

October 31, 2019

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

RE: *PacifiCorp*
Docket No. ER20-_____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2012), Part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. Part 35 (2019), and Order No. 714¹ regarding electronic filing of tariff submissions, PacifiCorp hereby tenders for filing the following jurisdictional agreement:

Amended and Restated AC Intertie Agreement ("Intertie Agreement") between Bonneville Power Administration ("BPA") and PacifiCorp, to be designated as PacifiCorp Sixteenth Revised Rate Schedule No. 368.²

As discussed more fully below, PacifiCorp respectfully requests an effective date of December 31, 2019, for the Intertie Agreement.

1. Background and Reason for Filing

The Intertie Agreement provides for the joint use, ownership, and operation and maintenance of certain transmission facilities that are part of the Pacific Northwest AC Intertie.³ The facilities are a wide-ranging network of 500 kV transmission lines connecting Northern Oregon's John Day Substation to Southern Oregon's Malin and Captain Jack Substations and then to the California-Oregon border.

On August 7, 2019, PacifiCorp filed the Fifteenth Revised Rate Schedule No. 368, in Docket No. ER19-2544, to incorporate amendments to Exhibit G that includes new language intended to clarify the calculation of transmission losses at the Malin substation 500/230 kV transformer. On October 4, 2019, the Commission accepted the amended Intertie Agreement, via letter order.

¹ *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).

² The Intertie Agreement was originally executed in 1994 and is not available in a full plain text version. Therefore, PacifiCorp is filing the updated full agreement as a PDF.

³ The Intertie Agreement was initially filed in Docket No. ER05-537.

This filing reflects the most recent amendments to Exhibit F, which documents cost sharing relating to capital replacements and additions. Accordingly, PacifiCorp is submitting the revised Intertie Agreement for filing with the Commission.

2. Effective Date

Pursuant to 18 C.F.R. § 35.3(a)(1) of the Commission’s regulations, PacifiCorp requests the Commission establish an effective date of December 31, 2019, for the Intertie Agreement.

3. Designation

PacifiCorp respectfully requests the Intertie Agreement be designated as PacifiCorp Sixteenth Revised Rate Schedule No. 368.

4. Enclosures

The following enclosures are attached hereto:

Enclosure 1 Amended and Restated AC Intertie Agreement between BPA and PacifiCorp, to be designated as PacifiCorp Sixteenth Revised Rate Schedule No. 368.

Enclosure 2 Redline of PacifiCorp Sixteenth Revised Rate Schedule No. 368, as compared to Fifteenth Revised Rate Schedule No. 368.

5. Communications

All communications and correspondence regarding this filing should be forwarded to the following persons:

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6. Service List

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, a copy of this filing is being served on the following:

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If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

Respectfully Submitted,

/s/ Matthew Loftus
Matthew Loftus

Attorney for PacifiCorp

AMENDED AND RESTATED

AC INTERTIE 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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This AMENDED AND RESTATED AC INTERTIE AGREEMENT (Amended and Restated AC Intertie Agreement), executed August 5, 2014, by the UNITED STATES OF AMERICA (“Government”), DEPARTMENT OF ENERGY, acting by and through the BONNEVILLE POWER ADMINISTRATION (“Bonneville”) and PACIFICORP (“PacifiCorp”), a corporation organized and existing under the laws of Oregon, (hereinafter referred to individually as “Party” and collectively as “Parties”).

WITNESSETH:

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 the Intertie Agreement (Contract No. DE-MS79-86BP92299, as amended, which hereinafter is referred to as “the July 1986 Intertie 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 Midpoint-Medford Agreement and the July 1986 Intertie Agreement; and

WHEREAS the Parties have entered into the Midpoint-Meridian Transmission Agreement (Contract No. DE-MS79-94BP94333) which hereinafter is referred to as “Midpoint-Meridian Transmission Agreement” which replaces and supersedes the Midpoint-Medford Agreement; and

WHEREAS the Parties have replaced and superseded the July 1986 Intertie Agreement with the June 1994 AC Intertie Agreement Contract No. DE-MS79-94BP94332, (hereinafter referred to as the June 1994 AC Intertie Agreement), and

WHEREAS the Parties have entered into the AC Intertie Operation and Maintenance Agreement (Contract No. DE-MS79- 93BP94278) which hereinafter is referred to as “AC Intertie O&M Agreement”; and

WHEREAS Bonneville and PacifiCorp are Parties to Contract No. 14-03-59840 (“Malin Substation Construction Agreement”) which provides for rights and obligations regarding construction, operation, ownership and use of the Malin Substation and desire to continue such agreement for the term of this Amended and Restated AC Intertie Agreement; and

WHEREAS PacifiCorp has constructed a 500 kV line from the interconnection with Bonneville at Alvey Substation to Meridian Substation (“Alvey-Meridian Line”) to provide increased Load Carrying Capability; and

WHEREAS Bonneville has expanded the Rated Transfer Capability of the AC Intertie to approximately 4800 megawatts and has acquired a 50 percent undivided ownership right in the Incremental Capacity of the Alvey-Meridian Line; and

WHEREAS PacifiCorp and Bonneville have acquired joint ownership in the Alvey-Meridian Line and related facilities as provided for in Amendatory Agreement No. 2 to the June 1994 AC Intertie Agreement (“Payment Agreement”), Amendatory Agreement No. 1 to the July 1986 Intertie Agreement (“Option Agreement”) attached hereto as Exhibits A and D respectively and Exhibit B hereto; and

WHEREAS nothing in this Amended and Restated AC Intertie Agreement is intended to be determinative of transmission or ownership rights of utilities not party to this Amended and Restated AC Intertie Agreement; and

WHEREAS this Amended and Restated AC Intertie Agreement incorporates the terms and conditions of the June 1994 AC Intertie Agreement, as supplemented and amended by Amendatory Agreement Nos. 1 through 3 thereto in one complete document, in accordance with the Federal Energy Regulatory Commission requirements in Order No. 614, Designation of Electric Rate Schedule Sheet, 65 Fed. Reg. 18,221 (2000), FERC Statutes and Regulations ¶ 31,096 (2000); and

WHEREAS this Amended and Restated AC Intertie Agreement was entered into by the Parties for the sole purpose of incorporating Amendatory Agreements 1, 2 and 3 into this Amended and Restated AC Intertie Agreement and did not alter any of the Parties' rights, obligations or terms and conditions of the June 1994 AC Intertie Agreement in any way; and

WHEREAS the Parties agreed that this Amended and Restated AC Intertie Agreement would supersede and replace the Original version of the June 1994 AC Intertie Agreement and Amendatory Agreement Nos. 1 through 3 thereto in their entirety as from the effective date thereof; and

WHEREAS the Parties further amended Sections 5(e) and 27 of this Amended and Restated AC Intertie Agreement to reflect changes in PacifiCorp's Scheduling Rights; and

WHEREAS this Amended and Restated AC Intertie Agreement supersedes and replaces the version executed on August 22, 2013, with respect to Sections 5(e) and 27 only.

NOW, THEREFORE, in the interest of resolving issues of AC Intertie rights and service to PacifiCorp's Load Area now and in the future, Bonneville and PacifiCorp are entering into this Amended and Restated AC Intertie Agreement to accomplish the following goals:

(a) To enable Bonneville's planning, construction, operation and maintenance of an AC Intertie with a bidirectional Rated Transfer Capability of approximately 4800 megawatts and to enable PacifiCorp's planning, construction, operation and maintenance of facilities to serve its Load Area.

(b) To permit the Parties' specified use of the Buckley- Alvey Loop in a manner that does not jeopardize reliable service on either Party's system.

(c) To limit PacifiCorp's right to use its own facilities to schedule power and energy from its Load Area to adjoining areas and to ensure that this right is exercised in a manner that does not reduce the Operational Transfer Capability of the AC Intertie.

(d) To facilitate joint development of facilities by Bonneville and PacifiCorp as specified in this Amended and Restated AC Intertie Agreement.

(e) As between the Parties, to facilitate the economical development and fair allocation of any AC Intertie transfer capability above 4800 megawatts.

It is the intention of the Parties that this Amended and Restated AC Intertie Agreement be implemented and interpreted to best effectuate the above stated goals. Where this Amended and Restated AC Intertie Agreement makes reference to not unreasonably withholding consent or agreement, the reasonableness of each Party's position will be judged with reference to the above stated goals.

1. Term of Agreement. This Amended and Restated AC Intertie Agreement shall be effective, and consistent with the 1994 AC Intertie Agreement, shall supersede the July 1986 Intertie Agreement in accordance with Section 15 herein when executed by the Parties and accepted for filing or otherwise approved without change by the Federal Energy Regulatory Commission and shall terminate when all of the facilities comprising the AC Intertie are

permanently taken out of service. Upon termination of this Amended and Restated AC Intertie Agreement, all liabilities accrued hereunder shall be and are hereby preserved until satisfied.

2. Exhibits. Exhibits A through P are incorporated as part of this Amended and Restated AC Intertie Agreement. Revisions to the Exhibits shall be by mutual consent.

3. Plan-of-Service for AC Intertie.

(a) Bonneville's Right to Establish Plan-of-Service. PacifiCorp agrees that Bonneville alone shall have the right to establish any Plan-of-Service for upgrading the AC Intertie to approximately 4800 megawatts, provided such Plan-of-Service is in keeping with Prudent Utility Practice, and further provided such Plan-of-Service does not result in reducing PacifiCorp's Load Carrying Capability.

(b) PacifiCorp's Right to Comment. Bonneville shall provide PacifiCorp the opportunity to comment on any such Plan-of-Service Bonneville may establish.

4. AC Intertie Construction and Ownership up to Approximately 4800 Megawatts of Rated Transfer Capability.

(a) Alvey-Meridian Line Rights. To achieve the upgrade of the AC Intertie to a Rated Transfer Capability of approximately 4800 megawatts, Bonneville has acquired a 50 percent undivided ownership right in the Incremental Capacity of the Alvey-Meridian Line which is jointly owned by Bonneville and PacifiCorp as provided for in the Payment Agreement and Exhibit B. For the term of this Amended and Restated AC Intertie Agreement, Bonneville shall have the unrestricted right to use such ownership interest. Bonneville may use such unrestricted right for purposes including, but not limited to, the interregional transfer of electric power, the integration of the electric power output of generation resources, and for service to the electric power loads of Bonneville's customers. Bonneville and PacifiCorp have shared, in accordance with the percentages specified in Exhibit B, the actual costs of facilities associated with construction of the Alvey-Meridian Line and other related additions. Unless otherwise

stated in Exhibit B or in the AC Intertie O&M Agreement, Bonneville shall pay 42 percent and PacifiCorp shall pay 58 percent of the operation and maintenance costs of those facilities specified in Exhibit B. PacifiCorp shall bear all operation and maintenance costs for those facilities used exclusively to serve PacifiCorp's own loads. PacifiCorp and Bonneville shall act in good faith and use best efforts, including utilization of all reasonable legal remedies, to obtain and protect all necessary permits and licenses for the Alvey-Meridian Line.

(b) Captain Jack Substation. Bonneville has constructed and, except for those facilities which PacifiCorp owns pursuant to section 4(b)(3) herein, owns the Captain Jack Substation and the associated interconnection to COTP. Bonneville's ownership includes the land on which the substation and the interconnection are located. Bonneville has connected the Captain Jack Substation to PacifiCorp's 500 kV system between Meridian Substation and Malin Substation where the COTP interconnects with the AC Intertie subject to the following terms, conditions and exceptions:

(1) Bonneville has constructed and owns terminal equipment, lines, and facilities required to interconnect the COTP with the Captain Jack Substation.

(2) Bonneville has constructed and owns the series and shunt compensation equipment and facilities located in the Captain Jack Substation required to connect to the COTP.

(3) PacifiCorp and Bonneville have shared equally in the cost of the bay 3 terminal equipment and facilities, which PacifiCorp owns, including the land on which such facilities are located, required to loop PacifiCorp's Malin-Meridian 500 kV line("Malin-Meridian Line") into the Captain Jack Substation.

(4) PacifiCorp, at its expense and subject to Prudent Utility Practice, may install transformation equipment at the Captain Jack Substation. PacifiCorp agrees to provide Bonneville the one-line diagram and plot plan for the installation of transformation equipment in a timely fashion for inclusion in Bonneville's Plan-of-Service. Subsequent changes in the one-line diagram or plot plan of transformation equipment are subject to mutual consent.

(c) Modification of Facilities.

(1) Except in regard to the Malin Substation, PacifiCorp agrees that it will make or permit Bonneville to make, at Bonneville's expense, any improvements or modifications of PacifiCorp's facilities in the Buckley-Alvey Loop that are required to accomplish Bonneville's Plan-of-Service. Unless otherwise mutually agreed, Bonneville shall own such improvements or modifications unless they cannot be removed without impairment or damage to PacifiCorp's facilities, in which case such modifications or improvements shall be jointly owned by Bonneville and PacifiCorp.

(2) AC Intertie Reactive Support. After joint studies have been completed and the Parties have mutually agreed that additional reactive support is required at the Malin Substation or Captain Jack Substation to support the AC Intertie, PacifiCorp shall be financially responsible for its share of the cost of such added reactive support.

(3) At such time as the Parties mutually agree, which agreement shall not be unreasonably withheld, that a second 500/230 kV transformer is required at the Malin Substation or a 500/230 kV transformer is required at the Captain Jack Substation, the Parties shall jointly develop the plan of service for such transformer(s). Each Party shall have the right to acquire up to a one-half ownership interest in such transformer(s) at a

pro-rata share of cost, provided that PacifiCorp's Load Carrying Capability is not impacted. If a Party does not participate in the ownership of such transformer(s) at the Malin or Captain Jack Substations at the time such transformer(s) are installed, such Party shall have the unilateral right to acquire up to a one-half ownership interest based on a pro-rata share of the original cost plus capital additions, if any, at a future date to the extent that capacity is available.

(4) Except as provided for in subsection 4(c)(1) herein, any improvements or modifications of the Buckley-Alvey Loop shall be by mutual consent, which consent shall not be unreasonably withheld. Except as provided for in subsections 4(c)(2) and 4(c)(3) above, installation of any equipment in the Malin Substation shall be made pursuant to the terms of the Malin Substation Construction Agreement.

(5) If Bonneville determines additions or modifications to the Alvey-Meridian Line are necessary to maintain the Rated Transfer Capability or Operational Transfer Capability of the AC Intertie at 4800 megawatts, Bonneville may, by written notice, cause PacifiCorp to add such equipment or make such modifications, and Bonneville and PacifiCorp shall share equally in the costs and ownership of such additions and modifications unless otherwise mutually agreed. PacifiCorp and Bonneville shall share equally in any Incremental Capacity resulting from such modifications.

5. Rights of Use.

(a) Determination of AC Intertie Rated Transfer Capability and Operational Transfer Capability. PacifiCorp agrees that Bonneville may determine the Rated Transfer Capability and Operational Transfer Capability of the AC Intertie, provided such determination is in keeping

with Prudent Utility Practice, and further provided it does not have the effect of reducing PacifiCorp's ability to serve up to its Load Carrying Capability as specified in this section 5.

(b) Bonneville's Right to Use of PacifiCorp's Malin-Meridian Line. PacifiCorp shall provide Bonneville, at no charge, sufficient capacity in the Malin-Meridian Line for Bonneville's AC Intertie transactions for itself or on behalf of other parties to enable Bonneville to operate the AC Intertie at its Rated Transfer Capability. To the extent modifications in the Malin-Meridian Line are required to effectuate this subsection 5(b), the cost of such modifications shall be borne equally by Bonneville and PacifiCorp. PacifiCorp shall operate and maintain the Malin-Meridian Line to maintain the Rated Transfer Capability on the AC Intertie in keeping with Prudent Utility Practice.

(c) Bonneville's Rights and Obligations for Intertie Service. PacifiCorp agrees that Bonneville has the right to operate the AC Intertie up to its Rated Transfer Capability or Operational Transfer Capability, subject to the following terms and conditions:

(1) Subject to section 4(c)(2) herein, Bonneville shall provide reactive support to maintain the Rated Transfer Capability of the AC Intertie.

(2) Bonneville shall provide transmission reinforcement to maintain the Rated Transfer Capability of the AC Intertie.

(3) Bonneville shall not rate or operate the AC Intertie in a manner that interferes with PacifiCorp's use of its Load Carrying Capability as described in subsections 5(d)(1), 5(d)(2), and 5(d)(3) below. However, Bonneville may make use of PacifiCorp's unused Load Carrying Capability for AC Intertie transactions for itself or on behalf of other parties at no additional charge, except as otherwise provided in this Amended and Restated AC Intertie Agreement.

(d) PacifiCorp's Rights and Obligations for Service to Load.

(1) Upon energization of the Alvey-Meridian Line, PacifiCorp shall have the right to serve PacifiCorp's Load Area and parallel paths, pursuant to section 10 herein, up to the Load Carrying Capability specified as follows:

(A) PacifiCorp shall have a Load Carrying Capability of 1875 megawatts.

(B) By the date when PacifiCorp's Load is expected to exceed the Load Carrying Capability recognized in subsection 5(d)(1)(A) herein, PacifiCorp shall provide additional facilities to supply power to its Load Area.

(2) The Load Carrying Capability specified in this subsection 5(d) may be correspondingly increased if new transmission facilities are constructed or if modifications are made to transmission facilities that increase the Load Carrying Capability. The effect of any such additions or modifications of transmission facilities on Load Carrying Capability shall be established by mutual agreement of the Parties using the results of joint planning studies conducted pursuant to subsection 5(d)(3) herein, and such mutual agreement shall not be unreasonably withheld.

(3) PacifiCorp's Load in its Load Area, and the date that such load is expected to exceed the Load Carrying Capability, shall be mutually determined by joint planning studies conducted annually, or as otherwise mutually agreed, by PacifiCorp and Bonneville in accordance with normal utility planning criteria. Such studies shall be based on mutually agreed to load forecasts for PacifiCorp's Load, as well as records of actual metered power flows on the then existing transmission lines serving the Load Area. PacifiCorp and

Bonneville shall furnish any data reasonably required for the joint planning study.

(4) PacifiCorp shall provide reactive support and internal transmission reinforcement for PacifiCorp's Load, including, but not limited to, 500/230 kV transformation, and 230 kV and below transmission reinforcement. To the extent PacifiCorp fails to provide such reinforcements, Bonneville shall not be obligated to reduce the Rated Transfer Capability or Operational Transfer Capability of the AC Intertie.

(5) Use of the Summer Lake Substation as a point of delivery by the Parties shall not impact PacifiCorp's Load Carrying Capability or Bonneville's usage of the AC Intertie.

(e) PacifiCorp's Scheduling Rights for AC Intertie Rated Transfer Capability in Excess of 4000 Megawatts. PacifiCorp's Southbound Scheduling Rights are 400 megawatts. PacifiCorp's Northbound Scheduling Rights shall equal 400 megawatts multiplied by a fraction whose numerator is the northbound Rated Transfer Capability of the AC Intertie and whose denominator is the southbound Rated Transfer Capability of the AC Intertie. PacifiCorp shall have the right to net its total northbound and southbound schedules under this Amended and Restated AC Intertie Agreement. PacifiCorp agrees to cooperate with Bonneville in its efforts, if any, to secure a northbound AC Intertie Rated Transfer Capability of 4800 megawatts. PacifiCorp's Northbound Scheduling Rights and Southbound Scheduling Rights shall be subject to the following terms and conditions:

(1) To preserve Bonneville's rights to use PacifiCorp's unused Scheduling Rights in a manner that allows third-party access to such rights in any hour, PacifiCorp

and Bonneville agree to the following provisions. There shall be no charge to Bonneville for unused Scheduling Rights. PacifiCorp or any successive assignee may make its Scheduling Rights available on a firm basis to all parties under the provisions of PacifiCorp's open access transmission tariff; provided however, that neither PacifiCorp nor any successive assignee of PacifiCorp's Scheduling Rights may make such Scheduling Rights available for periods shorter than daily or on a nonfirm basis. To the extent that PacifiCorp or any successive assignee has unused Scheduling Rights available in any hour under this Amended and Restated AC Intertie Agreement as of the close of the normal preschedule deadline for firm point-to-point transmission service in accordance with Bonneville's standard scheduling practices, Bonneville shall add such unused Scheduling Rights to its available nonfirm transmission capacity for AC Intertie transactions, which shall be posted on Bonneville's Open Access Same-time Information System and made available pursuant to the provisions of Bonneville's open access transmission tariff. After such unused Scheduling Rights are added to Bonneville's available nonfirm transmission capacity, PacifiCorp or any successive assignee of the Scheduling Rights may modify preschedules up to 30 minutes prior to the hour for service to be provided pursuant to such preschedules for use of such firm transmission capacity (with such right available even if a preschedule had not been submitted, and in such case, PacifiCorp or any successive assignee shall be deemed to have submitted, with rights to modify, a 0 (zero) preschedule) and any such use shall have priority over any use or sale of unused Scheduling Rights by Bonneville. After 30 minutes prior to the hour for service to be provided pursuant to such preschedule, these unused Scheduling Rights shall be relinquished to Bonneville, except that such unused Scheduling Rights shall be subject to adjustment as provided for in subsection 5(e)(2).

(2) PacifiCorp or any successive assignee of the Scheduling Rights may submit Intra-Hour Scheduling Interval Schedules up to 20 minutes prior to the applicable Intra-Hour Scheduling Interval for service to be provided pursuant to such schedules for use of its firm transmission capacity. In instances where an Intra-Hour Scheduling Interval Schedule is not submitted, PacifiCorp or any successive assignee shall be deemed to have submitted a 0 (zero) schedule but shall retain the right to submit an Intra-Hour Scheduling Interval Schedule in any subsequent Intra-Hour Scheduling Interval. Use of firm transmission capacity associated with an Intra-Hour Scheduling Interval Schedule shall have priority over any use or sale of unused Scheduling Rights by Bonneville as described in subsection 5(e)(1). After 20 minutes prior to any Intra-Hour Scheduling Interval for service to be provided pursuant to Intra-Hour Scheduling Interval Schedules, any unused Scheduling Rights shall be relinquished to Bonneville for the hour; provided however, any unused Scheduling Rights shall be further subject to adjustment for Intra-Hour Scheduling Interval Schedules submitted pursuant to this subsection, by PacifiCorp or any successive assignee, for any subsequent Intra-Hour Scheduling Interval.

(3) Except as mutually agreed to, any net southbound schedules by PacifiCorp in excess of Southbound Scheduling Rights available to PacifiCorp pursuant to this subsection 5(e) and the southbound scheduling rights available to PacifiCorp pursuant to transmission agreements entered into in accordance with the Letter of Understanding, including future Pacific Northwest AC Intertie Capacity Ownership Agreements, shall be deemed to be transmitted over the AC Intertie from John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville. Except as mutually agreed to, any net northbound schedules by PacifiCorp in excess of Northbound Scheduling Rights available to PacifiCorp pursuant to this subsection 5(e) and the northbound

scheduling rights available to PacifiCorp pursuant to transmission agreements entered into in accordance with the Letter of Understanding, including future Pacific Northwest AC Intertie Capacity Ownership Agreements, shall be deemed to be transmitted over the AC Intertie to the John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville. Such excess schedules shall be subject to Bonneville's then effective Long-Term Intertie Access Policy, PacifiCorp's rights under other agreements, and the IS-93 Rate Schedule, or its successor, plus losses applicable to the AC Intertie. In the event that PacifiCorp's net northbound/southbound schedules exceed PacifiCorp's scheduling rights as described above, Bonneville shall provide transmission services to PacifiCorp pursuant to the same policies and rates that are generally applicable to Bonneville's other regional utility customers.

(4) If insufficient capacity exists in the combined capability of PacifiCorp's Midpoint-Malin 500 kV line ("Midpoint-Malin Line"), the Malin-Meridian Line, and the Alvey-Meridian Line for PacifiCorp to use its net Southbound Scheduling Rights

available to it, any increment above the combined capability of such facilities shall be deemed to be transmitted from the John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville, and shall be subject to the IS- 93 Rate Schedule, or its successor, plus losses applicable to the AC Intertie. Net Northbound Scheduling Rights shall be deemed to be delivered to PacifiCorp at Malin Substation or Captain Jack Substation. If insufficient capacity exists in the combined capability of PacifiCorp's Midpoint- Malin Line, the Malin-Meridian Line, and the Alvey-Meridian Line for PacifiCorp to integrate deliveries associated with its net Northbound Scheduling Rights available to it, any increment in excess of PacifiCorp's Load that can be served using the combined capability of PacifiCorp's facilities still in service shall be deemed to be transmitted from the Malin Substation to the John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville, and shall be subject to the IS-93 Rate Schedule, or its successor, plus losses applicable to the AC Intertie. Transmission service over the Federal Transmission System shall carry charges and losses as specified in the Midpoint-Meridian Transmission Agreement.

(5) During times when the southbound AC Intertie Operational Transfer Capability is less than the southbound AC Intertie Rated Transfer Capability, PacifiCorp's reduced net southbound scheduling rights at Malin Substation and Captain Jack Substation as described herein shall be an amount determined by multiplying the southbound Operational Transfer Capability of the AC Intertie by the ratio of 400 megawatts to the southbound Rated Transfer Capability of the AC Intertie. During times when the northbound AC Intertie Operational Transfer Capability is less than the northbound AC Intertie Rated Transfer Capability, PacifiCorp's reduced net northbound

scheduling rights shall be an amount determined by multiplying the northbound Operational Transfer Capability of the AC Intertie by the ratio of the Northbound Scheduling Rights to the northbound Rated Transfer Capability of the AC Intertie.

(f) Additional PacifiCorp Wheeling Rights. Until December 31, 2023, during Off-Peak Hours when PacifiCorp's northbound scheduling capability is less than 582 megawatts, Bonneville will provide PacifiCorp the right to utilize Bonneville's unused northbound capability on the AC Intertie and the DC Intertie at the IS-A Rate, or its successor rate, so as to provide PacifiCorp with a total northbound scheduling capability of 582 megawatts. For the purposes of this subsection 5 (f), PacifiCorp's northbound scheduling capability for any hour shall equal the sum during such hour of its Northbound Scheduling Rights hereunder and its northbound scheduling rights under the AC Intertie Transmission Agreement, Contract No. DE-MS79-94BP94285, including rights under Future Pacific Northwest AC Intertie Capacity Ownership Agreements. Bonneville's unused AC Intertie capability and DC Intertie capability shall be deemed to be capability not required to satisfy Bonneville's firm contractual commitments, as determined by Bonneville. PacifiCorp shall use best efforts to provide Bonneville advance notice of its desire to utilize its rights pursuant to this subsection 5(f). To the extent possible, such notice shall be provided at the time that PacifiCorp submits its preschedules to Bonneville pursuant to section 7 herein, provided, however, that PacifiCorp's failure to provide such notice with preschedules shall not diminish in any way, PacifiCorp's rights under this subsection 5(f).

(g) Remedial Action Schemes. PacifiCorp shall be responsible for providing or assuring, at its cost, the provision of its pro-rata share of remedial action schemes required to support the Rated Transfer Capability and Operational Transfer Capability of the AC Intertie either northbound or southbound. In support of its obligations to provide generator dropping for

its net southbound AC Intertie schedules, PacifiCorp shall provide generator dropping from its share of Mid-Columbia generation on line at the time of a remedial action scheme requirement. Bonneville may, after it has exhausted its own capability to provide generator dropping in support of its obligation for net southbound AC Intertie schedules, have access to PacifiCorp's total Mid-Columbia rights on line at the time of a remedial action scheme requirement at no cost. To the extent PacifiCorp does not have the capability on line to provide generator dropping from its Mid-Columbia rights for its net southbound AC Intertie schedules, Bonneville shall, to the extent it has available on line generation, provide generator dropping capability to PacifiCorp at no cost. In the event that PacifiCorp no longer has rights to Mid-Columbia generation, PacifiCorp's obligation to provide or assure, at its cost, the provision of its pro-rata share of remedial action schemes required to support the Rated Transfer Capability and the Operational Transfer Capability of the AC Intertie either northbound or southbound shall not be diminished. In support of PacifiCorp's net northbound AC Intertie schedules or its northbound DC Intertie schedules, PacifiCorp shall be responsible for making arrangements for any load dropping requirements. To the extent possible, as determined by Bonneville, Bonneville shall offer to sell remedial action scheme service to PacifiCorp to enable PacifiCorp to meet its obligations pursuant to this subsection 5(g).

(h) PacifiCorp shall provide Bonneville firm capacity in the existing 500/230 kV transformer at the Malin Substation at a use-of-facilities rate for Bonneville's firm requirements, provided such capacity will be made available to Bonneville only after PacifiCorp has determined that it has the capacity necessary to meet its own requirements and provided further, that Bonneville's right to use the existing Malin transformer shall be limited to 200 megawatts.

6. Upgrades of the AC Intertie Above Planned Rated Transfer Capability of 4800 Megawatts. After Bonneville has determined that the southbound or northbound AC Intertie Rated Transfer Capability is at least 4800 megawatts, but not more than 4900 megawatts, Bonneville and PacifiCorp agree that if any additions or changes to the Buckley-Alvey Loop or other jointly-owned facilities are required to increase the Rated Transfer Capability of the AC Intertie, such additions or changes shall be by mutual consent of the Parties hereto, which consent shall not be unreasonably withheld. Bonneville and PacifiCorp shall have the right, but not the obligation, to participate equally in such increase in the AC Intertie Rated Transfer Capability resulting from such additions or changes, and, if they do so, each shall share equally in the costs of such additions or changes to the Buckley-Alvey Loop or other jointly owned facilities required for such increases.

7. Scheduling.

(a) Bonneville and PacifiCorp shall schedule through the Bonneville Transmission Scheduling Office all schedules with southwest entities at the Malin and Captain Jack Substations.

(b) Upon Bonneville's request, PacifiCorp shall notify the Bonneville Transmission Scheduling Office each recognized workday of the planned schedules over PacifiCorp's parallel facilities, as described and limited in section 10 herein, for the following day or days. PacifiCorp shall also provide Bonneville's schedulers with all preschedule modifications prior to the hour of such schedules in accordance with Bonneville's standard scheduling practices.

8. Losses. The Parties shall be compensated for electric power losses pursuant to Calculation of Losses as shown in Exhibit E. Such compensation shall be based upon an equitable allocation of the Parties' control area losses associated with this Amended and Restated

AC Intertie Agreement and with the Midpoint-Meridian Transmission Agreement (Contract No. DE-MS79-94BP94333). The loss allocation specified in Exhibit E shall be reviewed at least every five years, but a review may be requested by either Party annually. The loss allocation shall be reviewed by the Parties to reflect any changes to the loss allocation.

9. Waivers. Except as specified in this Amended and Restated AC Intertie Agreement and the Letter of Understanding, PacifiCorp waives any claim to any ownership share or right to use the AC Intertie Rated Transfer Capability or to additional scheduling rights based on its ownership in:(1) existing facilities as such facilities may be modified or (2) the Alvey-Meridian Line.

10. Construction and Operation of Parallel Facilities.

(a) PacifiCorp's right to construct and right to operate existing and new interconnections with Pacific Gas & Electric Company or other utilities adjoining PacifiCorp's service territory in southern Oregon and northern California in parallel with the AC Intertie shall be subject to the following terms and conditions:

(1) The interconnection shall operate at 230 kV or below and shall include a phase shifter, unless the Parties mutually agree that a phase shifter is not required.

(2) On any given hour the sum of PacifiCorp's Load and the schedule on the parallel path shall not exceed the Load Carrying Capability.

(3) Except as provided in subsection 10(c) herein, PacifiCorp's total Rated Transfer Capability on such interconnections shall not exceed 400 megawatts. The total Rated Transfer Capability on such interconnections shall include the 100 megawatt Cottonwood Interconnection with Pacific Gas and Electric Company. The Operational

Transfer Capability on such interconnections shall never exceed the Rated Transfer Capability on such interconnections.

(4) PacifiCorp shall schedule as provided in subsection 7(b) herein. In no case shall such schedules exceed the Operational Transfer Capability of such interconnections.

(5) PacifiCorp shall make available to Bonneville telemetry of the actual power flow over PacifiCorp's parallel path interconnections.

(6) Construction or operation of such interconnections shall not reduce or adversely impact the Operational Transfer Capability of the AC Intertie. If Bonneville determines the operation of any such interconnection reduces or impacts the Operational Transfer Capability of the AC Intertie on any hour, and AC Intertie users have need of additional Operational Transfer Capability on the AC Intertie, upon Bonneville's request PacifiCorp shall reduce schedules to the extent needed to eliminate such impact. PacifiCorp shall not be required to reduce schedules on the parallel paths if the Operational Transfer Capability of the AC Intertie is reduced as a result of outages on the AC Intertie.

(b) Except as provided in subsection 10(c) herein, PacifiCorp shall not construct, participate in, or allow new interconnections for any 345 kV or above transmission lines or facilities from any point on PacifiCorp's system in Oregon to the existing two Malin-Round Mountain-Table Mountain 500 kV lines or the COTP north of Table Mountain.

(c) Notwithstanding the provisions of subsections 10(a)(3) and 10(b) herein, PacifiCorp may (i) construct and operate existing and new interconnections, as referenced in subsection 10(a)(3) herein with Rated Transfer Capability in excess of 400 megawatts, and/or (ii)

construct, participate in, and allow new interconnections as referenced in subsection 10(b) herein, if:

(1) such increase in Rated Transfer Capability or new interconnection is needed for PacifiCorp to meet good faith third-party requests for transmission service; and

(2) Bonneville has declined to provide, or lacks transmission facilities to provide, the requested transmission service; and

(3) such actions do not reduce the Rated Transfer Capability of the AC Intertie.

11. Wheeling from Palo Verde. For a period coincident with the term of PacifiCorp's March 23, 1993, Transmission Service Agreement ("TSA") with Southern California Edison Company ("SCE"), PacifiCorp, on hours that PacifiCorp does not require all or a portion of its transmission capacity rights pursuant to the TSA, shall offer Bonneville a first right of refusal to utilize such excess transmission rights under the TSA. PacifiCorp shall have sole discretion to determine whether it is making use of its TSA transmission rights. If Bonneville exercises its right to use PacifiCorp's TSA transmission rights, Bonneville shall reimburse PacifiCorp for SCE's charges to PacifiCorp for such usage. Such reimbursement shall be based upon PacifiCorp's then-effective transmission demand charges from SCE under the TSA which shall initially be \$4.00 per megawatt-hour. If Bonneville exercises its first right of refusal to utilize PacifiCorp's excess TSA transmission rights, Bonneville shall use its own AC Intertie or DC Intertie scheduling capability to accept and transmit power and energy scheduled under this section 11. Additionally, the exercise of such access by Bonneville shall not preclude PacifiCorp

from utilizing its transmission rights acquired from Bonneville on the AC Intertie or the DC Intertie.

12. Summer Storage and Spring Energy Option

(a) Summer Storage. For a period of 20 years commencing with the effective date of the June 1994 AC Intertie Agreement, PacifiCorp shall accept and store energy for Bonneville during the months of June and July of each year.

(1) Prior to each storage month, Bonneville shall nominate their Bonneville Requested Storage, as shown in **Exhibit H** hereto. Bonneville will deliver the Bonneville Requested Storage Hourly Schedule to PacifiCorp system to system (BPAT.PACW) as described in Exhibit C to this Agreement.

(2) On any day that is not a Contingent Spill Protection Day, PacifiCorp may cut Bonneville's Requested Storage Hourly Schedule in any hour of any storage month up to the PacifiCorp Monthly Storage Schedule Cut Cap quantity for any reason, without financial compensation or other documentary support to Bonneville.

(3) On any day that is a Contingent Spill Protection Day, PacifiCorp will not cut Bonneville's Requested Storage Hourly Schedule for any hours of the Contingent Spill Protection Day.

(4) Energy to be stored pursuant to this subsection 12 (a) shall be delivered to PacifiCorp at the points of delivery specified in Exhibit C of the Short-Term Surplus Firm Capacity Sales Agreement (Contract No. DE-MS79-92BP93757), as amended or superseded, or such other points as may be mutually agreed to. PacifiCorp may, but shall not be required to, accept more than 100,000 megawatt-hours per month for storage and Bonneville shall deliver no less than 25,000 megawatt-hours per month for storage.

Bonneville shall deliver energy to PacifiCorp for storage prior to entering into the market to sell surplus energy. Unless otherwise mutually agreed, the hourly rate of delivery shall be determined by dividing the total energy to be stored in the month by the number of hours in such month. Except in times of system emergency, Bonneville shall adhere to the agreed-upon schedule of deliveries.

(5) PacifiCorp shall return stored energy to Bonneville during the months of September, October and November of each year in which energy was delivered to PacifiCorp. Unless otherwise mutually agreed, the hourly rate of return of the energy to Bonneville shall be determined by summing the total energy delivered to PacifiCorp during the prior June and July period, dividing such sum by three (3) and dividing the result by the number of hours in the month in which the energy is to be returned to Bonneville. Except during times of system emergency, PacifiCorp shall adhere to this hourly return schedule. Except when prevented by constraints on the Parties' transmission systems, including both operational and scheduling constraints, returned energy in any hour shall be delivered to Bonneville at the Hot Springs Substation, at an amount not to exceed 110 MW unless otherwise mutually agreed to, Summer Lake Substation or other mutually-agreed upon points of delivery. Storage provided pursuant to this subsection 12(a) shall be at no charge to Bonneville.

(6) If PacifiCorp exceeds its Monthly Storage Schedule Cut Cap for a given storage month, and Bonneville has not declared a Spill Protection Day and operational constraints dictate further storage cuts, then PacifiCorp can cut Bonneville Requested Storage Hourly Schedule but will pay Bonneville the PacifiCorp Storage Cut LD.

(7) If Bonneville has met its Monthly Spill Protection Day Cap for a given

storage month, and environmental constraints dictate further Spill Protection Day(s), then Bonneville can provide notice for additional Contingent Spill Protection Day(s) and PacifiCorp will accept and store such Bonneville Requested Storage Hourly Schedules, but Bonneville will pay PacifiCorp the Bonneville Spill Protection Day LD for Bonneville Requested Storage Hourly Schedules for any Contingent Spill Protection Days in excess of the Bonneville Monthly Spill Protection Day Cap and for any Contingent Spill Protection Day that does not meet all the Spill Protection Day criteria in 27(gg).

(8) PacifiCorp will pay any accumulated PacifiCorp Storage Cut LD, and Bonneville will pay any accumulated Bonneville Spill Protection Day LD, due in any storage year by December 20th of such storage year, and any such payment shall be made in accordance with payment terms set forth in the current General Rate Provisions dated October 1, 2009.

(9) Summer Storage Settlement. Storage and return of energy as provided in this section 12(a) shall occur in calendar year 2014 pursuant to the terms of this section 12(a)(9). For calendar year 2014, subsections 12(a)(1)-(8) shall be inoperable.

(i) Bonneville may elect to store energy with PacifiCorp in either the month of June or July (but not both). Such month shall then be deemed the Delivery Month. Bonneville shall notify PacifiCorp of such election in a notice shown in **Exhibit N** hereto.

(ii) If Bonneville makes such election, PacifiCorp shall accept up to 25,000 megawatt-hours for storage over a maximum of 8 Storage Day(s) in the Delivery Month, as defined in section 12(a)(9)(v). The eight Storage Day(s) may, but need

not be, consecutive. Deliveries of such energy shall be 130 MW per hour for each Storage Day.

(iii) Energy to be stored by Bonneville shall be pursuant to this subsection 12(a)(9) and shall be delivered to PacifiCorp system to system (BPAT.PACW) as described in Exhibit C of the Short-Term Surplus Firm Capacity Sales Agreement (BPA Contract No. DE-MS79-92BP93757), or such other points as may be mutually agreed to.

(iv) PacifiCorp shall return energy stored under this section 12(a)(9) to Bonneville during the months of September, October, and November of the year in which energy was delivered to PacifiCorp. Unless otherwise mutually agreed, the hourly rate of return of the energy to Bonneville shall be determined by summing the total energy delivered to PacifiCorp during the prior June or July period, dividing such sum by three (3) and dividing the result by the number of hours in the month in which the energy is to be returned to Bonneville. Except during times of system emergency, PacifiCorp shall adhere to this hourly return schedule. Except when prevented by constraints on the Parties' transmission systems, including both operational and scheduling constraints, returned energy in any hour shall be delivered to Bonneville at the Hot Springs Substation, at an amount not to exceed 110 MW unless otherwise mutually agreed to, Summer Lake Substation or other mutually-agreed upon points of delivery. Storage provided pursuant to this subsection 12(a) shall be at no charge to Bonneville, except as provided in section 12(a)(9)(vi).

(v) "Storage Day" as used in this section 12(a)(9) shall mean any calendar day in which all of the following occur:

- (1) Bonneville anticipates that it will be in Spill Conditions, as defined in section 27 of this Agreement, for any hour in a declared Storage Day, and
- (2) Bonneville has specifically notified PacifiCorp it is declaring a Storage Day, and that notification will be delivered no later than 10:00 a.m. on the pre-schedule day for the Storage Day(s), via sending an email to PacifiCorp at ctpreschd@pacificorp.com, an example of which is shown in **Exhibit O** hereto.

In each case, a Storage Day will be for 24 hours beginning at HE0100 and ending HE2400 as outlined in Bonneville notice (**Exhibit O**) and are day(s) in which BPA requested Storage Day schedule cannot be cut by PacifiCorp.

(vi) If Bonneville delivers energy to PacifiCorp on a declared Storage Day where Bonneville was not in Spill Conditions, then Bonneville will be subject to a Bonneville Storage Day Liquidated Damage (LD), as defined in section 12(a)(9)(vii).

(vii) “Bonneville Storage LD” as used in this section 12(a)(9) is defined as the sum of the product of the 3,120 MWh (24 hours of storage deliveries) and the market price spread of the Powerdex Mid-Columbia Average Hourly Index price for all hours of the Storage Day and the hourly weighted average of the settled ICE North American Power Day-Ahead Power Index Mid-Columbia price, for Peak and Off-Peak, from September through November of 2014. (Example in **Exhibit P**)

Bonneville will pay to PacifiCorp the BPA Storage Day LD, if any, by December 20th, 2014 and such payment shall be made in accordance with payment terms set forth in BPA's current Power General Rate Schedule Provisions.

(b) Spring Energy Option. For a period of 20 years following the effective date of the June 1994 AC Intertie Agreement, if requested by Bonneville, PacifiCorp shall deliver to Bonneville during Off- Peak Hours, at the Hot Springs Substation, or other mutually-agreed points of delivery, up to 50,000 megawatt-hours during the month of March of each such year. The maximum rate of delivery for such energy shall be 200 megawatts per hour. To exercise its option to take such energy, Bonneville shall notify PacifiCorp by February 15 of each year as to the amount of energy Bonneville desires to have delivered during the following March. Except in times of system emergency, PacifiCorp shall deliver such energy in accordance with Bonneville's request, subject to the limitations of this subsection 12(b). Bonneville shall return the energy delivered by PacifiCorp during the following June 1 through July 15 period during Off-Peak hours at an hourly rate of delivery determined by dividing the amount of energy delivered by PacifiCorp during the previous March by the number of Off-Peak Hours in the June 1 through July 15 period or such other hourly rate of delivery as mutually agreed to. Such March Energy shall be returned to PacifiCorp at points of delivery as specified in Exhibit C of Contract No. DE-MS79-92BP93757 or such other points of delivery as are mutually agreed.

13. Sale or Assignment.

(a) This Amended and Restated AC Intertie Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and assigns of the Parties to this Amended and Restated AC Intertie Agreement.

(b) PacifiCorp and Bonneville agree not to sell, assign, lease, sublease, or otherwise transfer this Amended and Restated AC Intertie Agreement or any interest therein, without the

written consent of the other Party, such consent not to be unreasonably withheld. PacifiCorp and Bonneville also agree not to sell, assign, lease, sublease, or otherwise transfer any direct or indirect interest in the Malin Substation, the portion of the Midpoint-Malin Line between Summer Lake Substation and Malin Substation (“Summer Lake-Malin Line”), the Malin-Meridian Line, or the Alvey-Meridian Line, without the written consent of the other Party, such consent not to be unreasonably withheld, provided, however, that PacifiCorp’s interest in such facilities may be conveyed to its respective trustees as security under a mortgage or deed of trust to secure indebtedness without such written consent, provided that each such trustee may act with respect to such interest only to the extent and in the manner that such act would have been authorized under this Amended and Restated AC Intertie Agreement.

(c) If Bonneville or PacifiCorp is acquired in total by other entities, subsection 13(b) shall not apply to such acquisition.

14. Extension of Existing Agreements. The Parties agree that the termination dates of the Midpoint-Meridian Transmission Agreement, the Malin Substation Construction Agreement and all agreements related to joint ownership or interconnection on the Buckley-Alvey Loop, including but not limited to arrangements for the operation and maintenance of new facilities, shall be coincident with the termination date of this Amended and Restated AC Intertie Agreement. The Payment Agreement and the Option Agreement are attached hereto as Exhibits A and D respectively and made a part of this Amended and Restated AC Intertie Agreement. The Payment Agreement and the Option Agreement provide for, among other things, certain construction, payment, ownership, operation and maintenance activities in progress at the time of execution of this Amended and Restated AC Intertie Agreement. As these activities are completed or superseded by future agreements, PacifiCorp and Bonneville may agree to terminate some or all of the Payment Agreement and the Option Agreement provisions. To the

extent any provisions of the Payment Agreement or the Option Agreement are in conflict with this Amended and Restated AC Intertie Agreement, the terms and conditions of this Amended and Restated AC Intertie Agreement shall prevail.

15. Termination of Agreement. The Parties agree that this Amended and Restated AC Intertie Agreement consistent with the 1994 AC Intertie Agreement supersedes and terminates in its entirety, the July 1986 Intertie Agreement, Contract No. DEMS79-86BP92299, provided, however, that any liabilities incurred thereunder are hereby preserved until satisfied.

16. Execution of Other Agreements. The Parties agree to negotiate in good faith and execute construction agreements, operation and maintenance agreements, transmission agreements, and other such agreements that may be required to implement the provisions of this Amended and Restated AC Intertie Agreement.

17. Arbitration. In the event of any dispute related to rights or obligations of the Parties, or satisfaction thereof, under this Amended and Restated AC Intertie Agreement, including but not limited to the amount or reasonableness of costs, identification of exclusive use facilities, extent of amortization of past costs, and the reasonableness of withholding consent, either Party may elect to submit such dispute to nonbinding arbitration. If one Party so elects, such Party shall notify the other Party in writing and both Parties shall participate pursuant to the following:

(a) If the Parties cannot agree on an arbiter within 30 days of such notification, the notifying Party shall request the American Arbitration Association to designate an arbiter with sufficient expertise in the subject under dispute.

(b) After an arbiter is agreed to or designated, the arbiter shall establish a schedule for submission of the Parties' written positions. The Party electing the arbitration shall first state its position in a letter to the arbiter. The second Party shall then state its position in a letter to the

arbiter. The first Party may then submit a response to the Second Party's position and the second Party may thereafter submit a reply to the first Party's response.

(c) Each letter submitted to the arbiter shall be no more than 5 pages in length, unless the Parties otherwise mutually agree. The Parties may attach exhibits that they consider relevant to the dispute. A copy of each submission also shall be simultaneously served on the other Party.

(d) The arbiter shall provide the Parties with a written analysis of the dispute, and his or her proposed resolution of the dispute.

(e) The Parties shall equally share the fee and other costs of the arbiter.

In the event neither Party submits the dispute to nonbinding arbitration or if either Party elects not to accept the finding of the arbiter, the Parties may elect other approaches, including litigation, to resolve the dispute.

18. Rules of Law.

(a) The Parties agree that each fully participated in the drafting of each provision of this Amended and Restated AC Intertie Agreement. The rule of law interpreting ambiguities against the drafting Party shall not be applicable to or utilized in resolving any dispute over the meaning or intent of this Amended and Restated AC Intertie Agreement or any of its provisions.

(b) The construction and interpretation of this Amended and Restated AC Intertie Agreement shall be governed solely by Federal law.

(c) This Amended and Restated AC Intertie Agreement shall not be construed to establish a partnership, association, joint venture, or trust. Neither Party shall be under the control of or shall be the agent of or have a right or power to bind the other Party without the other Party's express written consent, except as provided in this Amended and Restated AC Intertie Agreement.

19. Delay of Performance. The time for each act specified in this Amended and Restated AC Intertie Agreement shall be extended for a time equivalent to such delays, if any, as are occasioned by events which the Party hereto obligated to perform such act could not be reasonably expected to avoid by the exercise of reasonable diligence and foresight.

20. Regulatory Jurisdiction. The provisions of this Amended and Restated AC Intertie Agreement are subject to such regulatory agencies having jurisdiction thereof. Nothing contained herein shall be construed as affecting in any way the right of PacifiCorp to make application unilaterally to the Federal Energy Regulatory Commission for a change in rates, charges, classification, or service, or any rule or regulation, or contract relating thereto, under Section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated thereunder.

21. Severability and Breach.

(a) It is the intention of the Parties that the provisions of this Amended and Restated AC Intertie Agreement be severable in the event that any of such provisions, or portions thereof, are held to be illegal, invalid or unenforceable by a court of competent jurisdiction; provided that if section 10 herein, or any portion thereof, is found to be illegal, invalid or unenforceable by a court of competent jurisdiction, Bonneville shall have firm transmission rights to 50 percent of the total Rated Transfer Capability of any parallel interconnections other than the 100 megawatt Cottonwood Interconnection between PacifiCorp and Pacific Gas & Electric or other utilities adjoining PacifiCorp's territory in southern Oregon and northern California. In any legal proceeding, Bonneville and PacifiCorp shall act in good faith to defend the enforceability of all provisions of this Amended and Restated AC Intertie Agreement.

(b) The Parties agree that breach of this Amended and Restated AC Intertie Agreement, or any of its provisions, will cause irreparable harm and that the appropriate remedy

is injunctive relief.

22. Capital Budgets. Excluding any facilities designated for omission by footnote 1 of Exhibit B of this Amended and Restated AC Intertie Agreement, each Party by July 1 of each year shall send a notice to the other Party containing (i) an estimate of the capital budget amounts related to the planned construction activities of the facilities described in such Exhibit B such Party expects to incur four (4) years in the future, and (ii) an update of any capital budget amounts it expects to incur within the upcoming three (3) years. Except for emergency Capital Replacements or emergency Capital Additions, the Parties shall exchange and review any necessary data as needed to determine the necessity and adequacy of the proposed construction and operation activities.

23. Payment Provisions.

(a) For reimbursable Capital Replacements or Capital Additions, the Party proposing the action shall prepare a proposed revision to Exhibit F whenever the Parties concur that it is necessary to add to or to replace the facilities identified in Exhibit B of this Amended and Restated AC Intertie Agreement. The Parties shall share the costs of such action according to the original cost share percentage of such facilities as set forth in Exhibit B in a manner consistent with the cost sharing methodologies contained in such exhibit, except that the replacement of facilities identified by footnote 1 of Exhibit B shall not be eligible for cost-sharing. Each revision of Exhibit F shall specify the facilities added or replaced.

(b) The Party responsible to make payment shall pay according to the provisions of the revision of Exhibit F for the work performed in amounts and at times as negotiated by the Parties.

(c) In the event of a dispute regarding billing, the Party owing the bill shall pay the amount in full and provide written notification of the disputed amount. Any adjustment shall be

made on the next invoice allowing reasonable notice and time to make the adjustment. Refunds of the disputed amount shall include interest at the same interest rate specified in section 23(d).

(d) Invoices not paid in full on or before the close of business on the date due shall be subject to an interest charge on the amount due from the due date to the date paid consistent with the Prompt Payment Act Renegotiation Board's Interest Rate published in the Federal Register.

24. Audit Rights.

(a) Each Party, at its expense, may review and audit any cost on the other Party's books, records, and documents that directly pertain to the billings on the jointly owned facilities. The Party undertaking the audit shall provide reasonable notice to the other Party and shall conduct such audit at reasonable times and in conformance with generally accepted auditing standards. The Party being audited shall cooperate fully with any such audit. Neither Party shall audit a cost incurred more than three (3) years following the last day of the fiscal year in which such cost was incurred under Section 23 to this Amended and Restated AC Intertie Agreement. The Parties shall retain all records and documentation prepared in the normal course of business for the entire length of this audit period and in accordance with generally accepted accounting principles.

(b) After completion of the audit, the Party conducting the audit shall promptly notify the other Party of any exception taken as a result of an audit, and the audited Party may review the notice of exception and basis therefore for a period of thirty (30) days. Upon agreement regarding the validity of any exception, the owing Party shall directly refund the amount of the exception within thirty (30) days of such agreement.

25. Ownership of the Facilities.

(a) Transfer of legal ownership pursuant to Sections 22 and 23 to this Amended and Restated AC Intertie Agreement shall be effective at such time as the facilities are

energized and made available for commercial operation as part of this Amended and Restated AC Intertie Agreement.

(b) All jointly-owned equipment and facilities shall be identified as such with co-ownership tags and signs. Each Party shall provide the tags and signs for equipment which it operates. Costs for such tags and signs shall be shared equally by each Party.

26. Integration.

(a) To the extent that Exhibit A of this Amended and Restated AC Intertie Agreement is inconsistent with provisions of Sections 22, 23 and 25 to this Amended and Restated AC Intertie Agreement, such Exhibit A is superseded by the provisions of this Amended and Restated AC Intertie Agreement.

(b) Any revisions to Exhibit F shall be attached to and deemed to be a part of this Amended and Restated AC Intertie Agreement and shall be effective on the date specified therein.

27. Definitions.

(a) AC Intertie. For the purposes of this Amended and Restated AC Intertie Agreement, the 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) Alvey-Meridian Line. The 500 kV transmission line facilities and substations constructed by PacifiCorp that extend from the interconnection with Bonneville's system at Alvey Substation to PacifiCorp's Meridian Substation.

(c) Bonneville Monthly Spill Protection Day Cap. Eight (8) Spill Protection Days in any storage month, without any carryover to the next month or year.

(d) Bonneville Requested Storage. The monthly energy Bonneville requests PacifiCorp to store as exercised under Section 12(a), hereof, as defined and confirmed in a nomination letter Exhibit H.

(e) Bonneville Requested Storage Hourly Schedule. The Bonneville Requested Storage (MWh/mn) for a storage month divided by the total hours (hours/mn) in the storage month and shall be the hourly flat schedule of Bonneville Requested Storage for all hours in the storage month

(f) Bonneville Spill Protection Day LD. The sum of the product of the Bonneville Requested Storage Hourly Schedules and the market price spread of the Powerdex Mid-Columbia Average Hourly Index price for all hours of the Spill Protection Day and the hourly weighted average of the settled ICE North American Power Day-Ahead Power Index Mid-Columbia price, for Peak and Off-Peak, from September through November of the storage cut year. (Example calculation found in Exhibit L).

(g) Bonneville Transmission Scheduling Office. The group of schedulers presently located at Bonneville's Dittmer Control Center in Vancouver, Washington, appointed by

Bonneville, Portland General Electric Company and PacifiCorp and designated to coordinate the schedule of energy over the AC Intertie and the DC Intertie.

(h) Buckley-Alvey Loop. The 500 kV transmission lines, facilities, and substations from Buckley Substation south to Summer Lake Substation, continuing south to Malin Substation, west to Meridian Substation, including the Captain Jack Substation, and the Alvey-Meridian Line.

(i) California Intertie. The two existing 500 kV AC lines extending northward from within California at Round Mountain Substation and terminating at Malin Substation.

(j) Capital Additions. The addition of any new facilities under this Amended and Restated AC Intertie Agreement (e.g., not replacements for assets already listed on Exhibit B) that are required to serve the common good of both Parties.

(k) Capital Replacements. The replacement asset for the facilities listed in Exhibit B of this Amended and Restated AC Intertie Agreement that is required to serve the common good of both Parties.

(l) Captain Jack Substation. The substation where COTP interconnects with the AC Intertie in the Pacific Northwest.

(m) COTP. The 500 kV California-Oregon Transmission Project, which operates in parallel with the California Intertie and terminates at the California-Oregon Border.

(n) DC Intertie. For the purposes of this Amended and Restated AC Intertie Agreement, the DC Intertie means Bonneville's rights in the existing 1,000 kV direct current ("DC") transmission line, and associated substation facilities, extending from the Bonneville's Big Eddy Substation to the Nevada-Oregon Border.

(o) Federal Transmission System. The transmission facilities owned by Bonneville.

(p) Future Pacific Northwest AC Intertie Capacity Ownership Agreements.

Agreements entered into by Bonneville and regional utilities providing for those utilities' ownership of AC Intertie capacity available as a result of increasing the Rated Transfer Capability of the AC Intertie to 4800 megawatts.

(q) Incremental Capacity. For the purpose of this Amended and Restated AC Intertie Agreement, Incremental Capacity means capacity realized through the construction of the Alvey-Meridian Line in excess of the capacity on the previously existing 230 kV Alvey-Meridian line that was removed as a result of construction of the Alvey-Meridian Line.

(q1) Intra-Hour Scheduling Interval. For the purpose of this Amended and Restated AC Intertie Agreement, Intra-Hour Scheduling Interval means each of the four 15-minute intervals during an operating hour, the first such 15-minute interval beginning at the start of the operating hour.

(q2) Intra-Hour Scheduling Interval Schedule. For the purpose of this Amended and Restated AC Intertie Agreement, Intra-Hour Scheduling Interval Schedule means a schedule representing an Intra-Hour Scheduling Interval, and may consist of either the submission of a new 15-minute schedule or adjustment to an hourly schedule.

(r) IS-A Rate. The Nonfirm Transmission Rate specified in Section II.A. of Bonneville's Southern Intertie Transmission Schedule IS-93, or its successor.

(s) [Reserved]

(t) Load Area. The geographic area encompassing portions of southern Oregon and northern California which is generally south of Eugene, Oregon and Bonneville's Summer Lake Substation and west of Burns, Oregon. Such geographic area shall be limited to:

(1) That area in which PacifiCorp is authorized to provide retail electric service, now and in the future; and

(2) That area in which PacifiCorp provides wholesale electric service at the date of execution of the June 1994 AC Intertie Agreement; provided that such areas are normally within PacifiCorp's load control area, connected to PacifiCorp's transmission system, and served by the transmission lines in Exhibit C.

Revisions to the Load Area shall be by mutual agreement of the Parties, and such agreement shall not be unreasonably withheld.

(u) Load Carrying Capability. The capability of PacifiCorp's transmission system, as specified in Exhibit C, serving the Load Area and parallel paths as limited by section 10 herein to provide firm transmission service in accordance with Prudent Utility Practice.

(v) Northbound Scheduling Rights. PacifiCorp's right to schedule power and energy through the Malin Substation and the Captain Jack Substation in a northerly direction from the 500 kV lines which extend to California and interconnect with the California Intertie and the COTP as provided in this Amended and Restated AC Intertie Agreement.

(w) Off-Peak Hours. The first six and last two hours of each day Monday through Saturday and all day Sunday or other hours as mutually agreed to.

(x) Operational Transfer Capability. Rated Transfer Capability less reductions caused by, but not limited to, physical limitations beyond the control of the Parties, operational limitations imposed by California utilities, line or equipment outages, stability limits or loop flow.

(y) PacifiCorp's Load. PacifiCorp's net firm load obligations within the Load Area excluding Bonneville's Surprise Valley Electric Cooperative Load transferred by PacifiCorp pursuant to the General Transfer Agreement, Contract No. DEMS79-82BP90049.

