherwise exempted, not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11755, December 29, 1973.
- 23. Equal Employment Opportunity. During the performance of this contract, if and to the extent required by applicable law or if not otherwise exempted, the Contractor agrees as follows:
- (a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Bonneville setting forth the provisions of the Equal Opportunity clause.
- (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (c) The Contractor will send to each labor union or representative of workers with which said Contractor has a collective bargaining agreement or other contract or understanding, a notice, to be provided by Bonneville, advising the labor union or worker's representative of the Contractor's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (e) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and relevant orders of the Secretary of Labor, or pursuant

thereto, and will permit access to said Contractor's books, records, and accounts by Bonneville and the Secretary of Labor for purposes of investigations to ascertain compliance with such rules, regulations, and orders.

- (f) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (g) The Contractor will include the provisions of paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as Bonneville may direct as a means of enforcing such provisions, including sanctions for noncompliance. In the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by Bonneville, the Contractor may request the Government to enter into such litigation to protect the interests of the Government.
- 24. Additional Provisions. The Contractor agrees to comply with the clauses for Government contracts contained in the following statutes, Executive Orders, and regulations to the extent applicable:
- (a) the Rehabilitation Act of 1973, Public Law 93-112, as amended, and 41 CFR 60-741 (affirmative action for handicapped workers);
- (b) the Vietnam Era Veterans Readjustment Assistance Act of 1974, Public Law 92-540, as amended, and 41 CFR 60-250 (affirmative action for disabled veterans and veterans of the Vietnam era);
- (c) Executive Order 11625 and 41 CFR 1-1.1310-2 (utilization of minority business enterprises):
 - (d) the Small Business Act, as amended.
- 25. Reports. The other party to this contract will furnish Bonneville such information as is necessary for making any computation required for the purposes of this contract, and the parties will cooperate in exchanging such additional information as may be reasonably useful for their respective operations.
- 26. Assignment of Contract. This contract shall inure to the benefit of, and shall be binding upon the respective successors and assigns of the parties to this contract. Such contract or any interest therein shall not be transferred or assigned by either party to any party other than the Government or an agency thereof without the written consent of the other except as

specifically provided in this section. The consent of Bonneville is hereby given to any security assignment or other like financing instrument which may be required under terms of any mortgage, trust, security agreement or holder of such instrument of indebtedness made by and between the Contractor and any mortgagee, trustee, secured party, subsidiary of the Contractor or holder of such instrument of indebtedness, as security for bonds of other indebtedness of such Contractor, present or future; such mortagagee, trustee, secured party, subsidiary, or holder may realize upon such security in foreclosure or other suitable proceedings, and succeed to all right, title, and interests of such Contractor.

- 27. Waiver of Default. Any waiver at any time by any party to this contract of its rights with respect to any default of any other party thereto, or with respect to any other matter arising in connection with such contract, shall not be considered a waiver with respect to any subsequent default or matter.
- 28. Notices and Computation of Time. Any notice required by this contract to be given to any party shall be effective when it is received by such party, and in computing any period of time from such notice, such period shall commence at 2400 hours on the date of receipt of such notice.
- 29. Interest of Member of Congress. No Member of, or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

APPLICABLE ONLY IF TRANSFEREE IS A PARTY TO THIS CONTRACT

- 30. <u>Balancing Phase Demands</u>. If required by the Transferor at any time during the term of this contract, the Transferee shall promptly make such changes as are necessary on its system to balance the phase currents at any Point of Delivery so that the current of any one phase shall not exceed the current on any other phase at such point by more than 10 percent.
- 31. Adjustment for Unbalanced Phase Demands. If the Transferee fails to promptly make the changes mentioned in section 30, the Transferor may, after giving written notice one month in advance, determine that the Measured Demand of the Transferee at the Point of Delivery in question during each month thereafter, until such changes are made, is equal to the product obtained by multiplying by three the largest of the Integrated Demands on any phase adjusted as appropriate to such point during such month.
- 32. Changes in Requirements or Characteristics. The Transferee will, whenever possible, give reasonable notice to the Transferor of any unusual increase or decrease of its demands for electric power and energy on the Transferor's system, or of any unusual change in the load factor or power factor at which the Transferee will take delivery of electric power and energy under this contract.
- 33. <u>Inspection of Facilities</u>. <u>Each party may for any reasonable purpose under this contract inspect the **other party**'s electric installation at any reasonable time. Such inspection, **or failure** to inspect, shall not render</u>

such party, its officers, agents, or employees, liable or responsible for any injury, loss, damage, or accident resulting from defects in such electric installation, or for violation of this contract. The inspecting party shall observe written instructions and rules posted in facilities and such other necessary instructions or standards for inspection as the parties agree to. Only those electric installations used in complying with the terms of this contract shall be subject to inspection.