(z) PacifiCorp Monthly Storage Schedule Cut Cap. Sixteen (16) percent of the Bonneville Requested Storage in any storage month. The quantity of energy is defined as

Bonneville Requested Storage quantity (MWh/mn) multiplied by PacifiCorp Monthly Storage Schedule Cut Cap (16%) without any carryover to the next month or year.

(aa) PacifiCorp Storage Cut LD. The product of any storage cuts in excess of PacifiCorp's Monthly Storage Schedule Cut Cap, multiplied by the market price spread of Powerdex Mid-Columbia Average Hourly Index price at the time of cut and the hourly weighted average of the settled ICE North American Power Day-Ahead Power Index Mid-Columbia price, for Peak and Off-Peak, from September through November of the storage cut year. (Example found in Exhibit M).

(bb) Plan-of-Service. The project plans that Bonneville develops to realize an increase of the AC Intertie Rated Transfer Capability up to approximately 4800 megawatts, which shall include but are not necessarily limited plans, schedules, costs, and facility and equipment requirements.

(cc) Prudent Utility Practice. At any particular time, the generally accepted practices, methods, and acts in the electrical utility industry prior thereto or the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could have been expected to accomplish the desired result consistent with reliability and safety.

(dd) Rated Transfer Capability. The ability of a transmission line or system to transfer power in a reliable manner as determined in accordance with Prudent Utility Practice.

(ee) Southbound Scheduling Rights. PacifiCorp's right to schedule power and energy through the Malin Substation and the Captain Jack Substation in a southerly direction to the 500 kV lines which extend to California and interconnect with the California Intertie and the COTP as provided in this Amended and Restated AC Intertie Agreement.

(ff) Spill Conditions. Individual calendar days with one or more hours in that day flagged to indicate that Bonneville has declared spill conditions. The hourly spill condition declarations are provided by Bonneville via public internet posting at: <http://www.transmission.bpa.gov/Business/Operations/Misc/> , then click on: Hourly Spill Flag, Last Two Years & Day-Ahead Forecast (updated daily at 11:00 AM, Pacific Time). Flags are found in the column titled “Actual” (Sample displayed in Exhibit K).

(gg) Spill Protection Day. Any day(s) in which all of the following occur:

- (1) Bonneville has been in Spill Conditions for two (2) consecutivedays prior to when the Spill Protection Day begins (it being understood that such two day period could occur in May for the beginning of the June storage month and/or in June for the beginning of the July storage month); and
- (2) Bonneville is in Spill Conditions, as defined herein, for any hour in a declared Spill Protection Day; and
- (3) Bonneville has specifically notified PacifiCorp it is declaring a period of Spill Protection Day(s), and that notification will be delivered no later than 10:00 am on the pre-schedule day for the Spill Protection Day, via sending an email to PacifiCorp at ctpreschd@pacificorp.com, an example of which is shown in Exhibit I hereto.

In each case, Spill Protection Day(s) will be for 24 hours and begin at HE0100 and end HE2400 as outlined in Bonneville notice (Exhibit I) and are day(s) in which Bonneville’s Requested Storage Hourly Schedule cannot be cut by PacifiCorp. Bonneville will declare Spill Protection Days when a reduction in generation would cause a potential violation of Bonneville’s

total dissolved gas limits at the relevant hydroelectric projects, and a potential violation of relevant environmental statutes and regulations.

(hh) Contingent Spill Protection Day. Any day that has been noticed and scheduled by Bonneville as a Spill Protection Day, but that has not yet met all the conditions as described in section 27(gg) above. A Contingent Spill Protection Day will result in either:

- (1) a Contingent Spill Protection Day that ultimately meets all of the Spill Protection Day criteria in 27(gg) above and is within Bonneville's eight (8) allowed days; or
- (2) a Contingent Spill Protection Day that ultimately meets all of the Spill Protection Day criteria in 27(gg) above, but exceeds Bonneville's eight (8) allowed days (in which case Bonneville Spill Protection Day LDs apply); or
- (3) a Contingent Spill Protection Day that ultimately fails to meet all the Spill Protection Day criteria in 27(gg) above (in which case, Bonneville Spill Protection Day LDs apply).

When Bonneville specifically notifies PacifiCorp it is declaring a Contingent Spill Protection Day(s), that notification will be delivered no later than 10:00 am on the pre-schedule day for the Spill Protection Day, via email to PacifiCorp at ctpreschd@pacificorp.com, an example of which is shown in Exhibit I hereto. PacifiCorp will provide notice to Bonneville by the 10th of the month following a storage month as to the number of Contingent Spill Protection Days that a) fall within Bonneville Monthly

Spill Protection Day Cap and/or b) exceed Bonneville Monthly Spill
Protection Day Cap and/or c) did not meet the Spill Protection Day criteria
in 27(gg), via e-mail as described in Exhibit J.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

PACIFICORP

**BONNEVILLE POWER
ADMINISTRATION**

By: Natalie Hocken

By: Robert King

Name: Natalie Hocken

Name: Robert King

Title: SVP, Transmission & System
Operations

Title: VP Transmission Marketing & Sales

Date: 8/5/14

Date: 8/5/14

Exhibit A
Contract No. DE-MS79-94BP94332
PacifiCorp
AC Intertie Agreement
Amendatory Agreement No. 2 to
Contract No. DE-MS79-86BP92299
03/09/93

AMENDATORY AGREEMENT NO. 2
TO THE INTERTIE 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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This AMENDATORY AGREEMENT NO. 2 to the Intertie Agreement, Contract No. DE-MS79-86BP92299, executed March 16, 1993, by the BONNEVILLE POWER ADMINISTRATION (Bonneville) and PACIFICORP with its principal office in Portland, Oregon (hereinafter collectively referred to as "Parties" and individually as "Party").

W I T N E S S E T H :

WHEREAS the Parties hereto desire to make progress payments towards the design and construction of those facilities identified in Exhibit C to the Intertie Agreement, as amended; and

WHEREAS the Parties have entered into an Interim Payment Agreement, Contract No. DE-MS79-92BP93772 (Interim Payment Agreement), as amended, which provides for partial payment by Bonneville to PacifiCorp in the net amount of \$10,000,000 for each Party's costs through May 31, 1992, related to the Alvey-Meridian Line and the AC Intertie (such payment represents a \$16,000,000 payment to PacifiCorp and a \$6,000,000 payment to Bonneville); and

WHEREAS the Parties have entered into a Cooperative Communication Agreement, Contract No. DE-MS79-92BP93740 (Communications Agreement), which

provides for, among other things, construction of microwave communication facilities needed for the AC Intertie (Intertie Communication Facilities); and

WHEREAS the Parties have entered into a Remedial Action Scheme Agreement, Contract No. DE-MS79-928P93039, which provides for, among other things, cost-sharing and payment by the Parties for the remedial action scheme equipment needed to support the rated transfer capability of the AC Intertie; and

WHEREAS the Parties have entered into the Sycan Interconnection Agreement, Contract No. DE-MS79-92BP93644 (Sycan Interconnection Agreement), which provides for, among other things, the installation and connection of series capacitors and related equipment (Sycan Addition) to PacifiCorp's Summer Lake-Malin 500 kV transmission line at the Sycan Compensation Station and Summer Lake and Malin Substations; and

NOW, THEREFORE, to establish the Parties' payment obligations throughout the construction phase of the Alvey-Meridian Line; the Alvey, Dixonville, Meridian, and Captain Jack 500 kV Substations; the Sycan Addition; and the Parties' Intertie Communication Facilities; and for continued obligations related to the AC Intertie, the Parties agree to the following:

1. Term of Amendment. This Amendatory Agreement No. 2 shall be effective on the date of execution (Amendment Effective Date) and shall remain in effect concurrently with the Intertie Agreement. All liabilities incurred hereunder shall be preserved until satisfied. Section 1 of the Intertie Agreement is hereby amended to include "Prior to the termination date of this Agreement, and no later than December 31, 2009, the Parties will commence negotiations for a follow-on agreement concerning services associated with the AC Intertie unless this Agreement is extended past 2016 then the Parties will commence negotiation of a follow-on agreement 7 years prior to termination."

2. Termination of Prior Agreement. The Interim Payment Agreement is hereby terminated upon the Amendment Effective Date. All obligations and liabilities incurred thereunder have been satisfied.

3. Definitions.

(a) Section 19(o) of the Intertie Agreement is hereby amended to read:

"(o) Captain Jack Substation. The Substation where the COTP interconnects with the AC Intertie in the Pacific Northwest and is sometimes referred to as the Southern Oregon Substation."

(b) Section 19 of the Intertie Agreement is hereby amended to add the following definitions:

"(p) Actual Costs are Bonneville and PacifiCorp Direct Costs, Indirect Costs, Overhead Costs, AFUDC, Interest and Credits as defined herein which are recorded monthly to construction work in progress (CWIP), retirement work in progress, removal work in progress, or electric plant in service according to generally accepted accounting principles and Prudent Utility Practice allocable to the Alvey-Meridian Line and other related facilities identified in Exhibit C herein. Costs related to construction that would not be capitalized, such as relocation, switching, and conductor transfer shall also be included in Actual Costs. The sharing of AFUDC on CWIP and Interest on electric plant in service is dependent on the timing of payments from the other Party relative to when costs are incurred. Bonneville's normal allocation of Bonneville Overheads and Bonneville Indirect Costs shall be included in the Actual Costs. PacifiCorp's normal allocation of PacifiCorp Overheads shall be included in the Actual Costs.

"(q) Advances are the monthly amounts of projected cash flow estimates for the Cost Shared Facilities expected to be incurred as Actual Costs in a given month as specified in Exhibits G and H.

"(r) Allowance for Funds Used During Construction (AFUDC) shall be as defined in the Federal Energy Regulatory Commission (FERC) Uniform System of Accounts found in 18 CFR, Part 101, Electric Plant Instructions 3.A [17]. AFUDC shall be an Actual Cost until the Party constructing the Cost Shared Facilities is funded by the other Party. AFUDC shall be included in CHIP.

"(s) Bonneville Direct Costs are costs which are readily identifiable or obviously traceable to a specific program, project, or other cost objective and will not be included in Bonneville's Overhead or Indirect Costs.

"(t) Bonneville Indirect Costs are any costs incurred for common objectives which cannot be directly charged to any single point of cost application. Indirect costs are often allocated to various categories of work in proportion to the benefit to each category and will not be included in Bonneville's Direct or Overhead Costs.

"(u) Bonneville Overhead Costs. Bonneville's Overhead Costs are subject to change as Bonneville's methodology for computing Overhead Costs may change and shall be reflected in the Actual Costs. Bonneville's Overhead Costs include the following and will not be included in Bonneville's Direct or Indirect Costs:

"(1) Costs that are distributed each month to benefiting programs using an annual direction of effort basis which may include automated data processing, materials and procurement, tools and work equipment, fixed wing aircraft, helicopter, General Services Administration (GSA) rent and building management, general and administrative, laboratory, and Electric Power Research Institute;

"(2) Costs that are charged to benefiting projects and programs based upon a fixed rate for services performed which include vehicle maintenance, general shops, and equipment use;

"(3) Costs that are loaded to labor charged to specific projects or programs which include personnel benefits and leave accrual; and

"(4) Costs that benefit all construction projects and are charged to all projects as construction overhead.

"(v) Cost Shared Facilities are those facilities identified in the cost share percentage column of Exhibit C herein. Such facilities shall include but are not limited to costs for land, environmental impact studies, preconstruction materials, and construction which PacifiCorp and Bonneville agree to pay through an exchange of payments in accordance with the cost share percentages as provided in Exhibit C.

"(w) Credits are the applicable portion of any income, rebate, allowance, or other receivable relating to any Cost Shared Facilities received by either Party. This includes, but is not limited to, materials, surplus property, scrap, timber revenues and future sales of Jointly-Owned and cost-shared land (Fee-Owned and Easement Rights). Proceeds from Credits shall be paid to the other Party either as a billing credit or by cash refund based on the original Cost Shared Facility proration between Bonneville and PacifiCorp.

"(x) Hazardous Substances mean any hazardous, toxic, or dangerous substance, waste, or material that is now or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination, or cleanup, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C.

9601 et seq., the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. 6901 et seq., the Federal Water Pollution Control Act (CWA), 33 U.S.C. 1251 et seq., the Clean Air Act (CAA), 42 U.S.C. 7401 et seq., the Toxic Substances Control Act (TSCA), 15 U.S.C. 2601 et seq. and all comparable programs under Oregon Law.

"(y) Historic Contamination means all contamination through seepage, spill, disposal, or release by any other method, of a Hazardous Substance at or from any facility which occurred prior to the Amendment Effective Date.

"(z) Interest based on AFUDC rates and applicable to electric plant in service, shall be applied to Cost Shared Facilities placed in service before cost reimbursement has occurred.

"(aa) Jointly-Owned refers to those facilities identified in Exhibit C which are not solely owned by either Party.

"(bb) PacifiCorp Direct Costs are costs which are readily identifiable or obviously traceable to a specific program, project, or other cost objective and will not be included in PacifiCorp's Overhead Costs.

"(cc) PacifiCorp Overhead Costs are costs incurred which cannot be directly charged to any single point of application. PacifiCorp Overhead Costs are assigned to various categories in proportion to the benefit of each category. PacifiCorp overhead transactions are made by either allocations or by clearing. PacifiCorp's Overhead Costs are subject to change as PacifiCorp's methodology for computing Overhead Costs may change and shall be reflected in Actual Costs. PacifiCorp Overhead Costs include the following components and will not be included in PacifiCorp's Direct Costs:

"(1) Labor Loading. These costs are directly associated personnel costs and include payroll taxes, leave, and benefits.

"(2) Material Overheads (for stores issues and for direct purchases) includes the costs of purchase, storage, handling and distribution of materials and supplies.

"(3) Tool Overheads represent the costs incurred to the purchase, use, and maintenance of small tools for force account work.

"(4) Transportation Overheads represent the costs incurred to purchase, lease, rent, operate, and maintain the fleet of PacifiCorp vehicles.

"(5) Construction (General) Overheads are all other construction costs incurred as a corporation, but which are not assignable to a specific project. Construction Overheads are applied to PacifiCorp's Direct Costs plus PacifiCorp's Overhead Costs described above in Sections cc(1) through cc(4).

"(dd) Prior Costs. Actual Costs for Cost Shared Facilities Incurred by the Parties through December 31, 1991, which are identified in section 7(b) to this Amendment.

"(ee) Project Diagram. Exhibit F to this Amendment describes the plan-of-service for the Eugene-Medford (Alvey-Meridian) project."

4. Revision of Exhibits. Section 2 of the Intertie Agreement is hereby deleted in its entirety and replaced with the following:

"2. Exhibits. Exhibits A through K are hereby incorporated as part of the Intertie Agreement as amended. Revisions to the Exhibits, except for Exhibit K shall be by mutual consent."

The monthly Operation and Maintenance (O&M) charge in Exhibit K may be revised unilaterally by Bonneville once every year to be effective on July 1, but not until after January 1, 1994.

5. Accounting and Record Keeping.

(a) Record Keeping. Each Party shall keep up-to-date books and records of financial transactions, and other arrangements in carrying out the terms of this Amendatory Agreement No. 2. Such books and records shall be kept in accordance with the system of accounts prescribed for electric utilities by FERC and shall be available for inspection on a regular basis to the other Party. Each Party shall have access to such records of the other Party as required for audit, for state and local tax preparation purposes, for regulatory purposes, and as necessary for engineering, design, and project management review.

(b) Continuing Property Records. Each Party shall maintain the complete cost records and investment reports on facilities they constructed in accordance with the Project Diagram, as well as investment records which delineate the ownership percentage in facilities constructed by the other Party.

For example, Bonneville will record 100 percent of the facilities constructed by Bonneville with an offsetting credit for PacifiCorp's percentage of ownership of those facilities and record Bonneville's ownership percentage of facilities constructed by PacifiCorp.

In conjunction with the final accounting and true-up of project costs, Bonneville and PacifiCorp shall exchange investment records and appropriate support documentation normally required for FERC account investment analysis. This may include, but is not limited to, structure/hardware lists, plan and profile drawings, and bills of materials. Bonneville and PacifiCorp shall provide periodic exchanges of information as necessary to properly identify

replacements, retirements, additions and improvements as such activities occur on the Jointly-Owned facilities.

(c) Capital Spare Parts. Capital spare parts for the Jointly-Owned facilities are subject to joint-ownership and cost-sharing if they are unique to a specific Jointly-Owned or Cost Shared Facility and if they are stored at or near the Cost Shared Facilities. Spare parts that are charged to inventory shall not be cost-shared until the spare part is placed in service at a Jointly-Owned facility.

6. Capital Budgets. Four years prior to the year costs are expected to be incurred, each Party shall provide to the other Party a forecast of capital budget expenditures related to the planned construction and operation activities of the Cost Shared Facilities except for the excluded facilities identified by a footnote in Exhibit C. This forecast shall be provided to the other Party on or before July 1 of each year and shall include updates of any estimated costs for the next 3 years. The Parties shall exchange and review any necessary data as needed to determine the necessity and adequacy of the proposed construction and operation activities. This notification requirement shall not apply to emergency replacement of equipment.

7. Payment Provisions.

(a) Payments made under this Amendment shall be made in accordance with provisions in this section 7 and shall be made for the following periods:

(1) Actual Costs for Cost Shared Facilities incurred for Prior Costs;

(2) Advances and Actual Costs for the Cost Shared Facilities incurred for the period from January 1, 1992, through the last month listed in the cash flow exhibits, Exhibits G and H by monthly invoices in accordance with Section 7(c) Progress Payments;

(3) Payment or refund for the final accounting of Actual Costs in accordance with Section 7(d) Final Accounting of Costs;

(4) Payment for future capital replacements in accordance with Section 7(e) and tables to Exhibit J; and,

(5) Payment for Operation and Maintenance shall be in accordance with Exhibit K.

Bonneville and PacifiCorp shall specify the financial institution and account number in a written notice to each other at the invoicing address and provide updates as necessary for the transfer of funds. Each invoice shall include a reference to Contract No. DE-MS79-86BP92299 and an invoice number.

(b) Prior Costs Payments. Bonneville shall pay PacifiCorp by check or electronic transfer of funds within 30 days after the date of an itemized invoice for PacifiCorp's Prior Costs, \$10,047,832.97 as agreed to by the Parties pursuant to the audit dated February 4, 1993. The date of such invoice shall be no earlier than the mailing date of such invoice. Such amount represents payment to PacifiCorp of Prior Costs through December 31, 1991, except for land and related land costs which may be subject to adjustment after Bonneville's receipt and review of all PacifiCorp's legal conveyance documents in accordance with Sections 8 and 14. Adjustments of Prior Costs as a result of PacifiCorp's final analysis of accounts performed for the final accounting of costs shall also be made upon mutual agreement of the Parties.

PacifiCorp shall pay Bonneville by check or electronic transfer of funds within 30 days after the date of an itemized invoice for Bonneville's Prior Costs, \$4,920,877.92, as agreed to by the Parties pursuant to the audit dated December 31, 1992. The date of such invoice shall be no earlier than the mailing date of such invoice. Such amount represents payment to Bonneville of

Prior Costs through December 31, 1991, except for land and related land costs which may be subject to adjustment after PacifiCorp's receipt and review of all Bonneville's legal conveyance documents in accordance with Sections 8 and 14. Adjustments of Prior Costs as a result of Bonneville's final analysis of accounts performed for the final accounting of costs shall also be made upon mutual agreement of the Parties.

(c) Progress Payments. Each Party shall make monthly payments to the other Party for the Cost Shared Facilities incurred after January 1, 1992, in accordance with Sections 7(c)(1) and 7(c)(2) below. The initial invoice shall also include amounts due for all past months from January 1, 1992, through the Amendment Effective Date with a credit for the amount previously paid under the Interim Payment Agreement.

(1) Payment by PacifiCorp. Each month Bonneville shall submit an itemized invoice to PacifiCorp (Jerry Walker, 800 PSB, 920 SW. Sixth Avenue, Portland, Oregon 97204) for the next month's Advance. In accordance with Exhibit G, and any adjustments for the previously invoiced Advance amounts when Actual Costs for such month(s) are known. The date of such invoice shall be no earlier than the mailing date of such invoice. The Actual Costs adjustment shall identify the Cost Shared Facilities with an itemization of cost elements by Bonneville work functions (i.e., materials, design, construction, etc.)

PacifiCorp shall pay Bonneville by check or electronic transfer of funds within 30 days after the date of the invoice. Should the 30th day be a Saturday, Sunday, or holiday, as observed by PacifiCorp, then the due date shall be the next following business day.

A credit balance on an invoice of \$100,000 or less shall be carried forward to the next month's invoice. A credit balance on an invoice of

more than \$100,000 shall be refunded to PacifiCorp by check or electronic transfer of funds within 15 days of the date of Bonneville's credit invoice. A refund of the credit balance shall also be made, regardless of the amount, if the sum of the remaining Advances is less than the credit balance.

(2) Payment by Bonneville. Each month PacifiCorp shall submit an itemized invoice to Bonneville (Bonneville Power Administration, P.O. Box 3621 - DSAC, Portland, Oregon 97208-3621) for the next month's Advance in accordance with Exhibit H, and any adjustments for the previously invoiced Advance amounts when Actual Costs for such month(s) are known. The date of such invoice shall be no earlier than the mailing date of such invoice. The Actual Costs adjustment shall identify the Cost Shared Facilities with an itemization of cost elements (i.e., labor, materials, purchase services, miscellaneous and overheads, etc.)

Bonneville shall pay PacifiCorp by check or electronic transfer of funds within 30 days after the date of the invoice. Should the 30th day be a Saturday, Sunday, or holiday as observed by Bonneville, then the due date shall be the next following business day.

A credit balance on an invoice of \$100,000 or less shall be carried forward to the next month's invoice. A credit balance on an invoice of more than \$100,000 shall be refunded to Bonneville by electronic transfer of funds within 15 days of the date of PacifiCorp's credit invoice. A refund of the credit balance shall also be made, regardless of the amount, if the sum of the remaining Advances is less than the credit balance.

(d) Final Accounting of Costs. Within 3 years after the date of commercial operation of all the Jointly-Owned and Cost Shared Facilities,

Bonneville and PacifiCorp shall each prepare a final accounting of all Actual Costs incurred for the Cost Shared Facilities identified in Exhibit C.

Each Party shall prepare an itemized invoice for the total final Actual Costs with either a refund or payment due the other Party. Payments and refunds shall be made in accordance with Sections 7(c)(1) and 7(c)(2).

(e) Payment Provisions for Capital Replacements:

(1) For reimbursable Capital Replacements, either Party shall prepare, for execution by the Parties hereto, an additional table to Exhibit J each time the Parties hereto agree that facilities shall be added or replaced to those facilities identified in Exhibit C to the Intertie Agreement. Those facilities identified by footnote one in Exhibit C shall be exempt from further cost sharing on capital replacements. Each table shall specify the facilities to be installed, the work to be performed by each Party, and the estimated costs to be borne by each Party. Payments shall be made as provided in each table to Exhibit J for the work to be performed in amounts and at times requested by the Party due reimbursement.

(2) Upon execution by the Parties hereto, new tables to Exhibit J shall be attached to and deemed to be a part of this Amendment to the Intertie Agreement and shall be effective on the date specified therein.

(f) Operation and Maintenance Charges. Effective on December 18, 1992, and pursuant to Exhibit K, PacifiCorp shall pay Bonneville for 50 percent of the operation and maintenance of the three Alvey 500 kV power circuit breaker terminals. Such operation and maintenance charge shall be included in PacifiCorp's monthly Wholesale Power Bill and shall remain in effect until such time the Alvey 500 kV facilities are available for commercial operation as part of the AC Intertie. Effective on December 18, 1992, PacifiCorp shall

pay Bonneville 35 percent of the operation and maintenance of the series capacitors at the Sycan Compensation Station (Sycan) pursuant to Exhibit K. Such operation and maintenance charge shall be included in PacifiCorp's monthly Wholesale Power Bill and shall remain in effect until such time as the Alvey-Meridian transmission line is available for commercial operation as part of the AC Intertie. However, the payments for such operation and maintenance charges shall be provided for in the follow-on Operations and Maintenance Agreement from the date of commercial operation as part of the AC Intertie.

(g) Disputed Billing. In the event of a disputed billing, full payment shall be made with written notification of the disputed amount. If it is determined that an adjustment is required, the adjustment shall be made on the next invoice allowing reasonable notice and time to make the adjustment. Refunds of the disputed amount shall include interest at the same interest rate specified in Section 7(h) below.

(h) Late Payment by Bonneville or PacifiCorp. Invoices not paid in full on or before the close of business on the due date shall be subject to an interest charge on the amount due from the due date to the date paid consistent with the Prompt Payment Act Renegotiation Board's Interest Rate published in the Federal Register.

8. Audit. Each Party, at its expense, shall have the right to review and audit any cost on the other Party's books, records, and documents that directly pertain to the billings, investments, and costs of the Cost Shared Facilities. Any audit(s) shall be undertaken by either Party's representative(s) upon reasonable notice to the other Party and at reasonable times and in conformance with generally accepted auditing standards. The foregoing shall not be construed to permit either Party to conduct a general audit of the other Party's records beyond those needed to perform an audit of the Cost Shared

Facilities. The Party being audited agrees to cooperate fully with any such audit(s). The right to audit a cost shall extend for a period of 3 years following the last day of the fiscal year in which such cost was incurred or the final accounting of costs under this Amendment. If either Party does not audit the costs of the other Party for fiscal years 1992, 1993, or 1994, prior to the completion of the final accounting of costs, the right to audit those costs shall extend for a period of 3 years after the date of completion of the final accounting of costs. The Parties agree to retain all records and documentation prepared in the normal course of business for the entire length of this audit period and in accordance with generally accepted accounting principles.

The Party being audited shall be notified promptly in writing of any exception taken as a result of an audit after completion of the audit. The Party being audited shall have 30 days to review the notice of exception. If the Parties agree upon any exception(s) found as a result of the audit, the owing Party shall directly refund the amount of such exception(s) within 30 days of such agreement to the other Party. In the event of late payment, the Late Payment Provisions of Section 7(h) shall apply to amounts not paid in full by the due date.

Prior to the Amendment Effective Date, the Parties performed audits of each Party's Prior Costs. Such costs shall not be subject to additional audits, except for the audit of supporting documentation required for accounting adjustments that may have originated from the Prior Cost audit. However, both Parties reserve the right to review Prior Costs billed under Section 7(b) for land and related land costs. Any Prior Cost adjustment shall be determined after a Party receives and reviews all legal conveyance documents

from the other Party. The results of the Prior Cost audits and resulting amounts due are reflected in Section 7(b).

9. Ownership of Facilities.

(a) Transfer of legal ownership pursuant to Amendatory Agreement No. 2 shall be effective at such time the facilities are energized and made available for commercial operation as part of the AC Intertie and shall remain in effect so long as any facilities of the Alvey-Meridian Line are in existence and operable and shall survive the term of the Intertie Agreement.

(b) All Jointly-Owned equipment, facilities, and capital spare parts shall be identified as such with co-ownership tags and signs. Either Party, at such Party's sole expense, shall provide the tags and signs.

10. Operation and Maintenance of Facilities.

(a) The Parties agree that Section 1(b) to Amendment No. 1 to the Intertie Agreement is hereby replaced in its entirety by the following:

"(b) Maintenance and Operation. PacifiCorp shall assume system operation and maintenance responsibilities of the Dixonville 500 kV Substation including the series capacitors; the terminal facilities at Meridian Substation for the Dixonville-Meridian Line, including the series capacitors; the Alvey-Meridian Line; PacifiCorp's relays, digital fault recorder, and SCADA remote terminal unit at Captain Jack Substation; the loop-in of PacifiCorp's Malin-Meridian 500 kV Line at Captain Jack Substation; PacifiCorp's relays installed at Summer Lake and Malin Substations; PacifiCorp's Dead-End Tower installed at Sycan as part of the Sycan Addition; and all communication facilities owned by PacifiCorp. Bonneville shall assume system operation and maintenance responsibilities of the Alvey Substation including the series capacitors; all the facilities at Captain Jack Substation other than PacifiCorp's relays.

digital fault recorder and SCADA remote terminal unit; the Sycan Addition other than PacifiCorp's Dead-End Tower; and all communication facilities owned by Bonneville. The Parties shall exchange maintenance standards with each other and shall carry out their respective maintenance responsibilities according to Prudent Utility Practices. Payment for operation and maintenance costs associated with these facilities shall be as specified in the Intertie Agreement, including Exhibit C, as amended."

(b) The Parties shall use best efforts to develop and execute a new AC Intertie Operation and Maintenance Agreement for the facilities identified in Exhibit C by December 1993. During the period between the energization date of any of these facilities and the date that such facilities are available for commercial operation as part of the AC Intertie, operation and maintenance shall be provided by the Parties as identified in Section 10(a) above and Exhibit C to the Intertie Agreement, without charge to the other Party, except for those facilities identified in Section 7(f) of this Amending Agreement.

11. Environmental Requirements.

(a) Historic Contamination. Neither Party shall be liable for any fines, penalties and assessments, costs for investigation, response, removal and remediation, arising from Historic Contamination of facilities owned by the other Party or operated by the other Party prior to becoming Jointly-Owned facilities pursuant to this Amendment.

(b) Disclosure of Information. Bonneville shall provide PacifiCorp, within 90 days after the Amendment Effective Date, a summary of all known and suspected Hazardous Substance release, spill and disposal events at facilities described herein which occurred prior to the Amendment Effective Date. PacifiCorp may request and Bonneville shall provide, for the purpose of establishing baseline contamination data for the facilities transferred to

Jointly-Owned facilities pursuant to this Amendment, all information including records, files and documentation pertaining to all known and suspected Hazardous Substance release, spill and disposal events at such transferred facilities. Such information shall also include correspondence, requests, determinations, findings and orders made by or to Federal, state or local agencies in connection with known and suspected Hazardous Substance release, spill and disposal events.

PacifiCorp shall provide Bonneville, within 90 days after the Amendment Effective Date, a summary of all known and suspected Hazardous Substance release, spill and disposal events at PacifiCorp's facilities described herein which occurred prior to the Amendment Effective Date. Bonneville may request and PacifiCorp shall provide, for the purpose of establishing baseline contamination data for the facilities transferred to Jointly-Owned facilities pursuant to this Amendment, all information including records, files, and documentation pertaining to all known and suspected Hazardous Substance release, spill and disposal events at such transferred facilities. Such information shall also include correspondence, requests, determinations, findings and orders made by or to Federal, state or local agencies in connection with known and suspected Hazardous Substance release, spill and disposal events.

(c) Emergency Environmental Responsibility. The Party in operational control of a Jointly-Owned facility shall prepare and obtain approval required for emergency response plans for Hazardous Substance releases from all appropriate Federal, state and local agencies and shall be responsible for management and implementation of all laws and regulations pertaining to Hazardous Substances at the Jointly-Owned facility. Costs associated with

approval and implementation of such plans shall be included in the Actual Costs.

12. Capital Replacements. Cost sharing for replacement of facilities specified in Exhibit C, due to obsolescence or major failure, shall be shared by the Parties according to the original cost share percentage of such facilities and in accordance with Exhibit J and Section 7(e) except for the excluded facilities identified by footnote one in Exhibit C.

13. Decommissioning Costs. The Parties shall pay decommissioning costs of Jointly-Owned facilities in accordance with their ownership shares as specified in Exhibit C. Proceeds from the disposal of Jointly-Owned surplus property or facilities shall be equitably distributed or allocated to the Parties in accordance with their ownership shares as specified in Exhibit C. The cost-sharing of decommissioning costs shall survive the term of the Intertie Agreement.

14. Land and Improvements. Right-of-way and land costs for the Alvey-Meridian Line and for Alvey, Dixonville, Meridian, and Captain Jack Substations will be cost-shared consistent with Exhibit C and the following principles. Bonneville's land maps are attached as Exhibit I, 1 and 2. PacifiCorp's land drawings attached as Exhibit I 3 through I 9 represent the Parties intent using such generic examples.

(a) Alvey-Spencer Line. Right-of-way and/or land costs shall conform to the following:

(1) If Bonneville acquires new right-of-way (Easement Rights) on land not owned by Bonneville, Bonneville and PacifiCorp will each pay 50 percent of the Actual Cost to purchase such Easement Rights and will each receive 50 percent interest in such Easement Rights. Exhibit I, pages 1 of 13 and 2 of 13, provide an example of such right-of-way.

(2) If PacifiCorp uses existing right-of-way (Fee-Owned Land), Bonneville will not share in the cost and will receive easement for access only for such Fee-Owned Land. This includes land owned by PacifiCorp adjacent to PacifiCorp's Spencer Switchstation (Section 22, Township 18 South, Range 3 West, W.M.).

(b) Spencer-Meridian 500 kV Line. Right-of-way and/or land costs shall conform to the following:

(1) If PacifiCorp acquires new right-of-way (Easement Rights) on land not owned by PacifiCorp, Bonneville and PacifiCorp will each pay 50 percent of the Actual Cost to purchase such Easement Rights and will each receive 50 percent interest in such Easement Rights. Exhibit I, page 4 of 13, page 6 of 13, and page 7 of 13, provides examples of such right-of-way.

(2) If PacifiCorp acquires new land (Fee-Owned Land) for the sole purpose of providing right-of-way for the Spencer-Meridian Line, Bonneville and PacifiCorp will each pay 50 percent of the Actual Cost of acquiring such Fee-Owned Land and will each receive 50 percent ownership of the Fee-Owned Land actually utilized to provide the necessary right-of-way. This includes land that is excess to normal right-of-way requirements which was purchased to provide necessary right-of-way and has been rendered non-marketable due to the transmission line construction. Exhibit I, page 5 of 13 and page 8 of 13, provides examples of such right-of-way.

(3) If PacifiCorp acquires new land (Fee-Owned Land) to provide right-of-way for the Spencer-Meridian Line, which it intends to market or retain portions thereof for its own purposes, PacifiCorp will provide and maintain Easement Rights for the portion of such Fee-Owned Land necessary

for such right-of-way. Bonneville and PacifiCorp will each pay 50 percent of the Actual Costs to provide Easement Rights and will each receive 50 percent interest in such Easement Rights. Exhibit I, page 5 of 13, provides an example of such right-of-way.

(4) If PacifiCorp uses existing right-of-way (Easement Rights or Fee-Owned Land), Bonneville will not share in the cost and will receive easement for access only in addition to an ownership interest in the Alvey-Meridian 500 kV Transmission Line.

(5) If PacifiCorp secures any permits for right-of-way across public lands, Bonneville and PacifiCorp will each pay 50 percent of the Actual Costs associated with such permits and will each receive 50 percent interest in such permits. Exhibit I, page 7 of 13, provides an example of such right-of-way.

(6) If, in the future, PacifiCorp markets any of the Fee-Owned Land as described in Section 14(b)(2) herein for which Bonneville has paid PacifiCorp 50 percent of the Actual Costs, Bonneville will receive 50 percent of the sale proceeds, less expenses.

(c) Substations. Right-of-way and/or land costs shall conform to Exhibit C and the following:

(1) Alvey Substation. Land will be cost-shared jointly on square footage of usage within the area shown on Exhibit I, page 10 of 13, and each Party will receive a 50 percent ownership.

(2) Dixonville Substation. Land will be cost-shared jointly on square footage of usage within the area shown on Exhibit I, page 11 of 13, and each Party will receive a 50 percent ownership.

(3) Meridian Substation. Land will not be cost-shared jointly on the existing land as shown in Exhibit I, page 12 of 13. Bonneville will receive Easement Access only.

(4) Captain Jack Substation. Land will be cost-shared jointly on square footage of usage within the area shown on Exhibit I, page 13 of 13, and PacifiCorp will receive a 100 percent ownership of such specific area.

(d) Title Transfer. Title and easement rights will be transferred by and to the Parties by a recordable conveyance document agreeable to both Parties after energization of the Alvey-Meridian Line.

To accomplish this, each Party will provide the other a copy of each recorded conveyance instrument and all permits obtained. Each instrument will be identified by category Exhibit I, page 4 of 13 through page 9 of 13. A full set of property maps will also be provided by each Party to the other depicting ownership acquisition. Both acquisition documents and a full set of property records (Plans) will be given by each Party to the other within 30 days after execution of this Amendment.

15. Notices. Any notice required to be served in accordance with the terms of this Agreement, shall be in writing and sent by registered or certified mail, return receipt requested, to the appropriate address listed below:

Bonneville Power Administration
P.O. Box 3621 - P
Portland, OR 97228-3621

PacifiCorp
Jerry Walker, 800 PSB
920 SW. Sixth Ave.
Portland, OR 97204

16. Liability.

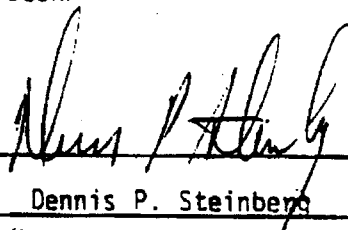
(a) Bonneville and PacifiCorp assert that neither Party is the agent or principal for the other or that they are partners or joint venturers; and the Parties agree that they will not represent to any other party that they act in The capacity of agent or principal for the other. Any judgments in tort obtained against either Party shall not be an Actual Cost of the Cost Shared Facilities.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendatory Agreement in several counterparts.

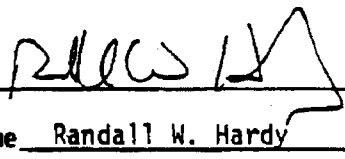
PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By



By



Name Dennis P. Steinberg
(Print/type)

Name Randall W. Hardy
(Print/type)

Title Vice President

Title Administrator

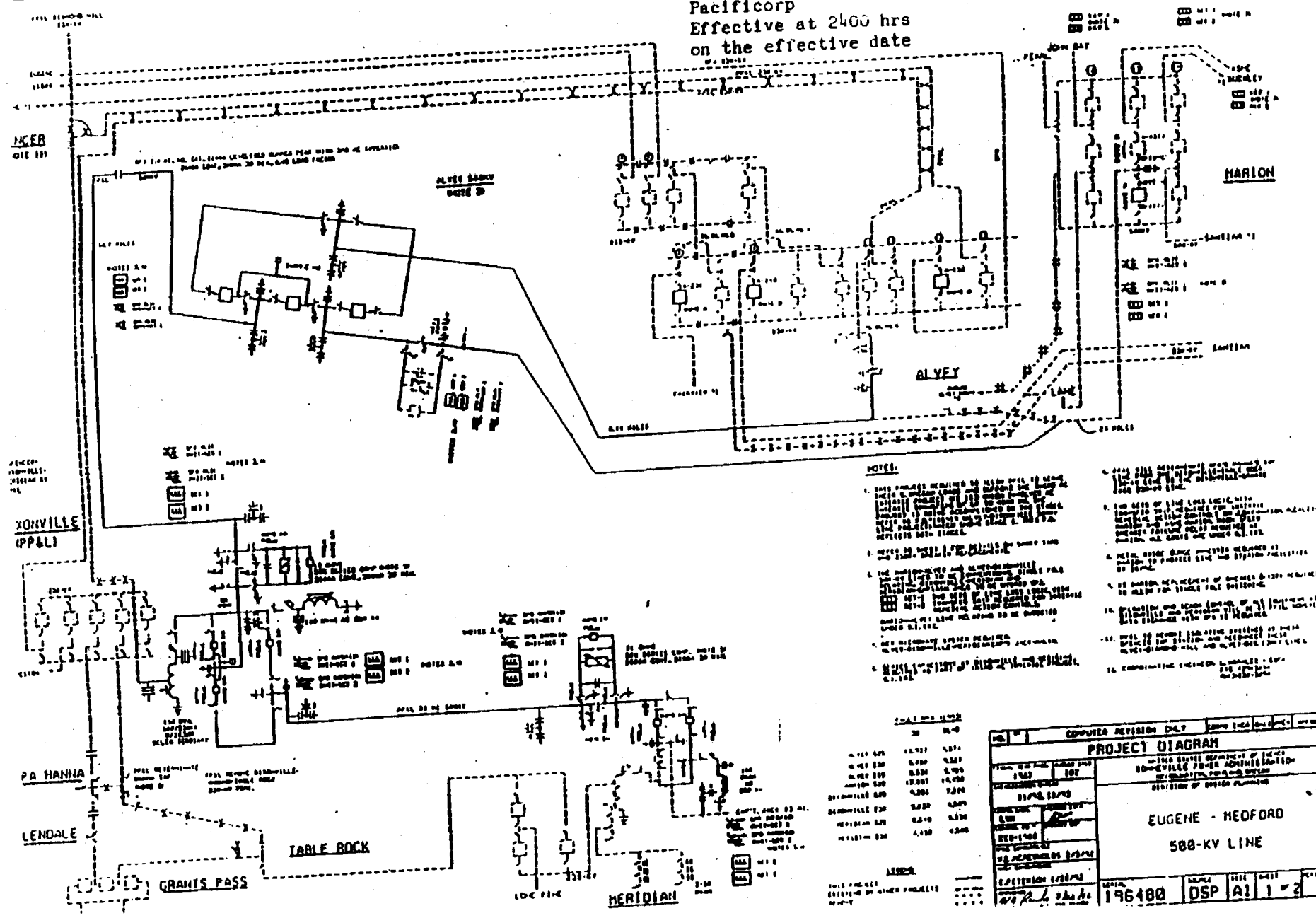
Date March 16, 1993

Effective Date March 16, 1993

(VS10-PMTT-3568e)

Exhibit F, page 1 of 2
 Amendatory Agreement No. 2
 Contract No. DE-HS79-86BP92299
 Pacificorp
 Effective at 2400 hrs
 on the effective date

LOWER COLUMBIA AREA



NOTES:

1. THIS PROJECT RELATES TO THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY. THE PROJECT IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
2. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
3. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
4. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
5. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
6. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
7. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
8. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
9. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.
10. THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY IS A PART OF THE 500 KV LINE FROM ALVEY SANDY TO ALVEY AND FROM ALVEY TO MARION AND FROM MARION TO ALVEY.

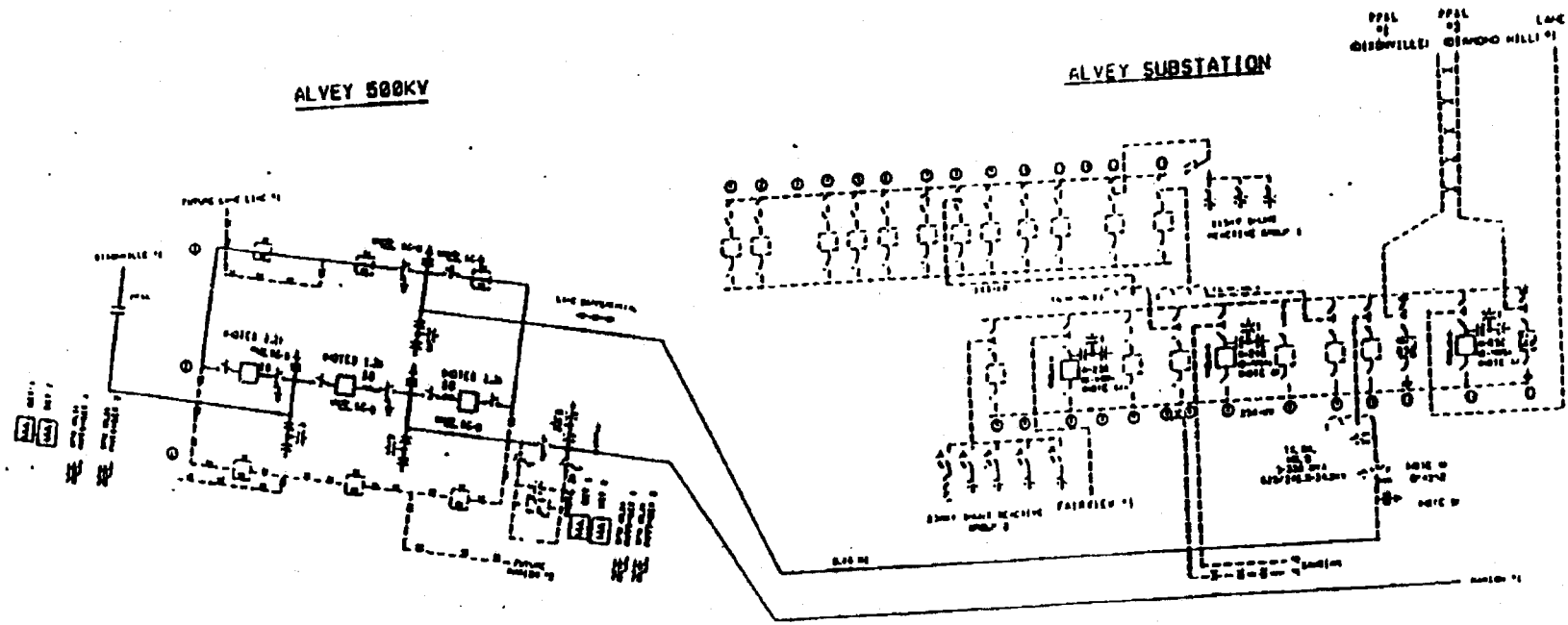
LINE DATA

LINE NO.	LENGTH (MILES)	TYPE
ALVEY SANDY TO ALVEY	12.57	500KV
ALVEY TO MARION	6.70	500KV
MARION TO ALVEY	6.50	500KV
ALVEY SANDY TO ALVEY	12.57	500KV
ALVEY TO MARION	6.70	500KV
MARION TO ALVEY	6.50	500KV

PROJECT DIAGRAM	
PROJECT NO.	196480
DATE	DSP A1 1-2-80
DESIGNED BY	...
CHECKED BY	...
APPROVED BY	...
PROJECT TITLE	EUGENE - HEDFORD 500-KV LINE
PROJECT NO.	196480
DATE	DSP A1 1-2-80
DESIGNED BY	...
CHECKED BY	...
APPROVED BY	...

Exhibit F, Page 2 of 2
 Amendatory Agreement No. 2
 Contract No. DE-MS79-86BP92299
 Pacificorp
 Effective at 2400 hrs
 on the effective date

1. ALL 330KV BREAKERS AND 330KV BUS BARS WILL BE REPAIRED AND 330KV BUS BARS WILL BE REPAIRED TO THE ORIGINAL DESIGN SPECIFICATIONS. ALL REPAIRS WILL BE IN ACCORDANCE WITH THE ORIGINAL DESIGN SPECIFICATIONS. REPAIRS SHALL BE TO THE ORIGINAL DESIGN SPECIFICATIONS.
2. ALL 330KV BUSES ARE RATED AT 330KV. ALL BUSES WILL HAVE OPEN AND CLOSE KEYS CONTROL AND INDICATION.
3. THE REAR END OF MAIN ALVEY IS ONE STAGE CONTINUOUS 330KV TO 330KV TRANSFORMER SUBSTITUTION FOR DETAILS.
4. THE 330KV BUS BREAKERS AND OPENING MECHANISM IS TO BE REPLACED WITH A NEW 330KV BUS BREAKER TO PROVIDE OPERATIONAL RELIABILITY.
5. REPLACE UNDERMOUNTED 330KV BREAKERS WITH 330KV OPEN 330KV TYPE BREAKERS.



FAULT DATA 11/14/82

ALVEY 325	18437	3834
ALVEY 328	8788	4327
ALVEY 115	9326	8754

COMPUTER REVISION ONLY			
PROJECT DIAGRAM			
FILE NO.	1962	PROJECT NO.	11740-11742
REVISION NO.	002	DATE	11/14/82
EUGENE - MEDFORD 500-KV LINE		ALVEY SUBSTATION	
DATE	11/14/82	NO.	196488
BY	...	REV.	DSP A1 2 of 2

Bonneville Cash Flow
(Dollars in Thousands)

<u>Year</u>	<u>Month</u>	<u>Advances</u>
1992	January through September	\$ 5,534
	October	3,047
	Less Interim Payment	(6,000)
	November	392
	December	220
1993	January	585
	February	585
	March	769
	April	750
	May	325
	June	132
	July	166
	August	166
	September	78
	October	73
	Total	\$ <u>6,822</u>

Source Document:

Bonneville Eugene-Medford Project Cash Flow Estimates
Prepared by J. Quinata, dated 1/25/93

Prior Costs are excluded.

(VS10-PMTT-3596e)

PacifiCorp Cash Flow
(Dollars in Thousands)

<u>Year</u>	<u>Month</u>	<u>Advances</u>
1992	January through September	\$ 25,125
	October	3,897
	Less Interim Payment	(16,000)
	November	3,000
	December	4,500
1993	January	2,896
	February	1,995
	March	1,853
	April	1,788
	May	2,076
	June	2,103
	July	2,026
	August	1,800
	September	1,492
	October	1,579
	November	1,101
	December	<u>234</u>
	Total	\$ <u>41,465</u>

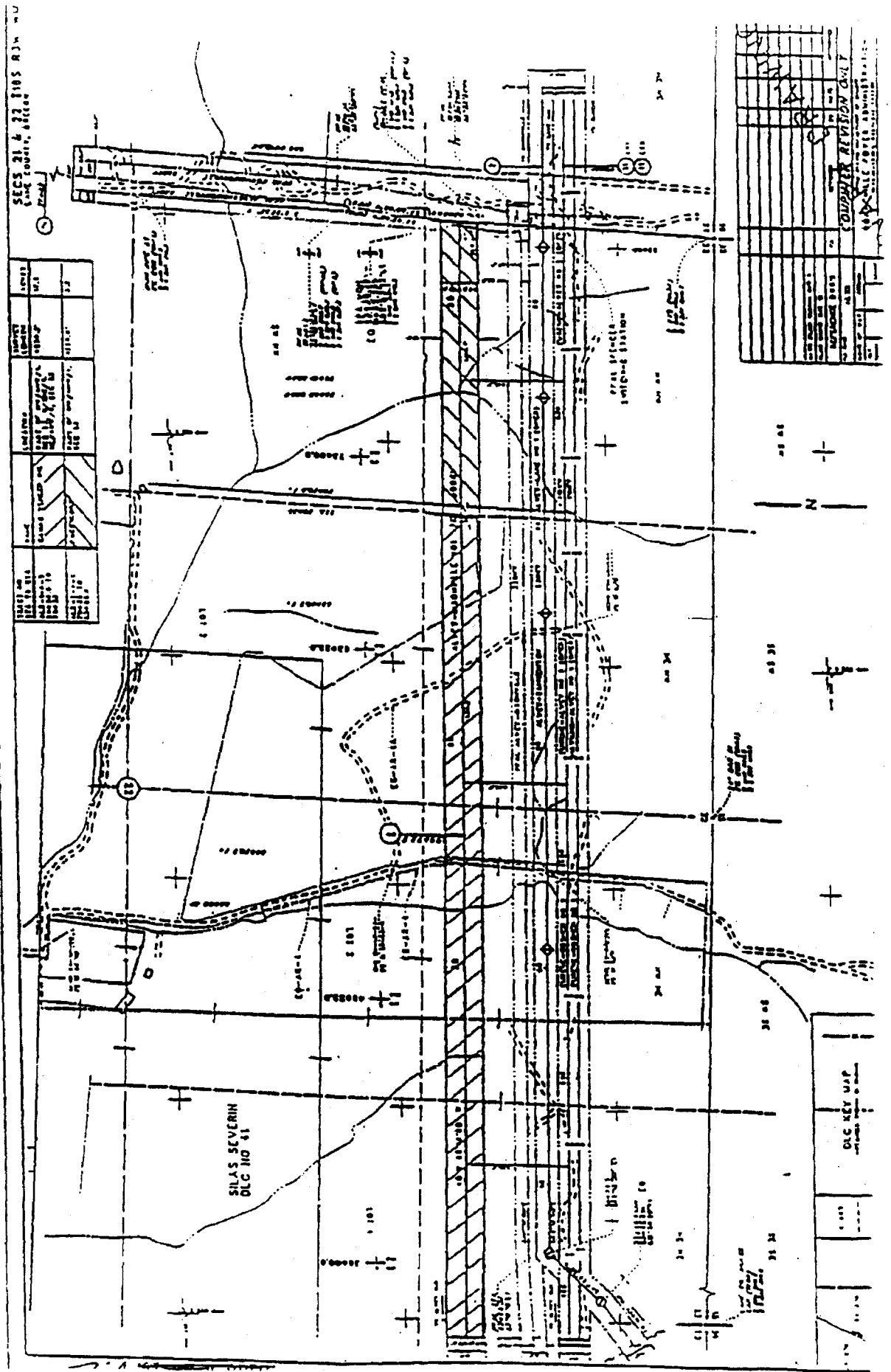
Source Document:

PacifiCorp: October 1992 Project Forecast
Southern Oregon 500 kV Project
Prepared by T. Jestrab, dated 12/31/92

Prior Costs are excluded.

(VS10-PMTT-3596e)

Exhibit I, Page 1 of 13
 Amendatory Agreement No. 2
 Contract No. DE-MS79-B6BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



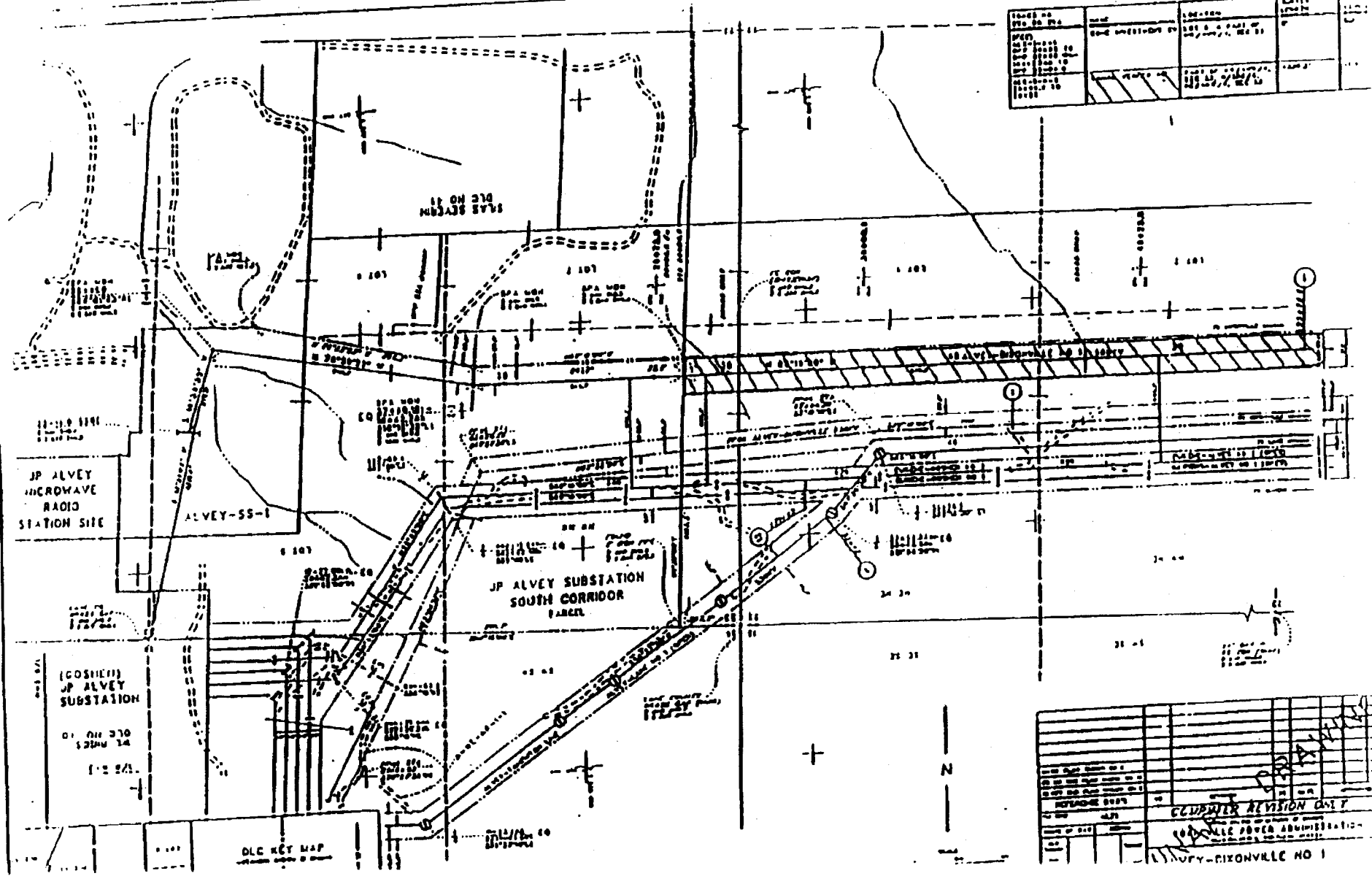
SECS 21 & 22 1105 A34 - U

SILAS SEVERIN
 DLC NO 51

Exhibit 1, Page 2 of 13
 Amendatory Agreement No. 2
 Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date

SECS 23 & 22 T185 R3W W1/4
 L-4 County, Ohio

INDEX NO.	NAME	LOCATION	DATE
1
2
3
4
5
6
7
8
9
10



NO.	DATE	DESCRIPTION	BY	CHKD.
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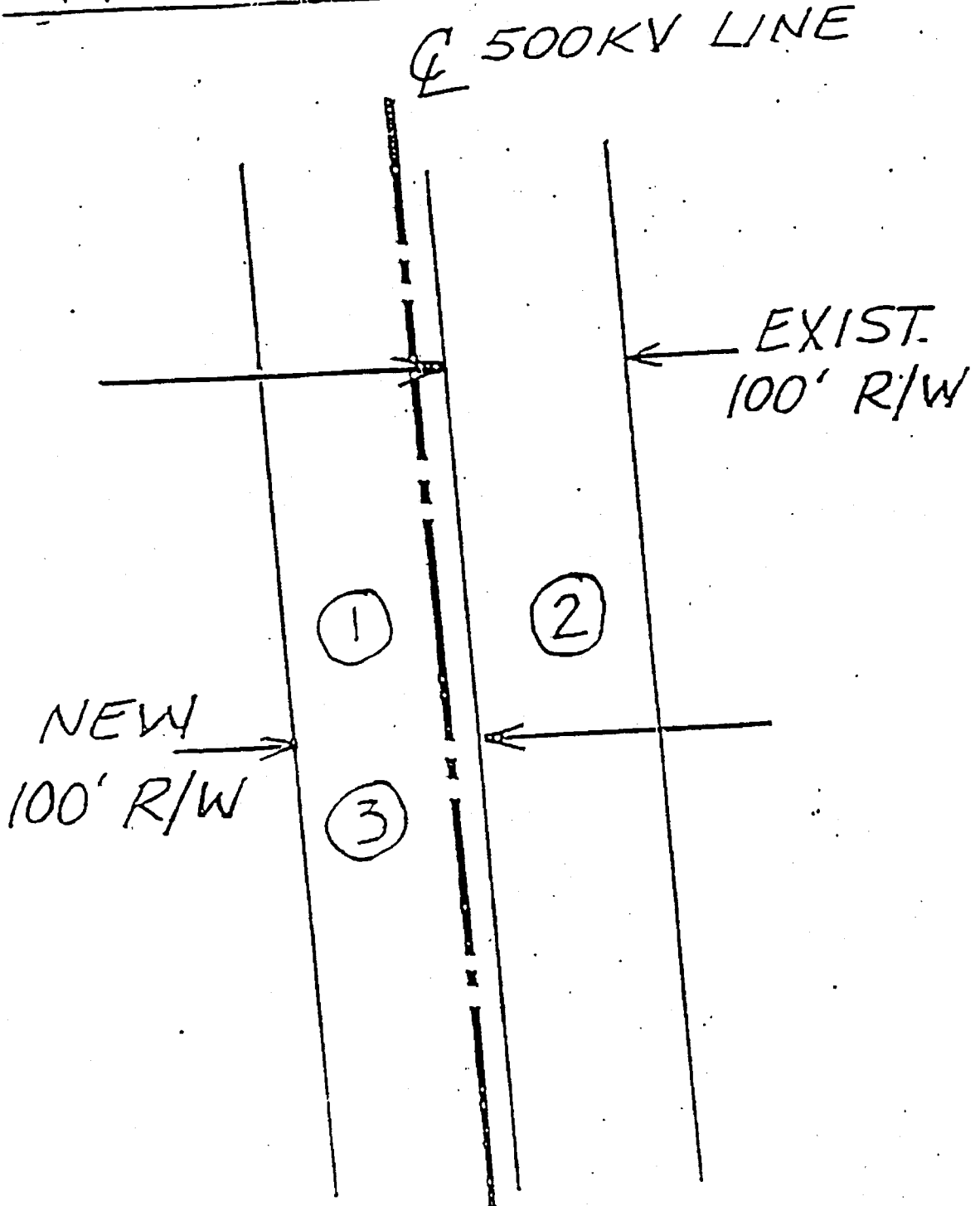
COMPUTER REVISION ONLY
 PACIFIC POWER ADMINISTRATION
 CLEVELAND - PIXONVILLE NO 1

Exhibit 1, Page 1 of 13
Amendatory Agreement No. 2
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PacifiCorp
Effective at 2400 Hours
on the Effective Date

LEGEND

- ① - SHARED COST
- ② - SHARED EASEMENT ACCESS ONLY
- ③ - SHARED EASEMENT RIGHTS

A. EXISTING R/W
PRIVATE LAND - (1)



B. NEW R/W ON PP&L FEE OWNED LAND - (1)

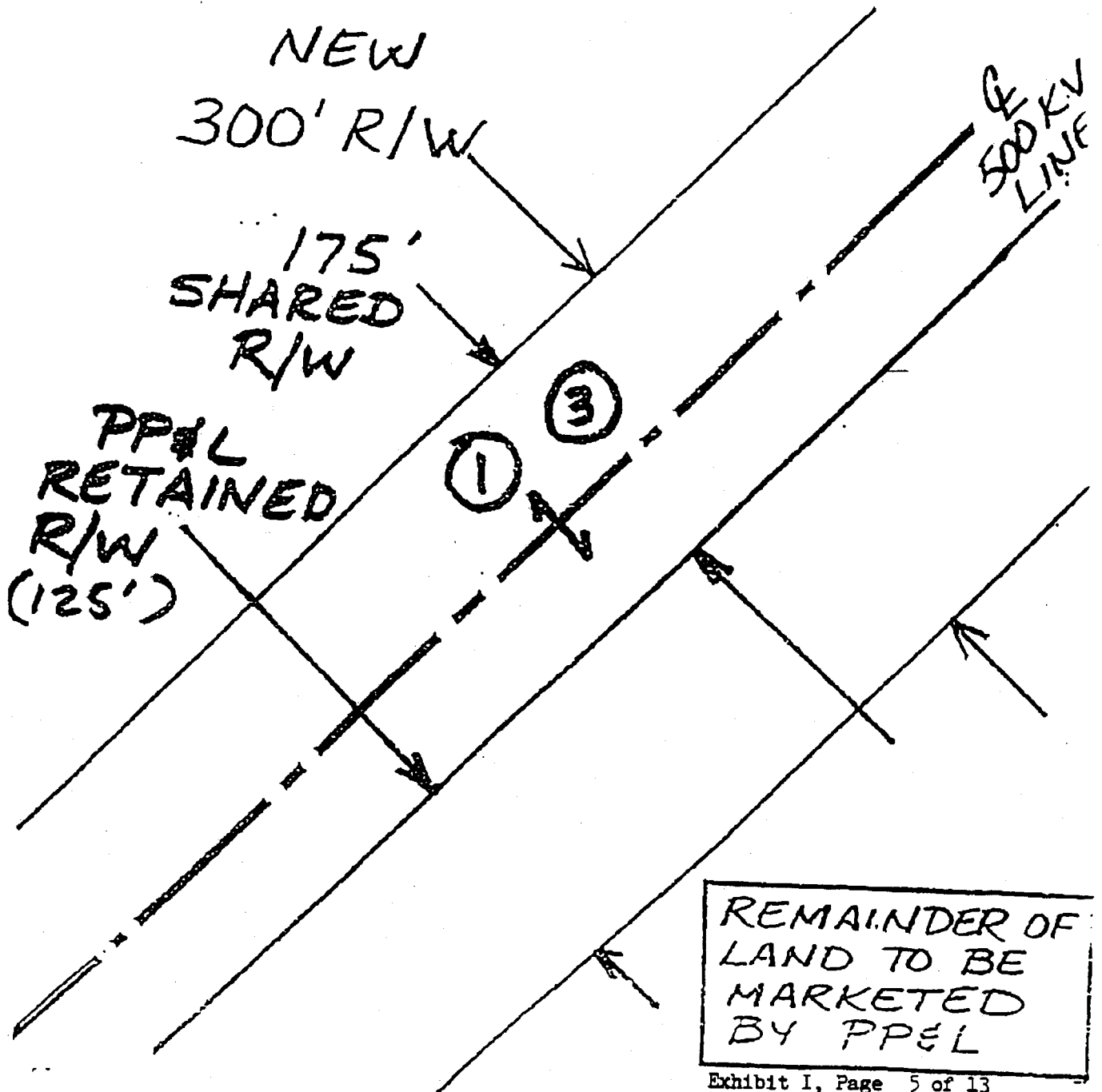
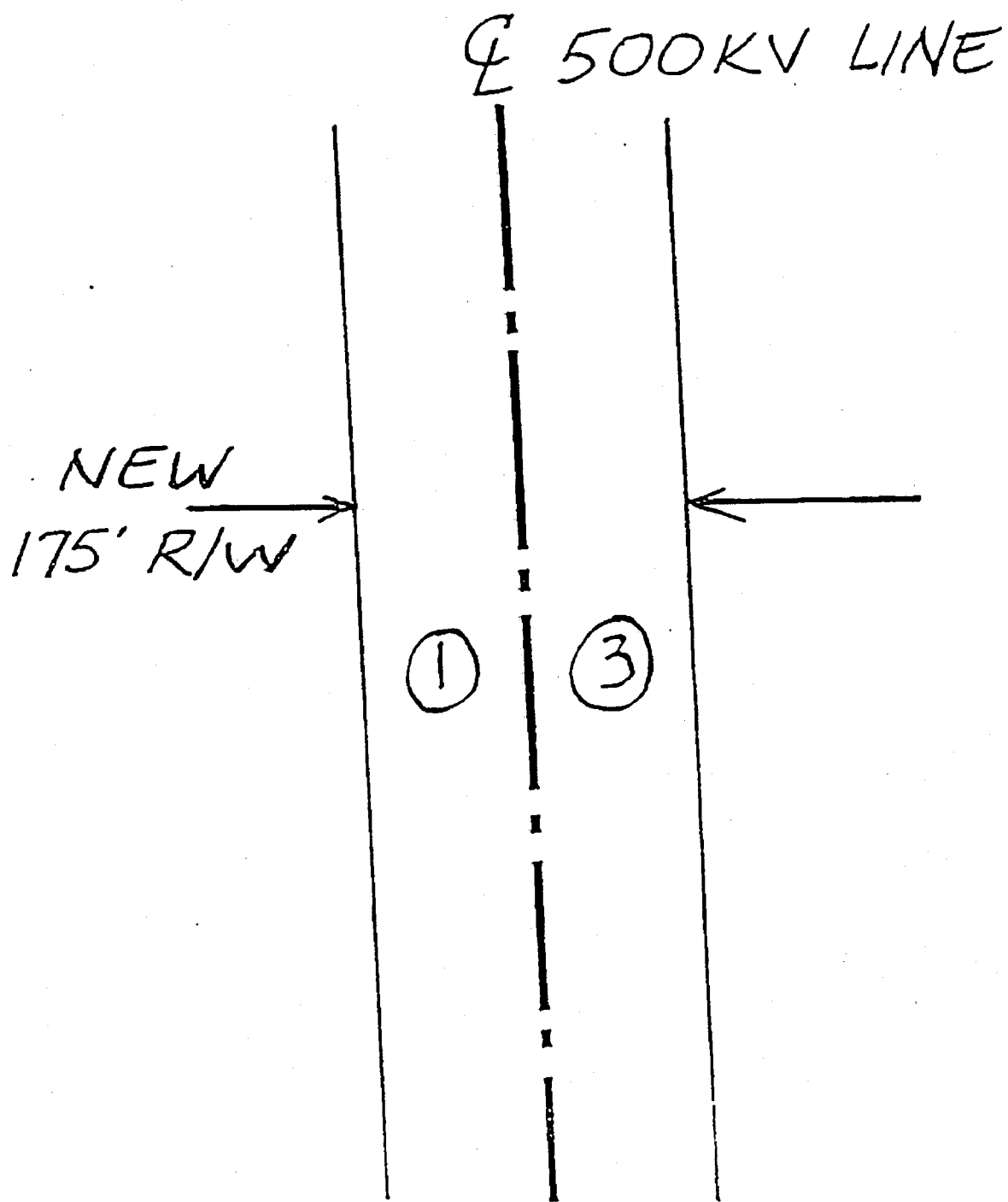


Exhibit I, Page 5 of 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date.

EXHIBIT 1, PAGE 3 OF 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date

C. NEW R/W
PRIVATE LAND



D. NEW R/W ON GOVERNMENT LANDS

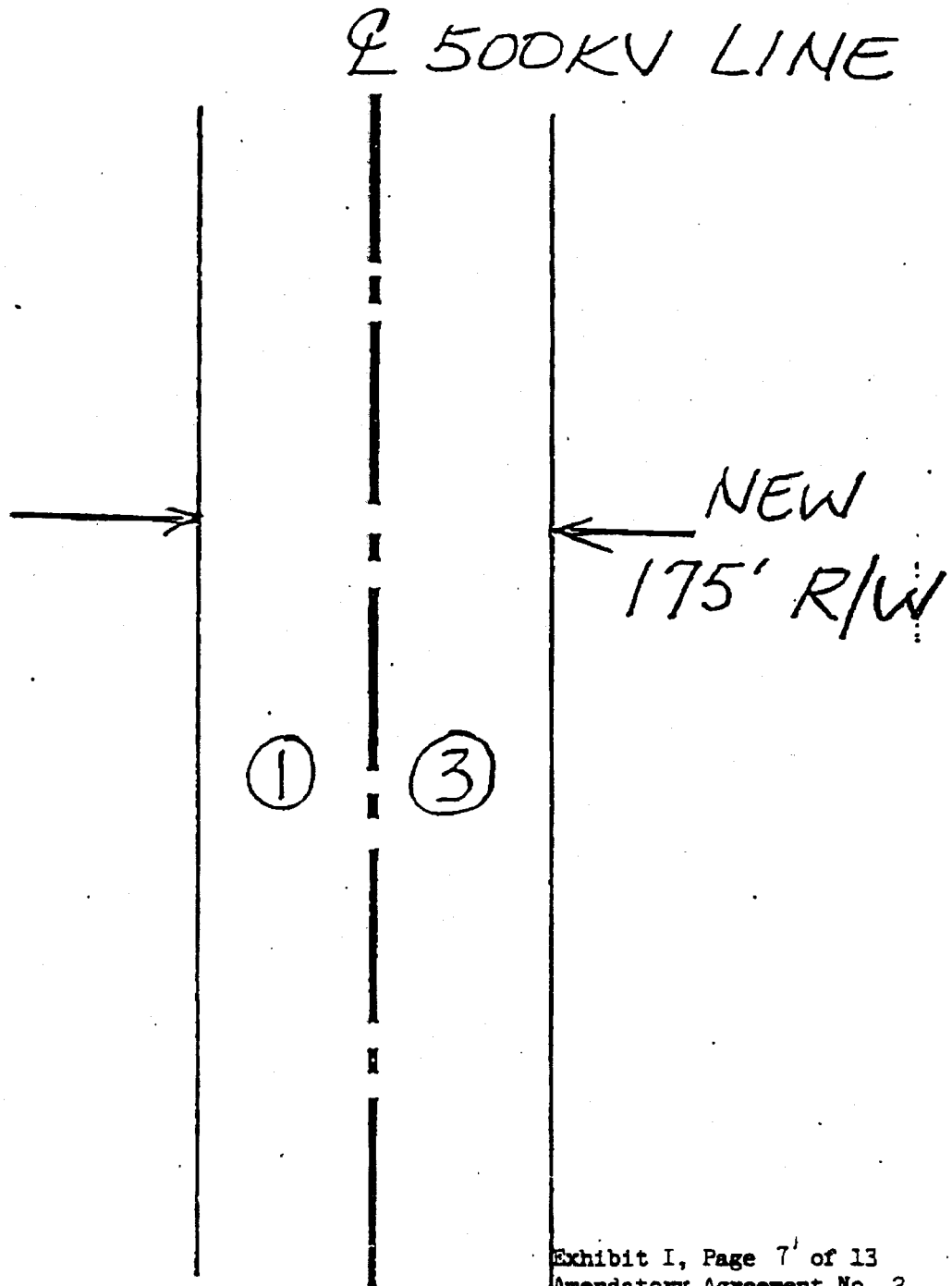


Exhibit I, Page 7 of 13
Amendatory Agreement No. 2
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PacifiCorp
Effective at 2400 Hours
on the Effective Date

E. EXISTING R/W ON PP&L
FEE OWNED LAND - (2)

500KV LINE

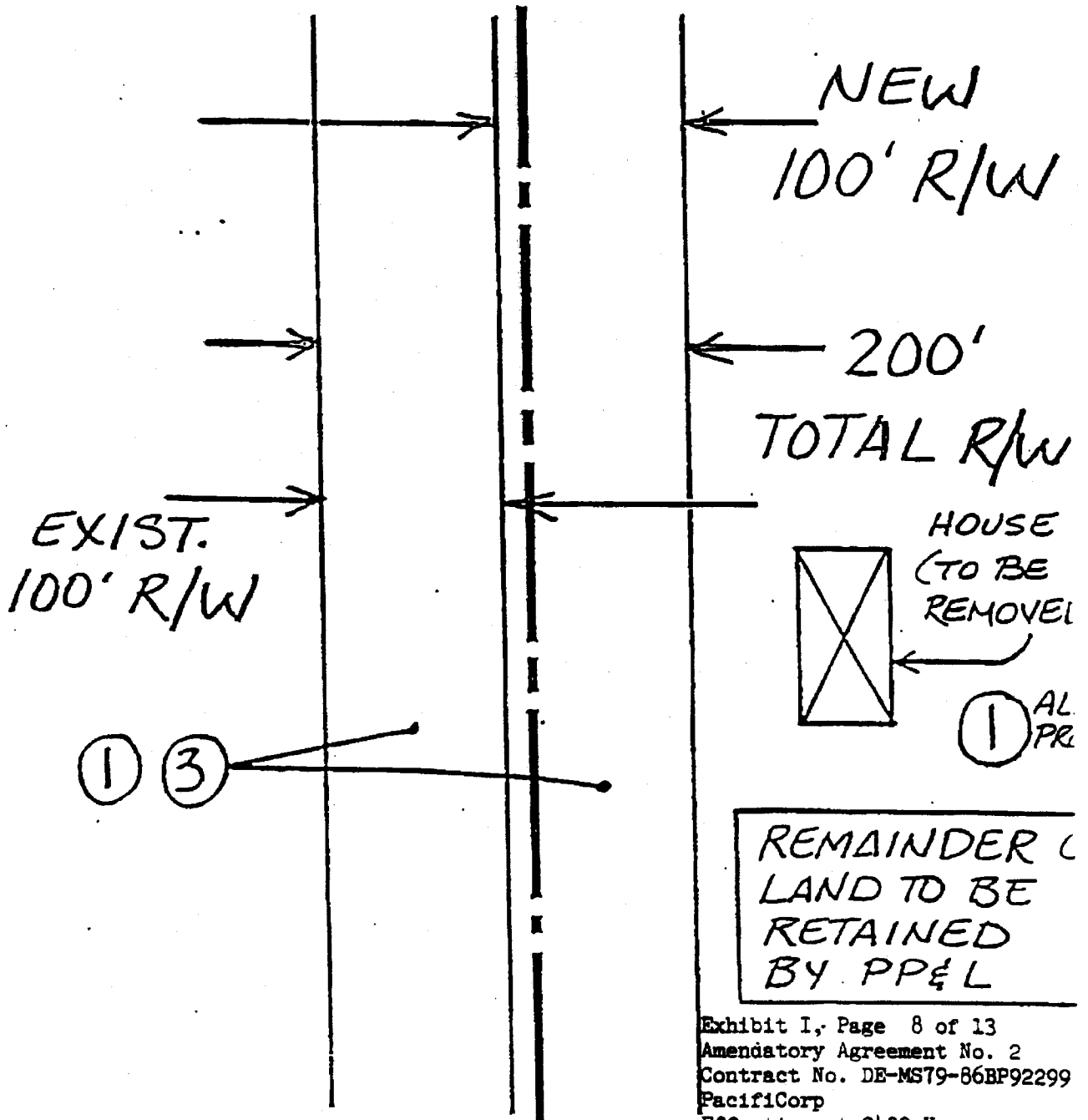


Exhibit I, Page 8 of 13
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PacifiCorp
Effective at 2400 Hours
on the Effective Date

F. EXISTING R/W ON PRIVATE LAND - (2)

⊥ 500KV LINE

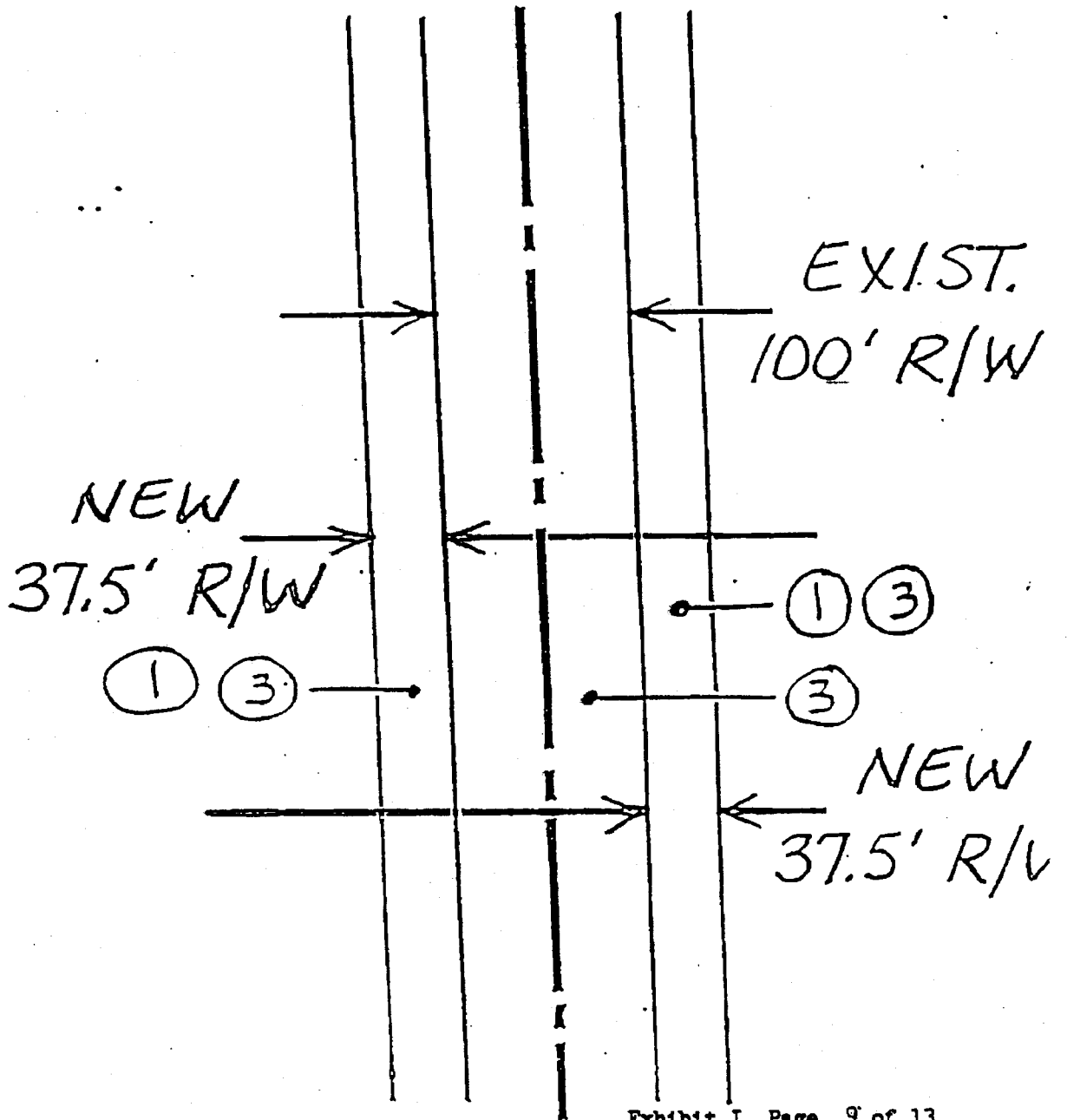
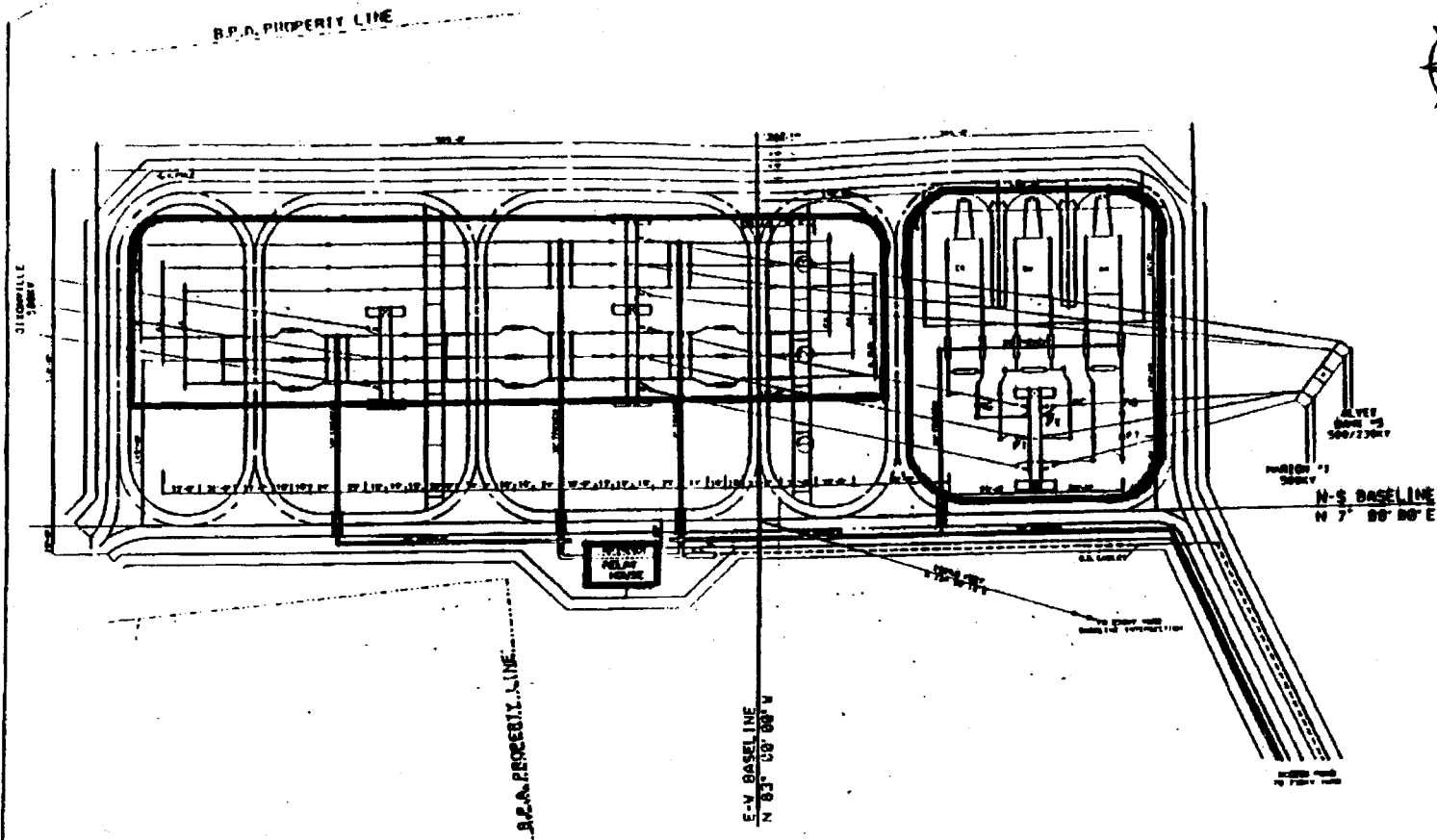


Exhibit I, Page 9 of 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
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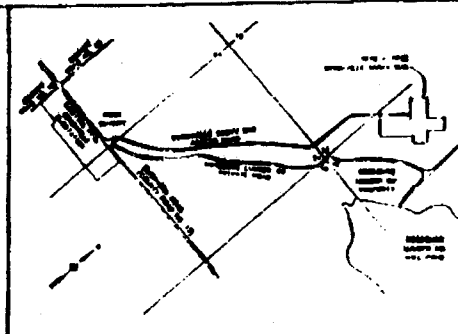
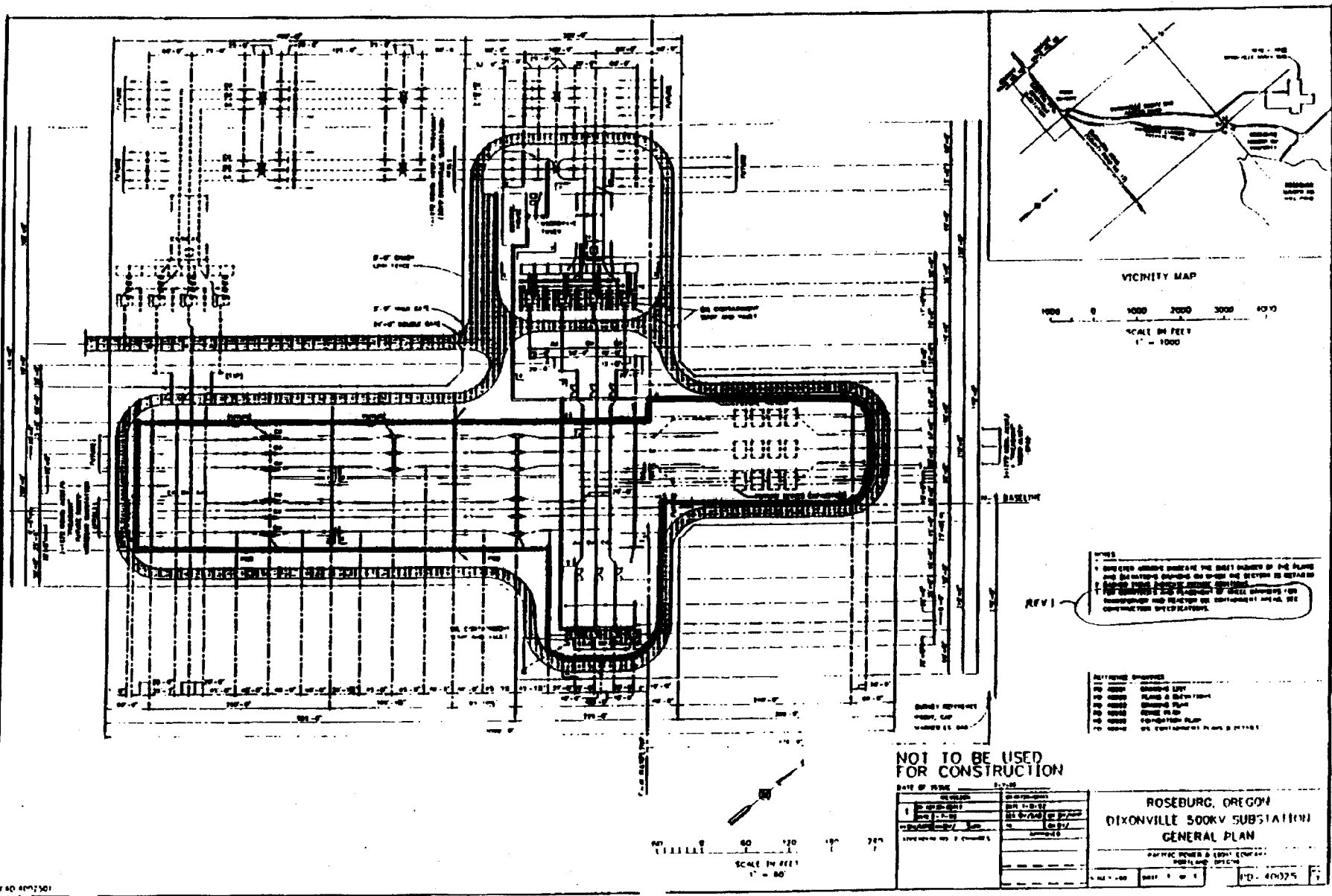
Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



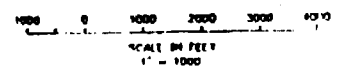
NO.	DATE	COMPUTER REVISION ONLY	BY	DATE	APPROVED
1					
DESIGN: ENGINEERING CHECKED: [Signature] DRAWN: [Signature] PROJECT: J.P. ALVEY SUBSTATION 500KV YARD PLOT PLAN					
249078	ESA	11	10		

NO.	DATE	DESCRIPTION
1	3-1-87	REFERENCE DRAWINGS

Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



VICINITY MAP



REV 1

1. REVISED DRAWING SHOWS THE BEST NUMBER OF THE PLANS AND SPECIFICATIONS ON THE SYSTEM AS APPLIED TO THE PROJECT. ALL OTHERS ARE DELETED.

2. REVISED DRAWING SHOWS THE BEST NUMBER OF THE PLANS AND SPECIFICATIONS ON THE SYSTEM AS APPLIED TO THE PROJECT. ALL OTHERS ARE DELETED.

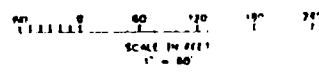
NO.	DESCRIPTION
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10	REVISIONS

NOT TO BE USED FOR CONSTRUCTION

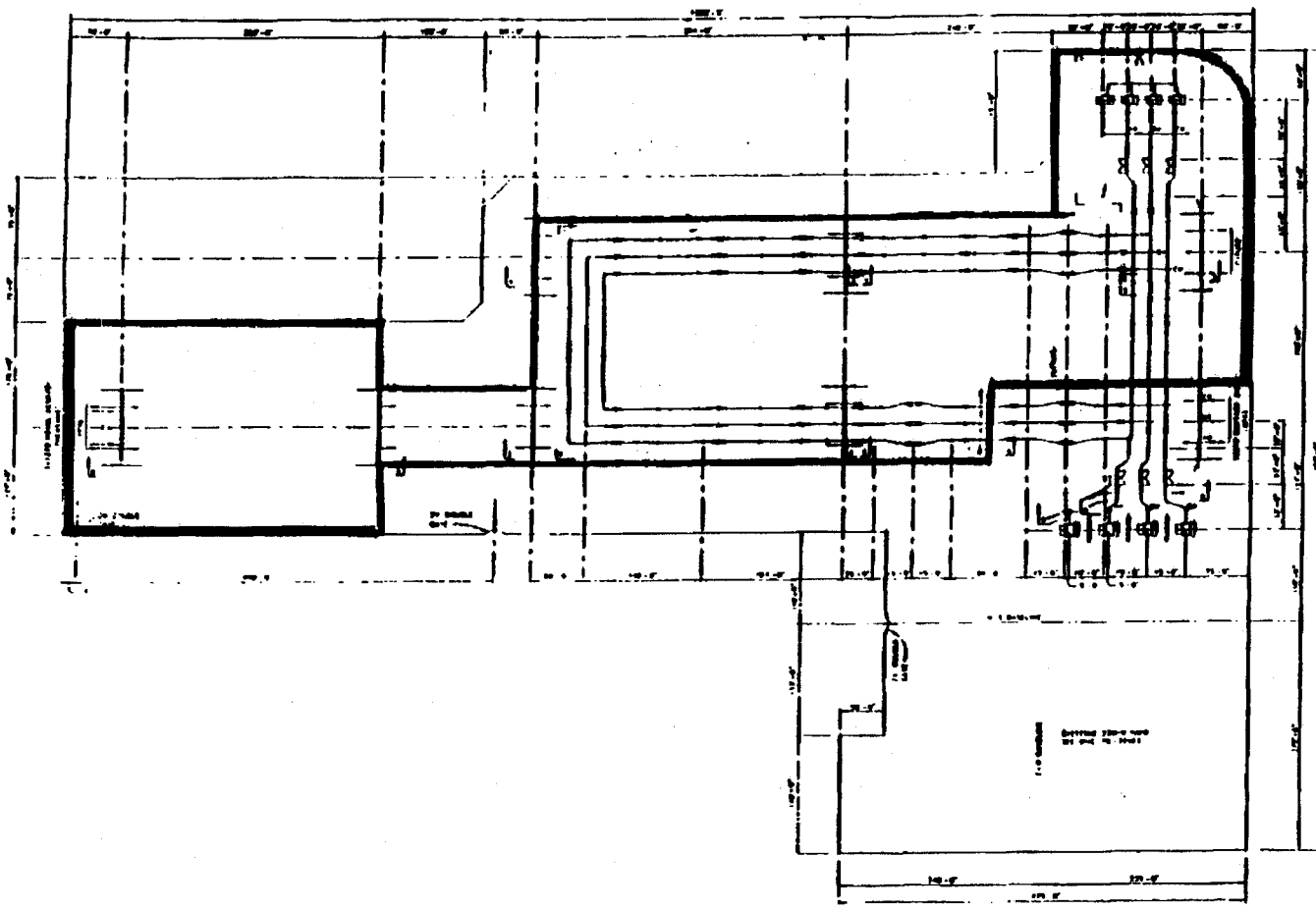
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3	10-1-87	[unclear]	[unclear]
4	10-1-87	[unclear]	[unclear]
5	10-1-87	[unclear]	[unclear]
6	10-1-87	[unclear]	[unclear]
7	10-1-87	[unclear]	[unclear]
8	10-1-87	[unclear]	[unclear]
9	10-1-87	[unclear]	[unclear]
10	10-1-87	[unclear]	[unclear]

ROSEBURG, OREGON
 DIXONVILLE 500KV SUBSTATION
 GENERAL PLAN

PACIFIC POWER & LIGHT COMPANY
 PORTLAND, OREGON

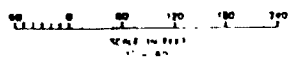


Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



NOTED: ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR THE CONSTRUCTION OF TRANSMISSION AND DISTRIBUTION LINES AND EQUIPMENT, AND THE STANDARD SPECIFICATIONS FOR THE CONSTRUCTION OF SUBSTATIONS, AND THE STANDARD SPECIFICATIONS FOR THE CONSTRUCTION OF POWER PLANTS, AND THE STANDARD SPECIFICATIONS FOR THE CONSTRUCTION OF POWER SYSTEMS.

- NO. 10000 GENERAL PLAN
- NO. 10001 GENERAL PLAN
- NO. 10002 GENERAL PLAN
- NO. 10003 GENERAL PLAN
- NO. 10004 GENERAL PLAN
- NO. 10005 GENERAL PLAN
- NO. 10006 GENERAL PLAN
- NO. 10007 GENERAL PLAN
- NO. 10008 GENERAL PLAN
- NO. 10009 GENERAL PLAN
- NO. 10010 GENERAL PLAN



NOT TO BE USED
 FOR CONSTRUCTION

NO.	DATE	BY	CHKD.
10000	11/15/79	J. J. [unclear]	[unclear]
10001	11/15/79	J. J. [unclear]	[unclear]
10002	11/15/79	J. J. [unclear]	[unclear]
10003	11/15/79	J. J. [unclear]	[unclear]
10004	11/15/79	J. J. [unclear]	[unclear]
10005	11/15/79	J. J. [unclear]	[unclear]
10006	11/15/79	J. J. [unclear]	[unclear]
10007	11/15/79	J. J. [unclear]	[unclear]
10008	11/15/79	J. J. [unclear]	[unclear]
10009	11/15/79	J. J. [unclear]	[unclear]
10010	11/15/79	J. J. [unclear]	[unclear]

MEDFORD, OREGON
 MERIDIAN SUBSTATION
 GENERAL PLAN

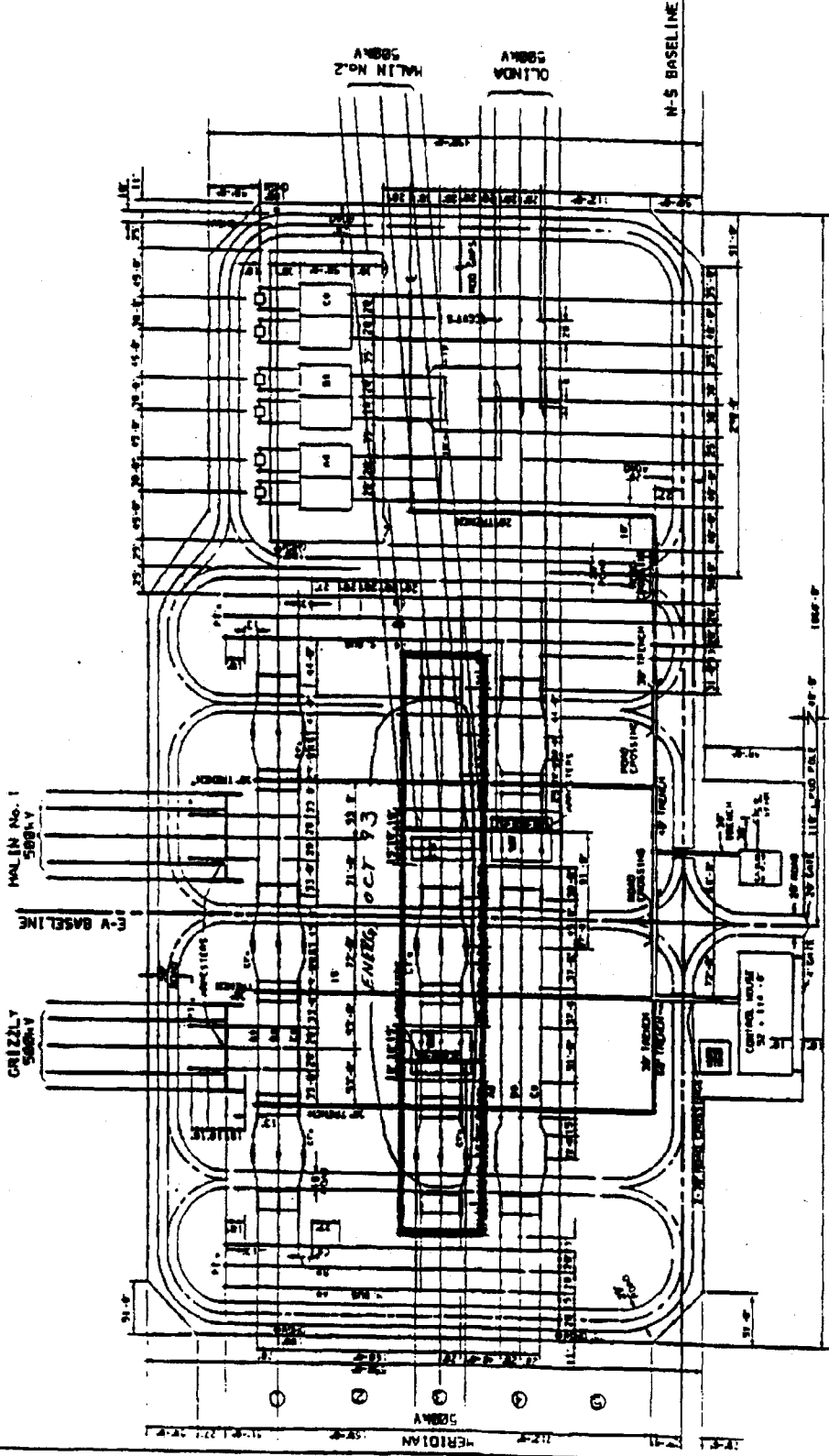
PACIFIC POWER & LIGHTING CO.
 1979

AMERICAN ELECTRIC COMPANY, INC.
 Contract No. DE-MS79-86BP92299

PacificCorp

Effective at 2400 Hours
 on the Effective Date

18:36:19 28 OCT 91 240:1051.157247519501.DGN



NO.	DESCRIPTION	DATE	BY	APPROVED
1	ISSUED FOR CONSTRUCTION	10/28/91	ESB	
2	REVISION			
3	REVISION			
4	REVISION			
5	REVISION			
6	REVISION			
7	REVISION			
8	REVISION			
9	REVISION			
10	REVISION			

LEGEND:
 _____ FORCE ACCOUNT
 _____ MATERIAL
 _____ CONTRACTOR'S SUPPLY

CAPTAIN JACK SUBSTATION
 PLOT PLAN
 247519 ESB 10/28/91

Exhibit J, Page 1 of 1
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours On
the Effective Date

Capital Replacements

Either Party shall be able to initiate Capital Replacement projects to be added under this Exhibit as additional tables.

(VS10-PMTT-3568e)

Exhibit K, Page 1 of 1
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective as Stated Below

Calculation of O&M Charges

<u>Facilities</u>	<u>Annual Operation and Maintenance Charge 1/</u>	<u>Annual Payment Due From PacifiCorp</u>
Alvey (3) 500 kV PCB Terminals x (\$46,018 terminal) Monthly Charge - \$5752	\$138,054	\$69,027 2/
Sycan New Series capacitor bank (546 MVAR) in The Summer Lake-Malin 500 kV Line Monthly Charge - \$5290	\$181,381	\$63,483 2/

- 1/ O&M Cost: From Bonneville Power Administration's Annual O&M Charges for Customer-Owned or Leased Facilities dated September 30, 1991.
2/ Effective December 18, 1992

(VS10-PMTT-3568e)

RECEIVED

FEB 04 2015

TRANSMISSION SERVICES
PACIFICORP

**EXHIBIT B, REVISION NO. 3
ALVEY TO MERIDIAN INVESTMENT ALLOCATION
Effective upon filing**

This Exhibit B, Revision No. 3 (Revision No. 3) accomplishes the following: (1) adds the Summer Lake Substation's Grizzly – Summer Lake relay to this Revision No. 3, and documents the design, cost share, ownership, operation and maintenance, and payment percentage obligations between Bonneville Power Administration (Bonneville) and PacifiCorp for the relay; (2) corrects several typos from Revision No. 1; (3) incorporates the Revision No. 2 changes; and (4) adds the Captain Jack Substation Bay 3 breaker addition that was installed under 08TX-13040. The breaker addition changes PacifiCorp's pro-rata share of cost sharing from 2/7 to 2/8 for certain Captain Jack Substation facilities.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Alvey Substation						
<ul style="list-style-type: none"> Three 500 kilovolt (kV) breakers/CT's buswork, towers, MOD's, PT's arresters, associated grounding, conduit, control and power cables, site dev. including landscaping, station service equipment for the three break ring bus layout. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville to operate and maintain (including maintenance of conduit, trench, and grounding systems at Bonneville discretion.)
<ul style="list-style-type: none"> Environmental related work. 	Bonneville	50/50	N/A	N/A	N/A	
<ul style="list-style-type: none"> Series capacitors and auxiliaries. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville to operate and maintain (including maintenance of conduit, trench and grounding systems at Bonneville discretion.)

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
<ul style="list-style-type: none"> Property acquired for 500 kV yard for Intertie purposes, excluding any additions, for future Bonneville projects. 	Bonneville	50/50	50/50	Bonneville	42/58	Requires identification of boundaries. Operation and Maintenance (O&M) costs subject to nonroutine work. Bonneville to maintain at 100 percent Bonneville costs, things like surface rock, sidewalks, roads, fenceline, aesthetics.
<ul style="list-style-type: none"> 500 kV Relay House building. 	Bonneville	50/50	50/50	Bonneville	42/58	Future Bonneville/PacifiCorp expansion will be done at 100 percent Bonneville/PacifiCorp costs, otherwise 50/50 if Intertie related. General building maintenance should be at Bonneville discretion with 42/58 cost sharing.
<ul style="list-style-type: none"> Relaying and controls, data system equipment inside the 500 kV Relay House for the Alvey - Dixonville, Marion – Alvey and 500 kV Tie Line. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville has future rights for Bonneville projects at 100 percent Bonneville costs otherwise 50/50 if Intertie related. O&M at 42/58 as per this Revision No. 3 for Intertie related facilities. Bonneville to maintain
<ul style="list-style-type: none"> RAS related equipment. 	Bonneville					Refer to Contract No. 93039
<ul style="list-style-type: none"> Metering/Telemetering equipment on the Alvey – Dixonville Line. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville to do the maintenance at Bonneville discretion.
500 kV Tie Line (to Alvey 500/230 kV Tx. Bank No. 5)						
<ul style="list-style-type: none"> Transmission related costs. 	Bonneville	50/50	50/50	Bonneville	100/0	50/50 ownership means PacifiCorp has 50 percent capacity rights on the Tie Line but not physical ownership. Transfer rights over Bank No. 5 are not covered here.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Marion – Alvey 500 kV Line Modifications						
• Transmission costs only. ¹	Bonneville	50/50	100/0	Bonneville	100/0	
34.5 kV Line Relocation						
• Transmission costs only. ²	Bonneville	50/50	100/0	Bonneville	100/0	
Alvey – Dixonville 500 kV Line						
• 1.4 mile Alvey – Spencer Tap Section. ³	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Applicable only to the ROW for Intertie purposes. Additional ROW at 100 percent Bonneville costs.
• Remaining 56.7 miles. ⁴	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of specific properties upon which these percentages are applicable. Access roads must also be considered. Timber costs and revenues also to be included. ⁴
• Landslide abatement.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Rock wall and drain for slope stabilization tower 2/42 & 2/49.

¹ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

² Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

³ Costs of: (1) removal of any existing 230 kV facilities; (2) permitting; and (3) incremental right-of-way to be included.

⁴ Costs of: (1) removal of any existing 230 kV facilities; (2) permitting; and (3) incremental right-of-way to be included.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Spencer Tap						
• Costs to reterminate PacifiCorp's Alvey – Dixonville 230 kV Line. ⁵	PacifiCorp	50/50	0/100	PacifiCorp	0/100	
• Costs to reterminate PacifiCorp's Alvey – Diamond Hill 230 kV Line. ⁶	PacifiCorp	0/100	0/100	PacifiCorp	0/100	
Dixonville 500 kV Substation						
• Three Breaker Ring Bus, 180 MVAR Reactor, arresters, grounding, conduit, control and power cables, site development, PTs, station service, isolating disconnect switches for 500 kV ring bus.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion.)
• Series capacitors and auxiliaries.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion.)
• SF6 Interrupters.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	
• 500/230 kV Transformer and related equipment. ⁷	PacifiCorp	0/100	0/100	PacifiCorp	0/100	PacifiCorp to maintain.
• Wetland mitigation and other environmental requirements.	PacifiCorp	50/50	N/A	N/A	N/A	

⁵ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

⁶ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

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Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
<ul style="list-style-type: none"> Property acquired for 500 kV yard for Intertie purposes, excluding any additional future PacifiCorp projects and any property for PacifiCorp's 500/230 kV transformer. 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of boundaries. O&M costs subject to nonroutine work. PacifiCorp to maintain at 100 percent PacifiCorp costs, things like surface rock, sidewalks, roads, fenceline, aesthetics.
<ul style="list-style-type: none"> 500 kV Control House building. 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Future PacifiCorp/Bonneville expansion will be done at 100 percent PacifiCorp/Bonneville costs. Otherwise 50/50 if Intertie related. General building maintenance should be at PacifiCorp discretion with 42/58 cost sharing.
<ul style="list-style-type: none"> Relaying and controls, data system equipment inside the 500 kV Control House, excluding that associated with PacifiCorp's 500/230 kV transformer and 230 kV line position(s). 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp has future rights for PacifiCorp projects at 100 percent PacifiCorp costs. Otherwise 50/50 if Intertie related. O&M at 42/58 as per this Revision No. 3 for Intertie related facilities. PacifiCorp to maintain.
<ul style="list-style-type: none"> RAS related equipment. 	PacifiCorp					Refer to Contract No. 93039
<ul style="list-style-type: none"> Metering/Telemetering equipment on the Dixonville - Alvey Line. 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to do the maintenance at PacifiCorp discretion
<ul style="list-style-type: none"> Construction of a new storage building. 	PacifiCorp	50/50	50/50	PacifiCorp	0/100	Use of building to be audited later to confirm cost sharing percentages.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Dixonville – Meridian 500 kV Line						
• Transmission Costs. ⁸	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of specific properties upon which these percentages are applicable. Access roads/bridges must also be considered. Timber costs and revenues also to be included.
Hanna Tap Relocation						
• Transmission and switching modification costs. ⁹	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Ownership and O&M costs percentages reflect existing arrangements which will be maintained.
Table Rock Switching Station						
• Costs to remove existing station.	PacifiCorp	50/50	N/A	N/A	N/A	Existing station is in the path of the new 500 kV Line.
• Costs to reconnect Line No. 71 to south portion of Line No. 54. ¹⁰	PacifiCorp	50/50	0/100	PacifiCorp	0/100	
Meridian Substation						
• Installation of 2-500 kV breakers, CT's, 180 MVAR reactor, 2 Line PT sets, isolating disconnect switches, arresters, buswork, conduit, control and power cables, grounding, including site development for Intertie purposes.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion). 50/50 ownership does not apply to the existing property upon which such facilities lie.

⁸ Costs of: (1) removal of any existing 230 kV facilities; (2) permitting; and (3) incremental right-of-way to be included.

⁹ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹⁰ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Environmental related work associated with the 500 kV expansions required.	PacifiCorp	50/50	N/A	N/A	N/A	
• Any additional new property required to support the Project.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of boundaries. O&M costs subject to nonroutine work. PacifiCorp to maintain at 100 percent PacifiCorp costs, things like surface rock, sidewalks, roads, fenceline, aesthetics.
• Access road improvements or new access road.	PacifiCorp	50/50	50/50	PacifiCorp	0/100	
• Existing Property. ¹¹	PacifiCorp	0/100	0/100	PacifiCorp	0/100	Boundaries to be identified that conveys future Bonneville rights of use.
• Series capacitors and auxiliaries.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion.)
• Data system equipment inside the existing 500 kV Control House associated with the two breakers, 180 MVAR reactor, and the Meridian – Dixonville and Meridian – Captain Jack Lines.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to maintain
• Relaying and controls for the Meridian – Dixonville 500 kV Line.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to maintain

¹¹ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
<ul style="list-style-type: none"> Relaying and controls for the Meridian – Captain Jack No. 2 500 kV Line. ¹² 	PacifiCorp	50/50	0/100	PacifiCorp	0/100	PacifiCorp to maintain. Bonneville retains the right to review any future relay replacements / modifications.
<ul style="list-style-type: none"> Any modifications to the existing Control House or construction of a new Control House as a result of the Eugene-Medford projects. 	PacifiCorp	50/50	50/50	PacifiCorp	0/100	Future PacifiCorp/Bonneville expansion will be done at 100 percent PacifiCorp/Bonneville costs, otherwise 50/50 if Intertie related. PacifiCorp to maintain at their discretion.
<ul style="list-style-type: none"> Construction of a new storage building. 	PacifiCorp	50/50	50/50	PacifiCorp	0/100	Use of building to be audited later to confirm cost sharing percentages.
<ul style="list-style-type: none"> RAS related equipment. 						Refer to Contract No. 93039.
Malin – Meridian 500 kV Line Loop Into Captain Jack Substation						
<ul style="list-style-type: none"> Transmission Line modifications. ¹³ 	PacifiCorp	50/50	0/100	PacifiCorp	0/100	¹⁴

¹² Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹³ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹⁴ Includes procurement of right-of-way from Meridian-Malin transmission line structures to Captain Jack Substation.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Captain Jack Substation						
<ul style="list-style-type: none"> PacifiCorp owned Bay 3 facilities, including two 500 kV breakers, four MOD's buswork, PT's, conduit, grounding, towers. 	Bonneville	50/50	0/100	Bonneville	0/100	Bonneville to operate and maintain (including maintenance of conduit, trench and grounding systems at Bonneville discretion.)
<ul style="list-style-type: none"> Property under Bay 3. 	Bonneville	50/50	0/100	Bonneville	Prorate	Prorate O&M costs based on 2/8 to PacifiCorp. Bonneville to maintain.
<ul style="list-style-type: none"> One 500 kV breaker, associated relays, connected to the south bus in Bay 3. 	Bonneville	100/0	100/0	Bonneville	100/0	Installed under contract 08TX-13040.
<ul style="list-style-type: none"> Relays and controls, data systems equipment for PacifiCorp owned Bay 3 facilities. 	Bonneville	50/50	0/100	PacifiCorp	0/100	PacifiCorp to maintain. Bonneville retains the right to review any future relay replacements/modifications.
<ul style="list-style-type: none"> Remaining five 500 kV breakers, MOD's, buswork towers, conduit, grounding, site development. ¹⁵ 	Bonneville	100/0	100/0	Bonneville	100/0	Bonneville to operate and maintain (including maintenance of conduit, trench and grounding systems at Bonneville discretion.)
<ul style="list-style-type: none"> Station service facilities for the entire station. ¹⁶ 	Bonneville	100/0	100/0	Bonneville	Prorate	Prorate O&M costs based on 2/8 to PacifiCorp. Bonneville to maintain.

¹⁵ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹⁶ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Remaining relays and controls, data system equipment. ¹⁷	Bonneville	100/0	100/0	Bonneville	100/0	Bonneville to maintain.
• Control House, exclusive of the property upon which it lies. ¹⁸	Bonneville	100/0	100/0	Bonneville	100/0	Any future expansions due to PacifiCorp additions will be at 100 percent PacifiCorp costs but Bonneville to retain 100 percent ownership.
• All remaining property, including access road. ¹⁹	Bonneville	100/0	100/0	Bonneville	100/0	Requires identification of boundaries. PacifiCorp has right to add transformer in future.
• Series Capacitors. ²⁰	Bonneville	100/0	100/0	Bonneville	100/0	Cost sharing/ownership is with TANC as per Interconnection Agreement (short or long-term, whatever prevails). Bonneville to maintain.
• RAS related equipment.						Refer to Contract No. 93039.
• Metering/Telemetry equipment on the Captain Jack – Meridian and Captain Jack – Malin No 2 Lines.	Bonneville	50/50	0/100	Bonneville	0/100	Bonneville to do the maintenance at Bonneville discretion.

¹⁷ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹⁸ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹⁹ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

²⁰ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Malin Substation						
<ul style="list-style-type: none"> Any modifications/additions in PacifiCorp's Control House in support of the Eugene Medford/Third AC Intertie project, which includes the relay replacement for the Malin – Captain Jack Line. ²¹ 	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Bonneville retains the right to review any future relay replacements and/or modifications.
<ul style="list-style-type: none"> Replacement of arresters on PacifiCorp's 500 kV reactor bank No. 4. ²² 	PacifiCorp	0/100	0/100	PacifiCorp	0/100	
<ul style="list-style-type: none"> Replacement of rod gaps with arresters on PacifiCorp's C.J. Line terminal. ²³ 	PacifiCorp	50/50	0/100	PacifiCorp	0/100	
<ul style="list-style-type: none"> RAS related equipment. 						Refer to Contract No. 93039.
<ul style="list-style-type: none"> Any modifications in main control house. 	Bonneville	50/25	50/25	Bonneville	50/25	
<ul style="list-style-type: none"> Relay replacement for the Summer Lake Line. 	PacifiCorp	50/50	0/100	PacifiCorp	42/58	Refer to Contract No. 93644.

²¹ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

²² Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

²³ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Line Relays at Dixonville, Meridian, and Malin and Related Accessories						
<ul style="list-style-type: none"> Line relays at Dixonville, Meridian, and Malin for the Dixonville – Alvey, Dixonville – Meridian, Meridian – Captain Jack, and Malin – Captain Jack No. 2 Lines are to be supplied to PacifiCorp at Bonneville material cost plus Bonneville overheads. Any additional PacifiCorp overhead, subject to 50/50 cost-share, is to be determined. 	PacifiCorp	50/50	See Comments			Ownership and O&M of such relays are as described under the respective substations.
<ul style="list-style-type: none"> Spare Equipment. 	Bonneville	50/50	50/50	N/A	N/A	Reference 7/12/91 Letter from Don Feltz to Susan Wiese. Such spare equipment is to be located at PacifiCorp station(s) in southern Oregon. In addition to that referenced in the 7/12/91 Letter, there may be other spare equipment supplied by PacifiCorp also located in southern Oregon and subject to cost-share. Required test equipment and tools are to be 100 percent respectively acquired by either Bonneville or PacifiCorp for 100 percent discretionary use.
<ul style="list-style-type: none"> Specialized relay training costs. ²⁴ 	N/A	50/50	N/A	N/A	N/A	Cost sharing only if agreed to capitalize such costs.

²⁴ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
General PSC Modifications						
<ul style="list-style-type: none"> PSC Modifications at Dittmer and ECC will be 100 percent Bonneville and similarly PSC modifications at PacifiCorp control centers will be 100 percent PacifiCorp. 	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	
<ul style="list-style-type: none"> Any other modifications at other wholly owned substations will be 100 percent of the respective party. 	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	
Summer Lake Substation						
<ul style="list-style-type: none"> Relay replacement for the Summer Lake – Malin 500 kV Line. 	PacifiCorp	50/50	0/100	PacifiCorp	42/58	Refer to Agreement No. 93644.
<ul style="list-style-type: none"> RAS related equipment 						Refer to Trust Tables 18 & 19, Contract No. 37013.
<ul style="list-style-type: none"> Replacement of rod gaps with arresters on PacifiCorp's Malin Line terminal.²⁵ 	Bonneville	100/0	0/100	PacifiCorp	0/100	
<ul style="list-style-type: none"> Relay replacement for the Summer Lake – Grizzly 500 kV Line. 	Bonneville	100/0	100/0	Bonneville	100/0	

²⁵ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Sycan Series Compensation Station Bank 3						
• Series capacitor bank #3 in the Summer Lake – Malin 500 kV Line.	Bonneville	65/35	65/35	Bonneville	65/35	Refer to Agreement No. 93644.
• Bypass switch and associated support structures and foundations.	Bonneville	65/35	0/100	Bonneville	0/100	Refer to Agreement No. 93644.
• Dead-End Tower.	PacifiCorp	65/35	0/100	PacifiCorp	0/100	Refer to Agreement No. 93644.
Capital Spare Parts						
• Various spare parts.		50/50	50/50		42/58	Capital spare parts subject to cost sharing and joint ownership are to be mutually agreed upon and consistent with this Agreement.
Overall Planning, Preliminary Engineering, Project Management						
• Related costs for the Eugene-Medford Project, including any costs to resolve/mitigate legal matters (e.g., spotted owl and union vs. nonunion issues.)		50/50	50/50			
Communication						
• Summer Lake – Malin Communication, Two Downlinks. ²⁶	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Refer to Sycan Agreement Contract No. DE-MS79-92BP93644 and Cooperative Communications Agreement No. DE-MS79-92BP93740.
• Dixonville – Two Microwave Terminals. ²⁷	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.