34. Electric Disturbances.

- (a) For the purposes of this section, an electric disturbance is any sudden, unexpected, changed, or abnormal electric condition occurring in or on an electric system which causes damage.
- (b) Each party shall design, construct, operate, maintain and use its electric system in conformance with accepted utility practices:
 - (1) to minimize electric disturbances such as, but not limited to, the abnormal flow of power which may damage or interfere with the electric system of the other party or any electric system connected with such other party's electric system; and
 - (2) to minimize the effect on its electric system and on its customers of electric disturbances originating on its own or another electric system.
- (c) If both parties to this contract are parties to the Western Interconnected Electric System Agreement, their relationship with respect to system damages shall be governed by that Agreement.
- (d) During such time as a party to this contract is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, its relations with the other party with respect to system damages shall be governed by the following sentence, notwithstanding the fact that the other party may be a party to said Agreement Limiting Liability Among Western Interconnected Systems. A party to this contract shall not be liable to the other party for damage to the other party's system or facilities caused by an electric disturbance on the first party's system, whether or not such electric disturbance is the result of negligence by the first party, if the other party has failed to fulfill its obligations under subsection (b)(2) above.
- (e) If one of the parties to this contract is not a party to the Agreement Limiting Liability Among Western Interconnected Systems, each party to this contract shall hold harmless and indemnify the other party, its officers and employees, from any claims for loss, injury, or damage suffered by those to whom the first party delivers power not for resale, which loss, injury or damage is caused by an electric disturbance on the other party's system, whether or not such electric disturbance results from the negligence of such other party, if such first party has failed to fulfill its obligations under subsection (b)(2) above, and such failure contributed to the loss, injury or damage.

- (f) Nothing in this section 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 contract.
- 35. Harmonic Control. Each party shall design, construct, operate, maintain and use its electric facilities in accordance with good engineering practices to reduce to acceptable levels the harmonic currents and voltages which pass into the other party's facilities. Harmonic reductions shall be accomplished with equipment which is specifically designed and permanently operated and maintained as an integral part of the facilities of the party which owns the system on which harmonics are generated.

APPLICABLE ONLY IF TRANSFEREE IS NOT A PARTY TO THIS CONTRACT

36. Protection of the Transferor. Protection is or will be afforded to Bonneville or its Transferor under such of the following provisions and conditions as are specified in each contract executed or to be executed by Bonneville and each third party Transferee named in this contract: the power factor clause of the applicable Bonneville Wholesale Rate Schedule and the subject matter set forth in the General Contract Provisions under the following titles, namely:

Adjustment for Unbalanced Phase Demands; Uncontrollable Forces; Continuity of Service; Changes in Demands or Characteristics; Electric Disturbances; Harmonic Control; Balancing Phase Demands; Permits; Ownership of Facilities; and Inspection of Facilities.

RELATING TO RURAL ELECTRIFICATION ADMINISTRATION BORROWERS

37. Approval of Contract. If the Contractor borrows from the Rural Electrification Administration or any other entity under an indenture which requires the lender's approval of contracts, this contract and any amendment thereto shall not be binding on the parties thereto if they are not approved by the Rural Electrification Administration or such other entity. The Contractor shall notify Bonneville of any such entity. If approval is given, such contract or amendment shall be effective at the time stated therein.

APPLICABLE ONLY IF SOMMEVILLE IS THE TRANSFEROR

38. Equitable Adjustment of Rates.

- (a) Bonneville shall establish, periodically review and revise rates for the wheeling of electric power and/or energy pursuant to the terms of this contract. Such rates shall be established in accordance with applicable law.
- (b) As used in this section, the words "Rate Adjustment Date" shall mean any date specified by Bonneville in a notice of intent to file revised rates as published in the Federal Register; provided, however, that such date shall not occur sooner than (1) nine months from the date that such notice of intent is published; or (2) twelve months from any previous Rate Adjustment Date. By giving written notice to the Contractor 45 days prior to such Rate Adjustment Date, Bonneville may delay such Rate Adjustment Date for up to 90 days if Bonneville determines either that the revenue level of the proposed rates

differs by more than five percent from the revenue requirements indicated by most recent repayment studies entered in the hearings record or that external events beyond Bonneville's control will prevent Bonneville from meeting such Rate Adjustment Date. Bonneville may cancel a notice of intent to file revised rates at any time (1) by written notice to the Contractor; or (2) by publishing in the Federal Register a new notice of intent to file revised rates which specifically cancels a previous notice.

(c) The Contractor shall pay Bonneville for the service made available under this contract during the period commencing on each Rate Adjustment Date and ending at the beginning of the next Rate Adjustment Date at the rate specified in any rate schedule available at the beginning of such period for service of the class, quality, and type provided for in this contract, and in accordance with the terms thereof, and of the General Transmission Rate Schedule Provisions, if any, as changed with, incorporated in or referred to in such rate schedule. New rates shall not be effective on any Rate Adjustment Date unless they have been approved on a final or interim basis by a governmental agency designated by law to approve Bonneville's rates. Rates shall be applied in accordance with the terms thereof, the General Transmission Rate Schedule Provisions as changed with, incorporated in or referred to in such rate schedule and the terms of this contract.

(WP-PKJ-0222f)

From: eFiling@ferc.gov

To: christian.marble@pacificorp.com, FERCfilings@pacificorp.com,

efilingacceptance@ferc.gov

Subject: [INTERNET] FERC Acceptance for Filing in ER22-632-000

Sent: Tue 12/14/2021 11:09 AM GMT-08:00

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-Accession No.: 202112145158 -Docket(s) No.: ER22-632-000

-Filed By: PacifiCorp

-Signed By: Thomas Woodworth
-Filing Title: Tariff Filing

-Filing Description: PacifiCorp submits tariff filing per

35.13(a)(2)(iii: BPA Amend Restated Midpoint-Meridian Agmt RS 369 Rev 1

to be effective 2/12/2022 under ER22-632 Filing Type : 10

-Type of Filing Code: 10

-Earliest Proposed Effective Date: 2/12/2022 -Submission Date/Time: 12/14/2021 2:06:15 PM

-Filed Date: 12/14/2021 2:06:15 PM

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