²⁶ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

RCV R. 2/2/15 at 7:07 AM VIA DFG. 011

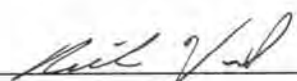
Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Meridian – Two Microwave Terminals. ²⁸	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.
• All other Bonneville Communication Facilities	Bonneville	100/0	100/0	Bonneville	100/0	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.
• Other PacifiCorp Communication Facilities	PacifiCorp	0/100	0/100	PacifiCorp	0/100	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.


SIGNATURES AND EFFECTIVE DATE

Bonneville and PacifiCorp (Parties) have caused this Revision No. 3 to be executed, and it shall be effective as of the date the Federal Energy Regulatory Commission (Commission) accepts PacifiCorp's filing; *provided that*, if PacifiCorp files this Revision No. 3 for acceptance by the Commission and the Commission does not accept this Revision No. 3 for filing or accepts this Revision No.3 for filing but in connection with such acceptance requires a change in, or imposes a new condition on, this Revision No. 3, this Revision No. 3 shall be effective thereafter only if both Parties agree in writing to such change or condition. If either Party fails to agree in writing to any such change or condition, or if the Commission does not accept this Revision No. 3 for filing, Bonneville may on written notice to PacifiCorp terminate the services it provides pursuant to those Exhibit provisions not accepted by the Commission without change or condition.

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By: 
 Name: Rick Vaal
 (Print/Type)
 Title: VP - Transmission
 Date: 1/30/15

By: 
 Name: David A. Fitzsimmons
 (Print/Type)
 Title: Manager, Transmission Sales
 Date: 2/3/2015

CCM: DE-MS79-94BP94332_EXB_R3_Word

²⁷ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

²⁸ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

FACILITIES SERVING PACIFICORP'S LOAD AREA

PacifiCorp's Load Area is the area serviced by the following existing transmission lines and transformers.

1. PacifiCorp's Malin 500-230 kV transformer.
2. PacifiCorp's Yamsey-Chiloquin 230 kV line.
3. PacifiCorp's Dixonville 500-230 kV transformer.
4. PacifiCorp's Alvey-Dixonville 230 kV line.
5. PacifiCorp's Reston-Dixonville 230 kV line.
6. PacifiCorp's Meridian 500-230 kV transformer.



Exhibit D
Contract No. DE-MS79-94BP94332
PacifiCorp
AC Intertie Agreement

Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

OFFICE OF THE ADMINISTRATOR

AUG 16 1991

In reply refer to:
PMTI

Amendment No. 1
Contract No. DE-MS79-86BP92299

Mr. Thomas Lockhart, Vice President
Power Systems
PacifiCorp Electric Operations
920 SW. Sixth Avenue
Portland, OR 97208

Dear Mr. Lockhart:

Pursuant to subsection 4(a) of Contract No. DE-MS79-86BP92299, as amended, (Intertie Agreement) between PacifiCorp Electric Operations (Pacific) and Bonneville Power Administration (Bonneville), Bonneville hereby provides Pacific notice that, effective on the Effective Date, Bonneville is exercising its option to acquire a fifty percent undivided ownership interest in the Alvey-Meridian Line, as defined in such agreement and as modified herein. Pacific and Bonneville hereby agree to amend the Intertie Agreement by supplementing it with the following provisions, and replacing Exhibit C to such agreement with the attached Revision No. 1 to such Exhibit.

1. Completion of the Alvey-Meridian 500 kV Line.

(a) Design and Construction. Pacific and Bonneville shall use best efforts to complete the Alvey-Meridian Line by November 1993. Pacific shall design and construct the Dixonville 500 kV Substation including the series capacitors, the terminal facilities at Meridian Substation for the Dixonville-Meridian Line including series capacitors, and the Alvey-Dixonville portion of the Alvey-Meridian Line (Alvey-Dixonville Line) and the Dixonville-Meridian portion of the Alvey-Dixonville Line (Dixonville-Meridian Line). Bonneville shall design and construct the Alvey 500 kV Substation (Alvey Substation) including the Alvey Substation series capacitors. The Parties shall seek opportunities to utilize the capabilities of the other to minimize the installed cost and operation and maintenance cost and maintain schedules. The Parties shall agree at a later date upon the prudent design and construction of the Dixonville-Meridian Line, Dixonville 500 kV Substation series capacitors, and the Meridian Substation series capacitors. Each Party shall have the right to comment on the design and construction to be performed by the other Party.

(b) Maintenance and Operation. Pacific shall assume system operation and maintenance responsibilities of the Dixonville 500 kV Substation including the series capacitors, the terminal facilities at Meridian Substation for the Dixonville-Meridian Line including the series capacitors, and the Alvey-Meridian Line. Bonneville shall assume system operation and maintenance responsibilities of the Alvey Substation including the series capacitors. The Parties shall jointly develop maintenance standards and responsibilities that seek to limit the total annual operation and maintenance charges. Payment for operation and maintenance costs associated with these facilities shall be as specified in the Intertie Agreement, including Revision No. 1 to Exhibit C.

(c) Ownership.

(1) Pacific and Bonneville shall have undivided joint ownership of the Alvey-Meridian Line based upon the ownership percentages specified in Revision No. 1 to Exhibit C of the Intertie Agreement.

(2) Pacific and Bonneville shall have undivided joint ownership of incremental land acquisitions necessary to complete the Alvey-Meridian Line. Pacific shall convey to Bonneville any rights of use of Pacific's existing land sufficient to allow Bonneville to facilitate use of its right to fifty percent of the Incremental Capacity and ownership.

(3) The transfer of property titles (equipment, land, etc.) by the Parties in order to provide for undivided joint ownership shall occur at the time of energization of the Alvey-Meridian Line.

(4) Ownership of the communications systems shall be determined in accordance with section 6.

(d) Expansion of Facilities.

(1) Pacific shall have the right to modify the Dixonville 500 kV Substation and Meridian Substation, at its expense, as necessary for future required facilities without agreement by Bonneville, provided that Bonneville's ownership right to fifty percent of the Incremental Capacity of the Alvey-Meridian Line, as defined in the Intertie Agreement (Incremental Capacity), is not diminished.

(2) Upon expiration of the Intertie Agreement, Bonneville shall have the right to make additional facility connections at the Meridian Substation, at its expense, to facilitate use of its right to fifty percent of the Incremental Capacity, provided that such new connections do not increase loadings on Pacific's exclusively-owned facilities, diminish Pacific's rights to the Alvey-Meridian Line, or adversely impact Pacific's system.

(3) Bonneville shall have the right to modify the Alvey Substation, at its expense, as necessary for future required facilities without agreement by Pacific, provided that Pacific's ownership right to fifty percent of the Incremental Capacity is not diminished.

(4) Upon expiration of the Intertie Agreement, Pacific shall have the right to make additional facility connections at the Alvey Substation, at its expense, to facilitate use of its fifty percent share of the Incremental Capacity, provided that such new facility connections do not increase loadings on Bonneville's exclusively owned facilities, diminish Bonneville's rights to the Alvey-Meridian Line, or adversely impact Bonneville's system.

(e) Cost Sharing/Payment. Cost sharing for design and construction of the Alvey-Meridian Line shall be as specified in Revision No. 1 to Exhibit C. The Parties agree to develop mutually agreeable terms and conditions for payment for design and construction of the line. Such terms and conditions shall include provisions for progress payments, recognition of any payments made by either Party, or expenses incurred by either Party that are associated with the interim agreements (Contract Nos. DE-MS79-90BP92901, DE-MS79-91BP93112, DE-MS79-91BP93112, and DE-MS79-90BP93070) between the Parties as replaced by this amendment.

2. Alvey Substation 500 kV Terminal. Contract No. DE-MS79-90BP92901 shall terminate as of the Effective Date of this amendment.

3. Captain Jack Substation Connection/Terminal.

(a) Contract No. DE-MS79-91BP93112 shall terminate as of the Effective Date of this amendment.

(b) Pacific and Bonneville agree to equally share the cost of the following work performed by Pacific:

(1) procurement of the right-of-way from the Meridian-Malin transmission line structures to Captain Jack Substation;

(2) design and construction of the new 500 kV transmission line from Meridian-Malin 500 kV line structures to the Captain Jack Substation dead end towers;

(3) removal of certain Meridian-Malin 500 kV transmission line facilities; and

(4) design and construction of the strain bus connection between the Captain Jack dead end towers in Bay 3 to connect the Meridian-Malin line segments.

(c) Pacific and Bonneville agree to equally share the cost of the following work performed by Bonneville:

(1) design and construction of Captain Jack Substation dead end structures at Bay 3; and

(2) design and construction of power circuit breakers and associated Bay 3 terminal equipment including relays, and facilities to connect the Meridian-Malin line.

(d) Pacific shall own the land, right-of-way, power circuit breakers, terminal equipment including relays, and facilities up to the dead end towers, the dead end towers, and the strain bus between such towers at Bay 3.

(e) Bonneville shall assume system operation and maintenance responsibilities for all facilities at Captain Jack Substation except terminal Bay 3 relays and communications owned by Pacific, which shall be assumed by Pacific.

4. Sycan.

(a) The following provisions of Contract No. DE-MS79-91BP93157 shall terminate as of the Effective Date of this amendment:

(1) payment provisions specified in Section 4 and Exhibit A;

(2) cost sharing provisions specified in Sections 5 and 6; provided, however, the duties of the Parties described in such Sections shall remain; and

(3) ownership provisions specified in Section 7; provided, however, Pacific shall own the protective relays for the Summer Lake-Malin terminals pursuant to Revision No. 1 to Exhibit C of the Intertie Agreement.

(b) Contract No. DE-MS79-90BP93070 shall terminate as of the Effective Date of this amendment.

(c) Bonneville shall design and construct the series capacitors. Bonneville shall pay the design and construction costs and own the series capacitors until the Parties reach agreement pursuant to subsection 4(f) below.

(d) Bonneville shall operate and maintain the Sycan Compensation Station, including the series capacitors and bypass switch and associated structures; provided, however, the Summer Lake-Malin terminal relays shall be operated and maintained by Pacific. Payment for such operation and maintenance costs shall be as specified in Revision No. 1 to Exhibit C of the Intertie Agreement.

(e) The Sycan dead end tower shall be operated and maintained by Pacific.

(f) The Parties shall mutually agree to the terms and conditions for cost sharing for the Sycan series capacitors, bypass switch and

associated structures, Summer Lake-Malin terminal relays, Summer Lake-Malin communications down-link, and dead end tower.

5. Coordinated Operations. The Parties shall jointly develop coordinated operating procedures for the Alvey-Meridian Line, Captain Jack Substation, and Sycan Compensation Station such that Bonneville may adequately perform as the system operator for the combined AC Intertie, and that maximize the Operational Transfer Capability of the AC Intertie and maximize Pacific's capability to serve its southern Oregon and northern California loads pursuant to Section 5(d)(2)(A) of the Intertie Agreement.

6. Communications. The Parties are in substantial agreement as to the terms, conditions, and ownership associated with requirements for communication facilities and equipment described herein, and shall complete such terms and conditions as soon as practicable following execution of this amendment. Such terms and conditions shall be incorporated in a separate agreement.

7. Liability. The Parties agree that if any injunction is issued by a court of competent jurisdiction against either Party's implementation of this amendment, such injunction shall not constitute a basis for a breach of contract action.

8. Effective Date. This amendment shall be effective on the later of:

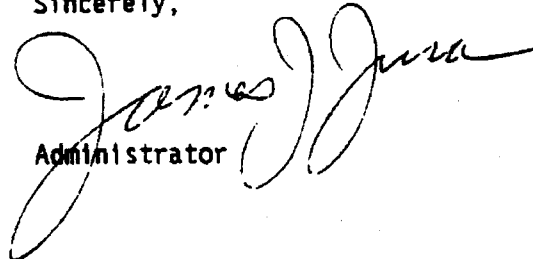
(a) the issuance of a biological opinion by the United States Fish and Wildlife Service regarding the northern spotted owl which is acceptable to both Parties; or

(b) the date Bonneville receives a copy of this amendment signed by Pacific (Effective Date).

If this amendment is acceptable to Pacific, please sign and return one copy to Bonneville. The remaining copy is for your files. Please have your staff


contact Allen Burns, at (503) 230-3367, to establish a schedule for discussions made necessary by the execution of this amendment.

Sincerely,


Administrator

ACCEPTED:

PACIFICORP ELECTRIC OPERATIONS

By 
Thomas A. Lockhart

Title Vice President

Date August 16, 1991

Effective Date November 18, 1991

(VS6-PMTI-6802d)

CALCULATION OF LOSSES

Pursuant to Section 10 of the Letter of Understanding dated May 28, 1993, Bonneville and PacifiCorp have conducted a joint study of electrical losses related to AC Intertie transactions. Representatives of Bonneville and PacifiCorp jointly issued a letter dated April 21, 1994, which stated the conclusions reached as a result of this study. The treatment of electrical losses related to AC Intertie transactions shall be in accordance with the April 21, 1994 letter as summarized below.

Bonneville shall return losses to PacifiCorp. Such return of losses shall be calculated as 0.2 percent (0.2%) of Bonneville's Net AC Intertie Schedule, and shall be scheduled to PacifiCorp 168 hours later. "Bonneville's Net AC Intertie Schedule," means the net of all AC Intertie schedules, other than PacifiCorp's schedules associated with its Northbound and Southbound ownership rights in the AC Intertie. Returned losses shall be scheduled from Bonneville to PacifiCorp's main system points of delivery, or as otherwise agreed by the Parties.

EXAMPLE

On a given hour:

Net AC Intertie Schedule is 4,800 MW

PacifiCorp's Schedule over its AC Intertie capacity is 400 MW

Bonneville's Net AC Intertie Schedule is:

$$4,800 \text{ MW} - 400 \text{ MW} = 4,400 \text{ MW}$$

Loss to be scheduled to PacifiCorp 168 hours later:

$$4,400 \text{ MW} \times 0.2\% = 8.8 \text{ MW}$$

Exhibit F
Contract No. DE-MS79-BP94BP94332
Revision No. 0, Effective on Execution Date

Capital Replacements

<u>Facility Description</u>	<u>Total Installed Cost</u>	<u>Cost Share Percentage Bonneville/ PacifiCorp</u>	<u>Ownership Percentage Bonneville/ PacifiCorp</u>
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Either Party may initiate Capital Replacement projects to be added under this Exhibit as revisions.

Exhibit F
 Amendatory Agreement No. 2
 Contract No. DE-MS79-94BP94332
 PacifiCorp
 Effective upon execution

BPA 500KV 3RD AC INTERTIE - CAPITAL ADDITIONS & REPLACEMENTS
 Dec 1996 Through April 1998

PROJECT	FACILITY DESCRIPTION	MATERIAL	LABOR	OUTSIDE SERVICES	MISC	100% CHARGES	COST SHARE %	BPA SHARE AMOUNT
64290	Dixonville Sub - SF6 Interrupters	10,199.74	2,568.17		4,151.45	16,919.36	50/50	8,459.68
420227	Dixonville Sub- Retire Excess Mat'l (Removal)		1,404.10		196.06	1,600.16	50/50	800.08
	Total	10,199.74	3,972.27		4,347.51	18,519.52		9,259.76

Payment: Bonneville shall remit payment for the BPA SHARE AMOUNT within 30 days of receipt of invoice from PacifiCorp.

DEC 12 2002 MO

Exhibit F
Contract No. DE-MS79-94BP94332
Revision No. 2, Effective upon Execution

Capital Additions

<u>Facility Description</u>	<u>Total Installed Cost</u>	<u>Cost Share Percentage Bonneville/ PacifiCorp</u>	<u>Ownership Percentage Bonneville/ PacifiCorp</u>
Alvey-Dixonville Line Landslide Abatement Tower 2/42 and 2/49	\$434,446.33	50/50	50/50

Bonneville Power Administration

By: C. Clifford O'Perigo

Title: Sr. Mkt Exec

Date: 1-02-03

PacifiCorp

By: Ronald B. King

Title: DIR. TRANS. SERVICES

Date: 12/11/02

AUG 28 2003

9:43 AM VIA UPS

Exhibit F

Contract No. DE-MS79-94BP94332

Revision No. 3, Effective upon Execution

(110)

Capital Replacements

<u>Facility Description</u>	<u>Total Estimated Installed Cost</u>	<u>Cost Share Percentage Bonneville/ PacifiCorp</u>	<u>Ownership Percentage Bonneville/ PacifiCorp</u>
Replace 6750 RFL equipment with RFL 9745 and SEL 2549 equipment at Alvey, Dixonville, Meridan, Captain Jack, Malin & Summer Lake Subs.	\$544,172*	50/50	Per Exhibit B to Contract No. DE-MS79-94BP94332

* Reimbursment for cost sharing to be accomplished following completion of the work and determination of actual cost under Letter Agreement No. 03TX-11475.

Bonneville Power Administration

By:

Clifford A. Perigo

Title:

SR. ACT EXEC

Date:

9-3-03

PacifiCorp

By:

David Blay

Title:

DIV. TRANS. SERVICES

Date:

8/27/03

DEC 04 2006

Revision No. 4
 Exhibit F, Page 1 of 2
 Contract No. DE-MS79-94BP94332
 PacifiCorp
 Effective on Date of Execution

CAPITAL REPLACEMENTS AND ADDITIONS

This Revision No. 4 adds numerous capital replacements and additions that were initiated by PacifiCorp during years 1999 through 2004. PacifiCorp neglected to completely bill Bonneville for these projects as they were completed.

CAPITAL REPLACEMENTS				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
1. Alvey-Dixonville Line – Install erosion control	9,631.92	50%	50%	770.55 ¹
2. Dixonville-Meridian Line – Rebuild R/W between 5/24 and 3/26	12,333.48	50%	50%	986.68 ¹
3. Dixonville-Meridian Line – Foundation treatment 4/74 – 4/52	11,089.16	50%	50%	887.13 ¹
4. Dixonville-Meridian Line – R/W catwork 4/52 – 1/57	19,835.94	50%	50%	1,586.88 ¹
5. Dixonville Substation – Storage yard improvement	8,190.02	50%	50%	655.20 ¹
6. Alvey-Dixonville Line – Replace center phase Ins. 1/10	9,676.59	50%	50%	774.13 ¹
7. Dixonville-Meridian Line – Replace insulators 3/7	5,398.33	50%	50%	431.87 ¹
8. Meridian Substation – Replace fuses R1886, 87, 88	4,973.92	50%	50%	2,486.96
9. Meridian Substation – B/O VAC interrupter 4R20	8,595.91	50%	50%	4,297.96
10. Meridian Substation – Replace cable trench covers	8,034.14	50%	50%	4,017.07
11. Alvey-Dixonville Line – Replace insulators 1/30	6,161.87	50%	50%	3,080.94
12. Alvey-Dixonville Line – Replace culverts	18,582.58	50%	50%	9,291.29
13. Dixonville Substation – Replace communications batteries	24,587.87	50%	50%	12,293.94
14. Dixonville Substation – Replace battery bank	20,016.90	50%	50%	10,008.45
15. Alvey-Dixonville Line – Culverts, catwork, gates	98,035.92	50%	50%	49,017.96

¹ With regard to the capital replacements identified in Items 1 through 7 above, the amount owed by Bonneville reflects previous payments by Bonneville of 42% of total costs. The dollar amounts identified in Items 1 through 7 identify Bonneville's additional payment obligations to reflect Bonneville's 50% share.

Revision No. 4
 Exhibit F, Page 2 of 2
 Contract No. DE-MS79-94BP94332
 PacifiCorp
 Effective on Date of Execution

CAPITAL REPLACEMENTS (continued)				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
16. Meridian Substation – Replace substation & Communication batteries	36,223.75	50%	50%	118,111.88
17. Meridian Substation – Upgrade SER modems and phones	4,810.94	50%	50%	2,405.47
18. Dixonville-Meridian Line – R/W work	24,373.28	50%	50%	12,186.64
19. Meridian Substation – Replace sump pump	1,209.92	50%	50%	604.96
20. Dixonville Substation – Substation battery replacement	11,506.69	50%	50%	5,753.35
CAPITAL ADDITIONS				
1. Alvey-Dixonville Line & Dixonville-Meridian Line – Purchase tools and equipment	21,931.49	50%	50%	10,965.75
2. Meridian Substation – Install corona rings (24)	7,187.21	50%	50%	3,593.61
TOTALS	\$372,387.83			\$154,208.63

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By: David B Cory

By: Richard A. Gillman

Name: DAVID B CORY
 (Print / Type)

Name: Richard A. Gillman
 (Print / Type)

Title: DIR. CUSTOMER SER

Title: Senior Transmission Account Executive

Date: 12/4/06

Date: 12/1/06

CAPITAL REPLACEMENTS AND ADDITIONS

This Revision No. 5 corrects two errors on Page 2 of Revision No. 4 to Exhibit F of Contract No. DE-MS79-94BP94332. The "Amount Owed by Bonneville" in Item 16 has been changed from \$118,111.88 to \$18,111.88; and the total amount owed by Bonneville has been changed from \$154,208.63 to \$154,208.67. PacifiCorp invoiced BPA for \$154,208.67 and BPA paid such amount in full following the execution of Revision No. 4 to Exhibit F of Contract No. DE-MS79-94BP94332. As such, the sole purpose of this Revision No. 5 is to correct the errors noted above.

CAPITAL REPLACEMENTS				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
1. Alvey-Dixonville Line – Install erosion control	9,631.92	50%	50%	770.55 ¹
2. Dixonville-Meridian Line – Rebuild R/W between 5/24 and 3/26	12,333.48	50%	50%	986.68 ¹
3. Dixonville-Meridian Line – Foundation treatment 4/74 – 4/52	11,089.16	50%	50%	887.13 ¹
4. Dixonville-Meridian Line – R/W catwork 4/52 – 1/57	19,835.94	50%	50%	1,586.88 ¹
5. Dixonville Substation – Storage yard improvement	8,190.02	50%	50%	655.20 ¹
6. Alvey-Dixonville Line – Replace center phase Ins. 1/10	9,676.59	50%	50%	774.13 ¹
7. Dixonville-Meridian Line – Replace insulators 3/7	5,398.33	50%	50%	431.87 ¹
8. Meridian Substation – Replace fuses R1886, 87, 88	4,973.92	50%	50%	2,486.96
9. Meridian Substation – B/O VAC interrupter 4R20	8,595.91	50%	50%	4,297.96
10. Meridian Substation – Replace cable trench covers	8,034.14	50%	50%	4,017.07
11. Alvey-Dixonville Line – Replace insulators 1/30	6,161.87	50%	50%	3,080.94
12. Alvey-Dixonville Line – Replace culverts	18,582.58	50%	50%	9,291.29
13. Dixonville Substation – Replace communications batteries	24,587.87	50%	50%	12,293.94
14. Dixonville Substation – Replace battery bank	20,016.90	50%	50%	10,008.45
15. Alvey-Dixonville Line – Culverts, catwork, gates	98,035.92	50%	50%	49,017.96

¹ With regard to the capital replacements identified in Items 1 through 7 above, the amount owed by Bonneville reflects previous payments by Bonneville of 42% of total costs. The dollar amounts identified in Items 1 through 7 identify Bonneville's additional payment obligations to reflect Bonneville's 50% share.

CAPITAL REPLACEMENTS (continued)				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
16. Meridian Substation – Replace substation & Communication batteries	36,223.75	50%	50%	18,111.88
17. Meridian Substation – Upgrade SER modems and phones	4,810.94	50%	50%	2,405.47
18. Dixonville-Meridian Line – R/W work	24,373.28	50%	50%	12,186.64
19. Meridian Substation – Replace sump pump	1,209.92	50%	50%	604.96
20. Dixonville Substation – Substation battery replacement	11,506.69	50%	50%	5,753.35
CAPITAL ADDITIONS				
1. Alvey-Dixonville Line & Dixonville-Meridian Line – Purchase tools and equipment	21,931.49	50%	50%	10,965.75
2. Meridian Substation – Install corona rings (24)	7,187.21	50%	50%	3,593.61
TOTALS	\$372,387.83			\$154,208.67

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By: *David B Cory*

By: *Richard A Gillman*

Name: DAVID B CORY
 (Print / Type)

Name: Richard A. Gillman
 (Print / Type)

Title: DIRECTOR, CUSTOMER RELATIONS

Title: Senior Transmission Account Executive

Date: 2/12/07

Date: 1/18/07

DEC 30 2010

**EXHIBIT F, REVISION NO. 6
CAPITAL REPLACEMENTS AND ADDITIONS
COMPLETED BY BONNEVILLE**

This Revision No. 6 adds capital replacement projects that were initiated and completed by Bonneville at the Alvey Substation. Bonneville and PacifiCorp agree that these capital work orders are subject to cost sharing based on the terms of this contract.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share %	Bonneville Percent Share %	Amount Owed by PacifiCorp (\$)
1. Alvey Substation - Emergency Replacement of the station service cabinet, panels and cables due to fire at Alvey Substation. (Work Order 245663)	900,000	50%	50%	450,000
2. Alvey Substation - FIN expansion for NERC CIP compliance. (Work Order 221563)	109,046	50%	50%	54,523
3. Alvey Substation - NERC CIP-006 security work including card readers, motion detectors and door contacts. (Work Order 229829)	49,087	50%	50%	24,543
4. Alvey Substation - Replace the LCBII Fiber Optic Differential Relay at Alvey on the 500/230 kV tie line with two sets of line differential relays. (Work Order 206808)	373,565	50%	50%	186,783
Total	\$1,431,698			\$ 715,849

PACIFICORP

By

Name

(Print/Type)

Title

Date

UNITED STATES OF AMERICA

Department of Energy

Bonneville Power Administration

By

Name

(Print/Type)

Title

Date

ContractAdministration/TXCustomerFolders/PacifiCorp_94332_ExFRev6_111910.doc

MAR 31 2011

Rec'd via FedEx 2/9/11 @ 9:24am MB

**EXHIBIT F, REVISION NO. 7
CAPITAL REPLACEMENTS AND ADDITIONS**

This Revision # 7 adds CAPITAL REPLACEMENTS AND ADDITIONS that were initiated, funded and completed by PacifiCorp during years 2007-2010. Bonneville and PacifiCorp agree that these capital projects are cost sharing based on the terms of this contract.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share %	Bonneville Percent Share %	Amount Owed by Bonneville (\$)
1. Dixonville 500 kV Substation NERC CIPS -006 security upgrade (SAP Project ID: TZRB/2007/C/001/B)	222,246 Note-1	50%	50%	111,123
2. Meridian 500 kV Substation NERC CIPS -006 security upgrade (SAP Project ID: CCBS/2006/C/002)	379,734 Note-1	50%	50%	189,867
3. Dixonville - Meridian 500 kV line Replace bridge on road easement (SAP Project ID: TROS/2010/C/TRF/10040359)	42,926	50%	50%	21,463
Total	\$644,906			\$322,453

Note-1:

Total cost shown is after deducting based on 230 kV yard allocation owned by PacifiCorp.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By [Signature]

By [Signature]

Name W. W. BARKS
(Print/Type)

Name KENNETH A. JOHNSTON
(Print/Type)

Title DIRECTOR TRANSMISSION CUSTOMER ACCOUNTS

Title ACCOUNT EXECUTIVE

Date 3/31/11

Date 3/31/11

TRANSMISSION SERVICES *Rec'd via ups 9/2/11 @ 9:09 am Mon*
date rec'd fully executed
 SEP 06 2011

TRANSMISSION SERVICE

AUG 18 2011

**EXHIBIT F
 CAPITAL REPLACEMENTS AND ADDITIONS**

REVISION NO. 8

This Revision No. 8 adds cost sharing of NERC security enhancements for Critical Infrastructure facilities at Alvey Substation's 500 kV yard. Bonneville and PacifiCorp agree that this capital work order is subject to cost sharing based on the terms of this contract.


COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share %	Bonneville Percent Share %	Amount Owed by PacifiCorp (\$)
1. Alvey Substation- NERC security enhancements for Critical Infrastructure facilities at 500 kV yard. (Work Order 270672)	825,776.46	50%	50%	412,888.23
Total	\$ 825,776.46			\$ 412,888.23

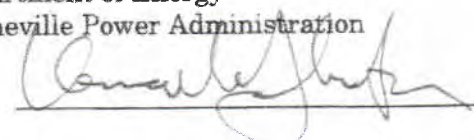
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By 
 Name Kenneth Houston
 (Print / Type)
 Title UP Transmission
 Date Sept. 1, 2011

By 
 Name Kenneth H. Johnston
 (Print / Type)
 Title Transmission Account Executive
 Date 9/2/11

ContractAdministration/TXCustomerFolders/PacifiCorp_94332_ExF_Revision 8.doc

**EXHIBIT F
CAPITAL REPLACEMENTS AND ADDITIONS**

REVISION NO. 9

This Revision No. 9 is for CAPITAL REPLACEMENTS AND ADDITIONS that were funded and completed by PacifiCorp during year 2010 through July 2011. Bonneville and PacifiCorp agree that these capital projects are subject to cost sharing based on the terms of this contract.

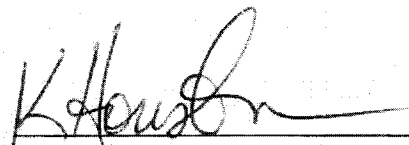
COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share 50 %	Bonneville Percent Share 50 %	Amount Owed by BPA (\$)
Dixonville: Repl CTs & Fuses on 500kV Series Capacitor Bank	309,602.05	50%	50%	154,801.02
Dixonville - Meridian (Line 91) Replace broken Insulator Str 2/72	13,140.47	50%	50%	6,570.23

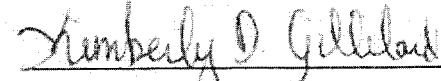
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 
Name Kenneth Houston
(Print/Type)
Title VP, Transmission
Date Sept. 19, 2011

By 
for Name Kenneth H. Johnston
(Print/Type)
Title Transmission Account Executive
Date 9/15/11

JAN 20 2012

**EXHIBIT F, REVISION NO. 10
CAPITAL REPLACEMENTS AND ADDITIONS**

This Revision No. 10 adds cost sharing for the replacement of Digital Fault Recorders at the Alvey Substation. This Capital Replacement was funded and completed by Bonneville Power Administration (BPA). BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Alvey Substation Replace Digital Fault Recorders (Work Order 270671)	\$ 281,389.88	50%	50%	\$ 140,694.94
Total	\$ 281,389.88			\$ 140,694.94

SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

 UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration
By: By: Name: Kenneth Houston

(Print/Type)

Name: Kenneth H. Johnston

(Print/Type)

Title: UD, TransmissionTitle: Transmission Account ExecutiveDate: Feb 14, 2012Date: 19 JAN 2012

ContractAdministration/TXCustomerFolders/PacifiCorp_94332_ExF_Rev10.doc

Rec'd via UPS 5/29/13 08:42am MS

**EXHIBIT F
CAPITAL REPLACEMENTS AND ADDITIONS**

REVISION NO. 11

This Revision No. 11 is for CAPITAL REPLACEMENTS AND ADDITIONS that have been funded and completed by PacifiCorp. Bonneville and PacifiCorp agree that these capital projects are subject to cost sharing based on the terms of this contract.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share 50 %	Bonneville Percent Share 50 %	Amount Owed by BPA (\$)
Meridian: Replace failed Reactor S-691 W Order: TZME/2007/C/003	1,186,743	50%	50%	593,371

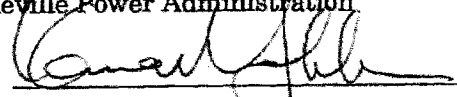
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 

By 

Name Rick Vail
(Print/Type)

Name KENNETH H. JOHNSTON
(Print/Type)

Title VP - TRANSMISSION

Title ACCOUNT EXECUTIVE

Date 5/28/13

Date 6/4/13

**EXHIBIT F, REVISION NO. 12
CAPITAL REPLACEMENTS AND ADDITIONS**

This Exhibit F, Revision No. 12 adds cost sharing for the emergency replacement of station control battery B-2611 located in the Alvey Substation's main control house. Bonneville and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement (Agreement), Contract No. DE-MS79-94BP94332. PacifiCorp's 50% cost share of this capital project is based on PacifiCorp's ownership percentage as stated in Exhibit B of the Agreement.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Alvey Substation Emergency control battery replacement. (Work Order 297018)	\$87,424.08	50%	50%	\$43,712.04
Total	\$87,424.08			\$43,712.04

SIGNATURES

The Parties have executed this Exhibit as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: 

By: 

Name: Laura Rappush
(Print/Type)

Name: Kenneth H. Johnston
(Print/Type)

Title: Account Manager

Title: Transmission Account Executive

Date: 5/24/13

Date: 5/1/13

mn

**EXHIBIT F
CAPITAL REPLACEMENTS AND ADDITIONS**

TRANSMISSION SERVICES

DEC 10 2013

REVISION NO. 13

This Revision No. 13 adds cost sharing for the replacement of the 500 kV relays located at Malin and Summerlake substations. Bonneville and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332, (Agreement). Bonneville's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share 50 %	Bonneville Percent Share 50 %	Payment Owed by BPA (\$)
Malin : Replace 500 kV relays on the Summer Lake line Work Order # 10043761	540,200	50%	50%	270,100
Summer Lake: Replace 500 kV relays on the Malin line Work Order # 10043885	396,299	50%	50%	198,149

SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

 UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration
By *Rick Vail*By *Kenneth H. Johnston*Name Rick Vail
(Print/Type)Name Kenneth H. Johnston
(Print/Type)Title V.P., TransmissionTitle Transmission Account ExecutiveDate 12/12/13Date 12/9/13

RECEIVED

RODUA UPS 4/18/14 @ 9:00am MS

APR 21 2014

RECEIVED

FEB 21 2014

TRANSMISSION SERVICES
EXHIBIT F, REVISION NO. 14
CAPITAL REPLACEMENTS AND ADDITIONS

TRANSMISSION SERVICES
PACIFICORP

This Revision No. 14 adds cost sharing for the Marion – Alvey Series Capacitor Control replacement. Under Capital work order 00345637, Bonneville replaced the FM Analog Platform to Ground Communication System with a new GE Digital Control System (for fixed series compensation banks). PacifiCorp and Bonneville agree that this capital project is subject to cost sharing based on the terms of this Amended and Restated AC Intertie Agreement (Agreement). PacifiCorp’s 50% cost share of this capital project is based on the cost share percentage specified in Exhibit B of this Agreement.

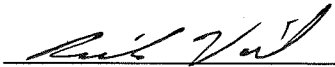
COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Alvey Substation: Marion – Alvey Series Capacitor Control Replacement. Work Order: 00345637	\$1,686,268.14	50%	50%	\$843,134.07
Total	\$1,686,268.14			\$843,134.07

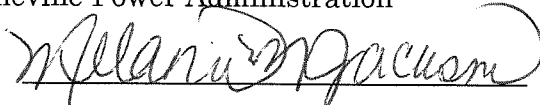
SIGNATURES

The Parties have executed this Exhibit as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: 

By: 

Name: Rick Vail
(Print/Type)

Name: Kenneth H. Johnston
(Print/Type)

Title: VP - Transmission

Title: Transmission Account Executive

Date: 4/15/14

Date: April 18, 2014

CCM/PacifiCorp/DE-MS79-94BP94332/Exhibit_B/Rev_14

RECEIVED

Rcv'd. 2/2/15 at 9:07am via UPS. Com

RECEIVED

FEB 04 2015

NOV 24 2014

TRANSMISSION SERVICES
PACIFICORP

**EXHIBIT F, REVISION NO. 15
CAPITAL REPLACEMENTS AND ADDITIONS**

TRANSMISSION SERVICES
PACIFICORP

This Exhibit F, Revision No. 15 (Revision No. 15), adds cost sharing for the Sycan Compensation Station's group 3 series capacitor control replacement in the Summer Lake - Malin 500 kV line. Under capital work order 00339233, Bonneville replaced the FM Analog Platform to Ground Communication System with a new GE Digital Control System (for fixed series compensation banks). PacifiCorp and Bonneville agree that this capital project is subject to cost sharing based on the terms of this Amended and Restated AC Intertie Agreement (Agreement). PacifiCorp's 35% cost share of this capital project is based on the cost share percentage specified in Exhibit B, Revision No. 3 of this Agreement. PacifiCorp's costs were captured under accompanying Work Order 00339728.


COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Sycan Compensation Station: Group 3 series capacitor control replacement in the Summer Lake - Malin 500 kV line.	\$1,850,897.57	35%	65%	\$647,814
Total				\$647,814


SIGNATURES

The Parties have executed this Revision No. 15 as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: 
Name: Rick Vail
(Print/Type)
Title: VP - TRANSMISSION
Date: 1/30/15

By: 
Name: David A. Fitzsimmons
(Print/Type)
Title: Manager, Transmission Sales
Date: 2/3/2015

CCM/PacifiCorp/DE-MS79-94BP94332/Exhibit_F/Rev_15

RECEIVED

Rec'd. 2/2/15 at 9:07am via UPS

RECEIVED

FEB 04 2015

NOV 24 2014

TRANSMISSION SERVICES
PACIFICORP

**EXHIBIT F, REVISION NO. 16
CAPITAL REPLACEMENTS AND ADDITIONS**

TRANSMISSION SERVICES
PACIFICORP

This Exhibit F, Revision No. 16 adds the cost sharing for the replacement of a spare 500 kV reactor located at the Meridian Substation. PacifiCorp has purchased and installed a new spare reactor associated with the replacement of the failed 500 kV reactor. Bonneville and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). Bonneville's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement.

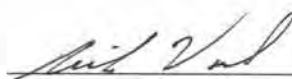
COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Share (%)	Bonneville Share (%)	Amount Owed by BPA (\$)
Meridian: Purchase and install a new spare associated with replacement of failed 500KV Reactor B Phase. Work Order: TMED/2012/C/002	\$1,535,683	50%	50%	\$767,842
Total				\$767,842

SIGNATURES

The Parties have executed this Exhibit F, Revision No.16 as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 

By 

Name Rick Vail
(Print/Type)

Name David A. Fitzsimmons
(Print/Type)

Title VP - Transmission

Title Manager, Transmission Sales

Date 1/30/15

Date 2/3/2015

CCM: DE-MS79-94BP94332_EXF_R16_Word.docx

EXHIBIT F, REVISION NO. 17
CAPITAL REPLACEMENTS AND ADDITIONS

This Exhibit F, Revision No. 17 details the cost sharing obligations for:

- 1. Replacement of the RALZ B protective relays at the jointly owned Dixonville Substation associated with the Dixonville-Meridian 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). BPA's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 2. Replacement of the RALZ B protective relays at the jointly owned Meridian Substation associated with the Dixonville-Meridian 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 3. Emergency Capacitive Voltage Transformer (CVT) replacement on "A" phase of the Alvey-Marion 500 kV line at Alvey Substation. BPA has purchased and installed the new CVT. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. PacifiCorp's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 4. Replacement of interchange metering (WH0039) on the Alvey-Dixonville line at the Alvey Substation. BPA has purchased and installed the new metering. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. PacifiCorp's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 5. Replacement of interchange metering on the Captain Jack-Malin line at the Captain Jack Substation. BPA has purchased and installed the new metering. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. PacifiCorp's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement; and*
- 6. Modifications to PacifiCorp systems in support of the Captain Jack meter replacement specified in number 5 above. PacifiCorp has performed the modifications. BPA and PacifiCorp agree that this work is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement.*

COMPLETED CAPITAL REPLACEMENT					
Description	Total Cost (\$)	Pacifi Corp Share (%)	BPA Share (%)	Amount Owed by PAC (\$)	Amount Owed by BPA (\$)
Dixonville - Meridian 500 kV Line at the Dixonville Substation: Replace the existing RALZ B relays with SEL 421 relays. PacifiCorp Work Order: RB/2011/C/003/10044602.	\$586,148	50%	50%		\$293,074
Dixonville - Meridian 500 kV Line at the Meridian Substation: Replace the existing RALZ B relays with SEL 421 relays. PacifiCorp Work Order: RB/2011/C/003/10044602.	\$672,869	50%	50%		\$336,434
Alvey-Marion 500 kV line at the Alvey Substation: Replace CVT on the "A" phase. Work Order #00396932.	\$13,084	50%	50%	\$6,542	
Alvey-Dixonville 500 kV line at the Alvey Substation: Replace interchange metering (WH0039). Work Order #00396368.	\$104,534	50%	50%	\$52,267	
Captain Jack-Malin 500 kV line #2 at the Captain Jack Substation: Replace interchange metering. Work Order #00322855.	\$158,990	50%	50%	\$79,495	
Modifications to PacifiCorp systems in support of the interchange meter replacement on the Captain Jack-Malin 500 kV line #2.	\$49,657	50%	50%		\$24,828
Total				\$138,304	\$654,336

JOINT OWNERSHIP PAYMENT OBLIGATION

BPA agrees to pay PacifiCorp \$654,336. PacifiCorp shall issue an invoice to BPA for this amount and BPA shall pay the invoice in accordance with the terms of this agreement.

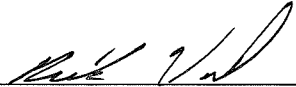
PacifiCorp agrees to pay BPA \$138,304. BPA shall issue an invoice to PacifiCorp for this amount and PacifiCorp shall pay the invoice in accordance with the terms of this agreement.

SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and the Agreement may be executed 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: 

By:  Digitally signed by
ehc2532@bud.bpa.gov
Date: 2017.04.04 12:21:01 -07'00'

Title: VP, Transmission

Title: Senior Transmission Account Executive

If opting out of the electronic signature:

By: _____

Name: _____
(Print/Type)

Title: _____

Date: 4/12/17

EXHIBIT F, REVISION NO. 18
CAPITAL REPLACEMENTS AND ADDITIONS

This Exhibit F, Revision No. 18 details the cost sharing obligations for:

- 1. Replacement of the RALZ B protective relays at the jointly owned Dixonville Substation associated with the Dixonville-Alvey 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
- 2. Replacement of the RALZ B protective relays at the jointly owned Alvey Substation associated with the Dixonville-Alvey 500 kV transmission line. BPA has purchased and installed the new relays. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
- 3. Replacement of the transfer trip and RAS equipment located at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
- 4. Emergency replacement of the battery charger at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement; and*
- 5. Emergency Replacement of a failed line insulator on line 90 at PacifiCorp structure 2/17 under PAC work order number 6509002. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement.*

COMPLETED CAPITAL REPLACEMENT					
Description	Total Cost (\$)	PacifiCorp Share (%)	BPA Share (%)	Amount Owed by PAC (\$)	Amount Owed by BPA (\$)
Dixonville – Alvey 500 kV Line at the Dixonville Substation: Replace the existing RALZ B relays with SEL 421 relays. PAC Work Order: 24006899/94005976	\$489,331	50%	50%		\$244,665
Dixonville – Alvey 500 kV Line at the Alvey Substation: Replace the existing RALZ B relays with SEL 421 relays; BPA Work Order: 339242 (was 00353502)	\$848,589	50%	50%	\$424,294	
Alvey Substation: Replace TT and RAS equipment. PAC Work Order:24007001/94006110 BPA Work Order: 339242	\$925,217	50%	50%	\$462,609	
Alvey Substation: Emergency Replacement Battery Charger PAC Work Order: 24010688 BPA Work Order: 390627	\$15,639	50%	50%	\$7,820	
Alvey-Dixonville line 90 work by PacifiCorp PAC Work Order: 6509002	\$21,258	50%	50%		\$10,629
Total	\$2,300,034			\$894,723	\$255,294

JOINT OWNERSHIP PAYMENT OBLIGATION

BPA agrees to pay PacifiCorp \$ 255,294. PacifiCorp shall issue an invoice to BPA for this amount and BPA shall pay the invoice in accordance with the terms of this agreement.

PacifiCorp agrees to pay BPA \$ 894,723. BPA shall issue an invoice to PacifiCorp for this amount and PacifiCorp shall pay the invoice in accordance with the terms of this agreement.

SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and the Agreement may be executed 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 Vail** Digitally signed by Rick Vail
Date: 2019.10.17 10:45:25
-07'00'

By:  Digitally signed by ERIC CARTER
Date: 2019.09.25 10:04:23 -07'00'

Title: VP, Transmission

Title: Senior Transmission Account Executive

If opting out of the electronic signature:

By: _____

Name: _____
(Print/Type)

Title: _____

Date: _____

MALIN TRANSFORMER - USE-OF-FACILITIES

Purpose of Third Revision to Exhibit G: This Revision No. 3 to this Exhibit G includes new language intended to clarify the calculation of transmission losses at the Malin substation 500/230kV transformer. Additionally, this Revision No. 3 incorporates and restates provisions included in Revision 2. This Revision No. 3 restates and supersedes the prior Revision No. 2 to this Exhibit G.

Purpose

Pursuant to Section 5 (h) of the AC Intertie Agreement, which states that PacifiCorp shall provide Bonneville firm capacity in its existing 500/230 kV transformer bank at the Malin Substation at a use-of-facilities rate for Bonneville's firm requirements, subject to certain limitations, including availability and only up to 200 megawatts ("MW"), the Parties agree to the following:

Commencement Date

This Revision No. 3 to this Exhibit G shall be effective on the later of (i) ninety (90) days following the execution hereof, or (ii) a later date specified by the Federal Energy Regulatory Commission ("Commission").

Bonneville Firm Capacity at Malin Substation 500/230 kV Transformer

Bonneville has firm capacity at the Malin Substation transformer bank of 200 MW.

Use of Facilities Charge: \$253,589 per year, billed monthly at \$21,132.

The above charge is based on the following:

- Investment of \$ 6,921,090
- Levelized Fixed computation methodology
 - The Utilization Factor will be 30.77%, which is Bonneville's capped maximum capacity share, because the ratio of Bonneville's new exercised right to the average monthly transformer peak for the prior calendar year would be 59.85%, which exceeds the cap of 30.77% under this agreement.
 - Example 1: For 2007, Bonneville's exercised right was 110 MW, as compared to the monthly average transformer peak inclusive of this right of 361.42 MW which was the bases for calculating the 30.44% utilization

- factor above.
- Example 2: For 2013 Bonneville's new exercised right will be 200 MW, as compared to the 2012 monthly average transformer peak inclusive of this new right of 334.16 MW. The new ratio will be $200/334.16 = 59.85\%$, which does exceed the cap of 30.77%; therefore Bonneville's new use of facilities charge is based on the cap with a 30.77% utilization factor.

- FERC Authorized Rate of Return
- FERC Methodology for OMAG Expenses
- Thirty-nine year straight-line book depreciation
- Twenty year (MACRS) tax depreciation
- 1.2% property tax rate
- 37.95% income tax rate
- 7.5% discount rate

Transformer Losses

In addition to the above use-of-facilities charge, the Parties agree that transfer losses (in MW) for the Malin 500/230 kV transformer shall be calculated with the following formula:

$$L = 0.4116 + k P^2$$

Where:

L = total losses in MW

0.4116 MW is the magnetizing loss which is independent of transformer load

$k = 2.8 \times 10^{-6}$

P = power through transformer in MW

Example 1:

The transformer load is 300 MW. The total losses are:

$$L = 0.4116 + (2.8 \times 10^{-6}) \times (300)^2 = 0.664 \text{ MW}$$

Example 2:

The transformer load is 650 MW. The total losses are:

$$L = 0.4116 + (2.8 \times 10^{-6}) \times (650)^2 = 1.59 \text{ MW}$$

This formula shall be applied through the entire range of transformer capacity, from zero to 650 MW. Bonneville's share of the total losses shall be based on Bonneville's hourly schedule of energy across the transformer divided by the total hourly schedule of energy across the transformer.

For any hour, Bonneville may return losses physically, concurrent with the associated hourly energy schedule. Provided, for any hour in which Bonneville does not schedule loss returns concurrent with the associated energy schedule, Bonneville shall pay PacifiCorp for losses valued at the "Hourly Pricing Proxy" as described or as may be updated from time to time in PacifiCorp's currently effective Open Access Transmission Tariff.

Revisions to Exhibit G

If Bonneville notifies PacifiCorp that it wishes to effect a change to its exercised right of 200 MW, then Bonneville's utilization of transformer capacity shall be automatically updated upon the effective date of the election (subject to PacifiCorp's review of capacity availability pursuant to Section 5 (h) of the Agreement) to reflect the full amount of Bonneville's election of transformer capacity pursuant to this Agreement. The availability of such capacity to Bonneville pursuant to the Agreement shall not exceed 200 MW and the charge factor applied to Bonneville's use of the Malin transformer shall not exceed 30.77%. The Parties agree that any other change to the above methodologies or factors shall be by mutual agreement and shall not be allowed more often than once per three year period. Each party's agreement to recommended changes in input factors to the above methodologies shall not be unreasonably withheld, provided any such recommended changes have a reasonable basis in fact. The parties shall negotiate in good faith to address any requested change in underlying methodology or formulae. Such changes to input factors shall apply prospectively only.

Bonneville Power Administration

By: *Gary Thompson*

Title: *VP, N.W. REQUIREMENTS MKTG*

Date: *7/26/19*

PacifiCorp

By: **Rick Vail** Digitally signed by Rick Vail
Date: 2019.07.29 10:48:27
-0700

Title: *VP, Transmission*

Date: *7/29/19*

Exhibit H
[Example of Bonneville Summer Storage nomination letter, on Bonneville letterhead, to PacifiCorp]

Supervisor, Contract Administration
PacifiCorp
825 NE. Multnomah, Suite 600
Portland, OR 97232

RE: Contract No. DE-MS79-94BP94332, Summer Energy Option

Dear Sirs:

This letter serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp (PAC) that Bonneville chooses to exercise Section 12(a), Summer Storage, of our AC Intertie Agreement, Contract No. DE-MS79-94BP94332, by requesting PacifiCorp to store _____ [between 25,000 and 100,000] megawatt-hours (MWh) of energy in the month of _____ [June or July] ("Bonneville Requested Storage"). Bonneville shall deliver to PAC approximately _____ [134] MWhs of energy flat over all hours for the month of [June or July ("Bonneville Requested Storage Hourly Schedule")].

Bonneville requests that PacifiCorp shall return storage energy to Bonneville through a system-to-system return schedule (BPAT.PACW). Bonneville is planning on these energy returns being prescheduled.

As set forth in the [Amended and Restated AC Intertie Agreement], and as such terms are defined therein, Bonneville may request **Spill Protection Day(s)** up to the **Bonneville Monthly Spill Protection Day Cap**, which is eight (8) total days per storage month.

Similarly, for those days Bonneville has not requested **Contingent Spill Protection Day(s)**, PacifiCorp may reject such Bonneville Requested Storage Hourly Schedule up to the **PacifiCorp Monthly Storage Schedule Cut Cap**, which for the storage month described in this letter equals 16 % of the Bonneville Requested Storage, or _____ MWh.

For any further discussions regarding this notice, please contact me at (503) 230-4003.

Sincerely,

Mark E. Miller
Account Executive

Cc: Bonneville Contracts Administration

Exhibit I
[Example of Contingent Spill Protection Day e-mail to PacifiCorp]

Subject: Contingent Spill Protection Day

This email serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp (PAC) that Bonneville notices is a Contingent Spill Protection Day as described in Section 12(a), Summer Storage, of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332.

Period begins: Hour Ending [0100, June 1, 2011]
Period ends: Hour Ending [2400, June 4, 2011]

The Bonneville Monthly Spill Protection Day Cap is defined as eight (8) Spill Protection Days in this storage month. As described in this notice, Bonneville hereby declares ___ Spill Protection Days in the month of June, for a total of ___ Spill Protection Days to date.

Bonneville will be in a Spill Condition for a period of 2 days prior to when this period of Spill Protection Day(s) begin.

PacifiCorp, please confirm this e-mail by a return e-mail acknowledgment to:
ajspain@bpa.gov
memiller@bpa.gov

For any further discussions regarding this notice, please contact me at (503) 230-4003,
Alex Spain at (503) 230-5780.

Exhibit J
[Example of PacifiCorp Contingent Spill Protection Day criteria validation e-mail to Bonneville]

Subject: Contingent Spill Protection Day Criteria Validation
To: Mark Miller
Alex Spain

This email serves as notification from PacifiCorp (PAC) to Bonneville Power Administration (Bonneville) as to which Contingent Spill Condition Day(s) for the month of ____, 2011 trigger Bonneville Spill Protection Day LD(s).

Contingent Spill Protection Day that meet criteria in Section 27(gg) and fall within Bonneville Monthly Spill Protection Day Cap of 8 days

Date
Date
Date
Date

Contingent Spill Protection Day that meet criteria in Section 27(gg) and exceed Bonneville Monthly Spill Protection Day Cap of 8 days (Bonneville Spill Protection Day LD will apply)

Date
Date

Contingent Spill Protection Day that failed to meet criteria in Section 27(gg) (Bonneville Spill Protection Day LD will apply)

Date
date

PacifiCorp, please confirm this e-mail by a return e-mail acknowledgment to:
Jim.schroeder@pacificorp.com
Stacey.kusters@pacificorp.com
Mark.smith@pacificorp.com

For any further discussions regarding this notice, please contact Mark Smith at (503) 813-5393.

Exhibit K
Sample of Bonneville Spill Conditions website posting found at
www.transmission.bpa.gov/Business/Operations/Misc/

HOURLY SPILL CONDITIONS

From 07/05/09 through 07/08/11 (illustratively shown 6/1/2011)

- This posting is provided as information to users of BPA's Energy Imbalance and Generation Imbalance services.
- Spill Conditions, for the purpose of determining credit or payment for Deviations under the EI and GI rates, exist when spill physically occurs on the BPA system due to lack of load or market. Spill due to lack of load or market typically occurs during periods of high flows or flood control implementation, but can also occur at other times. Discretionary spill, where BPA may choose whether to spill, does not constitute a Spill Condition. Spill for fish is included in discretionary spill and is not a Spill Condition.
- Account 501935 (Actual System Spill, After-The-Fact): A "1" indicates Spill conditions were declared for that hour. A "0" indicates No Spill was declared for that hour.
- Account 501936 (Forecasted System Spill, Before-The-Fact): not utilized by BPA - will not be used for that hour. A "0" indicates No Spill is projected to occur for that hour.
- BPA will continue to use the Actual Spill conditions posted after-the-fact (Account 501935) for billing purposes.
- This file is updated daily at 11:00 AM, Pacific Time
- Source of Spill Flag: BPA Power Services
- Source of this Posting: BPA Transmission Services 05Jul2011 11:00
- For further information, please contact Harry Speropulos, Transmission Transaction Analysis & Reconciliation, at 360-418-8670.

Date	Time	# 501935	# 501936
		Actual	Forecast
6/1/2011	1:00	1	
6/1/2011	2:00	1	
6/1/2011	3:00	1	
6/1/2011	4:00	1	
6/1/2011	5:00	1	
6/1/2011	6:00	1	
6/1/2011	7:00	0	
6/1/2011	8:00	0	
6/1/2011	9:00	0	
6/1/2011	10:00	0	
6/1/2011	11:00	0	
6/1/2011	12:00	0	
6/1/2011	13:00	0	
6/1/2011	14:00	0	
6/1/2011	15:00	0	
6/1/2011	16:00	0	
6/1/2011	17:00	0	
6/1/2011	18:00	0	
6/1/2011	19:00	0	
6/1/2011	20:00	1	
6/1/2011	21:00	1	
6/1/2011	22:00	1	
6/1/2011	23:00	1	
6/1/2011	24:00:00	1	

Exhibit L
Sample of Bonneville Spill Protection Day LD

Bonneville Spill Protection Day Cap LD

Bonneville declared a Contingent Spill Condition Day in excess of their cap of 8 days or declared a Spill Protection Day that failed to meet the Spill Protection Day criteria in 27(gg).

Date	Time HE	Bonneville Requested Storage Hourly Schedule MWh/hr	Powerdex Mid- Columbia Average Hourly Index Price \$/MWh	Hourly weighted average of daily ICE Day-Ahead Power Index for Mid-Columbia for Peak and Off- Peak from September - November 2011	Bonneville Spill Protection Day hourly Cap LD \$/day
				\$/MWh	
6/26/2010	100	139	\$ (12.67)	\$ 32.23	\$ 6,241.07
6/26/2010	200	139	\$ (2.58)	\$ 32.23	\$ 4,838.56
6/26/2010	300	139	\$ (0.41)	\$ 32.23	\$ 4,536.93
6/26/2010	400	139	\$ (2.95)	\$ 32.23	\$ 4,889.99
6/26/2010	500	139	\$ (0.74)	\$ 32.23	\$ 4,582.80
6/26/2010	600	139	\$ (0.08)	\$ 32.23	\$ 4,491.06
6/26/2010	700	139	\$ (4.10)	\$ 32.23	\$ 5,049.84
6/26/2010	800	139	\$ (2.12)	\$ 32.23	\$ 4,774.62
6/26/2010	900	139	\$ 1.11	\$ 32.23	\$ 4,325.65
6/26/2010	1000	139	\$ 0.50	\$ 32.23	\$ 4,410.44
6/26/2010	1100	139	\$ (3.92)	\$ 32.23	\$ 5,024.82
6/26/2010	1200	139	\$ (3.56)	\$ 32.23	\$ 4,974.78
6/26/2010	1300	139	\$ (1.46)	\$ 32.23	\$ 4,682.88
6/26/2010	1400	139	\$ (0.19)	\$ 32.23	\$ 4,506.35
6/26/2010	1500	139	\$ (0.58)	\$ 32.23	\$ 4,560.56
6/26/2010	1600	139	\$ 0.05	\$ 32.23	\$ 4,472.99
6/26/2010	1700	139	\$ (0.40)	\$ 32.23	\$ 4,535.54
6/26/2010	1800	139	\$ 0.07	\$ 32.23	\$ 4,470.21
6/26/2010	1900	139	\$ (0.19)	\$ 32.23	\$ 4,506.35
6/26/2010	2000	139	\$ 0.34	\$ 32.23	\$ 4,432.68
6/26/2010	2100	139	\$ (0.08)	\$ 32.23	\$ 4,491.06
6/26/2010	2200	139	\$ (4.15)	\$ 32.23	\$ 5,056.79
6/26/2010	2300	139	\$ (2.25)	\$ 32.23	\$ 4,792.69
6/26/2010	2400	139	\$ (0.70)	\$ 32.23	\$ 4,577.24

Bonneville Spill Protection Day
 LD: \$ 113,226.01

Exhibit M
Sample of PacifiCorp Storage Cut LD

PacifiCorp exceeded their Monthly Storage Schedule Cut Cap in HE0400

Date	Time HE	Bonneville Requested Storage Hourly Schedule	PacifiCorp Storage Schedule Cut	PacifiCorp Storage Schedule Cut in excess of Cap	Powerdex Mid- Columbia Average Hourly Index Price	Hourly weighted average of daily ICE Day-Ahead Power Index for Mid- Columbia for Peak and Off-Peak prices from September - November 2011	Bonneville Spill Protection Day hourly Cap LD
		MWh/hr	MWh/hr	MWh/hr	\$/MWh	\$/MWh	\$/day
6/21/2010	100	139	139		\$ (2.26)	\$ 32.23	\$ -
6/21/2010	200	139	139		\$ (2.06)	\$ 32.23	\$ -
6/21/2010	300	139	139		\$ (2.61)	\$ 32.23	\$ -
6/21/2010	400	139	139	139	\$ (4.07)	\$ 32.23	\$ 5,045.67
6/21/2010	500	139	139	139	\$ (1.31)	\$ 32.23	\$ 4,662.03
6/21/2010	600	139	139	139	\$ 0.21	\$ 32.23	\$ 4,450.75
6/21/2010	700	139	139	139	\$ 0.65	\$ 32.23	\$ 4,389.59
6/21/2010	800	139	139	139	\$ 4.03	\$ 32.23	\$ 3,919.77
6/21/2010	900	139	139	139	\$ 9.87	\$ 32.23	\$ 3,108.01
6/21/2010	1000	139	139	139	\$ 9.37	\$ 32.23	\$ 3,177.51
6/21/2010	1100	139	139	139	\$ 8.92	\$ 32.23	\$ 3,240.06
6/21/2010	1200	139	139	139	\$ 9.71	\$ 32.23	\$ 3,130.25
6/21/2010	1300	139	139	139	\$ 15.98	\$ 32.23	\$ 2,258.72
6/21/2010	1400	139	139	139	\$ 21.70	\$ 32.23	\$ 1,463.64
6/21/2010	1500	139	139	139	\$ 22.26	\$ 32.23	\$ 1,385.80
6/21/2010	1600	139	139	139	\$ 24.54	\$ 32.23	\$ 1,068.88
6/21/2010	1700	139	139	139	\$ 26.34	\$ 32.23	\$ 818.68
6/21/2010	1800	139	139	139	\$ 25.93	\$ 32.23	\$ 875.67
6/21/2010	1900	139	139	139	\$ 25.36	\$ 32.23	\$ 954.90
6/21/2010	2000	139	139	139	\$ 15.59	\$ 32.23	\$ 2,312.93
6/21/2010	2100	139	139	139	\$ 14.51	\$ 32.23	\$ 2,463.05
6/21/2010	2200	139	139	139	\$ 15.21	\$ 32.23	\$ 2,365.75
6/21/2010	2300	139	139	139	\$ 15.15	\$ 32.23	\$ 2,374.09
6/21/2010	2400	139	139	139	\$ 11.30	\$ 32.23	\$ 2,909.24
Total daily PacifiCorp Storage Cut LD:							\$ 56,375.09

Exhibit N
Amended and Restated AC Intertie
Contract No. DE-MS79-94BP94332

Exhibit N

[Example of 2014 Bonneville Summer Storage nomination letter, on Bonneville
letterhead, to
PacifiCorp]

Supervisor, Contract Administration
PacifiCorp
825 NE. Multnomah, Suite 600
Portland, OR 97232

RE: Contract No. DE-MS79-94BP94332, Summer Energy Option

Dear Sirs:

This letter serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp (PAC) that Bonneville chooses to exercise Section 12(a)(9), Summer Storage, of our AC Intertie Agreement, Contract No. DE-MS79-94BP94332, by requesting PacifiCorp to store up to 25,000 megawatt-hours (MWh) of energy in the month of <month>. Bonneville shall deliver the energy in anticipation of a Storage Day to PAC over eight calendar days at a rate of approximately 130 MW per hour subject to Spill Conditions.

For any further discussions regarding this notice, please contact me at (503) 230-4003.

Sincerely,

Mark E. Miller
Account Executive

Cc: Bonneville Contracts Administration

Exhibit O

[Example of 2014 Storage Day Notice e-mail to PacifiCorp]

Subject: Storage Day

This email serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp that Bonneville will be exercising a Storage Day(s) as described in Section 12(a)(9)(v), Summer Storage, of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332.

Period begins: Hour Ending 0100, <month> <day>, 2014

Period ends: Hour Ending 2400, <month> <day>, 2014

Bonneville may nominate eight (8) Storage Days for the Delivery Month subject to Spill Conditions.

As described in this notice, Bonneville hereby declares _
Storage Day(s), for a total of _ Storage Day(s) used to
Date in the Delivery Month.

PacifiCorp, please confirm this e-mail by a return e-mail acknowledgment to:

ajspain@bpa.gov

memiller@bpa.gov

rcjohnson@bpa.gov

For any further discussions regarding this notice, please contact me at (503) 230-4003, or
Alex Spain at (503) 230-5780.

Exhibit P
Amended and Restated AC Intertie
Contract No. DE-MS79-94BP94332

Exhibit P

Sample of Bonneville Storage Day LD Calculation for one Storage Day.

Description:

If Bonneville declared a Storage Day that does not meet the conditions described in section 12 (a)(9)(iii) Bonneville will be subject to Storage Day LDs.

The following is an example of how the Storage Day LD is calculated for one day only.

	Time	Bonneville Deliveries	Powerdex Mid-Columbia Average Hourly Index Price	Hourly weighted average of daily ICE Day-Ahead Pwr Index for Mid-Columbia for Peak and Off-Peak from Sept, Oct, Nov 2014	Liquidated Damages for each hour of the Storage Day
Date	HE	MWh/hr	\$/MWh	\$/MWh	\$/day
6/26/2014	100	130	-12.67	32.23	5,837.00
6/26/2014	200	130	-2.58	32.23	4,525.30
6/26/2014	300	130	-0.41	32.23	4,243.20
6/26/2014	400	130	-2.95	32.23	4,573.40
6/26/2014	500	130	-0.74	32.23	4,286.10
6/26/2014	600	130	-0.08	32.23	4,200.30
6/26/2014	700	130	-4.1	32.23	4,722.90
6/26/2014	800	130	-2.12	32.23	4,465.50
6/26/2014	900	130	1.11	32.23	4,045.60
6/26/2014	1000	130	0.5	32.23	4,124.90
6/26/2014	1100	130	-3.92	32.23	4,699.50
6/26/2014	1200	130	-3.56	32.23	4,652.70
6/26/2014	1300	130	-1.46	32.23	4,379.70
6/26/2014	1400	130	-0.19	32.23	4,214.60
6/26/2014	1500	130	-0.58	32.23	4,265.30
6/26/2014	1600	130	0.05	32.23	4,183.40
6/26/2014	1700	130	-0.04	32.23	4,195.10
6/26/2014	1800	130	0.07	32.23	4,180.80
6/26/2014	1900	130	-0.19	32.23	4,214.60
6/26/2014	2000	130	0.34	32.23	4,145.70
6/26/2014	2100	130	-0.08	32.23	4,200.30
6/26/2014	2200	130	-4.15	32.23	4,729.40
6/26/2014	2300	130	-2.25	32.23	4,482.40
6/26/2014	2400	130	-0.7	32.23	4,280.90

Bonneville Storage Day LD:					105,848.60
----------------------------------	--	--	--	--	------------

AMENDED AND RESTATED

AC INTERTIE 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 M (“Sample of PacifiCorp Storage Cut LD”)

Exhibit N (“Example of 2014 Bonneville Summer Storage nomination letter, on Bonneville letterhead, to PacifiCorp”)

Exhibit O (“Example of 2014 Storage Day Notice e-mail to PacifiCorp”)

Exhibit P (“Sample of Bonneville Storage Day LD Calculation for one Storage Day”)

This AMENDED AND RESTATED AC INTERTIE AGREEMENT (Amended and Restated AC Intertie Agreement), executed August 5, 2014, by the UNITED STATES OF AMERICA (“Government”), DEPARTMENT OF ENERGY, acting by and through the BONNEVILLE POWER ADMINISTRATION (“Bonneville”) and PACIFICORP (“PacifiCorp”), a corporation organized and existing under the laws of Oregon, (hereinafter referred to individually as “Party” and collectively as “Parties”).

WITNESSETH:

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 the Intertie Agreement (Contract No. DE-MS79-86BP92299, as amended, which hereinafter is referred to as “the July 1986 Intertie 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 Midpoint-Medford Agreement and the July 1986 Intertie Agreement; and

WHEREAS the Parties have entered into the Midpoint-Meridian Transmission Agreement (Contract No. DE-MS79-94BP94333) which hereinafter is referred to as “Midpoint-Meridian Transmission Agreement” which replaces and supersedes the Midpoint-Medford Agreement; and

WHEREAS the Parties have replaced and superseded the July 1986 Intertie Agreement with the June 1994 AC Intertie Agreement Contract No. DE-MS79-94BP94332, (hereinafter referred to as the June 1994 AC Intertie Agreement), and

WHEREAS the Parties have entered into the AC Intertie Operation and Maintenance Agreement (Contract No. DE-MS79- 93BP94278) which hereinafter is referred to as “AC Intertie O&M Agreement”; and

WHEREAS Bonneville and PacifiCorp are Parties to Contract No. 14-03-59840 (“Malin Substation Construction Agreement”) which provides for rights and obligations regarding construction, operation, ownership and use of the Malin Substation and desire to continue such agreement for the term of this Amended and Restated AC Intertie Agreement; and

WHEREAS PacifiCorp has constructed a 500 kV line from the interconnection with Bonneville at Alvey Substation to Meridian Substation (“Alvey-Meridian Line”) to provide increased Load Carrying Capability; and

WHEREAS Bonneville has expanded the Rated Transfer Capability of the AC Intertie to approximately 4800 megawatts and has acquired a 50 percent undivided ownership right in the Incremental Capacity of the Alvey-Meridian Line; and

WHEREAS PacifiCorp and Bonneville have acquired joint ownership in the Alvey-Meridian Line and related facilities as provided for in Amendatory Agreement No. 2 to the June 1994 AC Intertie Agreement (“Payment Agreement”), Amendatory Agreement No. 1 to the July 1986 Intertie Agreement (“Option Agreement”) attached hereto as Exhibits A and D respectively and Exhibit B hereto; and

WHEREAS nothing in this Amended and Restated AC Intertie Agreement is intended to be determinative of transmission or ownership rights of utilities not party to this Amended and Restated AC Intertie Agreement; and

WHEREAS this Amended and Restated AC Intertie Agreement incorporates the terms and conditions of the June 1994 AC Intertie Agreement, as supplemented and amended by Amendatory Agreement Nos. 1 through 3 thereto in one complete document, in accordance with the Federal Energy Regulatory Commission requirements in Order No. 614, Designation of Electric Rate Schedule Sheet, 65 Fed. Reg. 18,221 (2000), FERC Statutes and Regulations ¶ 31,096 (2000); and

WHEREAS this Amended and Restated AC Intertie Agreement was entered into by the Parties for the sole purpose of incorporating Amendatory Agreements 1, 2 and 3 into this Amended and Restated AC Intertie Agreement and did not alter any of the Parties' rights, obligations or terms and conditions of the June 1994 AC Intertie Agreement in any way; and

WHEREAS the Parties agreed that this Amended and Restated AC Intertie Agreement would supersede and replace the Original version of the June 1994 AC Intertie Agreement and Amendatory Agreement Nos. 1 through 3 thereto in their entirety as from the effective date thereof; and

WHEREAS the Parties further amended Sections 5(e) and 27 of this Amended and Restated AC Intertie Agreement to reflect changes in PacifiCorp's Scheduling Rights; and

WHEREAS this Amended and Restated AC Intertie Agreement supersedes and replaces the version executed on August 22, 2013, with respect to Sections 5(e) and 27 only.

NOW, THEREFORE, in the interest of resolving issues of AC Intertie rights and service to PacifiCorp's Load Area now and in the future, Bonneville and PacifiCorp are entering into this Amended and Restated AC Intertie Agreement to accomplish the following goals:

(a) To enable Bonneville's planning, construction, operation and maintenance of an AC Intertie with a bidirectional Rated Transfer Capability of approximately 4800 megawatts and to enable PacifiCorp's planning, construction, operation and maintenance of facilities to serve its Load Area.

(b) To permit the Parties' specified use of the Buckley- Alvey Loop in a manner that does not jeopardize reliable service on either Party's system.

(c) To limit PacifiCorp's right to use its own facilities to schedule power and energy from its Load Area to adjoining areas and to ensure that this right is exercised in a manner that does not reduce the Operational Transfer Capability of the AC Intertie.

(d) To facilitate joint development of facilities by Bonneville and PacifiCorp as specified in this Amended and Restated AC Intertie Agreement.

(e) As between the Parties, to facilitate the economical development and fair allocation of any AC Intertie transfer capability above 4800 megawatts.

It is the intention of the Parties that this Amended and Restated AC Intertie Agreement be implemented and interpreted to best effectuate the above stated goals. Where this Amended and Restated AC Intertie Agreement makes reference to not unreasonably withholding consent or agreement, the reasonableness of each Party's position will be judged with reference to the above stated goals.

1. Term of Agreement. This Amended and Restated AC Intertie Agreement shall be effective, and consistent with the 1994 AC Intertie Agreement, shall supersede the July 1986 Intertie Agreement in accordance with Section 15 herein when executed by the Parties and accepted for filing or otherwise approved without change by the Federal Energy Regulatory Commission and shall terminate when all of the facilities comprising the AC Intertie are

permanently taken out of service. Upon termination of this Amended and Restated AC Intertie Agreement, all liabilities accrued hereunder shall be and are hereby preserved until satisfied.

2. Exhibits. Exhibits A through P are incorporated as part of this Amended and Restated AC Intertie Agreement. Revisions to the Exhibits shall be by mutual consent.

3. Plan-of-Service for AC Intertie.

(a) Bonneville's Right to Establish Plan-of-Service. PacifiCorp agrees that Bonneville alone shall have the right to establish any Plan-of-Service for upgrading the AC Intertie to approximately 4800 megawatts, provided such Plan-of-Service is in keeping with Prudent Utility Practice, and further provided such Plan-of-Service does not result in reducing PacifiCorp's Load Carrying Capability.

(b) PacifiCorp's Right to Comment. Bonneville shall provide PacifiCorp the opportunity to comment on any such Plan-of-Service Bonneville may establish.

4. AC Intertie Construction and Ownership up to Approximately 4800 Megawatts of Rated Transfer Capability.

(a) Alvey-Meridian Line Rights. To achieve the upgrade of the AC Intertie to a Rated Transfer Capability of approximately 4800 megawatts, Bonneville has acquired a 50 percent undivided ownership right in the Incremental Capacity of the Alvey-Meridian Line which is jointly owned by Bonneville and PacifiCorp as provided for in the Payment Agreement and Exhibit B. For the term of this Amended and Restated AC Intertie Agreement, Bonneville shall have the unrestricted right to use such ownership interest. Bonneville may use such unrestricted right for purposes including, but not limited to, the interregional transfer of electric power, the integration of the electric power output of generation resources, and for service to the electric power loads of Bonneville's customers. Bonneville and PacifiCorp have shared, in accordance with the percentages specified in Exhibit B, the actual costs of facilities associated with construction of the Alvey-Meridian Line and other related additions. Unless otherwise

stated in Exhibit B or in the AC Intertie O&M Agreement, Bonneville shall pay 42 percent and PacifiCorp shall pay 58 percent of the operation and maintenance costs of those facilities specified in Exhibit B. PacifiCorp shall bear all operation and maintenance costs for those facilities used exclusively to serve PacifiCorp's own loads. PacifiCorp and Bonneville shall act in good faith and use best efforts, including utilization of all reasonable legal remedies, to obtain and protect all necessary permits and licenses for the Alvey-Meridian Line.

(b) Captain Jack Substation. Bonneville has constructed and, except for those facilities which PacifiCorp owns pursuant to section 4(b)(3) herein, owns the Captain Jack Substation and the associated interconnection to COTP. Bonneville's ownership includes the land on which the substation and the interconnection are located. Bonneville has connected the Captain Jack Substation to PacifiCorp's 500 kV system between Meridian Substation and Malin Substation where the COTP interconnects with the AC Intertie subject to the following terms, conditions and exceptions:

(1) Bonneville has constructed and owns terminal equipment, lines, and facilities required to interconnect the COTP with the Captain Jack Substation.

(2) Bonneville has constructed and owns the series and shunt compensation equipment and facilities located in the Captain Jack Substation required to connect to the COTP.

(3) PacifiCorp and Bonneville have shared equally in the cost of the bay 3 terminal equipment and facilities, which PacifiCorp owns, including the land on which such facilities are located, required to loop PacifiCorp's Malin-Meridian 500 kV line("Malin-Meridian Line") into the Captain Jack Substation.

(4) PacifiCorp, at its expense and subject to Prudent Utility Practice, may install transformation equipment at the Captain Jack Substation. PacifiCorp agrees to provide Bonneville the one-line diagram and plot plan for the installation of transformation equipment in a timely fashion for inclusion in Bonneville's Plan-of-Service. Subsequent changes in the one-line diagram or plot plan of transformation equipment are subject to mutual consent.

(c) Modification of Facilities.

(1) Except in regard to the Malin Substation, PacifiCorp agrees that it will make or permit Bonneville to make, at Bonneville's expense, any improvements or modifications of PacifiCorp's facilities in the Buckley-Alvey Loop that are required to accomplish Bonneville's Plan-of-Service. Unless otherwise mutually agreed, Bonneville shall own such improvements or modifications unless they cannot be removed without impairment or damage to PacifiCorp's facilities, in which case such modifications or improvements shall be jointly owned by Bonneville and PacifiCorp.

(2) AC Intertie Reactive Support. After joint studies have been completed and the Parties have mutually agreed that additional reactive support is required at the Malin Substation or Captain Jack Substation to support the AC Intertie, PacifiCorp shall be financially responsible for its share of the cost of such added reactive support.

(3) At such time as the Parties mutually agree, which agreement shall not be unreasonably withheld, that a second 500/230 kV transformer is required at the Malin Substation or a 500/230 kV transformer is required at the Captain Jack Substation, the Parties shall jointly develop the plan of service for such transformer(s). Each Party shall have the right to acquire up to a one-half ownership interest in such transformer(s) at a

pro-rata share of cost, provided that PacifiCorp's Load Carrying Capability is not impacted. If a Party does not participate in the ownership of such transformer(s) at the Malin or Captain Jack Substations at the time such transformer(s) are installed, such Party shall have the unilateral right to acquire up to a one-half ownership interest based on a pro-rata share of the original cost plus capital additions, if any, at a future date to the extent that capacity is available.

(4) Except as provided for in subsection 4(c)(1) herein, any improvements or modifications of the Buckley-Alvey Loop shall be by mutual consent, which consent shall not be unreasonably withheld. Except as provided for in subsections 4(c)(2) and 4(c)(3) above, installation of any equipment in the Malin Substation shall be made pursuant to the terms of the Malin Substation Construction Agreement.

(5) If Bonneville determines additions or modifications to the Alvey-Meridian Line are necessary to maintain the Rated Transfer Capability or Operational Transfer Capability of the AC Intertie at 4800 megawatts, Bonneville may, by written notice, cause PacifiCorp to add such equipment or make such modifications, and Bonneville and PacifiCorp shall share equally in the costs and ownership of such additions and modifications unless otherwise mutually agreed. PacifiCorp and Bonneville shall share equally in any Incremental Capacity resulting from such modifications.

5. Rights of Use.

(a) Determination of AC Intertie Rated Transfer Capability and Operational Transfer Capability. PacifiCorp agrees that Bonneville may determine the Rated Transfer Capability and Operational Transfer Capability of the AC Intertie, provided such determination is in keeping

with Prudent Utility Practice, and further provided it does not have the effect of reducing PacifiCorp's ability to serve up to its Load Carrying Capability as specified in this section 5.

(b) Bonneville's Right to Use of PacifiCorp's Malin-Meridian Line. PacifiCorp shall provide Bonneville, at no charge, sufficient capacity in the Malin-Meridian Line for Bonneville's AC Intertie transactions for itself or on behalf of other parties to enable Bonneville to operate the AC Intertie at its Rated Transfer Capability. To the extent modifications in the Malin-Meridian Line are required to effectuate this subsection 5(b), the cost of such modifications shall be borne equally by Bonneville and PacifiCorp. PacifiCorp shall operate and maintain the Malin-Meridian Line to maintain the Rated Transfer Capability on the AC Intertie in keeping with Prudent Utility Practice.

(c) Bonneville's Rights and Obligations for Intertie Service. PacifiCorp agrees that Bonneville has the right to operate the AC Intertie up to its Rated Transfer Capability or Operational Transfer Capability, subject to the following terms and conditions:

(1) Subject to section 4(c)(2) herein, Bonneville shall provide reactive support to maintain the Rated Transfer Capability of the AC Intertie.

(2) Bonneville shall provide transmission reinforcement to maintain the Rated Transfer Capability of the AC Intertie.

(3) Bonneville shall not rate or operate the AC Intertie in a manner that interferes with PacifiCorp's use of its Load Carrying Capability as described in subsections 5(d)(1), 5(d)(2), and 5(d)(3) below. However, Bonneville may make use of PacifiCorp's unused Load Carrying Capability for AC Intertie transactions for itself or on behalf of other parties at no additional charge, except as otherwise provided in this Amended and Restated AC Intertie Agreement.

(d) PacifiCorp's Rights and Obligations for Service to Load.

(1) Upon energization of the Alvey-Meridian Line, PacifiCorp shall have the right to serve PacifiCorp's Load Area and parallel paths, pursuant to section 10 herein, up to the Load Carrying Capability specified as follows:

(A) PacifiCorp shall have a Load Carrying Capability of 1875 megawatts.

(B) By the date when PacifiCorp's Load is expected to exceed the Load Carrying Capability recognized in subsection 5(d)(1)(A) herein, PacifiCorp shall provide additional facilities to supply power to its Load Area.

(2) The Load Carrying Capability specified in this subsection 5(d) may be correspondingly increased if new transmission facilities are constructed or if modifications are made to transmission facilities that increase the Load Carrying Capability. The effect of any such additions or modifications of transmission facilities on Load Carrying Capability shall be established by mutual agreement of the Parties using the results of joint planning studies conducted pursuant to subsection 5(d)(3) herein, and such mutual agreement shall not be unreasonably withheld.

(3) PacifiCorp's Load in its Load Area, and the date that such load is expected to exceed the Load Carrying Capability, shall be mutually determined by joint planning studies conducted annually, or as otherwise mutually agreed, by PacifiCorp and Bonneville in accordance with normal utility planning criteria. Such studies shall be based on mutually agreed to load forecasts for PacifiCorp's Load, as well as records of actual metered power flows on the then existing transmission lines serving the Load Area. PacifiCorp and

Bonneville shall furnish any data reasonably required for the joint planning study.

(4) PacifiCorp shall provide reactive support and internal transmission reinforcement for PacifiCorp's Load, including, but not limited to, 500/230 kV transformation, and 230 kV and below transmission reinforcement. To the extent PacifiCorp fails to provide such reinforcements, Bonneville shall not be obligated to reduce the Rated Transfer Capability or Operational Transfer Capability of the AC Intertie.

(5) Use of the Summer Lake Substation as a point of delivery by the Parties shall not impact PacifiCorp's Load Carrying Capability or Bonneville's usage of the AC Intertie.

(e) PacifiCorp's Scheduling Rights for AC Intertie Rated Transfer Capability in Excess of 4000 Megawatts. PacifiCorp's Southbound Scheduling Rights are 400 megawatts. PacifiCorp's Northbound Scheduling Rights shall equal 400 megawatts multiplied by a fraction whose numerator is the northbound Rated Transfer Capability of the AC Intertie and whose denominator is the southbound Rated Transfer Capability of the AC Intertie. PacifiCorp shall have the right to net its total northbound and southbound schedules under this Amended and Restated AC Intertie Agreement. PacifiCorp agrees to cooperate with Bonneville in its efforts, if any, to secure a northbound AC Intertie Rated Transfer Capability of 4800 megawatts. PacifiCorp's Northbound Scheduling Rights and Southbound Scheduling Rights shall be subject to the following terms and conditions:

(1) To preserve Bonneville's rights to use PacifiCorp's unused Scheduling Rights in a manner that allows third-party access to such rights in any hour, PacifiCorp

and Bonneville agree to the following provisions. There shall be no charge to Bonneville for unused Scheduling Rights. PacifiCorp or any successive assignee may make its Scheduling Rights available on a firm basis to all parties under the provisions of PacifiCorp's open access transmission tariff; provided however, that neither PacifiCorp nor any successive assignee of PacifiCorp's Scheduling Rights may make such Scheduling Rights available for periods shorter than daily or on a nonfirm basis. To the extent that PacifiCorp or any successive assignee has unused Scheduling Rights available in any hour under this Amended and Restated AC Intertie Agreement as of the close of the normal preschedule deadline for firm point-to-point transmission service in accordance with Bonneville's standard scheduling practices, Bonneville shall add such unused Scheduling Rights to its available nonfirm transmission capacity for AC Intertie transactions, which shall be posted on Bonneville's Open Access Same-time Information System and made available pursuant to the provisions of Bonneville's open access transmission tariff. After such unused Scheduling Rights are added to Bonneville's available nonfirm transmission capacity, PacifiCorp or any successive assignee of the Scheduling Rights may modify preschedules up to 30 minutes prior to the hour for service to be provided pursuant to such preschedules for use of such firm transmission capacity (with such right available even if a preschedule had not been submitted, and in such case, PacifiCorp or any successive assignee shall be deemed to have submitted, with rights to modify, a 0 (zero) preschedule) and any such use shall have priority over any use or sale of unused Scheduling Rights by Bonneville. After 30 minutes prior to the hour for service to be provided pursuant to such preschedule, these unused Scheduling Rights shall be relinquished to Bonneville, except that such unused Scheduling Rights shall be subject to adjustment as provided for in subsection 5(e)(2).

(2) PacifiCorp or any successive assignee of the Scheduling Rights may submit Intra-Hour Scheduling Interval Schedules up to 20 minutes prior to the applicable Intra-Hour Scheduling Interval for service to be provided pursuant to such schedules for use of its firm transmission capacity. In instances where an Intra-Hour Scheduling Interval Schedule is not submitted, PacifiCorp or any successive assignee shall be deemed to have submitted a 0 (zero) schedule but shall retain the right to submit an Intra-Hour Scheduling Interval Schedule in any subsequent Intra-Hour Scheduling Interval. Use of firm transmission capacity associated with an Intra-Hour Scheduling Interval Schedule shall have priority over any use or sale of unused Scheduling Rights by Bonneville as described in subsection 5(e)(1). After 20 minutes prior to any Intra-Hour Scheduling Interval for service to be provided pursuant to Intra-Hour Scheduling Interval Schedules, any unused Scheduling Rights shall be relinquished to Bonneville for the hour; provided however, any unused Scheduling Rights shall be further subject to adjustment for Intra-Hour Scheduling Interval Schedules submitted pursuant to this subsection, by PacifiCorp or any successive assignee, for any subsequent Intra-Hour Scheduling Interval.

(3) Except as mutually agreed to, any net southbound schedules by PacifiCorp in excess of Southbound Scheduling Rights available to PacifiCorp pursuant to this subsection 5(e) and the southbound scheduling rights available to PacifiCorp pursuant to transmission agreements entered into in accordance with the Letter of Understanding, including future Pacific Northwest AC Intertie Capacity Ownership Agreements, shall be deemed to be transmitted over the AC Intertie from John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville. Except as mutually agreed to, any net northbound schedules by PacifiCorp in excess of Northbound Scheduling Rights available to PacifiCorp pursuant to this subsection 5(e) and the northbound

scheduling rights available to PacifiCorp pursuant to transmission agreements entered into in accordance with the Letter of Understanding, including future Pacific Northwest AC Intertie Capacity Ownership Agreements, shall be deemed to be transmitted over the AC Intertie to the John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville. Such excess schedules shall be subject to Bonneville's then effective Long-Term Intertie Access Policy, PacifiCorp's rights under other agreements, and the IS-93 Rate Schedule, or its successor, plus losses applicable to the AC Intertie. In the event that PacifiCorp's net northbound/southbound schedules exceed PacifiCorp's scheduling rights as described above, Bonneville shall provide transmission services to PacifiCorp pursuant to the same policies and rates that are generally applicable to Bonneville's other regional utility customers.

(4) If insufficient capacity exists in the combined capability of PacifiCorp's Midpoint-Malin 500 kV line ("Midpoint-Malin Line"), the Malin-Meridian Line, and the Alvey-Meridian Line for PacifiCorp to use its net Southbound Scheduling Rights

available to it, any increment above the combined capability of such facilities shall be deemed to be transmitted from the John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville, and shall be subject to the IS- 93 Rate Schedule, or its successor, plus losses applicable to the AC Intertie. Net Northbound Scheduling Rights shall be deemed to be delivered to PacifiCorp at Malin Substation or Captain Jack Substation. If insufficient capacity exists in the combined capability of PacifiCorp's Midpoint- Malin Line, the Malin-Meridian Line, and the Alvey-Meridian Line for PacifiCorp to integrate deliveries associated with its net Northbound Scheduling Rights available to it, any increment in excess of PacifiCorp's Load that can be served using the combined capability of PacifiCorp's facilities still in service shall be deemed to be transmitted from the Malin Substation to the John Day Substation, or any other AC Intertie delivery point subsequently established by Bonneville, and shall be subject to the IS-93 Rate Schedule, or its successor, plus losses applicable to the AC Intertie. Transmission service over the Federal Transmission System shall carry charges and losses as specified in the Midpoint-Meridian Transmission Agreement.

(5) During times when the southbound AC Intertie Operational Transfer Capability is less than the southbound AC Intertie Rated Transfer Capability, PacifiCorp's reduced net southbound scheduling rights at Malin Substation and Captain Jack Substation as described herein shall be an amount determined by multiplying the southbound Operational Transfer Capability of the AC Intertie by the ratio of 400 megawatts to the southbound Rated Transfer Capability of the AC Intertie. During times when the northbound AC Intertie Operational Transfer Capability is less than the northbound AC Intertie Rated Transfer Capability, PacifiCorp's reduced net northbound

scheduling rights shall be an amount determined by multiplying the northbound Operational Transfer Capability of the AC Intertie by the ratio of the Northbound Scheduling Rights to the northbound Rated Transfer Capability of the AC Intertie.

(f) Additional PacifiCorp Wheeling Rights. Until December 31, 2023, during Off-Peak Hours when PacifiCorp's northbound scheduling capability is less than 582 megawatts, Bonneville will provide PacifiCorp the right to utilize Bonneville's unused northbound capability on the AC Intertie and the DC Intertie at the IS-A Rate, or its successor rate, so as to provide PacifiCorp with a total northbound scheduling capability of 582 megawatts. For the purposes of this subsection 5 (f), PacifiCorp's northbound scheduling capability for any hour shall equal the sum during such hour of its Northbound Scheduling Rights hereunder and its northbound scheduling rights under the AC Intertie Transmission Agreement, Contract No. DE-MS79-94BP94285, including rights under Future Pacific Northwest AC Intertie Capacity Ownership Agreements. Bonneville's unused AC Intertie capability and DC Intertie capability shall be deemed to be capability not required to satisfy Bonneville's firm contractual commitments, as determined by Bonneville. PacifiCorp shall use best efforts to provide Bonneville advance notice of its desire to utilize its rights pursuant to this subsection 5(f). To the extent possible, such notice shall be provided at the time that PacifiCorp submits its preschedules to Bonneville pursuant to section 7 herein, provided, however, that PacifiCorp's failure to provide such notice with preschedules shall not diminish in any way, PacifiCorp's rights under this subsection 5(f).

(g) Remedial Action Schemes. PacifiCorp shall be responsible for providing or assuring, at its cost, the provision of its pro-rata share of remedial action schemes required to support the Rated Transfer Capability and Operational Transfer Capability of the AC Intertie either northbound or southbound. In support of its obligations to provide generator dropping for

its net southbound AC Intertie schedules, PacifiCorp shall provide generator dropping from its share of Mid-Columbia generation on line at the time of a remedial action scheme requirement. Bonneville may, after it has exhausted its own capability to provide generator dropping in support of its obligation for net southbound AC Intertie schedules, have access to PacifiCorp's total Mid-Columbia rights on line at the time of a remedial action scheme requirement at no cost. To the extent PacifiCorp does not have the capability on line to provide generator dropping from its Mid-Columbia rights for its net southbound AC Intertie schedules, Bonneville shall, to the extent it has available on line generation, provide generator dropping capability to PacifiCorp at no cost. In the event that PacifiCorp no longer has rights to Mid-Columbia generation, PacifiCorp's obligation to provide or assure, at its cost, the provision of its pro-rata share of remedial action schemes required to support the Rated Transfer Capability and the Operational Transfer Capability of the AC Intertie either northbound or southbound shall not be diminished. In support of PacifiCorp's net northbound AC Intertie schedules or its northbound DC Intertie schedules, PacifiCorp shall be responsible for making arrangements for any load dropping requirements. To the extent possible, as determined by Bonneville, Bonneville shall offer to sell remedial action scheme service to PacifiCorp to enable PacifiCorp to meet its obligations pursuant to this subsection 5(g).

(h) PacifiCorp shall provide Bonneville firm capacity in the existing 500/230 kV transformer at the Malin Substation at a use-of-facilities rate for Bonneville's firm requirements, provided such capacity will be made available to Bonneville only after PacifiCorp has determined that it has the capacity necessary to meet its own requirements and provided further, that Bonneville's right to use the existing Malin transformer shall be limited to 200 megawatts.

6. Upgrades of the AC Intertie Above Planned Rated Transfer Capability of 4800 Megawatts. After Bonneville has determined that the southbound or northbound AC Intertie Rated Transfer Capability is at least 4800 megawatts, but not more than 4900 megawatts, Bonneville and PacifiCorp agree that if any additions or changes to the Buckley-Alvey Loop or other jointly-owned facilities are required to increase the Rated Transfer Capability of the AC Intertie, such additions or changes shall be by mutual consent of the Parties hereto, which consent shall not be unreasonably withheld. Bonneville and PacifiCorp shall have the right, but not the obligation, to participate equally in such increase in the AC Intertie Rated Transfer Capability resulting from such additions or changes, and, if they do so, each shall share equally in the costs of such additions or changes to the Buckley-Alvey Loop or other jointly owned facilities required for such increases.

7. Scheduling.

(a) Bonneville and PacifiCorp shall schedule through the Bonneville Transmission Scheduling Office all schedules with southwest entities at the Malin and Captain Jack Substations.

(b) Upon Bonneville's request, PacifiCorp shall notify the Bonneville Transmission Scheduling Office each recognized workday of the planned schedules over PacifiCorp's parallel facilities, as described and limited in section 10 herein, for the following day or days. PacifiCorp shall also provide Bonneville's schedulers with all preschedule modifications prior to the hour of such schedules in accordance with Bonneville's standard scheduling practices.

8. Losses. The Parties shall be compensated for electric power losses pursuant to Calculation of Losses as shown in Exhibit E. Such compensation shall be based upon an equitable allocation of the Parties' control area losses associated with this Amended and Restated

AC Intertie Agreement and with the Midpoint-Meridian Transmission Agreement (Contract No. DE-MS79-94BP94333). The loss allocation specified in Exhibit E shall be reviewed at least every five years, but a review may be requested by either Party annually. The loss allocation shall be reviewed by the Parties to reflect any changes to the loss allocation.

9. Waivers. Except as specified in this Amended and Restated AC Intertie Agreement and the Letter of Understanding, PacifiCorp waives any claim to any ownership share or right to use the AC Intertie Rated Transfer Capability or to additional scheduling rights based on its ownership in:(1) existing facilities as such facilities may be modified or (2) the Alvey-Meridian Line.

10. Construction and Operation of Parallel Facilities.

(a) PacifiCorp's right to construct and right to operate existing and new interconnections with Pacific Gas & Electric Company or other utilities adjoining PacifiCorp's service territory in southern Oregon and northern California in parallel with the AC Intertie shall be subject to the following terms and conditions:

(1) The interconnection shall operate at 230 kV or below and shall include a phase shifter, unless the Parties mutually agree that a phase shifter is not required.

(2) On any given hour the sum of PacifiCorp's Load and the schedule on the parallel path shall not exceed the Load Carrying Capability.

(3) Except as provided in subsection 10(c) herein, PacifiCorp's total Rated Transfer Capability on such interconnections shall not exceed 400 megawatts. The total Rated Transfer Capability on such interconnections shall include the 100 megawatt Cottonwood Interconnection with Pacific Gas and Electric Company. The Operational

Transfer Capability on such interconnections shall never exceed the Rated Transfer Capability on such interconnections.

(4) PacifiCorp shall schedule as provided in subsection 7(b) herein. In no case shall such schedules exceed the Operational Transfer Capability of such interconnections.

(5) PacifiCorp shall make available to Bonneville telemetry of the actual power flow over PacifiCorp's parallel path interconnections.

(6) Construction or operation of such interconnections shall not reduce or adversely impact the Operational Transfer Capability of the AC Intertie. If Bonneville determines the operation of any such interconnection reduces or impacts the Operational Transfer Capability of the AC Intertie on any hour, and AC Intertie users have need of additional Operational Transfer Capability on the AC Intertie, upon Bonneville's request PacifiCorp shall reduce schedules to the extent needed to eliminate such impact. PacifiCorp shall not be required to reduce schedules on the parallel paths if the Operational Transfer Capability of the AC Intertie is reduced as a result of outages on the AC Intertie.

(b) Except as provided in subsection 10(c) herein, PacifiCorp shall not construct, participate in, or allow new interconnections for any 345 kV or above transmission lines or facilities from any point on PacifiCorp's system in Oregon to the existing two Malin-Round Mountain-Table Mountain 500 kV lines or the COTP north of Table Mountain.

(c) Notwithstanding the provisions of subsections 10(a)(3) and 10(b) herein, PacifiCorp may (i) construct and operate existing and new interconnections, as referenced in subsection 10(a)(3) herein with Rated Transfer Capability in excess of 400 megawatts, and/or (ii)

construct, participate in, and allow new interconnections as referenced in subsection 10(b) herein, if:

(1) such increase in Rated Transfer Capability or new interconnection is needed for PacifiCorp to meet good faith third-party requests for transmission service; and

(2) Bonneville has declined to provide, or lacks transmission facilities to provide, the requested transmission service; and

(3) such actions do not reduce the Rated Transfer Capability of the AC Intertie.

11. Wheeling from Palo Verde. For a period coincident with the term of PacifiCorp's March 23, 1993, Transmission Service Agreement ("TSA") with Southern California Edison Company ("SCE"), PacifiCorp, on hours that PacifiCorp does not require all or a portion of its transmission capacity rights pursuant to the TSA, shall offer Bonneville a first right of refusal to utilize such excess transmission rights under the TSA. PacifiCorp shall have sole discretion to determine whether it is making use of its TSA transmission rights. If Bonneville exercises its right to use PacifiCorp's TSA transmission rights, Bonneville shall reimburse PacifiCorp for SCE's charges to PacifiCorp for such usage. Such reimbursement shall be based upon PacifiCorp's then-effective transmission demand charges from SCE under the TSA which shall initially be \$4.00 per megawatt-hour. If Bonneville exercises its first right of refusal to utilize PacifiCorp's excess TSA transmission rights, Bonneville shall use its own AC Intertie or DC Intertie scheduling capability to accept and transmit power and energy scheduled under this section 11. Additionally, the exercise of such access by Bonneville shall not preclude PacifiCorp

from utilizing its transmission rights acquired from Bonneville on the AC Intertie or the DC Intertie.

12. Summer Storage and Spring Energy Option

(a) Summer Storage. For a period of 20 years commencing with the effective date of the June 1994 AC Intertie Agreement, PacifiCorp shall accept and store energy for Bonneville during the months of June and July of each year.

(1) Prior to each storage month, Bonneville shall nominate their Bonneville Requested Storage, as shown in **Exhibit H** hereto. Bonneville will deliver the Bonneville Requested Storage Hourly Schedule to PacifiCorp system to system (BPAT.PACW) as described in Exhibit C to this Agreement.

(2) On any day that is not a Contingent Spill Protection Day, PacifiCorp may cut Bonneville's Requested Storage Hourly Schedule in any hour of any storage month up to the PacifiCorp Monthly Storage Schedule Cut Cap quantity for any reason, without financial compensation or other documentary support to Bonneville.

(3) On any day that is a Contingent Spill Protection Day, PacifiCorp will not cut Bonneville's Requested Storage Hourly Schedule for any hours of the Contingent Spill Protection Day.

(4) Energy to be stored pursuant to this subsection 12 (a) shall be delivered to PacifiCorp at the points of delivery specified in Exhibit C of the Short-Term Surplus Firm Capacity Sales Agreement (Contract No. DE-MS79-92BP93757), as amended or superseded, or such other points as may be mutually agreed to. PacifiCorp may, but shall not be required to, accept more than 100,000 megawatt-hours per month for storage and Bonneville shall deliver no less than 25,000 megawatt-hours per month for storage.

Bonneville shall deliver energy to PacifiCorp for storage prior to entering into the market to sell surplus energy. Unless otherwise mutually agreed, the hourly rate of delivery shall be determined by dividing the total energy to be stored in the month by the number of hours in such month. Except in times of system emergency, Bonneville shall adhere to the agreed-upon schedule of deliveries.

(5) PacifiCorp shall return stored energy to Bonneville during the months of September, October and November of each year in which energy was delivered to PacifiCorp. Unless otherwise mutually agreed, the hourly rate of return of the energy to Bonneville shall be determined by summing the total energy delivered to PacifiCorp during the prior June and July period, dividing such sum by three (3) and dividing the result by the number of hours in the month in which the energy is to be returned to Bonneville. Except during times of system emergency, PacifiCorp shall adhere to this hourly return schedule. Except when prevented by constraints on the Parties' transmission systems, including both operational and scheduling constraints, returned energy in any hour shall be delivered to Bonneville at the Hot Springs Substation, at an amount not to exceed 110 MW unless otherwise mutually agreed to, Summer Lake Substation or other mutually-agreed upon points of delivery. Storage provided pursuant to this subsection 12(a) shall be at no charge to Bonneville.

(6) If PacifiCorp exceeds its Monthly Storage Schedule Cut Cap for a given storage month, and Bonneville has not declared a Spill Protection Day and operational constraints dictate further storage cuts, then PacifiCorp can cut Bonneville Requested Storage Hourly Schedule but will pay Bonneville the PacifiCorp Storage Cut LD.

(7) If Bonneville has met its Monthly Spill Protection Day Cap for a given

storage month, and environmental constraints dictate further Spill Protection Day(s), then Bonneville can provide notice for additional Contingent Spill Protection Day(s) and PacifiCorp will accept and store such Bonneville Requested Storage Hourly Schedules, but Bonneville will pay PacifiCorp the Bonneville Spill Protection Day LD for Bonneville Requested Storage Hourly Schedules for any Contingent Spill Protection Days in excess of the Bonneville Monthly Spill Protection Day Cap and for any Contingent Spill Protection Day that does not meet all the Spill Protection Day criteria in 27(gg).

(8) PacifiCorp will pay any accumulated PacifiCorp Storage Cut LD, and Bonneville will pay any accumulated Bonneville Spill Protection Day LD, due in any storage year by December 20th of such storage year, and any such payment shall be made in accordance with payment terms set forth in the current General Rate Provisions dated October 1, 2009.

(9) Summer Storage Settlement. Storage and return of energy as provided in this section 12(a) shall occur in calendar year 2014 pursuant to the terms of this section 12(a)(9). For calendar year 2014, subsections 12(a)(1)-(8) shall be inoperable.

(i) Bonneville may elect to store energy with PacifiCorp in either the month of June or July (but not both). Such month shall then be deemed the Delivery Month. Bonneville shall notify PacifiCorp of such election in a notice shown in **Exhibit N** hereto.

(ii) If Bonneville makes such election, PacifiCorp shall accept up to 25,000 megawatt-hours for storage over a maximum of 8 Storage Day(s) in the Delivery Month, as defined in section 12(a)(9)(v). The eight Storage Day(s) may, but need

not be, consecutive. Deliveries of such energy shall be 130 MW per hour for each Storage Day.

(iii) Energy to be stored by Bonneville shall be pursuant to this subsection 12(a)(9) and shall be delivered to PacifiCorp system to system (BPAT.PACW) as described in Exhibit C of the Short-Term Surplus Firm Capacity Sales Agreement (BPA Contract No. DE-MS79-92BP93757), or such other points as may be mutually agreed to.

(iv) PacifiCorp shall return energy stored under this section 12(a)(9) to Bonneville during the months of September, October, and November of the year in which energy was delivered to PacifiCorp. Unless otherwise mutually agreed, the hourly rate of return of the energy to Bonneville shall be determined by summing the total energy delivered to PacifiCorp during the prior June or July period, dividing such sum by three (3) and dividing the result by the number of hours in the month in which the energy is to be returned to Bonneville. Except during times of system emergency, PacifiCorp shall adhere to this hourly return schedule. Except when prevented by constraints on the Parties' transmission systems, including both operational and scheduling constraints, returned energy in any hour shall be delivered to Bonneville at the Hot Springs Substation, at an amount not to exceed 110 MW unless otherwise mutually agreed to, Summer Lake Substation or other mutually-agreed upon points of delivery. Storage provided pursuant to this subsection 12(a) shall be at no charge to Bonneville, except as provided in section 12(a)(9)(vi).

(v) "Storage Day" as used in this section 12(a)(9) shall mean any calendar day in which all of the following occur:

- (1) Bonneville anticipates that it will be in Spill Conditions, as defined in section 27 of this Agreement, for any hour in a declared Storage Day, and
- (2) Bonneville has specifically notified PacifiCorp it is declaring a Storage Day, and that notification will be delivered no later than 10:00 a.m. on the pre-schedule day for the Storage Day(s), via sending an email to PacifiCorp at ctpreschd@pacificorp.com, an example of which is shown in **Exhibit O** hereto.

In each case, a Storage Day will be for 24 hours beginning at HE0100 and ending HE2400 as outlined in Bonneville notice (**Exhibit O**) and are day(s) in which BPA requested Storage Day schedule cannot be cut by PacifiCorp.

(vi) If Bonneville delivers energy to PacifiCorp on a declared Storage Day where Bonneville was not in Spill Conditions, then Bonneville will be subject to a Bonneville Storage Day Liquidated Damage (LD), as defined in section 12(a)(9)(vii).

(vii) “Bonneville Storage LD” as used in this section 12(a)(9) is defined as the sum of the product of the 3,120 MWh (24 hours of storage deliveries) and the market price spread of the Powerdex Mid-Columbia Average Hourly Index price for all hours of the Storage Day and the hourly weighted average of the settled ICE North American Power Day-Ahead Power Index Mid-Columbia price, for Peak and Off-Peak, from September through November of 2014. (Example in **Exhibit P**)

Bonneville will pay to PacifiCorp the BPA Storage Day LD, if any, by December 20th, 2014 and such payment shall be made in accordance with payment terms set forth in BPA's current Power General Rate Schedule Provisions.

(b) Spring Energy Option. For a period of 20 years following the effective date of the June 1994 AC Intertie Agreement, if requested by Bonneville, PacifiCorp shall deliver to Bonneville during Off- Peak Hours, at the Hot Springs Substation, or other mutually-agreed points of delivery, up to 50,000 megawatt-hours during the month of March of each such year. The maximum rate of delivery for such energy shall be 200 megawatts per hour. To exercise its option to take such energy, Bonneville shall notify PacifiCorp by February 15 of each year as to the amount of energy Bonneville desires to have delivered during the following March. Except in times of system emergency, PacifiCorp shall deliver such energy in accordance with Bonneville's request, subject to the limitations of this subsection 12(b). Bonneville shall return the energy delivered by PacifiCorp during the following June 1 through July 15 period during Off-Peak hours at an hourly rate of delivery determined by dividing the amount of energy delivered by PacifiCorp during the previous March by the number of Off-Peak Hours in the June 1 through July 15 period or such other hourly rate of delivery as mutually agreed to. Such March Energy shall be returned to PacifiCorp at points of delivery as specified in Exhibit C of Contract No. DE-MS79-92BP93757 or such other points of delivery as are mutually agreed.

13. Sale or Assignment.

(a) This Amended and Restated AC Intertie Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and assigns of the Parties to this Amended and Restated AC Intertie Agreement.

(b) PacifiCorp and Bonneville agree not to sell, assign, lease, sublease, or otherwise transfer this Amended and Restated AC Intertie Agreement or any interest therein, without the

written consent of the other Party, such consent not to be unreasonably withheld. PacifiCorp and Bonneville also agree not to sell, assign, lease, sublease, or otherwise transfer any direct or indirect interest in the Malin Substation, the portion of the Midpoint-Malin Line between Summer Lake Substation and Malin Substation (“Summer Lake-Malin Line”), the Malin-Meridian Line, or the Alvey-Meridian Line, without the written consent of the other Party, such consent not to be unreasonably withheld, provided, however, that PacifiCorp’s interest in such facilities may be conveyed to its respective trustees as security under a mortgage or deed of trust to secure indebtedness without such written consent, provided that each such trustee may act with respect to such interest only to the extent and in the manner that such act would have been authorized under this Amended and Restated AC Intertie Agreement.

(c) If Bonneville or PacifiCorp is acquired in total by other entities, subsection 13(b) shall not apply to such acquisition.

14. Extension of Existing Agreements. The Parties agree that the termination dates of the Midpoint-Meridian Transmission Agreement, the Malin Substation Construction Agreement and all agreements related to joint ownership or interconnection on the Buckley-Alvey Loop, including but not limited to arrangements for the operation and maintenance of new facilities, shall be coincident with the termination date of this Amended and Restated AC Intertie Agreement. The Payment Agreement and the Option Agreement are attached hereto as Exhibits A and D respectively and made a part of this Amended and Restated AC Intertie Agreement. The Payment Agreement and the Option Agreement provide for, among other things, certain construction, payment, ownership, operation and maintenance activities in progress at the time of execution of this Amended and Restated AC Intertie Agreement. As these activities are completed or superseded by future agreements, PacifiCorp and Bonneville may agree to terminate some or all of the Payment Agreement and the Option Agreement provisions. To the

extent any provisions of the Payment Agreement or the Option Agreement are in conflict with this Amended and Restated AC Intertie Agreement, the terms and conditions of this Amended and Restated AC Intertie Agreement shall prevail.

15. Termination of Agreement. The Parties agree that this Amended and Restated AC Intertie Agreement consistent with the 1994 AC Intertie Agreement supersedes and terminates in its entirety, the July 1986 Intertie Agreement, Contract No. DEMS79-86BP92299, provided, however, that any liabilities incurred thereunder are hereby preserved until satisfied.

16. Execution of Other Agreements. The Parties agree to negotiate in good faith and execute construction agreements, operation and maintenance agreements, transmission agreements, and other such agreements that may be required to implement the provisions of this Amended and Restated AC Intertie Agreement.

17. Arbitration. In the event of any dispute related to rights or obligations of the Parties, or satisfaction thereof, under this Amended and Restated AC Intertie Agreement, including but not limited to the amount or reasonableness of costs, identification of exclusive use facilities, extent of amortization of past costs, and the reasonableness of withholding consent, either Party may elect to submit such dispute to nonbinding arbitration. If one Party so elects, such Party shall notify the other Party in writing and both Parties shall participate pursuant to the following:

(a) If the Parties cannot agree on an arbiter within 30 days of such notification, the notifying Party shall request the American Arbitration Association to designate an arbiter with sufficient expertise in the subject under dispute.

(b) After an arbiter is agreed to or designated, the arbiter shall establish a schedule for submission of the Parties' written positions. The Party electing the arbitration shall first state its position in a letter to the arbiter. The second Party shall then state its position in a letter to the

arbiter. The first Party may then submit a response to the Second Party's position and the second Party may thereafter submit a reply to the first Party's response.

(c) Each letter submitted to the arbiter shall be no more than 5 pages in length, unless the Parties otherwise mutually agree. The Parties may attach exhibits that they consider relevant to the dispute. A copy of each submission also shall be simultaneously served on the other Party.

(d) The arbiter shall provide the Parties with a written analysis of the dispute, and his or her proposed resolution of the dispute.

(e) The Parties shall equally share the fee and other costs of the arbiter.

In the event neither Party submits the dispute to nonbinding arbitration or if either Party elects not to accept the finding of the arbiter, the Parties may elect other approaches, including litigation, to resolve the dispute.

18. Rules of Law.

(a) The Parties agree that each fully participated in the drafting of each provision of this Amended and Restated AC Intertie Agreement. The rule of law interpreting ambiguities against the drafting Party shall not be applicable to or utilized in resolving any dispute over the meaning or intent of this Amended and Restated AC Intertie Agreement or any of its provisions.

(b) The construction and interpretation of this Amended and Restated AC Intertie Agreement shall be governed solely by Federal law.

(c) This Amended and Restated AC Intertie Agreement shall not be construed to establish a partnership, association, joint venture, or trust. Neither Party shall be under the control of or shall be the agent of or have a right or power to bind the other Party without the other Party's express written consent, except as provided in this Amended and Restated AC Intertie Agreement.

19. Delay of Performance. The time for each act specified in this Amended and Restated AC Intertie Agreement shall be extended for a time equivalent to such delays, if any, as are occasioned by events which the Party hereto obligated to perform such act could not be reasonably expected to avoid by the exercise of reasonable diligence and foresight.

20. Regulatory Jurisdiction. The provisions of this Amended and Restated AC Intertie Agreement are subject to such regulatory agencies having jurisdiction thereof. Nothing contained herein shall be construed as affecting in any way the right of PacifiCorp to make application unilaterally to the Federal Energy Regulatory Commission for a change in rates, charges, classification, or service, or any rule or regulation, or contract relating thereto, under Section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated thereunder.

21. Severability and Breach.

(a) It is the intention of the Parties that the provisions of this Amended and Restated AC Intertie Agreement be severable in the event that any of such provisions, or portions thereof, are held to be illegal, invalid or unenforceable by a court of competent jurisdiction; provided that if section 10 herein, or any portion thereof, is found to be illegal, invalid or unenforceable by a court of competent jurisdiction, Bonneville shall have firm transmission rights to 50 percent of the total Rated Transfer Capability of any parallel interconnections other than the 100 megawatt Cottonwood Interconnection between PacifiCorp and Pacific Gas & Electric or other utilities adjoining PacifiCorp's territory in southern Oregon and northern California. In any legal proceeding, Bonneville and PacifiCorp shall act in good faith to defend the enforceability of all provisions of this Amended and Restated AC Intertie Agreement.

(b) The Parties agree that breach of this Amended and Restated AC Intertie Agreement, or any of its provisions, will cause irreparable harm and that the appropriate remedy

is injunctive relief.

22. Capital Budgets. Excluding any facilities designated for omission by footnote 1 of Exhibit B of this Amended and Restated AC Intertie Agreement, each Party by July 1 of each year shall send a notice to the other Party containing (i) an estimate of the capital budget amounts related to the planned construction activities of the facilities described in such Exhibit B such Party expects to incur four (4) years in the future, and (ii) an update of any capital budget amounts it expects to incur within the upcoming three (3) years. Except for emergency Capital Replacements or emergency Capital Additions, the Parties shall exchange and review any necessary data as needed to determine the necessity and adequacy of the proposed construction and operation activities.

23. Payment Provisions.

(a) For reimbursable Capital Replacements or Capital Additions, the Party proposing the action shall prepare a proposed revision to Exhibit F whenever the Parties concur that it is necessary to add to or to replace the facilities identified in Exhibit B of this Amended and Restated AC Intertie Agreement. The Parties shall share the costs of such action according to the original cost share percentage of such facilities as set forth in Exhibit B in a manner consistent with the cost sharing methodologies contained in such exhibit, except that the replacement of facilities identified by footnote 1 of Exhibit B shall not be eligible for cost-sharing. Each revision of Exhibit F shall specify the facilities added or replaced.

(b) The Party responsible to make payment shall pay according to the provisions of the revision of Exhibit F for the work performed in amounts and at times as negotiated by the Parties.

(c) In the event of a dispute regarding billing, the Party owing the bill shall pay the amount in full and provide written notification of the disputed amount. Any adjustment shall be

made on the next invoice allowing reasonable notice and time to make the adjustment. Refunds of the disputed amount shall include interest at the same interest rate specified in section 23(d).

(d) Invoices not paid in full on or before the close of business on the date due shall be subject to an interest charge on the amount due from the due date to the date paid consistent with the Prompt Payment Act Renegotiation Board's Interest Rate published in the Federal Register.

24. Audit Rights.

(a) Each Party, at its expense, may review and audit any cost on the other Party's books, records, and documents that directly pertain to the billings on the jointly owned facilities. The Party undertaking the audit shall provide reasonable notice to the other Party and shall conduct such audit at reasonable times and in conformance with generally accepted auditing standards. The Party being audited shall cooperate fully with any such audit. Neither Party shall audit a cost incurred more than three (3) years following the last day of the fiscal year in which such cost was incurred under Section 23 to this Amended and Restated AC Intertie Agreement. The Parties shall retain all records and documentation prepared in the normal course of business for the entire length of this audit period and in accordance with generally accepted accounting principles.

(b) After completion of the audit, the Party conducting the audit shall promptly notify the other Party of any exception taken as a result of an audit, and the audited Party may review the notice of exception and basis therefore for a period of thirty (30) days. Upon agreement regarding the validity of any exception, the owing Party shall directly refund the amount of the exception within thirty (30) days of such agreement.

25. Ownership of the Facilities.

(a) Transfer of legal ownership pursuant to Sections 22 and 23 to this Amended and Restated AC Intertie Agreement shall be effective at such time as the facilities are

energized and made available for commercial operation as part of this Amended and Restated AC Intertie Agreement.

(b) All jointly-owned equipment and facilities shall be identified as such with co-ownership tags and signs. Each Party shall provide the tags and signs for equipment which it operates. Costs for such tags and signs shall be shared equally by each Party.

26. Integration.

(a) To the extent that Exhibit A of this Amended and Restated AC Intertie Agreement is inconsistent with provisions of Sections 22, 23 and 25 to this Amended and Restated AC Intertie Agreement, such Exhibit A is superseded by the provisions of this Amended and Restated AC Intertie Agreement.

(b) Any revisions to Exhibit F shall be attached to and deemed to be a part of this Amended and Restated AC Intertie Agreement and shall be effective on the date specified therein.

27. Definitions.

(a) AC Intertie. For the purposes of this Amended and Restated AC Intertie Agreement, the 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) Alvey-Meridian Line. The 500 kV transmission line facilities and substations constructed by PacifiCorp that extend from the interconnection with Bonneville's system at Alvey Substation to PacifiCorp's Meridian Substation.

(c) Bonneville Monthly Spill Protection Day Cap. Eight (8) Spill Protection Days in any storage month, without any carryover to the next month or year.

(d) Bonneville Requested Storage. The monthly energy Bonneville requests PacifiCorp to store as exercised under Section 12(a), hereof, as defined and confirmed in a nomination letter Exhibit H.

(e) Bonneville Requested Storage Hourly Schedule. The Bonneville Requested Storage (MWh/mn) for a storage month divided by the total hours (hours/mn) in the storage month and shall be the hourly flat schedule of Bonneville Requested Storage for all hours in the storage month

(f) Bonneville Spill Protection Day LD. The sum of the product of the Bonneville Requested Storage Hourly Schedules and the market price spread of the Powerdex Mid-Columbia Average Hourly Index price for all hours of the Spill Protection Day and the hourly weighted average of the settled ICE North American Power Day-Ahead Power Index Mid-Columbia price, for Peak and Off-Peak, from September through November of the storage cut year. (Example calculation found in Exhibit L).

(g) Bonneville Transmission Scheduling Office. The group of schedulers presently located at Bonneville's Dittmer Control Center in Vancouver, Washington, appointed by

Bonneville, Portland General Electric Company and PacifiCorp and designated to coordinate the schedule of energy over the AC Intertie and the DC Intertie.

(h) Buckley-Alvey Loop. The 500 kV transmission lines, facilities, and substations from Buckley Substation south to Summer Lake Substation, continuing south to Malin Substation, west to Meridian Substation, including the Captain Jack Substation, and the Alvey-Meridian Line.

(i) California Intertie. The two existing 500 kV AC lines extending northward from within California at Round Mountain Substation and terminating at Malin Substation.

(j) Capital Additions. The addition of any new facilities under this Amended and Restated AC Intertie Agreement (e.g., not replacements for assets already listed on Exhibit B) that are required to serve the common good of both Parties.

(k) Capital Replacements. The replacement asset for the facilities listed in Exhibit B of this Amended and Restated AC Intertie Agreement that is required to serve the common good of both Parties.

(l) Captain Jack Substation. The substation where COTP interconnects with the AC Intertie in the Pacific Northwest.

(m) COTP. The 500 kV California-Oregon Transmission Project, which operates in parallel with the California Intertie and terminates at the California-Oregon Border.

(n) DC Intertie. For the purposes of this Amended and Restated AC Intertie Agreement, the DC Intertie means Bonneville's rights in the existing 1,000 kV direct current ("DC") transmission line, and associated substation facilities, extending from the Bonneville's Big Eddy Substation to the Nevada-Oregon Border.

(o) Federal Transmission System. The transmission facilities owned by Bonneville.

(p) Future Pacific Northwest AC Intertie Capacity Ownership Agreements.

Agreements entered into by Bonneville and regional utilities providing for those utilities' ownership of AC Intertie capacity available as a result of increasing the Rated Transfer Capability of the AC Intertie to 4800 megawatts.

(q) Incremental Capacity. For the purpose of this Amended and Restated AC Intertie Agreement, Incremental Capacity means capacity realized through the construction of the Alvey-Meridian Line in excess of the capacity on the previously existing 230 kV Alvey-Meridian line that was removed as a result of construction of the Alvey-Meridian Line.

(q1) Intra-Hour Scheduling Interval. For the purpose of this Amended and Restated AC Intertie Agreement, Intra-Hour Scheduling Interval means each of the four 15-minute intervals during an operating hour, the first such 15-minute interval beginning at the start of the operating hour.

(q2) Intra-Hour Scheduling Interval Schedule. For the purpose of this Amended and Restated AC Intertie Agreement, Intra-Hour Scheduling Interval Schedule means a schedule representing an Intra-Hour Scheduling Interval, and may consist of either the submission of a new 15-minute schedule or adjustment to an hourly schedule.

(r) IS-A Rate. The Nonfirm Transmission Rate specified in Section II.A. of Bonneville's Southern Intertie Transmission Schedule IS-93, or its successor.

(s) [Reserved]

(t) Load Area. The geographic area encompassing portions of southern Oregon and northern California which is generally south of Eugene, Oregon and Bonneville's Summer Lake Substation and west of Burns, Oregon. Such geographic area shall be limited to:

(1) That area in which PacifiCorp is authorized to provide retail electric service, now and in the future; and

(2) That area in which PacifiCorp provides wholesale electric service at the date of execution of the June 1994 AC Intertie Agreement; provided that such areas are normally within PacifiCorp's load control area, connected to PacifiCorp's transmission system, and served by the transmission lines in Exhibit C.

Revisions to the Load Area shall be by mutual agreement of the Parties, and such agreement shall not be unreasonably withheld.

(u) Load Carrying Capability. The capability of PacifiCorp's transmission system, as specified in Exhibit C, serving the Load Area and parallel paths as limited by section 10 herein to provide firm transmission service in accordance with Prudent Utility Practice.

(v) Northbound Scheduling Rights. PacifiCorp's right to schedule power and energy through the Malin Substation and the Captain Jack Substation in a northerly direction from the 500 kV lines which extend to California and interconnect with the California Intertie and the COTP as provided in this Amended and Restated AC Intertie Agreement.

(w) Off-Peak Hours. The first six and last two hours of each day Monday through Saturday and all day Sunday or other hours as mutually agreed to.

(x) Operational Transfer Capability. Rated Transfer Capability less reductions caused by, but not limited to, physical limitations beyond the control of the Parties, operational limitations imposed by California utilities, line or equipment outages, stability limits or loop flow.

(y) PacifiCorp's Load. PacifiCorp's net firm load obligations within the Load Area excluding Bonneville's Surprise Valley Electric Cooperative Load transferred by PacifiCorp pursuant to the General Transfer Agreement, Contract No. DEMS79-82BP90049.

(z) PacifiCorp Monthly Storage Schedule Cut Cap. Sixteen (16) percent of the Bonneville Requested Storage in any storage month. The quantity of energy is defined as

Bonneville Requested Storage quantity (MWh/mn) multiplied by PacifiCorp Monthly Storage Schedule Cut Cap (16%) without any carryover to the next month or year.

(aa) PacifiCorp Storage Cut LD. The product of any storage cuts in excess of PacifiCorp's Monthly Storage Schedule Cut Cap, multiplied by the market price spread of Powerdex Mid-Columbia Average Hourly Index price at the time of cut and the hourly weighted average of the settled ICE North American Power Day-Ahead Power Index Mid-Columbia price, for Peak and Off-Peak, from September through November of the storage cut year. (Example found in Exhibit M).

(bb) Plan-of-Service. The project plans that Bonneville develops to realize an increase of the AC Intertie Rated Transfer Capability up to approximately 4800 megawatts, which shall include but are not necessarily limited plans, schedules, costs, and facility and equipment requirements.

(cc) Prudent Utility Practice. At any particular time, the generally accepted practices, methods, and acts in the electrical utility industry prior thereto or the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, could have been expected to accomplish the desired result consistent with reliability and safety.

(dd) Rated Transfer Capability. The ability of a transmission line or system to transfer power in a reliable manner as determined in accordance with Prudent Utility Practice.

(ee) Southbound Scheduling Rights. PacifiCorp's right to schedule power and energy through the Malin Substation and the Captain Jack Substation in a southerly direction to the 500 kV lines which extend to California and interconnect with the California Intertie and the COTP as provided in this Amended and Restated AC Intertie Agreement.

(ff) Spill Conditions. Individual calendar days with one or more hours in that day flagged to indicate that Bonneville has declared spill conditions. The hourly spill condition declarations are provided by Bonneville via public internet posting at: <http://www.transmission.bpa.gov/Business/Operations/Misc/> , then click on: Hourly Spill Flag, Last Two Years & Day-Ahead Forecast (updated daily at 11:00 AM, Pacific Time). Flags are found in the column titled “Actual” (Sample displayed in Exhibit K).

(gg) Spill Protection Day. Any day(s) in which all of the following occur:

- (1) Bonneville has been in Spill Conditions for two (2) consecutivedays prior to when the Spill Protection Day begins (it being understood that such two day period could occur in May for the beginning of the June storage month and/or in June for the beginning of the July storage month); and
- (2) Bonneville is in Spill Conditions, as defined herein, for any hour in a declared Spill Protection Day; and
- (3) Bonneville has specifically notified PacifiCorp it is declaring a period of Spill Protection Day(s), and that notification will be delivered no later than 10:00 am on the pre-schedule day for the Spill Protection Day, via sending an email to PacifiCorp at ctpreschd@pacificorp.com, an example of which is shown in Exhibit I hereto.

In each case, Spill Protection Day(s) will be for 24 hours and begin at HE0100 and end HE2400 as outlined in Bonneville notice (Exhibit I) and are day(s) in which Bonneville’s Requested Storage Hourly Schedule cannot be cut by PacifiCorp. Bonneville will declare Spill Protection Days when a reduction in generation would cause a potential violation of Bonneville’s

total dissolved gas limits at the relevant hydroelectric projects, and a potential violation of relevant environmental statutes and regulations.

(hh) Contingent Spill Protection Day. Any day that has been noticed and scheduled by Bonneville as a Spill Protection Day, but that has not yet met all the conditions as described in section 27(gg) above. A Contingent Spill Protection Day will result in either:

- (1) a Contingent Spill Protection Day that ultimately meets all of the Spill Protection Day criteria in 27(gg) above and is within Bonneville's eight (8) allowed days; or
- (2) a Contingent Spill Protection Day that ultimately meets all of the Spill Protection Day criteria in 27(gg) above, but exceeds Bonneville's eight (8) allowed days (in which case Bonneville Spill Protection Day LDs apply); or
- (3) a Contingent Spill Protection Day that ultimately fails to meet all the Spill Protection Day criteria in 27(gg) above (in which case, Bonneville Spill Protection Day LDs apply).

When Bonneville specifically notifies PacifiCorp it is declaring a Contingent Spill Protection Day(s), that notification will be delivered no later than 10:00 am on the pre-schedule day for the Spill Protection Day, via email to PacifiCorp at ctpreschd@pacificorp.com, an example of which is shown in Exhibit I hereto. PacifiCorp will provide notice to Bonneville by the 10th of the month following a storage month as to the number of Contingent Spill Protection Days that a) fall within Bonneville Monthly

Spill Protection Day Cap and/or b) exceed Bonneville Monthly Spill
Protection Day Cap and/or c) did not meet the Spill Protection Day criteria
in 27(gg), via e-mail as described in Exhibit J.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

PACIFICORP

**BONNEVILLE POWER
ADMINISTRATION**

By: Natalie Hocken

By: Robert King

Name: Natalie Hocken

Name: Robert King

Title: SVP, Transmission & System Operations

Title: VP Transmission Marketing & Sales

Date: 8/5/14

Date: 8/5/14

Exhibit A
Contract No. DE-MS79-94BP94332
PacifiCorp
AC Intertie Agreement
Amendatory Agreement No. 2 to
Contract No. DE-MS79-86BP92299
03/09/93

AMENDATORY AGREEMENT NO. 2
TO THE INTERTIE 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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This AMENDATORY AGREEMENT NO. 2 to the Intertie Agreement, Contract No. DE-MS79-86BP92299, executed March 16, 1993, by the BONNEVILLE POWER ADMINISTRATION (Bonneville) and PACIFICORP with its principal office in Portland, Oregon (hereinafter collectively referred to as "Parties" and individually as "Party").

W I T N E S S E T H :

WHEREAS the Parties hereto desire to make progress payments towards the design and construction of those facilities identified in Exhibit C to the Intertie Agreement, as amended; and

WHEREAS the Parties have entered into an Interim Payment Agreement, Contract No. DE-MS79-92BP93772 (Interim Payment Agreement), as amended, which provides for partial payment by Bonneville to PacifiCorp in the net amount of \$10,000,000 for each Party's costs through May 31, 1992, related to the Alvey-Meridian Line and the AC Intertie (such payment represents a \$16,000,000 payment to PacifiCorp and a \$6,000,000 payment to Bonneville); and

WHEREAS the Parties have entered into a Cooperative Communication Agreement, Contract No. DE-MS79-92BP93740 (Communications Agreement), which

provides for, among other things, construction of microwave communication facilities needed for the AC Intertie (Intertie Communication Facilities); and

WHEREAS the Parties have entered into a Remedial Action Scheme Agreement, Contract No. DE-MS79-928P93039, which provides for, among other things, cost-sharing and payment by the Parties for the remedial action scheme equipment needed to support the rated transfer capability of the AC Intertie; and

WHEREAS the Parties have entered into the Sycan Interconnection Agreement, Contract No. DE-MS79-92BP93644 (Sycan Interconnection Agreement), which provides for, among other things, the installation and connection of series capacitors and related equipment (Sycan Addition) to PacifiCorp's Summer Lake-Malin 500 kV transmission line at the Sycan Compensation Station and Summer Lake and Malin Substations; and

NOW, THEREFORE, to establish the Parties' payment obligations throughout the construction phase of the Alvey-Meridian Line; the Alvey, Dixonville, Meridian, and Captain Jack 500 kV Substations; the Sycan Addition; and the Parties' Intertie Communication Facilities; and for continued obligations related to the AC Intertie, the Parties agree to the following:

1. Term of Amendment. This Amending Agreement No. 2 shall be effective on the date of execution (Amendment Effective Date) and shall remain in effect concurrently with the Intertie Agreement. All liabilities incurred hereunder shall be preserved until satisfied. Section 1 of the Intertie Agreement is hereby amended to include "Prior to the termination date of this Agreement, and no later than December 31, 2009, the Parties will commence negotiations for a follow-on agreement concerning services associated with the AC Intertie unless this Agreement is extended past 2016 then the Parties will commence negotiation of a follow-on agreement 7 years prior to termination."

2. Termination of Prior Agreement. The Interim Payment Agreement is hereby terminated upon the Amendment Effective Date. All obligations and liabilities incurred thereunder have been satisfied.

3. Definitions.

(a) Section 19(o) of the Intertie Agreement is hereby amended to read:

"(o) Captain Jack Substation. The Substation where the COTP interconnects with the AC Intertie in the Pacific Northwest and is sometimes referred to as the Southern Oregon Substation."

(b) Section 19 of the Intertie Agreement is hereby amended to add the following definitions:

"(p) Actual Costs are Bonneville and PacifiCorp Direct Costs, Indirect Costs, Overhead Costs, AFUDC, Interest and Credits as defined herein which are recorded monthly to construction work in progress (CWIP), retirement work in progress, removal work in progress, or electric plant in service according to generally accepted accounting principles and Prudent Utility Practice allocable to the Alvey-Meridian Line and other related facilities identified in Exhibit C herein. Costs related to construction that would not be capitalized, such as relocation, switching, and conductor transfer shall also be included in Actual Costs. The sharing of AFUDC on CWIP and Interest on electric plant in service is dependent on the timing of payments from the other Party relative to when costs are incurred. Bonneville's normal allocation of Bonneville Overheads and Bonneville Indirect Costs shall be included in the Actual Costs. PacifiCorp's normal allocation of PacifiCorp Overheads shall be included in the Actual Costs.

"(q) Advances are the monthly amounts of projected cash flow estimates for the Cost Shared Facilities expected to be incurred as Actual Costs in a given month as specified in Exhibits G and H.

"(r) Allowance for Funds Used During Construction (AFUDC) shall be as defined in the Federal Energy Regulatory Commission (FERC) Uniform System of Accounts found in 18 CFR, Part 101, Electric Plant Instructions 3.A [17]. AFUDC shall be an Actual Cost until the Party constructing the Cost Shared Facilities is funded by the other Party. AFUDC shall be included in CHIP.

"(s) Bonneville Direct Costs are costs which are readily identifiable or obviously traceable to a specific program, project, or other cost objective and will not be included in Bonneville's Overhead or Indirect Costs.

"(t) Bonneville Indirect Costs are any costs incurred for common objectives which cannot be directly charged to any single point of cost application. Indirect costs are often allocated to various categories of work in proportion to the benefit to each category and will not be included in Bonneville's Direct or Overhead Costs.

"(u) Bonneville Overhead Costs. Bonneville's Overhead Costs are subject to change as Bonneville's methodology for computing Overhead Costs may change and shall be reflected in the Actual Costs. Bonneville's Overhead Costs include the following and will not be included in Bonneville's Direct or Indirect Costs:

"(1) Costs that are distributed each month to benefiting programs using an annual direction of effort basis which may include automated data processing, materials and procurement, tools and work equipment, fixed wing aircraft, helicopter, General Services Administration (GSA) rent and building management, general and administrative, laboratory, and Electric Power Research Institute;

"(2) Costs that are charged to benefiting projects and programs based upon a fixed rate for services performed which include vehicle maintenance, general shops, and equipment use;

"(3) Costs that are loaded to labor charged to specific projects or programs which include personnel benefits and leave accrual; and

"(4) Costs that benefit all construction projects and are charged to all projects as construction overhead.

"(v) Cost Shared Facilities are those facilities identified in the cost share percentage column of Exhibit C herein. Such facilities shall include but are not limited to costs for land, environmental impact studies, preconstruction materials, and construction which PacifiCorp and Bonneville agree to pay through an exchange of payments in accordance with the cost share percentages as provided in Exhibit C.

"(w) Credits are the applicable portion of any income, rebate, allowance, or other receivable relating to any Cost Shared Facilities received by either Party. This includes, but is not limited to, materials, surplus property, scrap, timber revenues and future sales of Jointly-Owned and cost-shared land (Fee-Owned and Easement Rights). Proceeds from Credits shall be paid to the other Party either as a billing credit or by cash refund based on the original Cost Shared Facility proration between Bonneville and PacifiCorp.

"(x) Hazardous Substances mean any hazardous, toxic, or dangerous substance, waste, or material that is now or becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law now or hereafter in effect pertaining to environmental protection, contamination, or cleanup, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C.

9601 et seq., the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. 6901 et seq., the Federal Water Pollution Control Act (CWA), 33 U.S.C. 1251 et seq., the Clean Air Act (CAA), 42 U.S.C. 7401 et seq., the Toxic Substances Control Act (TSCA), 15 U.S.C. 2601 et seq. and all comparable programs under Oregon Law.

"(y) Historic Contamination means all contamination through seepage, spill, disposal, or release by any other method, of a Hazardous Substance at or from any facility which occurred prior to the Amendment Effective Date.

"(z) Interest based on AFUDC rates and applicable to electric plant in service, shall be applied to Cost Shared Facilities placed in service before cost reimbursement has occurred.

"(aa) Jointly-Owned refers to those facilities identified in Exhibit C which are not solely owned by either Party.

"(bb) PacifiCorp Direct Costs are costs which are readily identifiable or obviously traceable to a specific program, project, or other cost objective and will not be included in PacifiCorp's Overhead Costs.

"(cc) PacifiCorp Overhead Costs are costs incurred which cannot be directly charged to any single point of application. PacifiCorp Overhead Costs are assigned to various categories in proportion to the benefit of each category. PacifiCorp overhead transactions are made by either allocations or by clearing. PacifiCorp's Overhead Costs are subject to change as PacifiCorp's methodology for computing Overhead Costs may change and shall be reflected in Actual Costs. PacifiCorp Overhead Costs include the following components and will not be included in PacifiCorp's Direct Costs:

"(1) Labor Loading. These costs are directly associated personnel costs and include payroll taxes, leave, and benefits.

"(2) Material Overheads (for stores issues and for direct purchases) includes the costs of purchase, storage, handling and distribution of materials and supplies.

"(3) Tool Overheads represent the costs incurred to the purchase, use, and maintenance of small tools for force account work.

"(4) Transportation Overheads represent the costs incurred to purchase, lease, rent, operate, and maintain the fleet of PacifiCorp vehicles.

"(5) Construction (General) Overheads are all other construction costs incurred as a corporation, but which are not assignable to a specific project. Construction Overheads are applied to PacifiCorp's Direct Costs plus PacifiCorp's Overhead Costs described above in Sections cc(1) through cc(4).

"(dd) Prior Costs. Actual Costs for Cost Shared Facilities Incurred by the Parties through December 31, 1991, which are identified in section 7(b) to this Amendment.

"(ee) Project Diagram. Exhibit F to this Amendment describes the plan-of-service for the Eugene-Medford (Alvey-Meridian) project."

4. Revision of Exhibits. Section 2 of the Intertie Agreement is hereby deleted in its entirety and replaced with the following:

"2. Exhibits. Exhibits A through K are hereby incorporated as part of the Intertie Agreement as amended. Revisions to the Exhibits, except for Exhibit K shall be by mutual consent."

The monthly Operation and Maintenance (O&M) charge in Exhibit K may be revised unilaterally by Bonneville once every year to be effective on July 1, but not until after January 1, 1994.

5. Accounting and Record Keeping.

(a) Record Keeping. Each Party shall keep up-to-date books and records of financial transactions, and other arrangements in carrying out the terms of this Amendatory Agreement No. 2. Such books and records shall be kept in accordance with the system of accounts prescribed for electric utilities by FERC and shall be available for inspection on a regular basis to the other Party. Each Party shall have access to such records of the other Party as required for audit, for state and local tax preparation purposes, for regulatory purposes, and as necessary for engineering, design, and project management review.

(b) Continuing Property Records. Each Party shall maintain the complete cost records and investment reports on facilities they constructed in accordance with the Project Diagram, as well as investment records which delineate the ownership percentage in facilities constructed by the other Party.

For example, Bonneville will record 100 percent of the facilities constructed by Bonneville with an offsetting credit for PacifiCorp's percentage of ownership of those facilities and record Bonneville's ownership percentage of facilities constructed by PacifiCorp.

In conjunction with the final accounting and true-up of project costs, Bonneville and PacifiCorp shall exchange investment records and appropriate support documentation normally required for FERC account investment analysis. This may include, but is not limited to, structure/hardware lists, plan and profile drawings, and bills of materials. Bonneville and PacifiCorp shall provide periodic exchanges of information as necessary to properly identify

replacements, retirements, additions and improvements as such activities occur on the Jointly-Owned facilities.

(c) Capital Spare Parts. Capital spare parts for the Jointly-Owned facilities are subject to joint-ownership and cost-sharing if they are unique to a specific Jointly-Owned or Cost Shared Facility and if they are stored at or near the Cost Shared Facilities. Spare parts that are charged to inventory shall not be cost-shared until the spare part is placed in service at a Jointly-Owned facility.

6. Capital Budgets. Four years prior to the year costs are expected to be incurred, each Party shall provide to the other Party a forecast of capital budget expenditures related to the planned construction and operation activities of the Cost Shared Facilities except for the excluded facilities identified by a footnote in Exhibit C. This forecast shall be provided to the other Party on or before July 1 of each year and shall include updates of any estimated costs for the next 3 years. The Parties shall exchange and review any necessary data as needed to determine the necessity and adequacy of the proposed construction and operation activities. This notification requirement shall not apply to emergency replacement of equipment.

7. Payment Provisions.

(a) Payments made under this Amendment shall be made in accordance with provisions in this section 7 and shall be made for the following periods:

(1) Actual Costs for Cost Shared Facilities incurred for Prior Costs;

(2) Advances and Actual Costs for the Cost Shared Facilities incurred for the period from January 1, 1992, through the last month listed in the cash flow exhibits, Exhibits G and H by monthly invoices in accordance with Section 7(c) Progress Payments;

(3) Payment or refund for the final accounting of Actual Costs in accordance with Section 7(d) Final Accounting of Costs;

(4) Payment for future capital replacements in accordance with Section 7(e) and tables to Exhibit J; and,

(5) Payment for Operation and Maintenance shall be in accordance with Exhibit K.

Bonneville and PacifiCorp shall specify the financial institution and account number in a written notice to each other at the invoicing address and provide updates as necessary for the transfer of funds. Each invoice shall include a reference to Contract No. DE-MS79-86BP92299 and an invoice number.

(b) Prior Costs Payments. Bonneville shall pay PacifiCorp by check or electronic transfer of funds within 30 days after the date of an itemized invoice for PacifiCorp's Prior Costs, \$10,047,832.97 as agreed to by the Parties pursuant to the audit dated February 4, 1993. The date of such invoice shall be no earlier than the mailing date of such invoice. Such amount represents payment to PacifiCorp of Prior Costs through December 31, 1991, except for land and related land costs which may be subject to adjustment after Bonneville's receipt and review of all PacifiCorp's legal conveyance documents in accordance with Sections 8 and 14. Adjustments of Prior Costs as a result of PacifiCorp's final analysis of accounts performed for the final accounting of costs shall also be made upon mutual agreement of the Parties.

PacifiCorp shall pay Bonneville by check or electronic transfer of funds within 30 days after the date of an itemized invoice for Bonneville's Prior Costs, \$4,920,877.92, as agreed to by the Parties pursuant to the audit dated December 31, 1992. The date of such invoice shall be no earlier than the mailing date of such invoice. Such amount represents payment to Bonneville of

Prior Costs through December 31, 1991, except for land and related land costs which may be subject to adjustment after PacifiCorp's receipt and review of all Bonneville's legal conveyance documents in accordance with Sections 8 and 14. Adjustments of Prior Costs as a result of Bonneville's final analysis of accounts performed for the final accounting of costs shall also be made upon mutual agreement of the Parties.

(c) Progress Payments. Each Party shall make monthly payments to the other Party for the Cost Shared Facilities incurred after January 1, 1992, in accordance with Sections 7(c)(1) and 7(c)(2) below. The initial invoice shall also include amounts due for all past months from January 1, 1992, through the Amendment Effective Date with a credit for the amount previously paid under the Interim Payment Agreement.

(1) Payment by PacifiCorp. Each month Bonneville shall submit an itemized invoice to PacifiCorp (Jerry Walker, 800 PSB, 920 SW. Sixth Avenue, Portland, Oregon 97204) for the next month's Advance. In accordance with Exhibit G, and any adjustments for the previously invoiced Advance amounts when Actual Costs for such month(s) are known. The date of such invoice shall be no earlier than the mailing date of such invoice. The Actual Costs adjustment shall identify the Cost Shared Facilities with an itemization of cost elements by Bonneville work functions (i.e., materials, design, construction, etc.)

PacifiCorp shall pay Bonneville by check or electronic transfer of funds within 30 days after the date of the invoice. Should the 30th day be a Saturday, Sunday, or holiday, as observed by PacifiCorp, then the due date shall be the next following business day.

A credit balance on an invoice of \$100,000 or less shall be carried forward to the next month's invoice. A credit balance on an invoice of

more than \$100,000 shall be refunded to PacifiCorp by check or electronic transfer of funds within 15 days of the date of Bonneville's credit invoice. A refund of the credit balance shall also be made, regardless of the amount, if the sum of the remaining Advances is less than the credit balance.

(2) Payment by Bonneville. Each month PacifiCorp shall submit an itemized invoice to Bonneville (Bonneville Power Administration, P.O. Box 3621 - DSAC, Portland, Oregon 97208-3621) for the next month's Advance in accordance with Exhibit H, and any adjustments for the previously invoiced Advance amounts when Actual Costs for such month(s) are known. The date of such invoice shall be no earlier than the mailing date of such invoice. The Actual Costs adjustment shall identify the Cost Shared Facilities with an itemization of cost elements (i.e., labor, materials, purchase services, miscellaneous and overheads, etc.)

Bonneville shall pay PacifiCorp by check or electronic transfer of funds within 30 days after the date of the invoice. Should the 30th day be a Saturday, Sunday, or holiday as observed by Bonneville, then the due date shall be the next following business day.

A credit balance on an invoice of \$100,000 or less shall be carried forward to the next month's invoice. A credit balance on an invoice of more than \$100,000 shall be refunded to Bonneville by electronic transfer of funds within 15 days of the date of PacifiCorp's credit invoice. A refund of the credit balance shall also be made, regardless of the amount, if the sum of the remaining Advances is less than the credit balance.

(d) Final Accounting of Costs. Within 3 years after the date of commercial operation of all the Jointly-Owned and Cost Shared Facilities,

Bonneville and PacifiCorp shall each prepare a final accounting of all Actual Costs incurred for the Cost Shared Facilities identified in Exhibit C.

Each Party shall prepare an itemized invoice for the total final Actual Costs with either a refund or payment due the other Party. Payments and refunds shall be made in accordance with Sections 7(c)(1) and 7(c)(2).

(e) Payment Provisions for Capital Replacements:

(1) For reimbursable Capital Replacements, either Party shall prepare, for execution by the Parties hereto, an additional table to Exhibit J each time the Parties hereto agree that facilities shall be added or replaced to those facilities identified in Exhibit C to the Intertie Agreement. Those facilities identified by footnote one in Exhibit C shall be exempt from further cost sharing on capital replacements. Each table shall specify the facilities to be installed, the work to be performed by each Party, and the estimated costs to be borne by each Party. Payments shall be made as provided in each table to Exhibit J for the work to be performed in amounts and at times requested by the Party due reimbursement.

(2) Upon execution by the Parties hereto, new tables to Exhibit J shall be attached to and deemed to be a part of this Amendment to the Intertie Agreement and shall be effective on the date specified therein.

(f) Operation and Maintenance Charges. Effective on December 18, 1992, and pursuant to Exhibit K, PacifiCorp shall pay Bonneville for 50 percent of the operation and maintenance of the three Alvey 500 kV power circuit breaker terminals. Such operation and maintenance charge shall be included in PacifiCorp's monthly Wholesale Power Bill and shall remain in effect until such time the Alvey 500 kV facilities are available for commercial operation as part of the AC Intertie. Effective on December 18, 1992, PacifiCorp shall

pay Bonneville 35 percent of the operation and maintenance of the series capacitors at the Sycan Compensation Station (Sycan) pursuant to Exhibit K. Such operation and maintenance charge shall be included in PacifiCorp's monthly Wholesale Power Bill and shall remain in effect until such time as the Alvey-Meridian transmission line is available for commercial operation as part of the AC Intertie. However, the payments for such operation and maintenance charges shall be provided for in the follow-on Operations and Maintenance Agreement from the date of commercial operation as part of the AC Intertie.

(g) Disputed Billing. In the event of a disputed billing, full payment shall be made with written notification of the disputed amount. If it is determined that an adjustment is required, the adjustment shall be made on the next invoice allowing reasonable notice and time to make the adjustment. Refunds of the disputed amount shall include interest at the same interest rate specified in Section 7(h) below.

(h) Late Payment by Bonneville or PacifiCorp. Invoices not paid in full on or before the close of business on the due date shall be subject to an interest charge on the amount due from the due date to the date paid consistent with the Prompt Payment Act Renegotiation Board's Interest Rate published in the Federal Register.

8. Audit. Each Party, at its expense, shall have the right to review and audit any cost on the other Party's books, records, and documents that directly pertain to the billings, investments, and costs of the Cost Shared Facilities. Any audit(s) shall be undertaken by either Party's representative(s) upon reasonable notice to the other Party and at reasonable times and in conformance with generally accepted auditing standards. The foregoing shall not be construed to permit either Party to conduct a general audit of the other Party's records beyond those needed to perform an audit of the Cost Shared

Facilities. The Party being audited agrees to cooperate fully with any such audit(s). The right to audit a cost shall extend for a period of 3 years following the last day of the fiscal year in which such cost was incurred or the final accounting of costs under this Amendment. If either Party does not audit the costs of the other Party for fiscal years 1992, 1993, or 1994, prior to the completion of the final accounting of costs, the right to audit those costs shall extend for a period of 3 years after the date of completion of the final accounting of costs. The Parties agree to retain all records and documentation prepared in the normal course of business for the entire length of this audit period and in accordance with generally accepted accounting principles.

The Party being audited shall be notified promptly in writing of any exception taken as a result of an audit after completion of the audit. The Party being audited shall have 30 days to review the notice of exception. If the Parties agree upon any exception(s) found as a result of the audit, the owing Party shall directly refund the amount of such exception(s) within 30 days of such agreement to the other Party. In the event of late payment, the Late Payment Provisions of Section 7(h) shall apply to amounts not paid in full by the due date.

Prior to the Amendment Effective Date, the Parties performed audits of each Party's Prior Costs. Such costs shall not be subject to additional audits, except for the audit of supporting documentation required for accounting adjustments that may have originated from the Prior Cost audit. However, both Parties reserve the right to review Prior Costs billed under Section 7(b) for land and related land costs. Any Prior Cost adjustment shall be determined after a Party receives and reviews all legal conveyance documents

from the other Party. The results of the Prior Cost audits and resulting amounts due are reflected in Section 7(b).

9. Ownership of Facilities.

(a) Transfer of legal ownership pursuant to Amendatory Agreement No. 2 shall be effective at such time the facilities are energized and made available for commercial operation as part of the AC Intertie and shall remain in effect so long as any facilities of the Alvey-Meridian Line are in existence and operable and shall survive the term of the Intertie Agreement.

(b) All Jointly-Owned equipment, facilities, and capital spare parts shall be identified as such with co-ownership tags and signs. Either Party, at such Party's sole expense, shall provide the tags and signs.

10. Operation and Maintenance of Facilities.

(a) The Parties agree that Section 1(b) to Amendment No. 1 to the Intertie Agreement is hereby replaced in its entirety by the following:

"(b) Maintenance and Operation. PacifiCorp shall assume system operation and maintenance responsibilities of the Dixonville 500 kV Substation including the series capacitors; the terminal facilities at Meridian Substation for the Dixonville-Meridian Line, including the series capacitors; the Alvey-Meridian Line; PacifiCorp's relays, digital fault recorder, and SCADA remote terminal unit at Captain Jack Substation; the loop-in of PacifiCorp's Malin-Meridian 500 kV Line at Captain Jack Substation; PacifiCorp's relays installed at Summer Lake and Malin Substations; PacifiCorp's Dead-End Tower installed at Sycan as part of the Sycan Addition; and all communication facilities owned by PacifiCorp. Bonneville shall assume system operation and maintenance responsibilities of the Alvey Substation including the series capacitors; all the facilities at Captain Jack Substation other than PacifiCorp's relays.

digital fault recorder and SCADA remote terminal unit; the Sycan Addition other than PacifiCorp's Dead-End Tower; and all communication facilities owned by Bonneville. The Parties shall exchange maintenance standards with each other and shall carry out their respective maintenance responsibilities according to Prudent Utility Practices. Payment for operation and maintenance costs associated with these facilities shall be as specified in the Intertie Agreement, including Exhibit C, as amended."

(b) The Parties shall use best efforts to develop and execute a new AC Intertie Operation and Maintenance Agreement for the facilities identified in Exhibit C by December 1993. During the period between the energization date of any of these facilities and the date that such facilities are available for commercial operation as part of the AC Intertie, operation and maintenance shall be provided by the Parties as identified in Section 10(a) above and Exhibit C to the Intertie Agreement, without charge to the other Party, except for those facilities identified in Section 7(f) of this Amending Agreement.

11. Environmental Requirements.

(a) Historic Contamination. Neither Party shall be liable for any fines, penalties and assessments, costs for investigation, response, removal and remediation, arising from Historic Contamination of facilities owned by the other Party or operated by the other Party prior to becoming Jointly-Owned facilities pursuant to this Amendment.

(b) Disclosure of Information. Bonneville shall provide PacifiCorp, within 90 days after the Amendment Effective Date, a summary of all known and suspected Hazardous Substance release, spill and disposal events at facilities described herein which occurred prior to the Amendment Effective Date. PacifiCorp may request and Bonneville shall provide, for the purpose of establishing baseline contamination data for the facilities transferred to

Jointly-Owned facilities pursuant to this Amendment, all information including records, files and documentation pertaining to all known and suspected Hazardous Substance release, spill and disposal events at such transferred facilities. Such information shall also include correspondence, requests, determinations, findings and orders made by or to Federal, state or local agencies in connection with known and suspected Hazardous Substance release, spill and disposal events.

PacifiCorp shall provide Bonneville, within 90 days after the Amendment Effective Date, a summary of all known and suspected Hazardous Substance release, spill and disposal events at PacifiCorp's facilities described herein which occurred prior to the Amendment Effective Date. Bonneville may request and PacifiCorp shall provide, for the purpose of establishing baseline contamination data for the facilities transferred to Jointly-Owned facilities pursuant to this Amendment, all information including records, files, and documentation pertaining to all known and suspected Hazardous Substance release, spill and disposal events at such transferred facilities. Such information shall also include correspondence, requests, determinations, findings and orders made by or to Federal, state or local agencies in connection with known and suspected Hazardous Substance release, spill and disposal events.

(c) Emergency Environmental Responsibility. The Party in operational control of a Jointly-Owned facility shall prepare and obtain approval required for emergency response plans for Hazardous Substance releases from all appropriate Federal, state and local agencies and shall be responsible for management and implementation of all laws and regulations pertaining to Hazardous Substances at the Jointly-Owned facility. Costs associated with

approval and implementation of such plans shall be included in the Actual Costs.

12. Capital Replacements. Cost sharing for replacement of facilities specified in Exhibit C, due to obsolescence or major failure, shall be shared by the Parties according to the original cost share percentage of such facilities and in accordance with Exhibit J and Section 7(e) except for the excluded facilities identified by footnote one in Exhibit C.

13. Decommissioning Costs. The Parties shall pay decommissioning costs of Jointly-Owned facilities in accordance with their ownership shares as specified in Exhibit C. Proceeds from the disposal of Jointly-Owned surplus property or facilities shall be equitably distributed or allocated to the Parties in accordance with their ownership shares as specified in Exhibit C. The cost-sharing of decommissioning costs shall survive the term of the Intertie Agreement.

14. Land and Improvements. Right-of-way and land costs for the Alvey-Meridian Line and for Alvey, Dixonville, Meridian, and Captain Jack Substations will be cost-shared consistent with Exhibit C and the following principles. Bonneville's land maps are attached as Exhibit I, 1 and 2. PacifiCorp's land drawings attached as Exhibit I 3 through I 9 represent the Parties intent using such generic examples.

(a) Alvey-Spencer Line. Right-of-way and/or land costs shall conform to the following:

(1) If Bonneville acquires new right-of-way (Easement Rights) on land not owned by Bonneville, Bonneville and PacifiCorp will each pay 50 percent of the Actual Cost to purchase such Easement Rights and will each receive 50 percent interest in such Easement Rights. Exhibit I, pages 1 of 13 and 2 of 13, provide an example of such right-of-way.

(2) If PacifiCorp uses existing right-of-way (Fee-Owned Land), Bonneville will not share in the cost and will receive easement for access only for such Fee-Owned Land. This includes land owned by PacifiCorp adjacent to PacifiCorp's Spencer Switchstation (Section 22, Township 18 South, Range 3 West, W.M.).

(b) Spencer-Meridian 500 kV Line. Right-of-way and/or land costs shall conform to the following:

(1) If PacifiCorp acquires new right-of-way (Easement Rights) on land not owned by PacifiCorp, Bonneville and PacifiCorp will each pay 50 percent of the Actual Cost to purchase such Easement Rights and will each receive 50 percent interest in such Easement Rights. Exhibit I, page 4 of 13, page 6 of 13, and page 7 of 13, provides examples of such right-of-way.

(2) If PacifiCorp acquires new land (Fee-Owned Land) for the sole purpose of providing right-of-way for the Spencer-Meridian Line, Bonneville and PacifiCorp will each pay 50 percent of the Actual Cost of acquiring such Fee-Owned Land and will each receive 50 percent ownership of the Fee-Owned Land actually utilized to provide the necessary right-of-way. This includes land that is excess to normal right-of-way requirements which was purchased to provide necessary right-of-way and has been rendered non-marketable due to the transmission line construction. Exhibit I, page 5 of 13 and page 8 of 13, provides examples of such right-of-way.

(3) If PacifiCorp acquires new land (Fee-Owned Land) to provide right-of-way for the Spencer-Meridian Line, which it intends to market or retain portions thereof for its own purposes, PacifiCorp will provide and maintain Easement Rights for the portion of such Fee-Owned Land necessary

for such right-of-way. Bonneville and PacifiCorp will each pay 50 percent of the Actual Costs to provide Easement Rights and will each receive 50 percent interest in such Easement Rights. Exhibit I, page 5 of 13, provides an example of such right-of-way.

(4) If PacifiCorp uses existing right-of-way (Easement Rights or Fee-Owned Land), Bonneville will not share in the cost and will receive easement for access only in addition to an ownership interest in the Alvey-Meridian 500 kV Transmission Line.

(5) If PacifiCorp secures any permits for right-of-way across public lands, Bonneville and PacifiCorp will each pay 50 percent of the Actual Costs associated with such permits and will each receive 50 percent interest in such permits. Exhibit I, page 7 of 13, provides an example of such right-of-way.

(6) If, in the future, PacifiCorp markets any of the Fee-Owned Land as described in Section 14(b)(2) herein for which Bonneville has paid PacifiCorp 50 percent of the Actual Costs, Bonneville will receive 50 percent of the sale proceeds, less expenses.

(c) Substations. Right-of-way and/or land costs shall conform to Exhibit C and the following:

(1) Alvey Substation. Land will be cost-shared jointly on square footage of usage within the area shown on Exhibit I, page 10 of 13, and each Party will receive a 50 percent ownership.

(2) Dixonville Substation. Land will be cost-shared jointly on square footage of usage within the area shown on Exhibit I, page 11 of 13, and each Party will receive a 50 percent ownership.

(3) Meridian Substation. Land will not be cost-shared jointly on the existing land as shown in Exhibit I, page 12 of 13. Bonneville will receive Easement Access only.

(4) Captain Jack Substation. Land will be cost-shared jointly on square footage of usage within the area shown on Exhibit I, page 13 of 13, and PacifiCorp will receive a 100 percent ownership of such specific area.

(d) Title Transfer. Title and easement rights will be transferred by and to the Parties by a recordable conveyance document agreeable to both Parties after energization of the Alvey-Meridian Line.

To accomplish this, each Party will provide the other a copy of each recorded conveyance instrument and all permits obtained. Each instrument will be identified by category Exhibit I, page 4 of 13 through page 9 of 13. A full set of property maps will also be provided by each Party to the other depicting ownership acquisition. Both acquisition documents and a full set of property records (Plans) will be given by each Party to the other within 30 days after execution of this Amendment.

15. Notices. Any notice required to be served in accordance with the terms of this Agreement, shall be in writing and sent by registered or certified mail, return receipt requested, to the appropriate address listed below:

Bonneville Power Administration
P.O. Box 3621 - P
Portland, OR 97228-3621

PacifiCorp
Jerry Walker, 800 PSB
920 SW. Sixth Ave.
Portland, OR 97204

16. Liability.

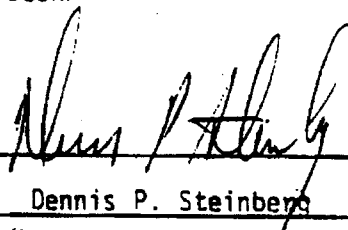
(a) Bonneville and PacifiCorp assert that neither Party is the agent or principal for the other or that they are partners or joint venturers; and the Parties agree that they will not represent to any other party that they act in the capacity of agent or principal for the other. Any judgments in tort obtained against either Party shall not be an Actual Cost of the Cost Shared Facilities.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendatory Agreement in several counterparts.

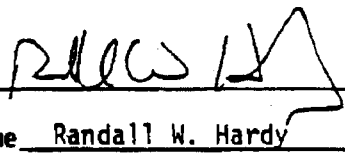
PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By



By



Name Dennis P. Steinberg
(Print/type)

Name Randall W. Hardy
(Print/type)

Title Vice President

Title Administrator

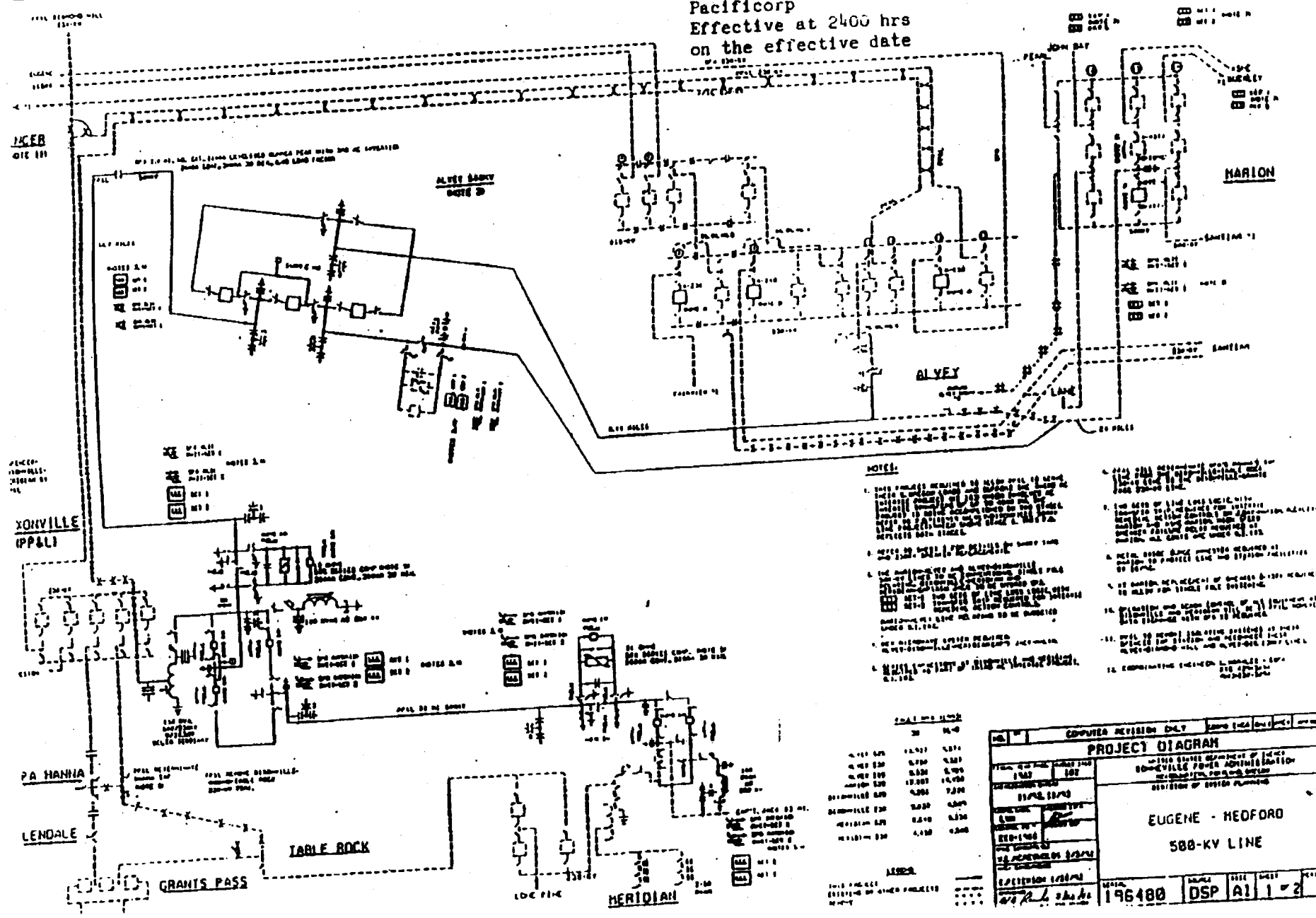
Date March 16, 1993

Effective Date March 16, 1993

(VS10-PMTT-3568e)

Exhibit F, page 1 of 2
 Amendatory Agreement No. 2
 Contract No. DE-HS79-86BP92299
 Pacificorp
 Effective at 2400 hrs
 on the effective date

LOWER COLUMBIA AREA



NOTES:

1. THIS PROJECT RELATES TO THE 500 KV LINE FROM ALVEY TO MARION AND THE 500 KV LINE FROM ALVEY TO XONVILLE AND THE 500 KV LINE FROM ALVEY TO PA HANNA AND THE 500 KV LINE FROM ALVEY TO LENDALE AND THE 500 KV LINE FROM ALVEY TO TABLE ROCK AND THE 500 KV LINE FROM ALVEY TO GRANTS PASS AND THE 500 KV LINE FROM ALVEY TO MERIDIAN.
2. THE 500 KV LINE FROM ALVEY TO MARION AND THE 500 KV LINE FROM ALVEY TO XONVILLE AND THE 500 KV LINE FROM ALVEY TO PA HANNA AND THE 500 KV LINE FROM ALVEY TO LENDALE AND THE 500 KV LINE FROM ALVEY TO TABLE ROCK AND THE 500 KV LINE FROM ALVEY TO GRANTS PASS AND THE 500 KV LINE FROM ALVEY TO MERIDIAN ARE TO BE CONSTRUCTED AND OPERATED AS A SINGLE UNIT.
3. THE 500 KV LINE FROM ALVEY TO MARION AND THE 500 KV LINE FROM ALVEY TO XONVILLE AND THE 500 KV LINE FROM ALVEY TO PA HANNA AND THE 500 KV LINE FROM ALVEY TO LENDALE AND THE 500 KV LINE FROM ALVEY TO TABLE ROCK AND THE 500 KV LINE FROM ALVEY TO GRANTS PASS AND THE 500 KV LINE FROM ALVEY TO MERIDIAN ARE TO BE CONSTRUCTED AND OPERATED AS A SINGLE UNIT.
4. THE 500 KV LINE FROM ALVEY TO MARION AND THE 500 KV LINE FROM ALVEY TO XONVILLE AND THE 500 KV LINE FROM ALVEY TO PA HANNA AND THE 500 KV LINE FROM ALVEY TO LENDALE AND THE 500 KV LINE FROM ALVEY TO TABLE ROCK AND THE 500 KV LINE FROM ALVEY TO GRANTS PASS AND THE 500 KV LINE FROM ALVEY TO MERIDIAN ARE TO BE CONSTRUCTED AND OPERATED AS A SINGLE UNIT.
5. THE 500 KV LINE FROM ALVEY TO MARION AND THE 500 KV LINE FROM ALVEY TO XONVILLE AND THE 500 KV LINE FROM ALVEY TO PA HANNA AND THE 500 KV LINE FROM ALVEY TO LENDALE AND THE 500 KV LINE FROM ALVEY TO TABLE ROCK AND THE 500 KV LINE FROM ALVEY TO GRANTS PASS AND THE 500 KV LINE FROM ALVEY TO MERIDIAN ARE TO BE CONSTRUCTED AND OPERATED AS A SINGLE UNIT.
6. THE 500 KV LINE FROM ALVEY TO MARION AND THE 500 KV LINE FROM ALVEY TO XONVILLE AND THE 500 KV LINE FROM ALVEY TO PA HANNA AND THE 500 KV LINE FROM ALVEY TO LENDALE AND THE 500 KV LINE FROM ALVEY TO TABLE ROCK AND THE 500 KV LINE FROM ALVEY TO GRANTS PASS AND THE 500 KV LINE FROM ALVEY TO MERIDIAN ARE TO BE CONSTRUCTED AND OPERATED AS A SINGLE UNIT.

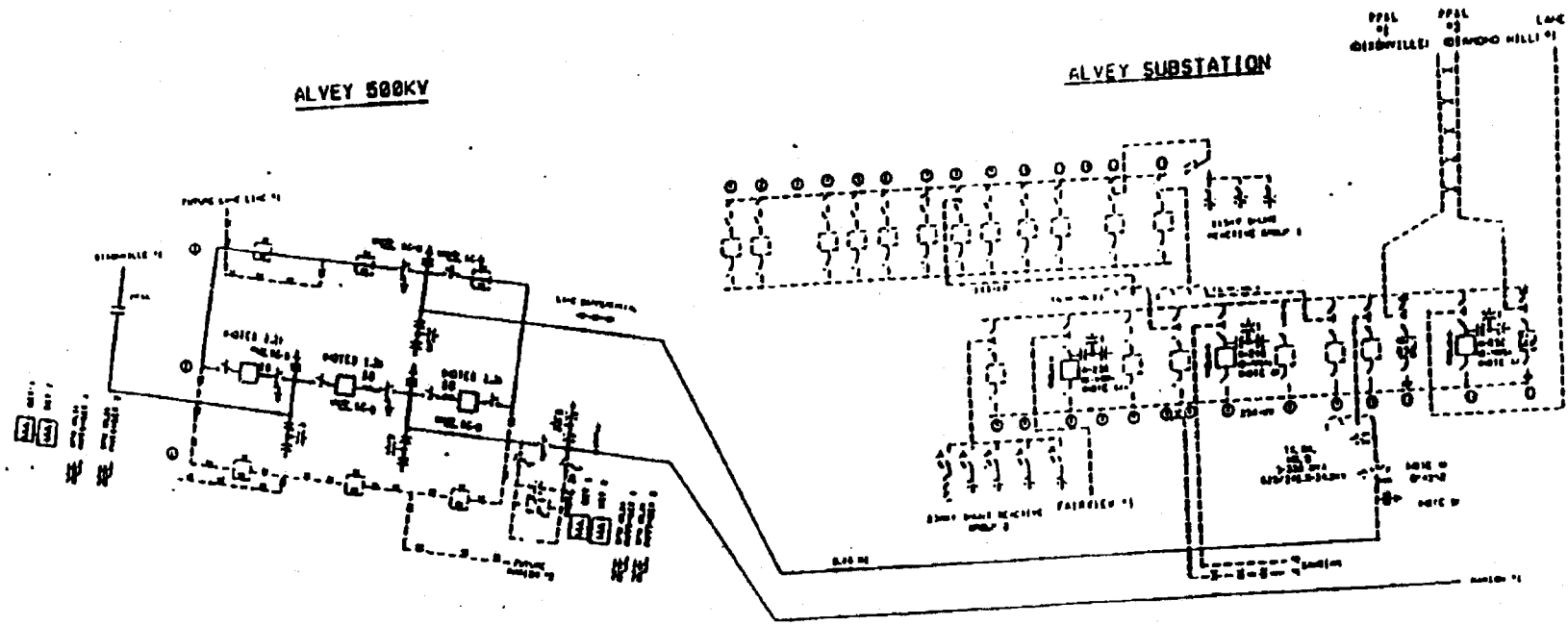
LINE DATA

LINE NO.	FROM	TO	LENGTH (MILES)	TYPE
1	ALVEY	MARION	12.5	500 KV
2	ALVEY	XONVILLE	10.0	500 KV
3	ALVEY	PA HANNA	10.0	500 KV
4	ALVEY	LENDALE	10.0	500 KV
5	ALVEY	TABLE ROCK	10.0	500 KV
6	ALVEY	GRANTS PASS	10.0	500 KV
7	ALVEY	MERIDIAN	10.0	500 KV

PROJECT DIAGRAM	
PROJECT NO.	196480
DATE	DSP A1 1-2-80
DESIGNED BY	...
CHECKED BY	...
APPROVED BY	...
PROJECT TITLE	EUGENE - HEDFORD 500-KV LINE
PROJECT NO.	196480
DATE	DSP A1 1-2-80
DESIGNED BY	...
CHECKED BY	...
APPROVED BY	...

Exhibit F, Page 2 of 2
 Amendatory Agreement No. 2
 Contract No. DE-MS79-86BP92299
 Pacificorp
 Effective at 2400 hrs
 on the effective date

1. ALL 500KV BREAKERS AND 500KV BUS BARS WILL BE REPAIRED AND 500KV BUS BARS WILL BE REPAIRED TO THE ORIGINAL DESIGN SPECIFICATIONS. ALL REPAIRS SHALL BE IN ACCORDANCE WITH THE ORIGINAL DESIGN SPECIFICATIONS. REPAIRS SHALL BE TO THE ORIGINAL DESIGN SPECIFICATIONS.
2. ALL 500KV BUS BARS ARE RATED AT 3000A. ALL BUS BARS WILL HAVE OPEN AND CLOSE KEYS CONTROL AND INDICATION.
3. THE REAR END OF MAIN ALVEY IN ONE BAY CONTAINING 2100V 20 MVA CAPACITORS SUBJECT TO THE 2100V 20 MVA REPAIR SPECIFICATIONS FOR DETAILS.
4. THE 2100V 20 MVA CAPACITORS ARE OPENING RESISTANCE TO BE REPLACED.
5. EXISTING 2100V 20 MVA CAPACITORS TO BE REPLACED WITH A NEW TYPE OF CAPACITORS TO PROVIDE OPERATIONAL RELIABILITY.
6. REPLACE EXISTING 2100V CAPACITORS WITH 2100V 20 MVA 2 CYCLE TYPE CAPACITORS.



ALVEY 500KV

ALVEY SUBSTATION

FAULT DATA 11/24/82

	28	11-5
ALVEY 225	10437	7834
ALVEY 228	8788	4327
ALVEY 115	9326	8754

COMPUTER REVISION ONLY		DATE	BY
PROJECT DIAGRAM			
PROJECT NO.	196488	DATE	11/24/82
PROJECT NAME	EUGENE - MEDFORD 500-KV LINE ALVEY SUBSTATION		
PROJECT LOCATION	MEDFORD HILLS		
PROJECT DESCRIPTION	REPAIR AND MAINTENANCE OF 500KV BUS BARS AND BREAKERS		
PROJECT STATUS	196488	DSP	A1
PROJECT NO.	196488	DATE	11/24/82
PROJECT NAME	EUGENE - MEDFORD 500-KV LINE ALVEY SUBSTATION		
PROJECT LOCATION	MEDFORD HILLS		
PROJECT DESCRIPTION	REPAIR AND MAINTENANCE OF 500KV BUS BARS AND BREAKERS		
PROJECT STATUS	196488	DSP	A1

THIS PROJECT
 SUBSTITUTES FOR OTHER PROJECTS
 NUMBER
 196488

Bonneville Cash Flow
(Dollars in Thousands)

<u>Year</u>	<u>Month</u>	<u>Advances</u>
1992	January through September	\$ 5,534
	October	3,047
	Less Interim Payment	(6,000)
	November	392
	December	220
1993	January	585
	February	585
	March	769
	April	750
	May	325
	June	132
	July	166
	August	166
	September	78
	October	73
	Total	\$ <u>6,822</u>

Source Document:

Bonneville Eugene-Medford Project Cash Flow Estimates
Prepared by J. Quinata, dated 1/25/93

Prior Costs are excluded.

(VS10-PMTT-3596e)

PacifiCorp Cash Flow
(Dollars in Thousands)

<u>Year</u>	<u>Month</u>	<u>Advances</u>
1992	January through September	\$ 25,125
	October	3,897
	Less Interim Payment	(16,000)
	November	3,000
	December	4,500
1993	January	2,896
	February	1,995
	March	1,853
	April	1,788
	May	2,076
	June	2,103
	July	2,026
	August	1,800
	September	1,492
	October	1,579
	November	1,101
	December	234
	<u>Total</u>	\$ <u>41,465</u>

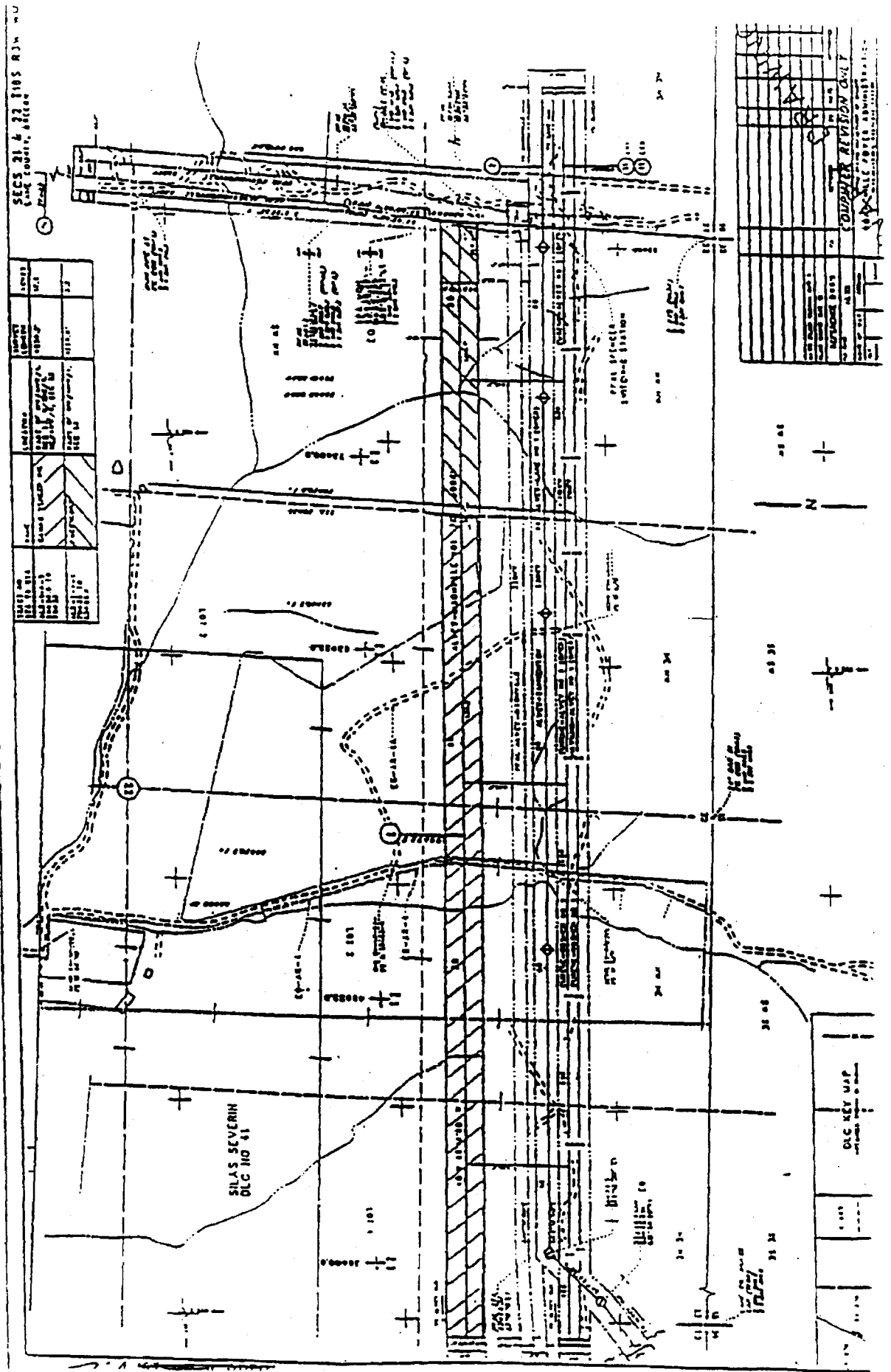
Source Document:

PacifiCorp: October 1992 Project Forecast
Southern Oregon 500 kV Project
Prepared by T. Jestrab, dated 12/31/92

Prior Costs are excluded.

(VS10-PMTT-3596e)

Exhibit 1, Page 1 of 13
 Amendatory Agreement No. 2
 Contract No. DE-MS79-B6BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



SECS 21 & 22 1105 A34 - U

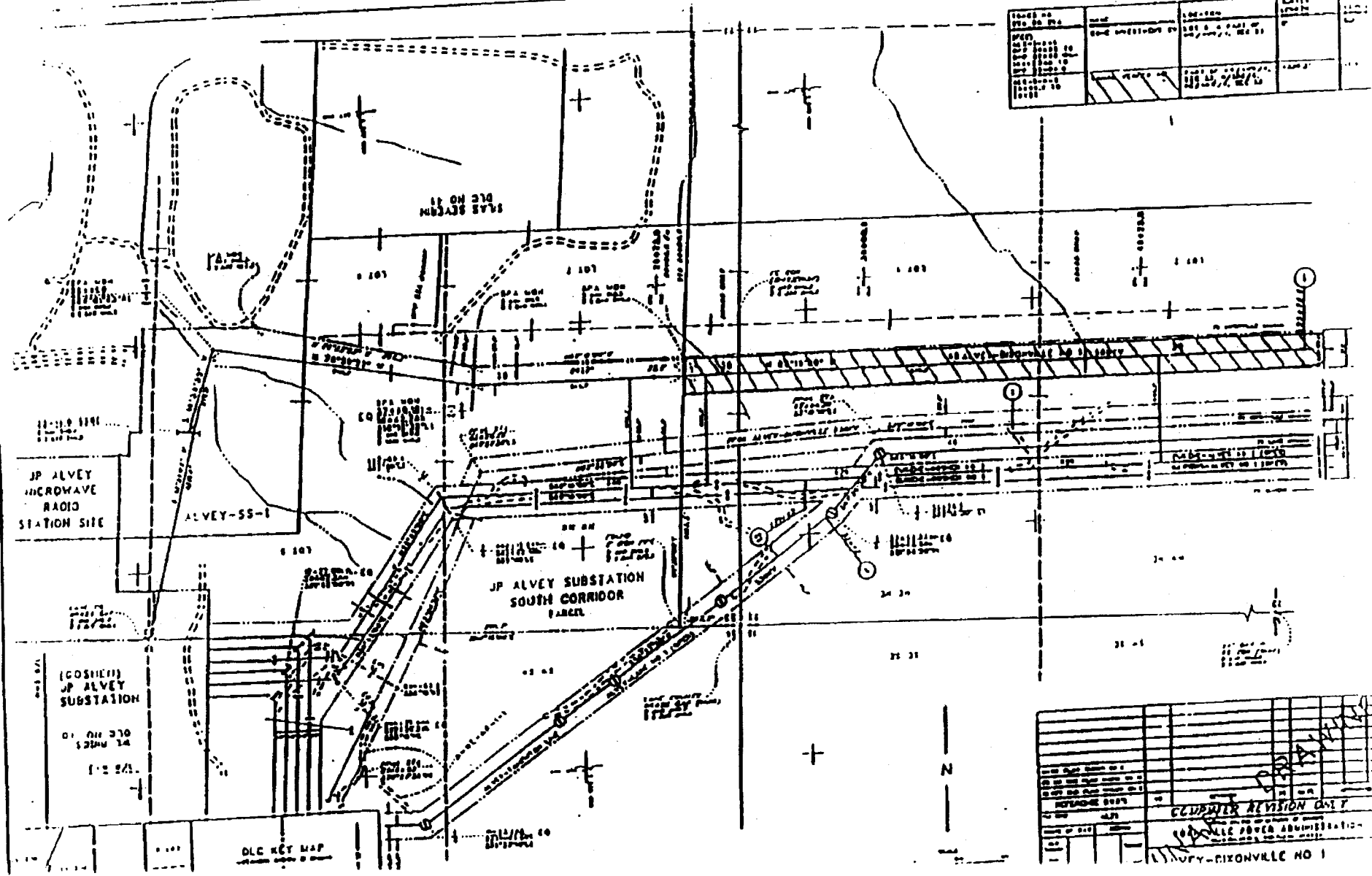
SILAS SEVERIN
 DLC NO 51

DLC KEY MAP

Exhibit 1, Page 2 of 13
 Amendatory Agreement No. 2
 Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date

SECS 23 & 22 T185 RSW W11
 L-4 County, Ohio

INDEX NO.	NAME	LOCATION	DATE
1
2
3
4
5
6
7
8
9
10



NO.	DATE	DESCRIPTION
1
2
3
4
5
6
7
8
9
10

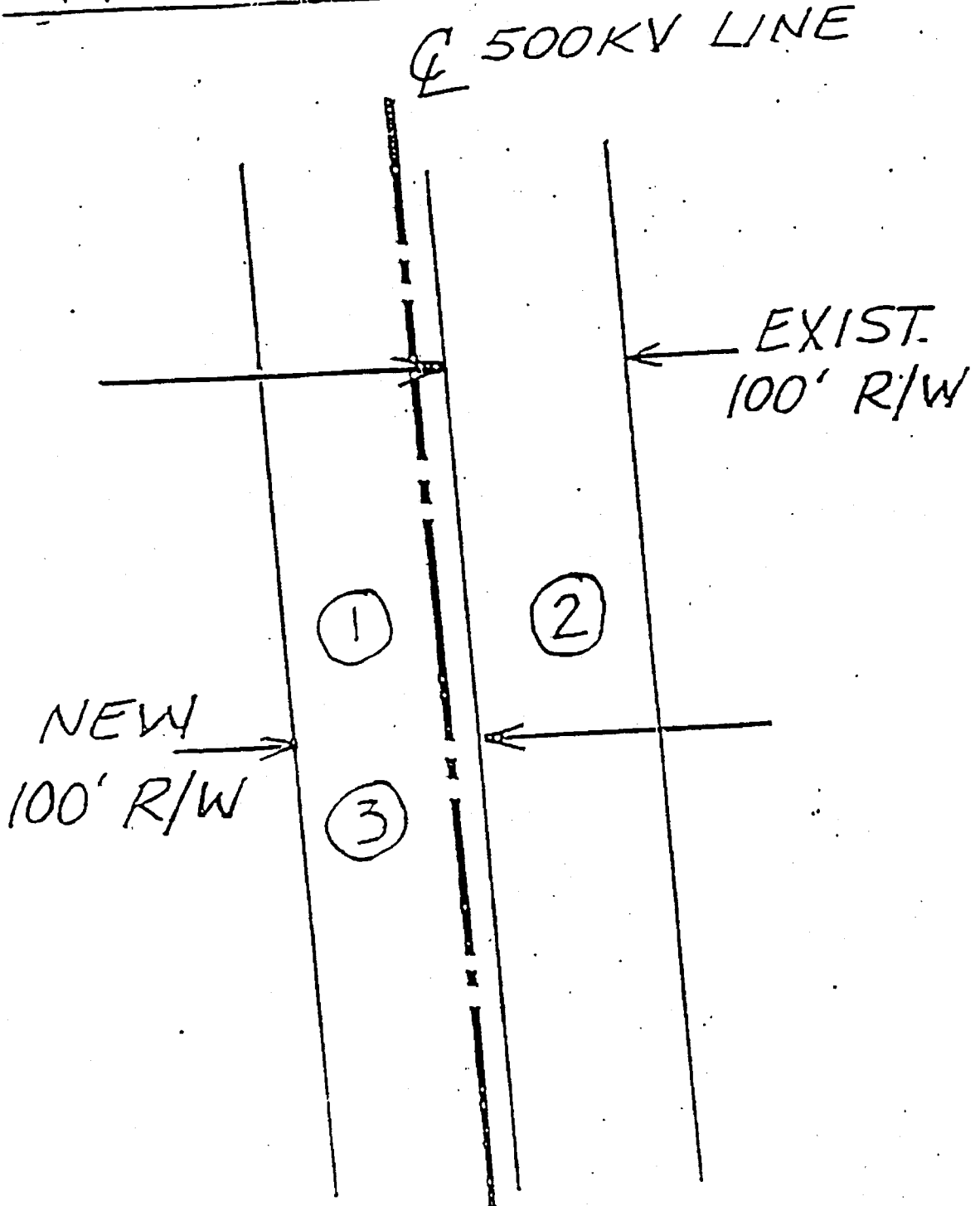
COMPUTER REVISION 04/17
 PACIFIC POWER ADMINISTRATION
 CLEVELAND - PIXONVILLE NO 1

Exhibit 1, Page 1 of 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date

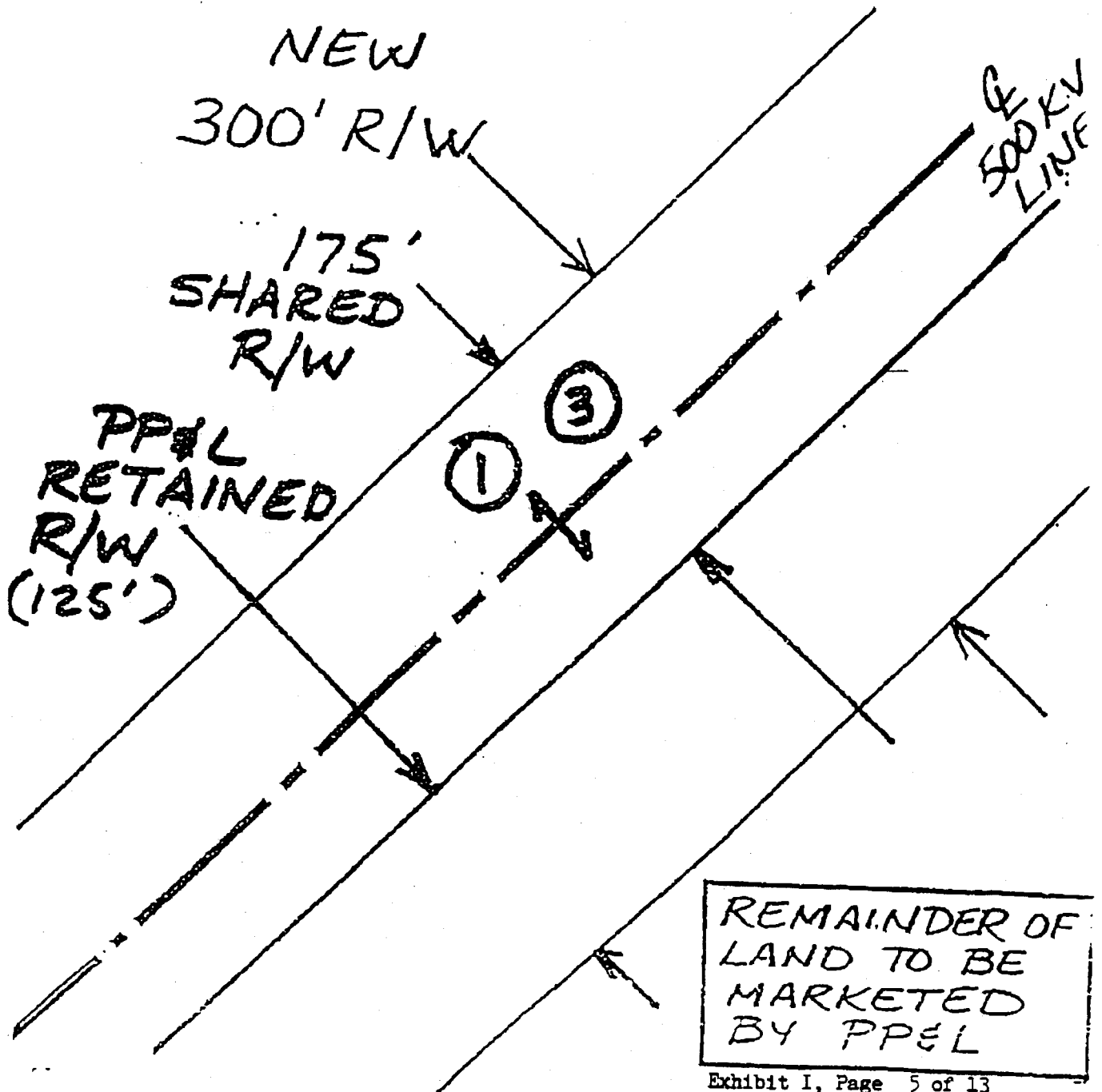
LEGEND

- ① - SHARED COST
- ② - SHARED EASEMENT ACCESS ONLY
- ③ - SHARED EASEMENT RIGHTS

A. EXISTING R/W
PRIVATE LAND - (1)



B. NEW R/W ON PP&L FEE OWNED LAND - (1)

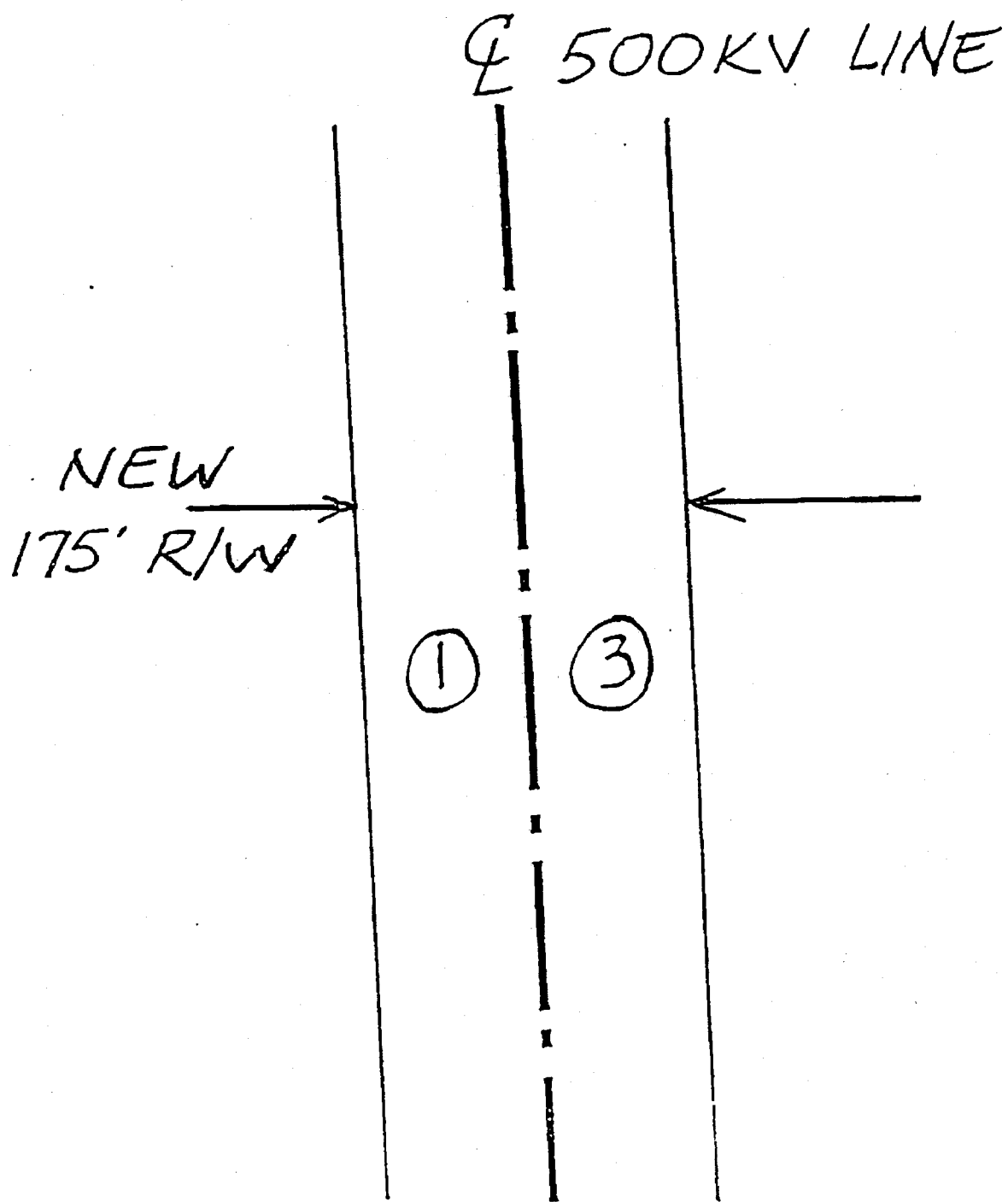


REMAINDER OF
LAND TO BE
MARKETED
BY PP&L

Exhibit I, Page 5 of 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date.

EXHIBIT 1, PAGE 3 OF 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date

C. NEW R/W
PRIVATE LAND



D. NEW R/W ON GOVERNMENT LANDS

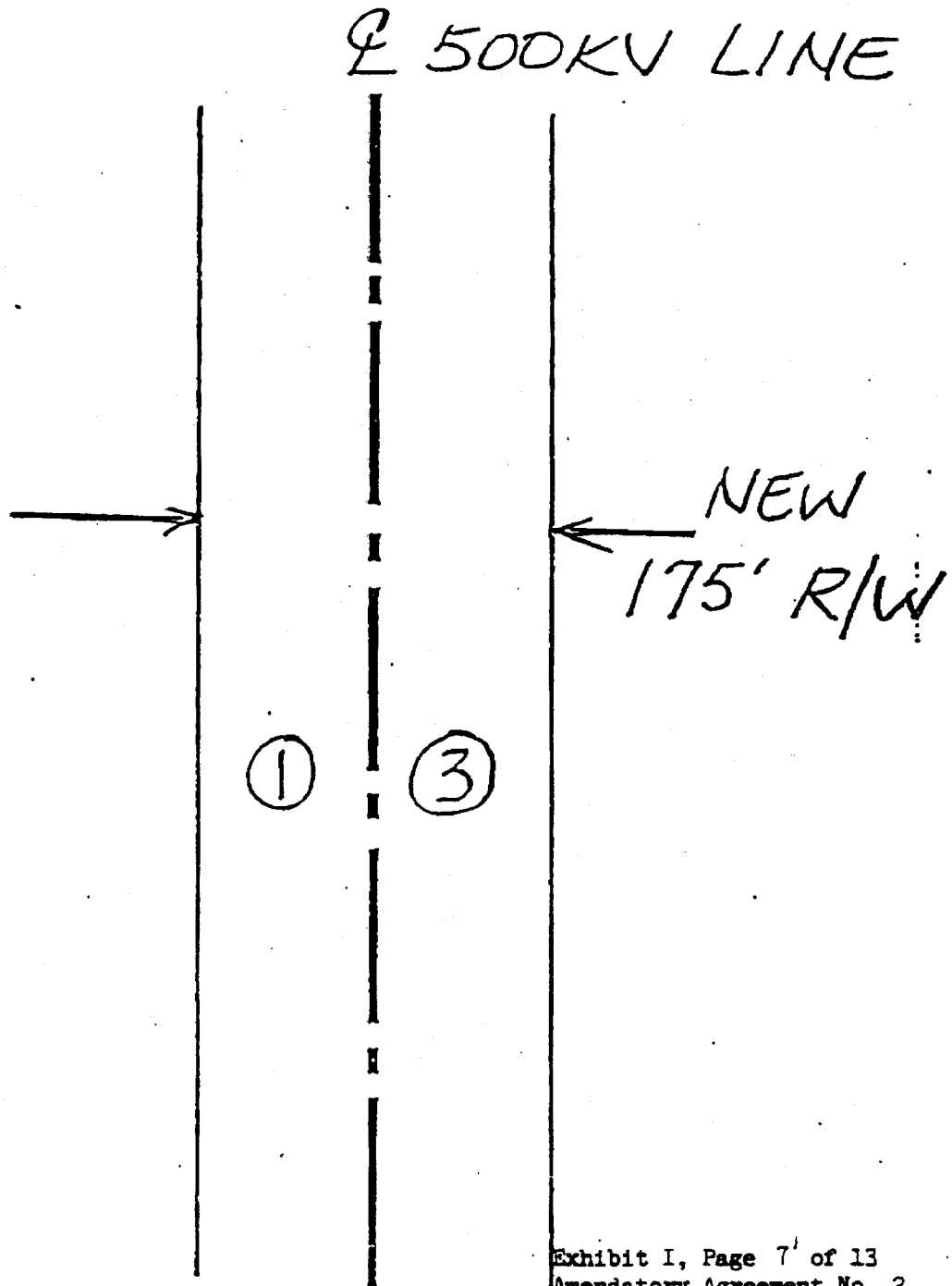


Exhibit I, Page 7 of 13
Amendatory Agreement No. 2
Contract No. DE-M579-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date

E. EXISTING R/W ON PP&L
FEE OWNED LAND - (2)

500KV LINE

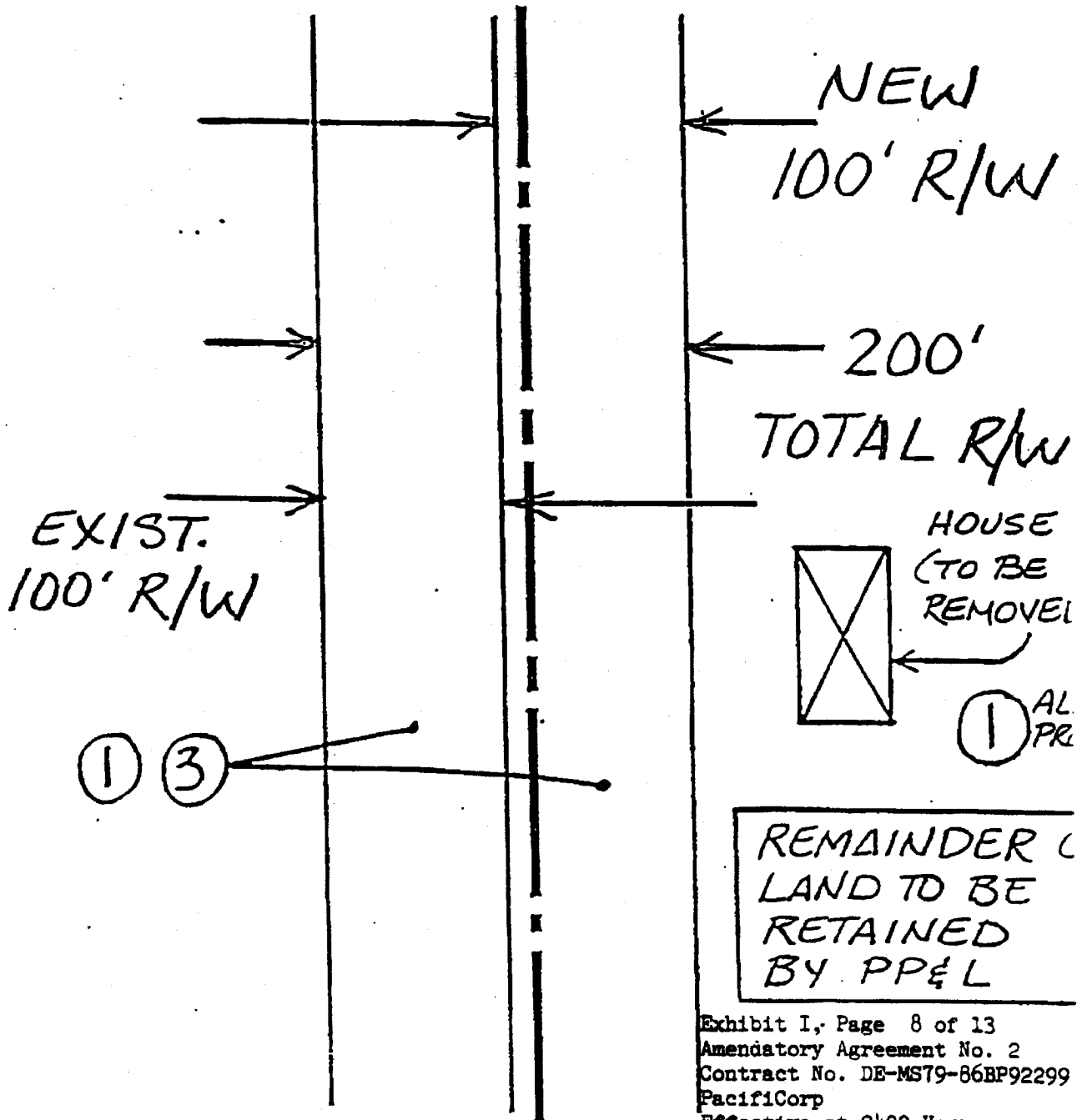


Exhibit I, Page 8 of 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date

F. EXISTING R/W ON PRIVATE LAND - (2)

⊥ 500KV LINE

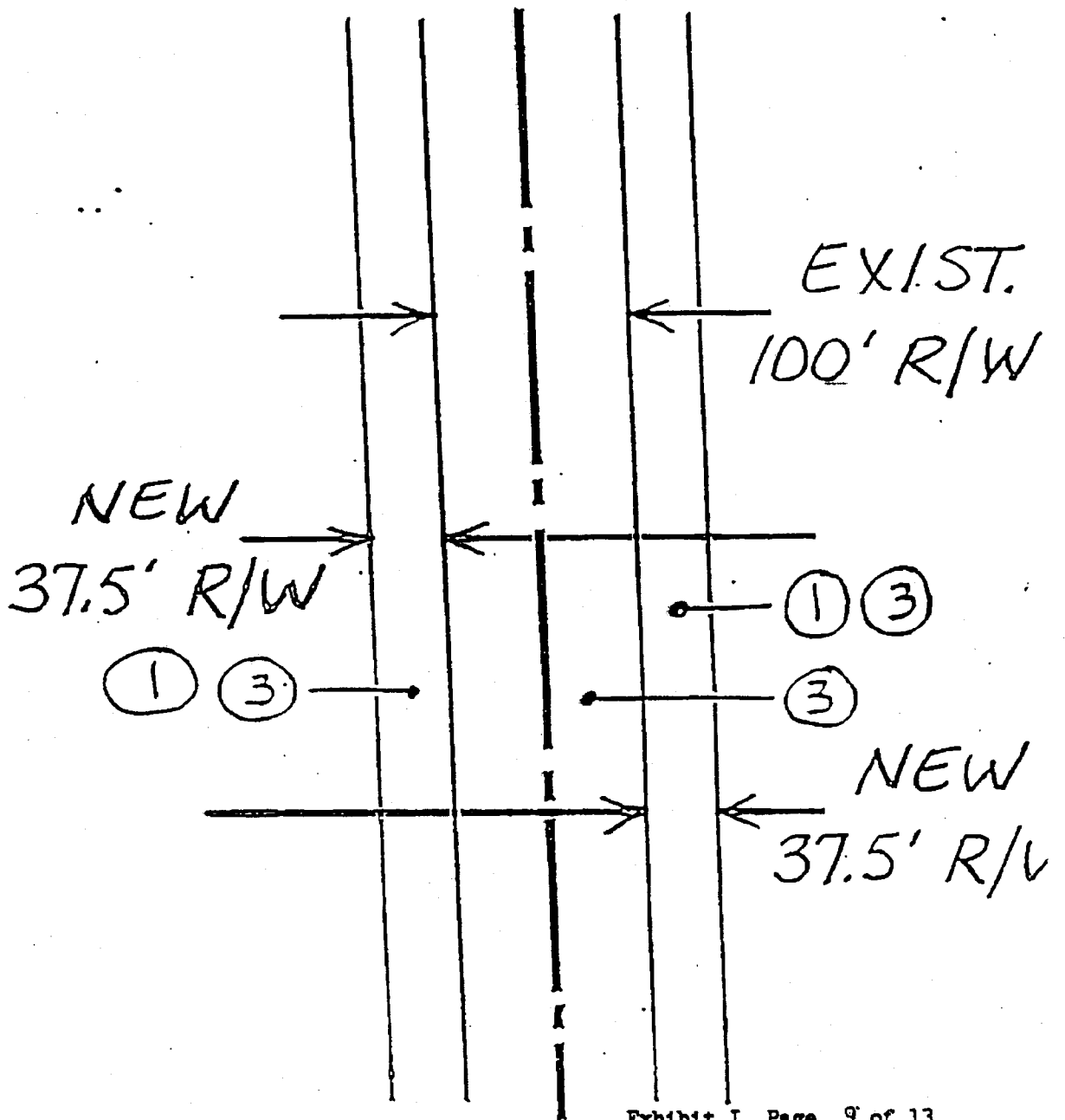
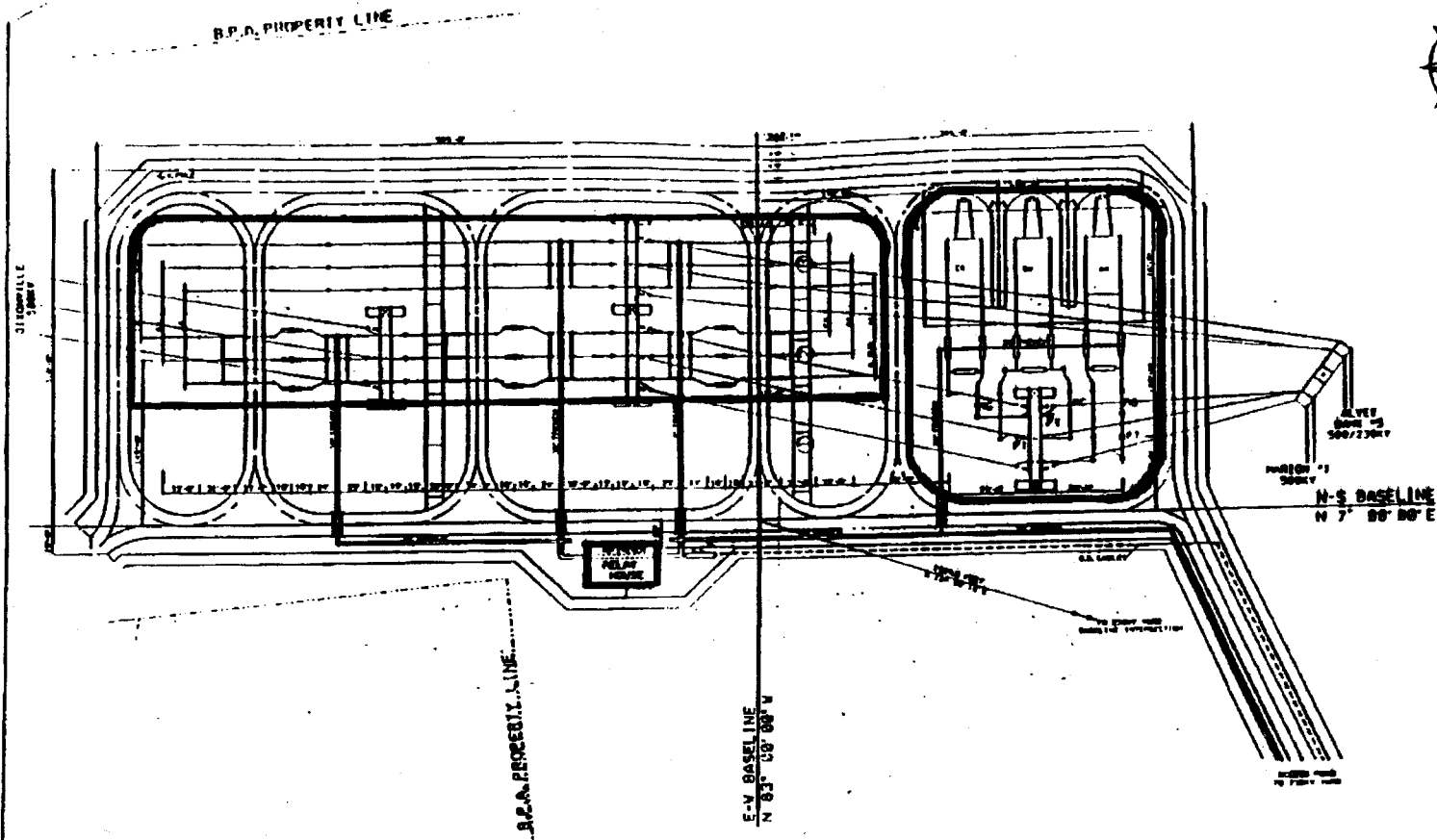


Exhibit I, Page 9 of 13
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours
on the Effective Date

Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date

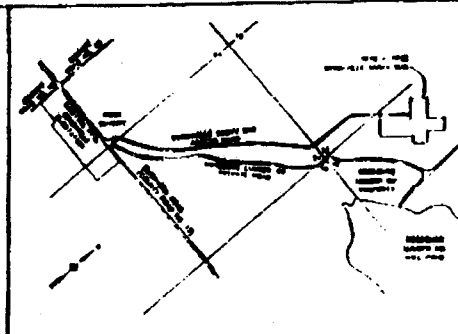
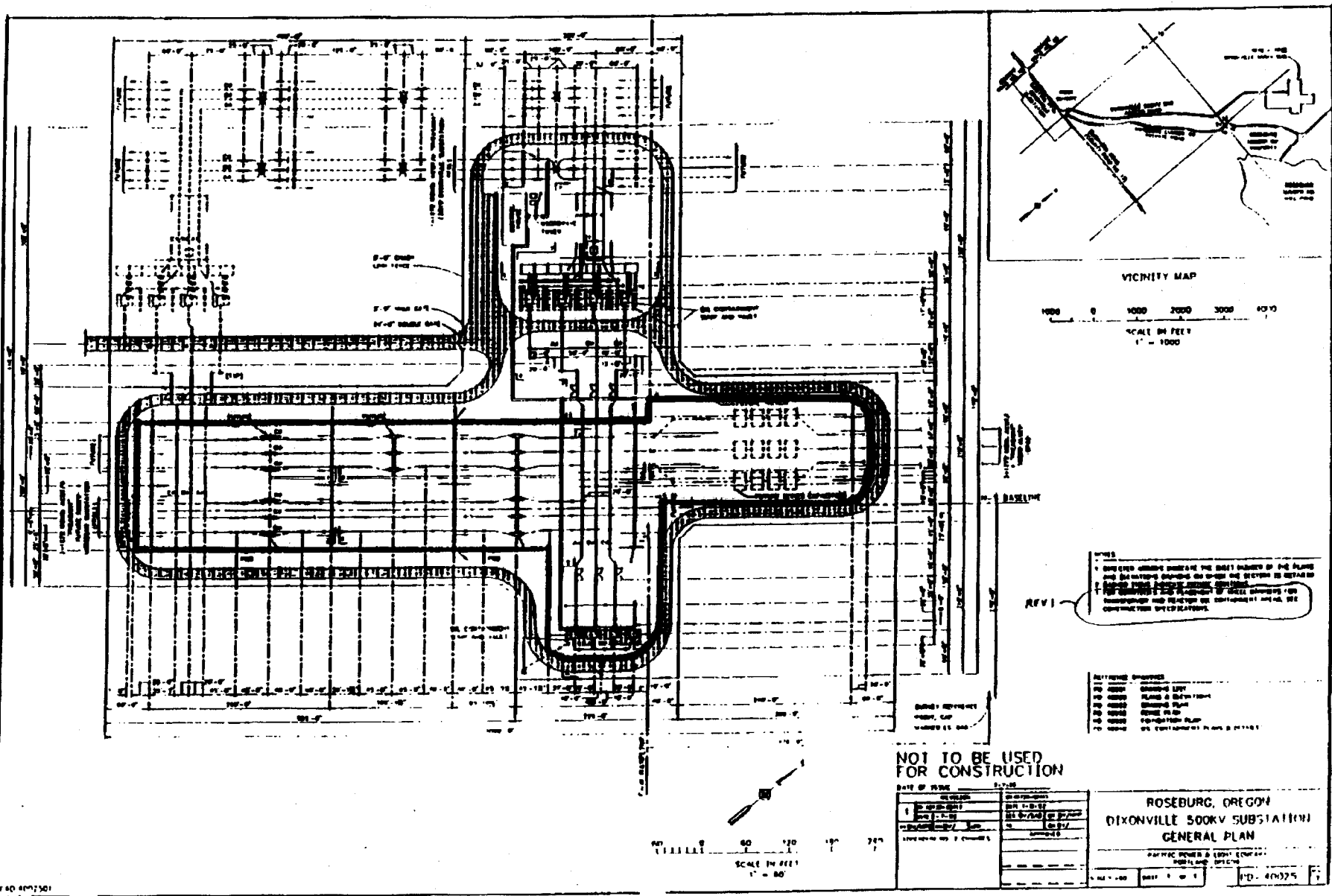


N-S BASELINE
 N 7° 00' 00\"/>

NO.	DATE	COMPUTER REVISION ONLY	BY	DATE	APPROVED
1	11/11/87				
DESIGN: ENGINEERING CHECKED: [Signature] DRAWN: [Signature] SCALE: AS SHOWN PROJECT: J.P. ALVEY SUBSTATION SHEET: 249078 TITLE: 500KV YARD PLOT PLAN					

NO.	DATE	DESCRIPTION
1	11/11/87	REFERENCE DRAWINGS

Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



VICINITY MAP

1000 0 1000 2000 3000 4000
 SCALE IN FEET
 1" = 1000'

REV 1
 1. REVISED DRAWING SHOWS THE BEST NUMBER OF THE PLANS AND SPECIFICATIONS ON WHICH THE SYSTEM IS BASED.
 2. REVISED DRAWING SHOWS THE BEST NUMBER OF THE PLANS AND SPECIFICATIONS ON WHICH THE SYSTEM IS BASED.
 3. REVISED DRAWING SHOWS THE BEST NUMBER OF THE PLANS AND SPECIFICATIONS ON WHICH THE SYSTEM IS BASED.

NO.	DATE	DESCRIPTION
1	10/1/86	ISSUED FOR PERMIT
2	10/1/86	ISSUED FOR PERMIT
3	10/1/86	ISSUED FOR PERMIT
4	10/1/86	ISSUED FOR PERMIT
5	10/1/86	ISSUED FOR PERMIT
6	10/1/86	ISSUED FOR PERMIT

NOT TO BE USED FOR CONSTRUCTION

NO.	DATE	DESCRIPTION
1	10/1/86	ISSUED FOR PERMIT
2	10/1/86	ISSUED FOR PERMIT
3	10/1/86	ISSUED FOR PERMIT
4	10/1/86	ISSUED FOR PERMIT
5	10/1/86	ISSUED FOR PERMIT
6	10/1/86	ISSUED FOR PERMIT

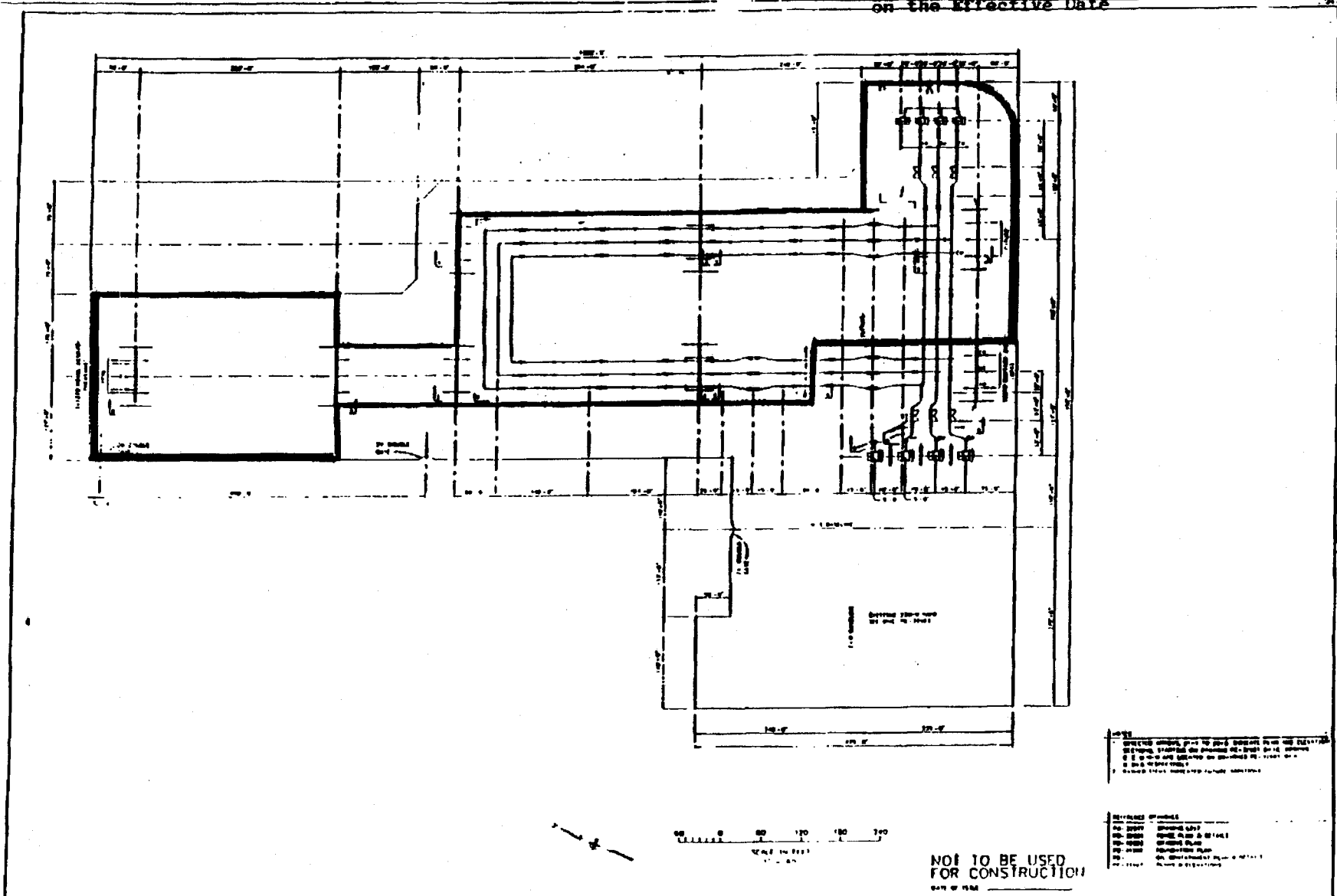
ROSEBURG, OREGON
 DIXONVILLE 500KV SUBSTATION
 GENERAL PLAN

PACIFIC POWER & LIGHT COMPANY
 PORTLAND, OREGON

10/1/86 001 1 of 1 10-D-40325

SCALE IN FEET
 1" = 80'

Contract No. DE-MS79-86BP92299
 PacifiCorp
 Effective at 2400 Hours
 on the Effective Date



GENERAL NOTES
 1. ALL WORK SHALL BE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR HIGH VOLTAGE TRANSMISSION AND SUBSTATION WORK, EDITION 1988, PUBLISHED BY THE INSTITUTION OF ELECTRICAL AND ELECTRONICS ENGINEERS, INC., 3 PARK AVENUE, NEW YORK, N.Y. 10017.
 2. ALL WORK SHALL BE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR HIGH VOLTAGE TRANSMISSION AND SUBSTATION WORK, EDITION 1988, PUBLISHED BY THE INSTITUTION OF ELECTRICAL AND ELECTRONICS ENGINEERS, INC., 3 PARK AVENUE, NEW YORK, N.Y. 10017.
 3. ALL WORK SHALL BE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR HIGH VOLTAGE TRANSMISSION AND SUBSTATION WORK, EDITION 1988, PUBLISHED BY THE INSTITUTION OF ELECTRICAL AND ELECTRONICS ENGINEERS, INC., 3 PARK AVENUE, NEW YORK, N.Y. 10017.

- REVISED: 11/86
- NO. 0001: GENERAL PLAN
- NO. 0002: GENERAL PLAN
- NO. 0003: GENERAL PLAN
- NO. 0004: GENERAL PLAN
- NO. 0005: GENERAL PLAN
- NO. 0006: GENERAL PLAN
- NO. 0007: GENERAL PLAN
- NO. 0008: GENERAL PLAN
- NO. 0009: GENERAL PLAN
- NO. 0010: GENERAL PLAN

**NOT TO BE USED
 FOR CONSTRUCTION**

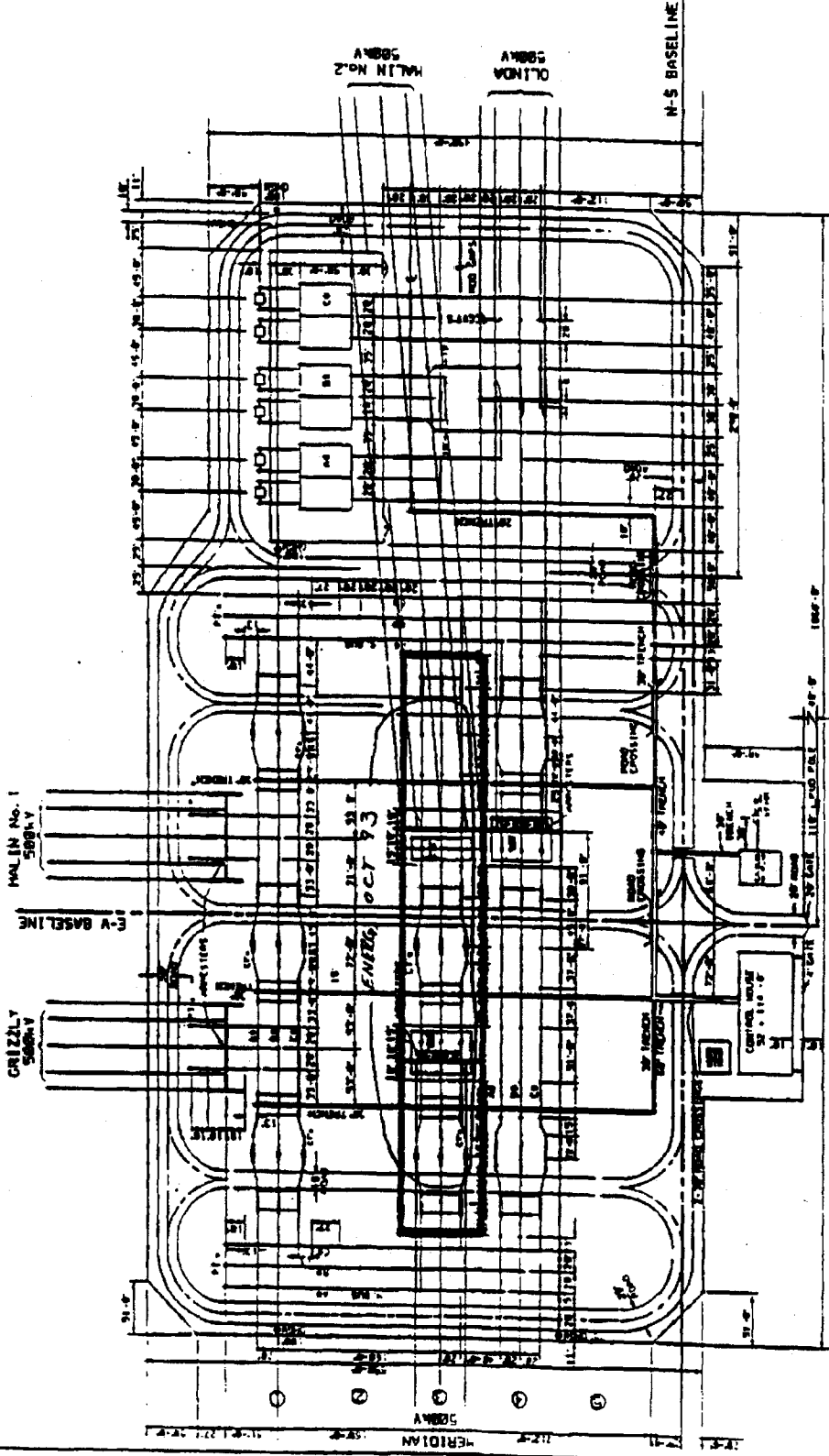
PROJECT NO.	DE-MS79-86BP92299
DATE	11/86
BY	...
CHECKED BY	...
DESIGNED BY	...
APPROVED BY	...
TITLE	GENERAL PLAN
MEDFORD, OREGON MERIDIAN SUBSTATION GENERAL PLAN	
PACIFIC	...

AMERICAN ELECTRIC COMPANY, INC.
 Contract No. DE-MS79-86BP92299

PacificCorp

Effective at 2400 Hours
 on the Effective Date

18:36:19 28 OCT 91 240:1051.157247519501.DGN



NO.	DESCRIPTION	DATE	BY	APPROVED
1	ISSUED FOR CONSTRUCTION	10/28/91	ESB	
2	REVISION			
3	REVISION			
4	REVISION			
5	REVISION			
6	REVISION			
7	REVISION			
8	REVISION			
9	REVISION			
10	REVISION			

LEGEND:
 _____ FORCE ACCOUNT
 _____ MATERIAL
 _____ CONTRACTOR'S SUPPLY

CAPTAIN JACK SUBSTATION
 PLOT PLAN
 247519 ESB 10/28/91

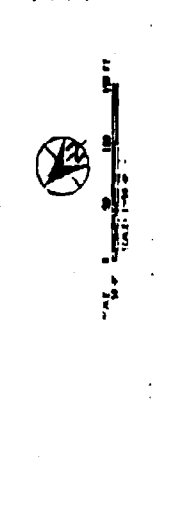


Exhibit J, Page 1 of 1
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective at 2400 Hours On
the Effective Date

Capital Replacements

Either Party shall be able to initiate Capital Replacement projects to be added under this Exhibit as additional tables.

(VS10-PMTT-3568e)

Exhibit K, Page 1 of 1
Amendatory Agreement No. 2
Contract No. DE-MS79-86BP92299
PacifiCorp
Effective as Stated Below

Calculation of O&M Charges

<u>Facilities</u>	<u>Annual Operation and Maintenance Charge 1/</u>	<u>Annual Payment Due From PacifiCorp</u>
Alvey (3) 500 kV PCB Terminals x (\$46,018 terminal) Monthly Charge - \$5752	\$138,054	\$69,027 2/
Sycan New Series capacitor bank (546 MVAR) in The Summer Lake-Malin 500 kV Line Monthly Charge - \$5290	\$181,381	\$63,483 2/

- 1/ O&M Cost: From Bonneville Power Administration's Annual O&M Charges for Customer-Owned or Leased Facilities dated September 30, 1991.
2/ Effective December 18, 1992

(VS10-PMTT-3568e)

RECEIVED

FEB 04 2015

TRANSMISSION SERVICES
PACIFICORP

**EXHIBIT B, REVISION NO. 3
ALVEY TO MERIDIAN INVESTMENT ALLOCATION
Effective upon filing**

This Exhibit B, Revision No. 3 (Revision No. 3) accomplishes the following: (1) adds the Summer Lake Substation's Grizzly – Summer Lake relay to this Revision No. 3, and documents the design, cost share, ownership, operation and maintenance, and payment percentage obligations between Bonneville Power Administration (Bonneville) and PacifiCorp for the relay; (2) corrects several typos from Revision No. 1; (3) incorporates the Revision No. 2 changes; and (4) adds the Captain Jack Substation Bay 3 breaker addition that was installed under 08TX-13040. The breaker addition changes PacifiCorp's pro-rata share of cost sharing from 2/7 to 2/8 for certain Captain Jack Substation facilities.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Alvey Substation						
<ul style="list-style-type: none"> Three 500 kilovolt (kV) breakers/CT's buswork, towers, MOD's, PT's arresters, associated grounding, conduit, control and power cables, site dev. including landscaping, station service equipment for the three break ring bus layout. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville to operate and maintain (including maintenance of conduit, trench, and grounding systems at Bonneville discretion.)
<ul style="list-style-type: none"> Environmental related work. 	Bonneville	50/50	N/A	N/A	N/A	
<ul style="list-style-type: none"> Series capacitors and auxiliaries. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville to operate and maintain (including maintenance of conduit, trench and grounding systems at Bonneville discretion.)

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
<ul style="list-style-type: none"> Property acquired for 500 kV yard for Intertie purposes, excluding any additions, for future Bonneville projects. 	Bonneville	50/50	50/50	Bonneville	42/58	Requires identification of boundaries. Operation and Maintenance (O&M) costs subject to nonroutine work. Bonneville to maintain at 100 percent Bonneville costs, things like surface rock, sidewalks, roads, fenceline, aesthetics.
<ul style="list-style-type: none"> 500 kV Relay House building. 	Bonneville	50/50	50/50	Bonneville	42/58	Future Bonneville/PacifiCorp expansion will be done at 100 percent Bonneville/PacifiCorp costs, otherwise 50/50 if Intertie related. General building maintenance should be at Bonneville discretion with 42/58 cost sharing.
<ul style="list-style-type: none"> Relaying and controls, data system equipment inside the 500 kV Relay House for the Alvey - Dixonville, Marion – Alvey and 500 kV Tie Line. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville has future rights for Bonneville projects at 100 percent Bonneville costs otherwise 50/50 if Intertie related. O&M at 42/58 as per this Revision No. 3 for Intertie related facilities. Bonneville to maintain
<ul style="list-style-type: none"> RAS related equipment. 	Bonneville					Refer to Contract No. 93039
<ul style="list-style-type: none"> Metering/Telemetering equipment on the Alvey – Dixonville Line. 	Bonneville	50/50	50/50	Bonneville	42/58	Bonneville to do the maintenance at Bonneville discretion.
500 kV Tie Line (to Alvey 500/230 kV Tx. Bank No. 5)						
<ul style="list-style-type: none"> Transmission related costs. 	Bonneville	50/50	50/50	Bonneville	100/0	50/50 ownership means PacifiCorp has 50 percent capacity rights on the Tie Line but not physical ownership. Transfer rights over Bank No. 5 are not covered here.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Marion – Alvey 500 kV Line Modifications						
• Transmission costs only. ¹	Bonneville	50/50	100/0	Bonneville	100/0	
34.5 kV Line Relocation						
• Transmission costs only. ²	Bonneville	50/50	100/0	Bonneville	100/0	
Alvey – Dixonville 500 kV Line						
• 1.4 mile Alvey – Spencer Tap Section. ³	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Applicable only to the ROW for Intertie purposes. Additional ROW at 100 percent Bonneville costs.
• Remaining 56.7 miles. ⁴	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of specific properties upon which these percentages are applicable. Access roads must also be considered. Timber costs and revenues also to be included. ⁴
• Landslide abatement.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Rock wall and drain for slope stabilization tower 2/42 & 2/49.

¹ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

² Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

³ Costs of: (1) removal of any existing 230 kV facilities; (2) permitting; and (3) incremental right-of-way to be included.

⁴ Costs of: (1) removal of any existing 230 kV facilities; (2) permitting; and (3) incremental right-of-way to be included.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Spencer Tap						
• Costs to reterminate PacifiCorp's Alvey – Dixonville 230 kV Line. ⁵	PacifiCorp	50/50	0/100	PacifiCorp	0/100	
• Costs to reterminate PacifiCorp's Alvey – Diamond Hill 230 kV Line. ⁶	PacifiCorp	0/100	0/100	PacifiCorp	0/100	
Dixonville 500 kV Substation						
• Three Breaker Ring Bus, 180 MVAR Reactor, arresters, grounding, conduit, control and power cables, site development, PTs, station service, isolating disconnect switches for 500 kV ring bus.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion.)
• Series capacitors and auxiliaries.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion.)
• SF6 Interrupters.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	
• 500/230 kV Transformer and related equipment. ⁷	PacifiCorp	0/100	0/100	PacifiCorp	0/100	PacifiCorp to maintain.
• Wetland mitigation and other environmental requirements.	PacifiCorp	50/50	N/A	N/A	N/A	

⁵ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

⁶ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

⁷ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
<ul style="list-style-type: none"> Property acquired for 500 kV yard for Intertie purposes, excluding any additional future PacifiCorp projects and any property for PacifiCorp's 500/230 kV transformer. 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of boundaries. O&M costs subject to nonroutine work. PacifiCorp to maintain at 100 percent PacifiCorp costs, things like surface rock, sidewalks, roads, fenceline, aesthetics.
<ul style="list-style-type: none"> 500 kV Control House building. 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Future PacifiCorp/Bonneville expansion will be done at 100 percent PacifiCorp/Bonneville costs. Otherwise 50/50 if Intertie related. General building maintenance should be at PacifiCorp discretion with 42/58 cost sharing.
<ul style="list-style-type: none"> Relaying and controls, data system equipment inside the 500 kV Control House, excluding that associated with PacifiCorp's 500/230 kV transformer and 230 kV line position(s). 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp has future rights for PacifiCorp projects at 100 percent PacifiCorp costs. Otherwise 50/50 if Intertie related. O&M at 42/58 as per this Revision No. 3 for Intertie related facilities. PacifiCorp to maintain.
<ul style="list-style-type: none"> RAS related equipment. 	PacifiCorp					Refer to Contract No. 93039
<ul style="list-style-type: none"> Metering/Telemetering equipment on the Dixonville - Alvey Line. 	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to do the maintenance at PacifiCorp discretion
<ul style="list-style-type: none"> Construction of a new storage building. 	PacifiCorp	50/50	50/50	PacifiCorp	0/100	Use of building to be audited later to confirm cost sharing percentages.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Dixonville – Meridian 500 kV Line						
• Transmission Costs. ⁸	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of specific properties upon which these percentages are applicable. Access roads/bridges must also be considered. Timber costs and revenues also to be included.
Hanna Tap Relocation						
• Transmission and switching modification costs. ⁹	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Ownership and O&M costs percentages reflect existing arrangements which will be maintained.
Table Rock Switching Station						
• Costs to remove existing station.	PacifiCorp	50/50	N/A	N/A	N/A	Existing station is in the path of the new 500 kV Line.
• Costs to reconnect Line No. 71 to south portion of Line No. 54. ¹⁰	PacifiCorp	50/50	0/100	PacifiCorp	0/100	
Meridian Substation						
• Installation of 2-500 kV breakers, CT's, 180 MVAR reactor, 2 Line PT sets, isolating disconnect switches, arresters, buswork, conduit, control and power cables, grounding, including site development for Intertie purposes.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion). 50/50 ownership does not apply to the existing property upon which such facilities lie.

⁸ Costs of: (1) removal of any existing 230 kV facilities; (2) permitting; and (3) incremental right-of-way to be included.

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¹⁰ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Environmental related work associated with the 500 kV expansions required.	PacifiCorp	50/50	N/A	N/A	N/A	
• Any additional new property required to support the Project.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	Requires identification of boundaries. O&M costs subject to nonroutine work. PacifiCorp to maintain at 100 percent PacifiCorp costs, things like surface rock, sidewalks, roads, fenceline, aesthetics.
• Access road improvements or new access road.	PacifiCorp	50/50	50/50	PacifiCorp	0/100	
• Existing Property. ¹¹	PacifiCorp	0/100	0/100	PacifiCorp	0/100	Boundaries to be identified that conveys future Bonneville rights of use.
• Series capacitors and auxiliaries.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to operate and maintain (including maintenance of conduit, trench, and grounding systems at PacifiCorp discretion.)
• Data system equipment inside the existing 500 kV Control House associated with the two breakers, 180 MVAR reactor, and the Meridian – Dixonville and Meridian – Captain Jack Lines.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to maintain
• Relaying and controls for the Meridian – Dixonville 500 kV Line.	PacifiCorp	50/50	50/50	PacifiCorp	42/58	PacifiCorp to maintain

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Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Relaying and controls for the Meridian – Captain Jack No. 2 500 kV Line. ¹²	PacifiCorp	50/50	0/100	PacifiCorp	0/100	PacifiCorp to maintain. Bonneville retains the right to review any future relay replacements / modifications.
• Any modifications to the existing Control House or construction of a new Control House as a result of the Eugene-Medford projects.	PacifiCorp	50/50	50/50	PacifiCorp	0/100	Future PacifiCorp/Bonneville expansion will be done at 100 percent PacifiCorp/Bonneville costs, otherwise 50/50 if Intertie related. PacifiCorp to maintain at their discretion.
• Construction of a new storage building.	PacifiCorp	50/50	50/50	PacifiCorp	0/100	Use of building to be audited later to confirm cost sharing percentages.
• RAS related equipment.						Refer to Contract No. 93039.
Malin – Meridian 500 kV Line Loop Into Captain Jack Substation						
• Transmission Line modifications. ¹³	PacifiCorp	50/50	0/100	PacifiCorp	0/100	¹⁴

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¹³ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

¹⁴ Includes procurement of right-of-way from Meridian-Malin transmission line structures to Captain Jack Substation.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Captain Jack Substation						
<ul style="list-style-type: none"> PacifiCorp owned Bay 3 facilities, including two 500 kV breakers, four MOD's buswork, PT's, conduit, grounding, towers. 	Bonneville	50/50	0/100	Bonneville	0/100	Bonneville to operate and maintain (including maintenance of conduit, trench and grounding systems at Bonneville discretion.)
<ul style="list-style-type: none"> Property under Bay 3. 	Bonneville	50/50	0/100	Bonneville	Prorate	Prorate O&M costs based on 2/8 to PacifiCorp. Bonneville to maintain.
<ul style="list-style-type: none"> One 500 kV breaker, associated relays, connected to the south bus in Bay 3. 	Bonneville	100/0	100/0	Bonneville	100/0	Installed under contract 08TX-13040.
<ul style="list-style-type: none"> Relays and controls, data systems equipment for PacifiCorp owned Bay 3 facilities. 	Bonneville	50/50	0/100	PacifiCorp	0/100	PacifiCorp to maintain. Bonneville retains the right to review any future relay replacements/modifications.
<ul style="list-style-type: none"> Remaining five 500 kV breakers, MOD's, buswork towers, conduit, grounding, site development. ¹⁵ 	Bonneville	100/0	100/0	Bonneville	100/0	Bonneville to operate and maintain (including maintenance of conduit, trench and grounding systems at Bonneville discretion.)
<ul style="list-style-type: none"> Station service facilities for the entire station. ¹⁶ 	Bonneville	100/0	100/0	Bonneville	Prorate	Prorate O&M costs based on 2/8 to PacifiCorp. Bonneville to maintain.

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¹⁶ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Remaining relays and controls, data system equipment. ¹⁷	Bonneville	100/0	100/0	Bonneville	100/0	Bonneville to maintain.
• Control House, exclusive of the property upon which it lies. ¹⁸	Bonneville	100/0	100/0	Bonneville	100/0	Any future expansions due to PacifiCorp additions will be at 100 percent PacifiCorp costs but Bonneville to retain 100 percent ownership.
• All remaining property, including access road. ¹⁹	Bonneville	100/0	100/0	Bonneville	100/0	Requires identification of boundaries. PacifiCorp has right to add transformer in future.
• Series Capacitors. ²⁰	Bonneville	100/0	100/0	Bonneville	100/0	Cost sharing/ownership is with TANC as per Interconnection Agreement (short or long-term, whatever prevails). Bonneville to maintain.
• RAS related equipment.						Refer to Contract No. 93039.
• Metering/Telemetry equipment on the Captain Jack – Meridian and Captain Jack – Malin No 2 Lines.	Bonneville	50/50	0/100	Bonneville	0/100	Bonneville to do the maintenance at Bonneville discretion.

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Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Malin Substation						
<ul style="list-style-type: none"> Any modifications/additions in PacifiCorp's Control House in support of the Eugene Medford/Third AC Intertie project, which includes the relay replacement for the Malin – Captain Jack Line. ²¹ 	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Bonneville retains the right to review any future relay replacements and/or modifications.
<ul style="list-style-type: none"> Replacement of arresters on PacifiCorp's 500 kV reactor bank No. 4. ²² 	PacifiCorp	0/100	0/100	PacifiCorp	0/100	
<ul style="list-style-type: none"> Replacement of rod gaps with arresters on PacifiCorp's C.J. Line terminal. ²³ 	PacifiCorp	50/50	0/100	PacifiCorp	0/100	
<ul style="list-style-type: none"> RAS related equipment. 						Refer to Contract No. 93039.
<ul style="list-style-type: none"> Any modifications in main control house. 	Bonneville	50/25	50/25	Bonneville	50/25	
<ul style="list-style-type: none"> Relay replacement for the Summer Lake Line. 	PacifiCorp	50/50	0/100	PacifiCorp	42/58	Refer to Contract No. 93644.

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Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Line Relays at Dixonville, Meridian, and Malin and Related Accessories						
<ul style="list-style-type: none"> Line relays at Dixonville, Meridian, and Malin for the Dixonville – Alvey, Dixonville – Meridian, Meridian – Captain Jack, and Malin – Captain Jack No. 2 Lines are to be supplied to PacifiCorp at Bonneville material cost plus Bonneville overheads. Any additional PacifiCorp overhead, subject to 50/50 cost-share, is to be determined. 	PacifiCorp	50/50	See Comments			Ownership and O&M of such relays are as described under the respective substations.
<ul style="list-style-type: none"> Spare Equipment. 	Bonneville	50/50	50/50	N/A	N/A	Reference 7/12/91 Letter from Don Feltz to Susan Wiese. Such spare equipment is to be located at PacifiCorp station(s) in southern Oregon. In addition to that referenced in the 7/12/91 Letter, there may be other spare equipment supplied by PacifiCorp also located in southern Oregon and subject to cost-share. Required test equipment and tools are to be 100 percent respectively acquired by either Bonneville or PacifiCorp for 100 percent discretionary use.
<ul style="list-style-type: none"> Specialized relay training costs. ²⁴ 	N/A	50/50	N/A	N/A	N/A	Cost sharing only if agreed to capitalize such costs.

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Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
General PSC Modifications						
<ul style="list-style-type: none"> PSC Modifications at Dittmer and ECC will be 100 percent Bonneville and similarly PSC modifications at PacifiCorp control centers will be 100 percent PacifiCorp. 	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	
<ul style="list-style-type: none"> Any other modifications at other wholly owned substations will be 100 percent of the respective party. 	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	100 percent respectively	
Summer Lake Substation						
<ul style="list-style-type: none"> Relay replacement for the Summer Lake – Malin 500 kV Line. 	PacifiCorp	50/50	0/100	PacifiCorp	42/58	Refer to Agreement No. 93644.
<ul style="list-style-type: none"> RAS related equipment 						Refer to Trust Tables 18 & 19, Contract No. 37013.
<ul style="list-style-type: none"> Replacement of rod gaps with arresters on PacifiCorp's Malin Line terminal.²⁵ 	Bonneville	100/0	0/100	PacifiCorp	0/100	
<ul style="list-style-type: none"> Relay replacement for the Summer Lake – Grizzly 500 kV Line. 	Bonneville	100/0	100/0	Bonneville	100/0	

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Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
Sycan Series Compensation Station Bank 3						
• Series capacitor bank #3 in the Summer Lake – Malin 500 kV Line.	Bonneville	65/35	65/35	Bonneville	65/35	Refer to Agreement No. 93644.
• Bypass switch and associated support structures and foundations.	Bonneville	65/35	0/100	Bonneville	0/100	Refer to Agreement No. 93644.
• Dead-End Tower.	PacifiCorp	65/35	0/100	PacifiCorp	0/100	Refer to Agreement No. 93644.
Capital Spare Parts						
• Various spare parts.		50/50	50/50		42/58	Capital spare parts subject to cost sharing and joint ownership are to be mutually agreed upon and consistent with this Agreement.
Overall Planning, Preliminary Engineering, Project Management						
• Related costs for the Eugene-Medford Project, including any costs to resolve/mitigate legal matters (e.g., spotted owl and union vs. nonunion issues.)		50/50	50/50			
Communication						
• Summer Lake – Malin Communication, Two Downlinks. ²⁶	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Refer to Sycan Agreement Contract No. DE-MS79-92BP93644 and Cooperative Communications Agreement No. DE-MS79-92BP93740.
• Dixonville – Two Microwave Terminals. ²⁷	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.

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RCV R. 2/2/15 at 7:07 AM VIA UPS. 01/1

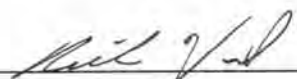
Facility Description	Design	Cost Share Percentage Bonneville / PacifiCorp	Ownership Percentage Bonneville / PacifiCorp	Operation & Maintenance	Operation & Maintenance Payments % Bonneville / PacifiCorp	Comments
• Meridian – Two Microwave Terminals. ²⁸	PacifiCorp	50/50	0/100	PacifiCorp	0/100	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.
• All other Bonneville Communication Facilities	Bonneville	100/0	100/0	Bonneville	100/0	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.
• Other PacifiCorp Communication Facilities	PacifiCorp	0/100	0/100	PacifiCorp	0/100	Refer to Cooperative Communications Agreement No. DE-MS79-92BP93740.


SIGNATURES AND EFFECTIVE DATE

Bonneville and PacifiCorp (Parties) have caused this Revision No. 3 to be executed, and it shall be effective as of the date the Federal Energy Regulatory Commission (Commission) accepts PacifiCorp's filing; *provided that*, if PacifiCorp files this Revision No. 3 for acceptance by the Commission and the Commission does not accept this Revision No. 3 for filing or accepts this Revision No.3 for filing but in connection with such acceptance requires a change in, or imposes a new condition on, this Revision No. 3, this Revision No. 3 shall be effective thereafter only if both Parties agree in writing to such change or condition. If either Party fails to agree in writing to any such change or condition, or if the Commission does not accept this Revision No. 3 for filing, Bonneville may on written notice to PacifiCorp terminate the services it provides pursuant to those Exhibit provisions not accepted by the Commission without change or condition.

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By: 
 Name: Rick Vaal
 (Print/Type)
 Title: VP - Transmission
 Date: 1/30/15

By: 
 Name: David A. Fitzsimmons
 (Print/Type)
 Title: Manager, Transmission Sales
 Date: 2/3/2015

CCM: DE-MS79-94BP94332_EXB_R3_Word

²⁷ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

²⁸ Credits and sharing of costs for capital replacements will not be applicable to this item after completion of the initial construction. Proceeds from credits realized by either Party during the initial construction phase of this item shall be subject to cost-share and the final accounting of costs.

Exhibit C
Contract No. DE-MS79-94BP94332
PacifiCorp
AC Intertie Agreement

FACILITIES SERVING PACIFICORP'S LOAD AREA

PacifiCorp's Load Area is the area serviced by the following existing transmission lines and transformers.

1. PacifiCorp's Malin 500-230 kV transformer.
2. PacifiCorp's Yamsey-Chiloquin 230 kV line.
3. PacifiCorp's Dixonville 500-230 kV transformer.
4. PacifiCorp's Alvey-Dixonville 230 kV line.
5. PacifiCorp's Reston-Dixonville 230 kV line.
6. PacifiCorp's Meridian 500-230 kV transformer.

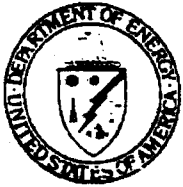


Exhibit D
Contract No. DE-MS79-94BP94332
PacifiCorp
AC Intertie Agreement

Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

OFFICE OF THE ADMINISTRATOR

AUG 16 1991

In reply refer to:
PMTI

Amendment No. 1
Contract No. DE-MS79-86BP92299

Mr. Thomas Lockhart, Vice President
Power Systems
PacifiCorp Electric Operations
920 SW. Sixth Avenue
Portland, OR 97208

Dear Mr. Lockhart:

Pursuant to subsection 4(a) of Contract No. DE-MS79-86BP92299, as amended, (Intertie Agreement) between PacifiCorp Electric Operations (Pacific) and Bonneville Power Administration (Bonneville), Bonneville hereby provides Pacific notice that, effective on the Effective Date, Bonneville is exercising its option to acquire a fifty percent undivided ownership interest in the Alvey-Meridian Line, as defined in such agreement and as modified herein. Pacific and Bonneville hereby agree to amend the Intertie Agreement by supplementing it with the following provisions, and replacing Exhibit C to such agreement with the attached Revision No. 1 to such Exhibit.

1. Completion of the Alvey-Meridian 500 kV Line.

(a) Design and Construction. Pacific and Bonneville shall use best efforts to complete the Alvey-Meridian Line by November 1993. Pacific shall design and construct the Dixonville 500 kV Substation including the series capacitors, the terminal facilities at Meridian Substation for the Dixonville-Meridian Line including series capacitors, and the Alvey-Dixonville portion of the Alvey-Meridian Line (Alvey-Dixonville Line) and the Dixonville-Meridian portion of the Alvey-Dixonville Line (Dixonville-Meridian Line). Bonneville shall design and construct the Alvey 500 kV Substation (Alvey Substation) including the Alvey Substation series capacitors. The Parties shall seek opportunities to utilize the capabilities of the other to minimize the installed cost and operation and maintenance cost and maintain schedules. The Parties shall agree at a later date upon the prudent design and construction of the Dixonville-Meridian Line, Dixonville 500 kV Substation series capacitors, and the Meridian Substation series capacitors. Each Party shall have the right to comment on the design and construction to be performed by the other Party.

(b) Maintenance and Operation. Pacific shall assume system operation and maintenance responsibilities of the Dixonville 500 kV Substation including the series capacitors, the terminal facilities at Meridian Substation for the Dixonville-Meridian Line including the series capacitors, and the Alvey-Meridian Line. Bonneville shall assume system operation and maintenance responsibilities of the Alvey Substation including the series capacitors. The Parties shall jointly develop maintenance standards and responsibilities that seek to limit the total annual operation and maintenance charges. Payment for operation and maintenance costs associated with these facilities shall be as specified in the Intertie Agreement, including Revision No. 1 to Exhibit C.

(c) Ownership.

(1) Pacific and Bonneville shall have undivided joint ownership of the Alvey-Meridian Line based upon the ownership percentages specified in Revision No. 1 to Exhibit C of the Intertie Agreement.

(2) Pacific and Bonneville shall have undivided joint ownership of incremental land acquisitions necessary to complete the Alvey-Meridian Line. Pacific shall convey to Bonneville any rights of use of Pacific's existing land sufficient to allow Bonneville to facilitate use of its right to fifty percent of the Incremental Capacity and ownership.

(3) The transfer of property titles (equipment, land, etc.) by the Parties in order to provide for undivided joint ownership shall occur at the time of energization of the Alvey-Meridian Line.

(4) Ownership of the communications systems shall be determined in accordance with section 6.

(d) Expansion of Facilities.

(1) Pacific shall have the right to modify the Dixonville 500 kV Substation and Meridian Substation, at its expense, as necessary for future required facilities without agreement by Bonneville, provided that Bonneville's ownership right to fifty percent of the Incremental Capacity of the Alvey-Meridian Line, as defined in the Intertie Agreement (Incremental Capacity), is not diminished.

(2) Upon expiration of the Intertie Agreement, Bonneville shall have the right to make additional facility connections at the Meridian Substation, at its expense, to facilitate use of its right to fifty percent of the Incremental Capacity, provided that such new connections do not increase loadings on Pacific's exclusively-owned facilities, diminish Pacific's rights to the Alvey-Meridian Line, or adversely impact Pacific's system.

(3) Bonneville shall have the right to modify the Alvey Substation, at its expense, as necessary for future required facilities without agreement by Pacific, provided that Pacific's ownership right to fifty percent of the Incremental Capacity is not diminished.

(4) Upon expiration of the Intertie Agreement, Pacific shall have the right to make additional facility connections at the Alvey Substation, at its expense, to facilitate use of its fifty percent share of the Incremental Capacity, provided that such new facility connections do not increase loadings on Bonneville's exclusively owned facilities, diminish Bonneville's rights to the Alvey-Meridian Line, or adversely impact Bonneville's system.

(e) Cost Sharing/Payment. Cost sharing for design and construction of the Alvey-Meridian Line shall be as specified in Revision No. 1 to Exhibit C. The Parties agree to develop mutually agreeable terms and conditions for payment for design and construction of the line. Such terms and conditions shall include provisions for progress payments, recognition of any payments made by either Party, or expenses incurred by either Party that are associated with the interim agreements (Contract Nos. DE-MS79-90BP92901, DE-MS79-91BP93112, DE-MS79-91BP93112, and DE-MS79-90BP93070) between the Parties as replaced by this amendment.

2. Alvey Substation 500 kV Terminal. Contract No. DE-MS79-90BP92901 shall terminate as of the Effective Date of this amendment.

3. Captain Jack Substation Connection/Terminal.

(a) Contract No. DE-MS79-91BP93112 shall terminate as of the Effective Date of this amendment.

(b) Pacific and Bonneville agree to equally share the cost of the following work performed by Pacific:

(1) procurement of the right-of-way from the Meridian-Malin transmission line structures to Captain Jack Substation;

(2) design and construction of the new 500 kV transmission line from Meridian-Malin 500 kV line structures to the Captain Jack Substation dead end towers;

(3) removal of certain Meridian-Malin 500 kV transmission line facilities; and

(4) design and construction of the strain bus connection between the Captain Jack dead end towers in Bay 3 to connect the Meridian-Malin line segments.

(c) Pacific and Bonneville agree to equally share the cost of the following work performed by Bonneville:

(1) design and construction of Captain Jack Substation dead end structures at Bay 3; and

(2) design and construction of power circuit breakers and associated Bay 3 terminal equipment including relays, and facilities to connect the Meridian-Malin line.

(d) Pacific shall own the land, right-of-way, power circuit breakers, terminal equipment including relays, and facilities up to the dead end towers, the dead end towers, and the strain bus between such towers at Bay 3.

(e) Bonneville shall assume system operation and maintenance responsibilities for all facilities at Captain Jack Substation except terminal Bay 3 relays and communications owned by Pacific, which shall be assumed by Pacific.

4. Sycan.

(a) The following provisions of Contract No. DE-MS79-91BP93157 shall terminate as of the Effective Date of this amendment:

(1) payment provisions specified in Section 4 and Exhibit A;

(2) cost sharing provisions specified in Sections 5 and 6; provided, however, the duties of the Parties described in such Sections shall remain; and

(3) ownership provisions specified in Section 7; provided, however, Pacific shall own the protective relays for the Summer Lake-Malin terminals pursuant to Revision No. 1 to Exhibit C of the Intertie Agreement.

(b) Contract No. DE-MS79-90BP93070 shall terminate as of the Effective Date of this amendment.

(c) Bonneville shall design and construct the series capacitors. Bonneville shall pay the design and construction costs and own the series capacitors until the Parties reach agreement pursuant to subsection 4(f) below.

(d) Bonneville shall operate and maintain the Sycan Compensation Station, including the series capacitors and bypass switch and associated structures; provided, however, the Summer Lake-Malin terminal relays shall be operated and maintained by Pacific. Payment for such operation and maintenance costs shall be as specified in Revision No. 1 to Exhibit C of the Intertie Agreement.

(e) The Sycan dead end tower shall be operated and maintained by Pacific.

(f) The Parties shall mutually agree to the terms and conditions for cost sharing for the Sycan series capacitors, bypass switch and

associated structures, Summer Lake-Malin terminal relays, Summer Lake-Malin communications down-link, and dead end tower.

5. Coordinated Operations. The Parties shall jointly develop coordinated operating procedures for the Alvey-Meridian Line, Captain Jack Substation, and Sycan Compensation Station such that Bonneville may adequately perform as the system operator for the combined AC Intertie, and that maximize the Operational Transfer Capability of the AC Intertie and maximize Pacific's capability to serve its southern Oregon and northern California loads pursuant to Section 5(d)(2)(A) of the Intertie Agreement.

6. Communications. The Parties are in substantial agreement as to the terms, conditions, and ownership associated with requirements for communication facilities and equipment described herein, and shall complete such terms and conditions as soon as practicable following execution of this amendment. Such terms and conditions shall be incorporated in a separate agreement.

7. Liability. The Parties agree that if any injunction is issued by a court of competent jurisdiction against either Party's implementation of this amendment, such injunction shall not constitute a basis for a breach of contract action.

8. Effective Date. This amendment shall be effective on the later of:

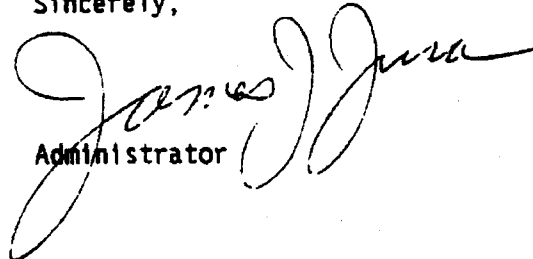
(a) the issuance of a biological opinion by the United States Fish and Wildlife Service regarding the northern spotted owl which is acceptable to both Parties; or

(b) the date Bonneville receives a copy of this amendment signed by Pacific (Effective Date).

If this amendment is acceptable to Pacific, please sign and return one copy to Bonneville. The remaining copy is for your files. Please have your staff

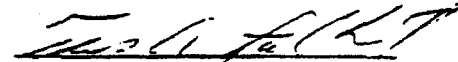
contact Allen Burns, at (503) 230-3367, to establish a schedule for discussions made necessary by the execution of this amendment.

Sincerely,


Administrator

ACCEPTED:

PACIFICORP ELECTRIC OPERATIONS

By 
Thomas A. Lockhart

Title Vice President

Date August 16, 1991

Effective Date November 18, 1991

(VS6-PMTI-6802d)

CALCULATION OF LOSSES

Pursuant to Section 10 of the Letter of Understanding dated May 28, 1993, Bonneville and PacifiCorp have conducted a joint study of electrical losses related to AC Intertie transactions. Representatives of Bonneville and PacifiCorp jointly issued a letter dated April 21, 1994, which stated the conclusions reached as a result of this study. The treatment of electrical losses related to AC Intertie transactions shall be in accordance with the April 21, 1994 letter as summarized below.

Bonneville shall return losses to PacifiCorp. Such return of losses shall be calculated as 0.2 percent (0.2%) of Bonneville's Net AC Intertie Schedule, and shall be scheduled to PacifiCorp 168 hours later. "Bonneville's Net AC Intertie Schedule," means the net of all AC Intertie schedules, other than PacifiCorp's schedules associated with its Northbound and Southbound ownership rights in the AC Intertie. Returned losses shall be scheduled from Bonneville to PacifiCorp's main system points of delivery, or as otherwise agreed by the Parties.

EXAMPLE

On a given hour:

Net AC Intertie Schedule is 4,800 MW

PacifiCorp's Schedule over its AC Intertie capacity is 400 MW

Bonneville's Net AC Intertie Schedule is:

$$4,800 \text{ MW} - 400 \text{ MW} = 4,400 \text{ MW}$$

Loss to be scheduled to PacifiCorp 168 hours later:

$$4,400 \text{ MW} \times 0.2\% = 8.8 \text{ MW}$$

Exhibit F
Contract No. DE-MS79-BP94BP94332
Revision No. 0, Effective on Execution Date

Capital Replacements

<u>Facility Description</u>	<u>Total Installed Cost</u>	<u>Cost Share Percentage Bonneville/ PacifiCorp</u>	<u>Ownership Percentage Bonneville/ PacifiCorp</u>
-----------------------------	-------------------------------------	---	--

Either Party may initiate Capital Replacement projects to be added under this Exhibit as revisions.

Exhibit F
 Amendatory Agreement No. 2
 Contract No. DE-MS79-94BP94332
 PacifiCorp
 Effective upon execution

BPA 500KV 3RD AC INTERTIE - CAPITAL ADDITIONS & REPLACEMENTS
 Dec 1996 Through April 1998

PROJECT	FACILITY DESCRIPTION	MATERIAL	LABOR	OUTSIDE SERVICES	MISC	100% CHARGES	COST SHARE %	BPA SHARE AMOUNT
64290	Dixonville Sub - SF6 Interrupters	10,199.74	2,568.17		4,151.45	16,919.36	50/50	8,459.68
420227	Dixonville Sub- Retire Excess Mat'l (Removal)		1,404.10		196.06	1,600.16	50/50	800.08
	Total	10,199.74	3,972.27		4,347.51	18,519.52		9,259.76

Payment: Bonneville shall remit payment for the BPA SHARE AMOUNT within 30 days of receipt of invoice from PacifiCorp.

DEC 12 2002 MO

Exhibit F
Contract No. DE-MS79-94BP94332
Revision No. 2, Effective upon Execution

Capital Additions

<u>Facility Description</u>	<u>Total Installed Cost</u>	<u>Cost Share Percentage Bonneville/ PacifiCorp</u>	<u>Ownership Percentage Bonneville/ PacifiCorp</u>
Alvey-Dixonville Line Landslide Abatement Tower 2/42 and 2/49	\$434,446.33	50/50	50/50

Bonneville Power Administration

By: C. Clifford O'Perigo

Title: Sr. Mkt Exec

Date: 1-02-03

PacifiCorp

By: Ronald B. King

Title: DIR. TRANS. SERVICES

Date: 12/11/02

AUG 28 2003

9:43 AM VIA UPS

Exhibit F

Contract No. DE-MS79-94BP94332

Revision No. 3, Effective upon Execution

(110)

Capital Replacements

<u>Facility Description</u>	<u>Total Estimated Installed Cost</u>	<u>Cost Share Percentage Bonneville/ PacifiCorp</u>	<u>Ownership Percentage Bonneville/ PacifiCorp</u>
Replace 6750 RFL equipment with RFL 9745 and SEL 2549 equipment at Alvey, Dixonville, Meridan, Captain Jack, Malin & Summer Lake Subs.	\$544,172*	50/50	Per Exhibit B to Contract No. DE-MS79-94BP94332

* Reimbursment for cost sharing to be accomplished following completion of the work and determination of actual cost under Letter Agreement No. 03TX-11475.

Bonneville Power Administration

By:

Clifford A. Perigo

Title:

SR. ACT EXEC

Date:

9-3-03

PacifiCorp

By:

David Blay

Title:

DIV. TRANS. SERVICES

Date:

8/27/03

DEC 04 2006

Revision No. 4
 Exhibit F, Page 1 of 2
 Contract No. DE-MS79-94BP94332
 PacifiCorp
 Effective on Date of Execution

CAPITAL REPLACEMENTS AND ADDITIONS

This Revision No. 4 adds numerous capital replacements and additions that were initiated by PacifiCorp during years 1999 through 2004. PacifiCorp neglected to completely bill Bonneville for these projects as they were completed.

CAPITAL REPLACEMENTS				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
1. Alvey-Dixonville Line – Install erosion control	9,631.92	50%	50%	770.55 ¹
2. Dixonville-Meridian Line – Rebuild R/W between 5/24 and 3/26	12,333.48	50%	50%	986.68 ¹
3. Dixonville-Meridian Line – Foundation treatment 4/74 – 4/52	11,089.16	50%	50%	887.13 ¹
4. Dixonville-Meridian Line – R/W catwork 4/52 – 1/57	19,835.94	50%	50%	1,586.88 ¹
5. Dixonville Substation – Storage yard improvement	8,190.02	50%	50%	655.20 ¹
6. Alvey-Dixonville Line – Replace center phase Ins. 1/10	9,676.59	50%	50%	774.13 ¹
7. Dixonville-Meridian Line – Replace insulators 3/7	5,398.33	50%	50%	431.87 ¹
8. Meridian Substation – Replace fuses R1886, 87, 88	4,973.92	50%	50%	2,486.96
9. Meridian Substation – B/O VAC interrupter 4R20	8,595.91	50%	50%	4,297.96
10. Meridian Substation – Replace cable trench covers	8,034.14	50%	50%	4,017.07
11. Alvey-Dixonville Line – Replace insulators 1/30	6,161.87	50%	50%	3,080.94
12. Alvey-Dixonville Line – Replace culverts	18,582.58	50%	50%	9,291.29
13. Dixonville Substation – Replace communications batteries	24,587.87	50%	50%	12,293.94
14. Dixonville Substation – Replace battery bank	20,016.90	50%	50%	10,008.45
15. Alvey-Dixonville Line – Culverts, catwork, gates	98,035.92	50%	50%	49,017.96

¹ With regard to the capital replacements identified in Items 1 through 7 above, the amount owed by Bonneville reflects previous payments by Bonneville of 42% of total costs. The dollar amounts identified in Items 1 through 7 identify Bonneville's additional payment obligations to reflect Bonneville's 50% share.

Revision No. 4
 Exhibit F, Page 2 of 2
 Contract No. DE-MS79-94BP94332
 PacifiCorp
 Effective on Date of Execution

CAPITAL REPLACEMENTS (continued)				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
16. Meridian Substation – Replace substation & Communication batteries	36,223.75	50%	50%	118,111.88
17. Meridian Substation – Upgrade SER modems and phones	4,810.94	50%	50%	2,405.47
18. Dixonville-Meridian Line – R/W work	24,373.28	50%	50%	12,186.64
19. Meridian Substation – Replace sump pump	1,209.92	50%	50%	604.96
20. Dixonville Substation – Substation battery replacement	11,506.69	50%	50%	5,753.35
CAPITAL ADDITIONS				
1. Alvey-Dixonville Line & Dixonville-Meridian Line – Purchase tools and equipment	21,931.49	50%	50%	10,965.75
2. Meridian Substation – Install corona rings (24)	7,187.21	50%	50%	3,593.61
TOTALS	\$372,387.83			\$154,208.63

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By: David B Cory

By: Richard A. Gillman

Name: DAVID B CORY
 (Print / Type)

Name: Richard A. Gillman
 (Print / Type)

Title: DIR. CUSTOMER SER

Title: Senior Transmission Account Executive

Date: 12/4/06

Date: 12/1/06

CAPITAL REPLACEMENTS AND ADDITIONS

This Revision No. 5 corrects two errors on Page 2 of Revision No. 4 to Exhibit F of Contract No. DE-MS79-94BP94332. The "Amount Owed by Bonneville" in Item 16 has been changed from \$118,111.88 to \$18,111.88; and the total amount owed by Bonneville has been changed from \$154,208.63 to \$154,208.67. PacifiCorp invoiced BPA for \$154,208.67 and BPA paid such amount in full following the execution of Revision No. 4 to Exhibit F of Contract No. DE-MS79-94BP94332. As such, the sole purpose of this Revision No. 5 is to correct the errors noted above.

CAPITAL REPLACEMENTS				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
1. Alvey-Dixonville Line – Install erosion control	9,631.92	50%	50%	770.55 ¹
2. Dixonville-Meridian Line – Rebuild R/W between 5/24 and 3/26	12,333.48	50%	50%	986.68 ¹
3. Dixonville-Meridian Line – Foundation treatment 4/74 – 4/52	11,089.16	50%	50%	887.13 ¹
4. Dixonville-Meridian Line – R/W catwork 4/52 – 1/57	19,835.94	50%	50%	1,586.88 ¹
5. Dixonville Substation – Storage yard improvement	8,190.02	50%	50%	655.20 ¹
6. Alvey-Dixonville Line – Replace center phase Ins. 1/10	9,676.59	50%	50%	774.13 ¹
7. Dixonville-Meridian Line – Replace insulators 3/7	5,398.33	50%	50%	431.87 ¹
8. Meridian Substation – Replace fuses R1886, 87, 88	4,973.92	50%	50%	2,486.96
9. Meridian Substation – B/O VAC interrupter 4R20	8,595.91	50%	50%	4,297.96
10. Meridian Substation – Replace cable trench covers	8,034.14	50%	50%	4,017.07
11. Alvey-Dixonville Line – Replace insulators 1/30	6,161.87	50%	50%	3,080.94
12. Alvey-Dixonville Line – Replace culverts	18,582.58	50%	50%	9,291.29
13. Dixonville Substation – Replace communications batteries	24,587.87	50%	50%	12,293.94
14. Dixonville Substation – Replace battery bank	20,016.90	50%	50%	10,008.45
15. Alvey-Dixonville Line – Culverts, catwork, gates	98,035.92	50%	50%	49,017.96

¹ With regard to the capital replacements identified in Items 1 through 7 above, the amount owed by Bonneville reflects previous payments by Bonneville of 42% of total costs. The dollar amounts identified in Items 1 through 7 identify Bonneville's additional payment obligations to reflect Bonneville's 50% share.

CAPITAL REPLACEMENTS (continued)				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by Bonneville (\$)
16. Meridian Substation – Replace substation & Communication batteries	36,223.75	50%	50%	18,111.88
17. Meridian Substation – Upgrade SER modems and phones	4,810.94	50%	50%	2,405.47
18. Dixonville-Meridian Line – R/W work	24,373.28	50%	50%	12,186.64
19. Meridian Substation – Replace sump pump	1,209.92	50%	50%	604.96
20. Dixonville Substation – Substation battery replacement	11,506.69	50%	50%	5,753.35
CAPITAL ADDITIONS				
1. Alvey-Dixonville Line & Dixonville-Meridian Line – Purchase tools and equipment	21,931.49	50%	50%	10,965.75
2. Meridian Substation – Install corona rings (24)	7,187.21	50%	50%	3,593.61
TOTALS	\$372,387.83			\$154,208.67

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By: *David B Cory*

By: *Richard A Gillman*

Name: DAVID B CORY
 (Print / Type)

Name: Richard A. Gillman
 (Print / Type)

Title: DIRECTOR, CUSTOMER RELATIONS

Title: Senior Transmission Account Executive

Date: 2/12/07

Date: 1/18/07

DEC 30 2010

**EXHIBIT F, REVISION NO. 6
CAPITAL REPLACEMENTS AND ADDITIONS
COMPLETED BY BONNEVILLE**

This Revision No. 6 adds capital replacement projects that were initiated and completed by Bonneville at the Alvey Substation. Bonneville and PacifiCorp agree that these capital work orders are subject to cost sharing based on the terms of this contract.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share %	Bonneville Percent Share %	Amount Owed by PacifiCorp (\$)
1. Alvey Substation - Emergency Replacement of the station service cabinet, panels and cables due to fire at Alvey Substation. (Work Order 245663)	900,000	50%	50%	450,000
2. Alvey Substation - FIN expansion for NERC CIP compliance. (Work Order 221563)	109,046	50%	50%	54,523
3. Alvey Substation - NERC CIP-006 security work including card readers, motion detectors and door contacts. (Work Order 229829)	49,087	50%	50%	24,543
4. Alvey Substation - Replace the LCBll Fiber Optic Differential Relay at Alvey on the 500/230 kV tie line with two sets of line differential relays. (Work Order 206808)	373,565	50%	50%	186,783
Total	\$1,431,698			\$ 715,849

PACIFICORP

By

Name

(Print/Type)

Title

Date

UNITED STATES OF AMERICA

Department of Energy

Bonneville Power Administration

By

Name

(Print/Type)

Title

Date

ContractAdministration/TXCustomerFolders/PacifiCorp_94332_ExFRev6_111910.doc

MAR 31 2011

Rec'd via FedEx 2/9/11 @ 9:24 am MB

**EXHIBIT F, REVISION NO. 7
CAPITAL REPLACEMENTS AND ADDITIONS**

This Revision # 7 adds CAPITAL REPLACEMENTS AND ADDITIONS that were initiated, funded and completed by PacifiCorp during years 2007-2010. Bonneville and PacifiCorp agree that these capital projects are cost sharing based on the terms of this contract.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share %	Bonneville Percent Share %	Amount Owed by Bonneville (\$)
1. Dixonville 500 kV Substation NERC CIPS -006 security upgrade (SAP Project ID: TZRB/2007/C/001/B)	222,246 Note-1	50%	50%	111,123
2. Meridian 500 kV Substation NERC CIPS -006 security upgrade (SAP Project ID: CCBS/2006/C/002)	379,734 Note-1	50%	50%	189,867
3. Dixonville - Meridian 500 kV line Replace bridge on road easement (SAP Project ID: TROS/2010/C/TRF/10040359)	42,926	50%	50%	21,463
Total	\$644,906			\$322,453

Note-1:

Total cost shown is after deducting based on 230 kV yard allocation owned by PacifiCorp.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By [Signature]

By [Signature]

Name W. W. BARKS
(Print/Type)

Name KENNETH A. JOHNSTON
(Print/Type)

Title DIRECTOR TRANSMISSION CUSTOMER ACCOUNTS

Title ACCOUNT EXECUTIVE

Date 3/31/11

Date 3/31/11

TRANSMISSION SERVICES *Rec'd via ups 9/2/11 @ 9:09 am Mon*
date rec'd fully executed
 SEP 06 2011

TRANSMISSION SERVICE

AUG 18 2011

**EXHIBIT F
 CAPITAL REPLACEMENTS AND ADDITIONS**

REVISION NO. 8

This Revision No. 8 adds cost sharing of NERC security enhancements for Critical Infrastructure facilities at Alvey Substation's 500 kV yard. Bonneville and PacifiCorp agree that this capital work order is subject to cost sharing based on the terms of this contract.


COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share %	Bonneville Percent Share %	Amount Owed by PacifiCorp (\$)
1. Alvey Substation- NERC security enhancements for Critical Infrastructure facilities at 500 kV yard. (Work Order 270672)	825,776.46	50%	50%	412,888.23
Total	\$ 825,776.46			\$ 412,888.23

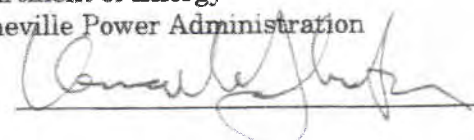
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By 
 Name Kenneth Houston
 (Print / Type)
 Title UP Transmission
 Date Sept. 1, 2011

By 
 Name Kenneth H. Johnston
 (Print / Type)
 Title Transmission Account Executive
 Date 9/2/11

ContractAdministration/TXCustomerFolders/PacifiCorp_94332_ExF_Revision 8.doc

**EXHIBIT F
CAPITAL REPLACEMENTS AND ADDITIONS**

REVISION NO. 9

This Revision No. 9 is for CAPITAL REPLACEMENTS AND ADDITIONS that were funded and completed by PacifiCorp during year 2010 through July 2011. Bonneville and PacifiCorp agree that these capital projects are subject to cost sharing based on the terms of this contract.

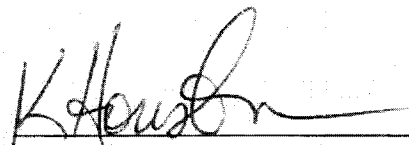
COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	Bonneville Percent Share	Amount Owed by BPA (\$)
Dixonville: Repl CTs & Fuses on 500kV Series Capacitor Bank	309,602.05	50%	50%	154,801.02
Dixonville - Meridian (Line 91) Replace broken Insulator Str 2/72	13,140.47	50%	50%	6,570.23

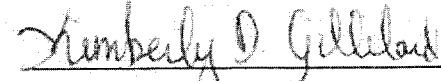
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 
Name Kenneth Houston
(Print/Type)
Title VP, Transmission
Date Sept. 19, 2011

By 
for Name Kenneth H. Johnston
(Print/Type)
Title Transmission Account Executive
Date 9/15/11

JAN 20 2012

**EXHIBIT F, REVISION NO. 10
CAPITAL REPLACEMENTS AND ADDITIONS**

This Revision No. 10 adds cost sharing for the replacement of Digital Fault Recorders at the Alvey Substation. This Capital Replacement was funded and completed by Bonneville Power Administration (BPA). BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Alvey Substation Replace Digital Fault Recorders (Work Order 270671)	\$ 281,389.88	50%	50%	\$ 140,694.94
Total	\$ 281,389.88			\$ 140,694.94

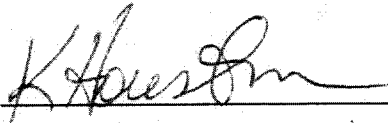
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

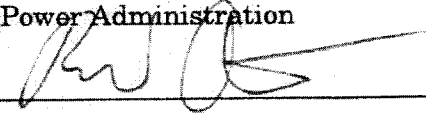
PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: _____



By: _____



Name: _____

Kenneth Houston
(Print/Type)

Name: _____

Kenneth H. Johnston
(Print/Type)

Title: _____

UD, Transmission

Title: _____

Transmission Account Executive

Date: _____

Feb 14, 2012

Date: _____

19 JAN 2012

ContractAdministration/TXCustomerFolders/PacifiCorp_94332_ExF_Rev10.doc

Rec'd via UPS 5/29/13 08:42am MS

**EXHIBIT F
CAPITAL REPLACEMENTS AND ADDITIONS**

REVISION NO. 11

This Revision No. 11 is for CAPITAL REPLACEMENTS AND ADDITIONS that have been funded and completed by PacifiCorp. Bonneville and PacifiCorp agree that these capital projects are subject to cost sharing based on the terms of this contract.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share 50 %	Bonneville Percent Share 50 %	Amount Owed by BPA (\$)
Meridian: Replace failed Reactor S-691 W Order: TZME/2007/C/003	1,186,743	50%	50%	593,371

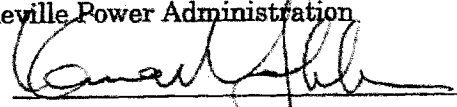
SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 

By 

Name Rick Vail
(Print/Type)

Name KENNETH H. JOHNSTON
(Print/Type)

Title VP - TRANSMISSION

Title ACCOUNT EXECUTIVE

Date 5/28/13

Date 6/4/13

**EXHIBIT F, REVISION NO. 12
CAPITAL REPLACEMENTS AND ADDITIONS**

This Exhibit F, Revision No. 12 adds cost sharing for the emergency replacement of station control battery B-2611 located in the Alvey Substation's main control house. Bonneville and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement (Agreement), Contract No. DE-MS79-94BP94332. PacifiCorp's 50% cost share of this capital project is based on PacifiCorp's ownership percentage as stated in Exhibit B of the Agreement.


COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Alvey Substation Emergency control battery replacement. (Work Order 297018)	\$87,424.08	50%	50%	\$43,712.04
Total	\$87,424.08			\$43,712.04

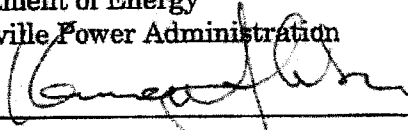
SIGNATURES

The Parties have executed this Exhibit as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: 
Name: Laura Rappush
(Print/Type)
Title: Account Manager
Date: 5/24/13

By: 
Name: Kenneth H. Johnston
(Print/Type)
Title: Transmission Account Executive
Date: 5/1/13

m

**EXHIBIT F
CAPITAL REPLACEMENTS AND ADDITIONS**

TRANSMISSION SERVICES

DEC 10 2013

REVISION NO. 13

This Revision No. 13 adds cost sharing for the replacement of the 500 kV relays located at Malin and Summerlake substations. Bonneville and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332, (Agreement). Bonneville's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share 50 %	Bonneville Percent Share 50 %	Payment Owed by BPA (\$)
Malin : Replace 500 kV relays on the Summer Lake line Work Order # 10043761	540,200	50%	50%	270,100
Summer Lake: Replace 500 kV relays on the Malin line Work Order # 10043885	396,299	50%	50%	198,149

SIGNATURES

The Parties have caused this Exhibit to be executed as of the date both Parties have signed this Exhibit.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By By Name Rick Vail
(Print/Type)Name Kenneth H. Johnston
(Print/Type)Title V.P., TransmissionTitle Transmission Account ExecutiveDate 12/12/13Date 12/9/13

RECEIVED

RODUA UPS 4/18/14 @ 9:00am MS

APR 21 2014

RECEIVED

FEB 21 2014

TRANSMISSION SERVICES
EXHIBIT F, REVISION NO. 14
CAPITAL REPLACEMENTS AND ADDITIONS

TRANSMISSION SERVICES
PACIFICORP

This Revision No. 14 adds cost sharing for the Marion – Alvey Series Capacitor Control replacement. Under Capital work order 00345637, Bonneville replaced the FM Analog Platform to Ground Communication System with a new GE Digital Control System (for fixed series compensation banks). PacifiCorp and Bonneville agree that this capital project is subject to cost sharing based on the terms of this Amended and Restated AC Intertie Agreement (Agreement). PacifiCorp’s 50% cost share of this capital project is based on the cost share percentage specified in Exhibit B of this Agreement.

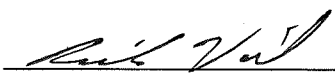
COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Alvey Substation: Marion – Alvey Series Capacitor Control Replacement. Work Order: 00345637	\$1,686,268.14	50%	50%	\$843,134.07
Total	\$1,686,268.14			\$843,134.07

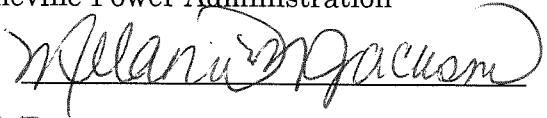
SIGNATURES

The Parties have executed this Exhibit as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: 
Name: Rick Vail
(Print/Type)
Title: VP - Transmission
Date: 4/15/14

By: 
Name: Kenneth H. Johnston
(Print/Type)
Title: Transmission Account Executive
Date: April 18, 2014

CCM/PacifiCorp/DE-MS79-94BP94332/Exhibit_B/Rev_14

RECEIVED

Rcv'd. 2/2/15 at 9:07am via UPS. Com

RECEIVED

FEB 04 2015

NOV 24 2014

TRANSMISSION SERVICES
PACIFICORP

**EXHIBIT F, REVISION NO. 15
CAPITAL REPLACEMENTS AND ADDITIONS**

TRANSMISSION SERVICES
PACIFICORP

This Exhibit F, Revision No. 15 (Revision No. 15), adds cost sharing for the Sycan Compensation Station's group 3 series capacitor control replacement in the Summer Lake - Malin 500 kV line. Under capital work order 00339233, Bonneville replaced the FM Analog Platform to Ground Communication System with a new GE Digital Control System (for fixed series compensation banks). PacifiCorp and Bonneville agree that this capital project is subject to cost sharing based on the terms of this Amended and Restated AC Intertie Agreement (Agreement). PacifiCorp's 35% cost share of this capital project is based on the cost share percentage specified in Exhibit B, Revision No. 3 of this Agreement. PacifiCorp's costs were captured under accompanying Work Order 00339728.

COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Percent Share	BPA Percent Share	Amount Owed by PacifiCorp (\$)
Sycan Compensation Station: Group 3 series capacitor control replacement in the Summer Lake - Malin 500 kV line.	\$1,850,897.57	35%	65%	\$647,814
Total				\$647,814

SIGNATURES

The Parties have executed this Revision No. 15 as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By: 

By: 

Name: Rick Vail
(Print/Type)

Name: David A. Fitzsimmons
(Print/Type)

Title: VP - TRANSMISSION

Title: Manager, Transmission Sales

Date: 1/30/15

Date: 2/3/2015

CCM/PacifiCorp/DE-MS79-94BP94332/Exhibit_F/Rev_15

RECEIVED

Rec'd. 2/2/15 at 9:07am via UPS

RECEIVED

FEB 04 2015

NOV 24 2014

TRANSMISSION SERVICES
PACIFICORP

**EXHIBIT F, REVISION NO. 16
CAPITAL REPLACEMENTS AND ADDITIONS**

TRANSMISSION SERVICES
PACIFICORP

This Exhibit F, Revision No. 16 adds the cost sharing for the replacement of a spare 500 kV reactor located at the Meridian Substation. PacifiCorp has purchased and installed a new spare reactor associated with the replacement of the failed 500 kV reactor. Bonneville and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). Bonneville's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement.

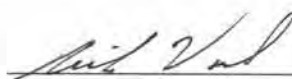
COMPLETED CAPITAL REPLACEMENT				
Description	Total Cost (\$)	PacifiCorp Share (%)	Bonneville Share (%)	Amount Owed by BPA (\$)
Meridian: Purchase and install a new spare associated with replacement of failed 500KV Reactor B Phase. Work Order: TMED/2012/C/002	\$1,535,683	50%	50%	\$767,842
Total				\$767,842

SIGNATURES

The Parties have executed this Exhibit F, Revision No.16 as of the last date indicated below.

PACIFICORP

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 

By 

Name Rick Vail
(Print/Type)

Name David A. Fitzsimmons
(Print/Type)

Title VP - TRANSMISSION

Title Manager, Transmission Sales

Date 1/30/15

Date 2/3/2015

CCM: DE-MS79-94BP94332_EXF_R16_Word.docx

EXHIBIT F, REVISION NO. 17
CAPITAL REPLACEMENTS AND ADDITIONS

This Exhibit F, Revision No. 17 details the cost sharing obligations for:

- 1. Replacement of the RALZ B protective relays at the jointly owned Dixonville Substation associated with the Dixonville-Meridian 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). BPA's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 2. Replacement of the RALZ B protective relays at the jointly owned Meridian Substation associated with the Dixonville-Meridian 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 3. Emergency Capacitive Voltage Transformer (CVT) replacement on "A" phase of the Alvey-Marion 500 kV line at Alvey Substation. BPA has purchased and installed the new CVT. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. PacifiCorp's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 4. Replacement of interchange metering (WH0039) on the Alvey-Dixonville line at the Alvey Substation. BPA has purchased and installed the new metering. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. PacifiCorp's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement;*
- 5. Replacement of interchange metering on the Captain Jack-Malin line at the Captain Jack Substation. BPA has purchased and installed the new metering. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. PacifiCorp's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement; and*
- 6. Modifications to PacifiCorp systems in support of the Captain Jack meter replacement specified in number 5 above. PacifiCorp has performed the modifications. BPA and PacifiCorp agree that this work is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based on the cost share percentage as stated in Exhibit B of the Agreement.*

COMPLETED CAPITAL REPLACEMENT					
Description	Total Cost (\$)	Pacifi Corp Share (%)	BPA Share (%)	Amount Owed by PAC (\$)	Amount Owed by BPA (\$)
Dixonville - Meridian 500 kV Line at the Dixonville Substation: Replace the existing RALZ B relays with SEL 421 relays. PacifiCorp Work Order: RB/2011/C/003/10044602.	\$586,148	50%	50%		\$293,074
Dixonville - Meridian 500 kV Line at the Meridian Substation: Replace the existing RALZ B relays with SEL 421 relays. PacifiCorp Work Order: RB/2011/C/003/10044602.	\$672,869	50%	50%		\$336,434
Alvey-Marion 500 kV line at the Alvey Substation: Replace CVT on the "A" phase. Work Order #00396932.	\$13,084	50%	50%	\$6,542	
Alvey-Dixonville 500 kV line at the Alvey Substation: Replace interchange metering (WH0039). Work Order #00396368.	\$104,534	50%	50%	\$52,267	
Captain Jack-Malin 500 kV line #2 at the Captain Jack Substation: Replace interchange metering. Work Order #00322855.	\$158,990	50%	50%	\$79,495	
Modifications to PacifiCorp systems in support of the interchange meter replacement on the Captain Jack-Malin 500 kV line #2.	\$49,657	50%	50%		\$24,828
Total				\$138,304	\$654,336

JOINT OWNERSHIP PAYMENT OBLIGATION

BPA agrees to pay PacifiCorp \$654,336. PacifiCorp shall issue an invoice to BPA for this amount and BPA shall pay the invoice in accordance with the terms of this agreement.

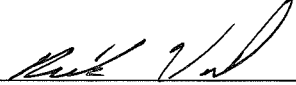
PacifiCorp agrees to pay BPA \$138,304. BPA shall issue an invoice to PacifiCorp for this amount and PacifiCorp shall pay the invoice in accordance with the terms of this agreement.

SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and the Agreement may be executed 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: 

By:  Digitally signed by
ehc2532@bud.bpa.gov
Date: 2017.04.04 12:21:01 -07'00'

Title: VP, Transmission

Title: Senior Transmission Account Executive

If opting out of the electronic signature:

By: _____

Name: _____
(Print/Type)

Title: _____

Date: 4/12/17

EXHIBIT F, REVISION NO. 18
CAPITAL REPLACEMENTS AND ADDITIONS

This Exhibit F, Revision No. 18 details the cost sharing obligations for:

- 1. Replacement of the RALZ B protective relays at the jointly owned Dixonville Substation associated with the Dixonville-Alvey 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
- 2. Replacement of the RALZ B protective relays at the jointly owned Alvey Substation associated with the Dixonville-Alvey 500 kV transmission line. BPA has purchased and installed the new relays. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
- 3. Replacement of the transfer trip and RAS equipment located at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
- 4. Emergency replacement of the battery charger at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement.*
- 5. Emergency Replacement of a failed line insulator on line 90 at PacifiCorp structure 2/17 under PAC work order number 6509002. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement.*

COMPLETED CAPITAL REPLACEMENT					
<u>Description</u>	<u>Total Cost</u> <u>(\$)</u>	<u>PacifiCorp</u> <u>Share</u> <u>(%)</u>	<u>BPA</u> <u>Share</u> <u>(%)</u>	<u>Amount</u> <u>Owed by</u> <u>PAC</u> <u>(\$)</u>	<u>Amount</u> <u>Owed by</u> <u>BPA</u> <u>(\$)</u>
<u>Dixonville – Alvey 500 kV Line at the Dixonville Substation: Replace the existing RALZ B relays with SEL 421 relays.</u> <u>PAC Work Order: 24006899/94005976</u>	<u>\$489,331</u>	<u>50%</u>	<u>50%</u>		<u>\$244,665</u>
<u>Dixonville – Alvey 500 kV Line at the Alvey Substation: Replace the existing RALZ B relays with SEL 421 relays.</u> <u>BPA Work Order: 339242 (was 00353502)</u>	<u>\$848,589</u>	<u>50%</u>	<u>50%</u>	<u>\$424,294</u>	
<u>Alvey Substation: Replace TT and RAS equipment.</u> <u>PAC Work Order:24007001/94006110</u> <u>BPA Work Order: 339242</u>	<u>\$925,217</u>	<u>50%</u>	<u>50%</u>	<u>\$462,609</u>	
<u>Alvey Substation: Emergency Replacement Battery Charger</u> <u>PAC Work Order: 24010688</u> <u>BPA Work Order: 390627</u>	<u>\$15,639</u>	<u>50%</u>	<u>50%</u>	<u>\$7,820</u>	
<u>Alvey-Dixonville line 90 work by PacifiCorp</u> <u>PAC Work Order: 6509002</u>	<u>\$21,258</u>	<u>50%</u>	<u>50%</u>		<u>\$10,629</u>
<u>Total</u>	<u>\$2,300,034</u>			<u>\$894,723</u>	<u>\$255,294</u>

JOINT OWNERSHIP PAYMENT OBLIGATION

BPA agrees to pay PacifiCorp \$ 255,294. PacifiCorp shall issue an invoice to BPA for this amount and BPA shall pay the invoice in accordance with the terms of this agreement.

PacifiCorp agrees to pay BPA \$ 894,723. BPA shall issue an invoice to PacifiCorp for this amount and PacifiCorp shall pay the invoice in accordance with the terms of this agreement.

SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and the Agreement may be executed 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:

/s/ Rick Vail

By:

/s/ Eric H. Carter

Title:

VP, Transmission

Title:

Senior Transmission Account Executive

If opting out of the electronic signature:

By:

Name:

(Print/Type)

Title:

Date:

MALIN TRANSFORMER - USE-OF-FACILITIES

Purpose of Third Revision to Exhibit G: This Revision No. 3 to this Exhibit G includes new language intended to clarify the calculation of transmission losses at the Malin substation 500/230kV transformer. Additionally, this Revision No. 3 incorporates and restates provisions included in Revision 2. This Revision No. 3 restates and supersedes the prior Revision No. 2 to this Exhibit G.

Purpose

Pursuant to Section 5 (h) of the AC Intertie Agreement, which states that PacifiCorp shall provide Bonneville firm capacity in its existing 500/230 kV transformer bank at the Malin Substation at a use-of-facilities rate for Bonneville's firm requirements, subject to certain limitations, including availability and only up to 200 megawatts ("MW"), the Parties agree to the following:

Commencement Date

This Revision No. 3 to this Exhibit G shall be effective on the later of (i) ninety (90) days following the execution hereof, or (ii) a later date specified by the Federal Energy Regulatory Commission ("Commission").

Bonneville Firm Capacity at Malin Substation 500/230 kV Transformer

Bonneville has firm capacity at the Malin Substation transformer bank of 200 MW.

Use of Facilities Charge: \$253,589 per year, billed monthly at \$21,132.

The above charge is based on the following:

- Investment of \$ 6,921,090
- Levelized Fixed computation methodology
The Utilization Factor will be 30.77%, which is Bonneville's capped maximum capacity share, because the ratio of Bonneville's new exercised right to the average monthly transformer peak for the prior calendar year would be 59.85%, which exceeds the cap of 30.77% under this agreement.
 - Example 1: For 2007, Bonneville's exercised right was 110 MW, as compared to the monthly average transformer peak inclusive of this right of 361.42 MW which was the bases for calculating the 30.44% utilization

factor above.

- Example 2: For 2013 Bonneville's new exercised right will be 200 MW, as compared to the 2012 monthly average transformer peak inclusive of this new right of 334.16 MW. The new ratio will be $200/334.16 = 59.85\%$, which does exceed the cap of 30.77%; therefore Bonneville's new use of facilities charge is based on the cap with a 30.77% utilization factor.

- FERC Authorized Rate of Return
- FERC Methodology for OMAG Expenses
- Thirty-nine year straight-line book depreciation
- Twenty year (MACRS) tax depreciation
- 1.2% property tax rate
- 37.95% income tax rate
- 7.5% discount rate

Transformer Losses

In addition to the above use-of-facilities charge, the Parties agree that transfer losses (in MW) for the Malin 500/230 kV transformer shall be calculated with the following formula:

$$L=0.4116+k P^2$$

Where:

L = total losses in MW

0.4116 MW is the magnetizing loss which is independent of transformer load

$k = 2.8 \times 10^{-6}$

P = power through transformer in MW

Example 1:

The transformer load is 300 MW. The total losses are:

$$L= 0.4116 + (2.8 \times 10^{-6}) \times (300)^2 = 0.664 \text{ MW}$$

Example 2:

The transformer load is 650 MW. The total losses are:

$$L = 0.4116 + (2.8 \times 10^{-6}) \times (650)^2 = 1.59 \text{ MW}$$

This formula shall be applied through the entire range of transformer capacity, from zero to 650 MW. Bonneville's share of the total losses shall be based on Bonneville's hourly schedule of energy across the transformer divided by the total hourly schedule of energy across the transformer.

For any hour, Bonneville may return losses physically, concurrent with the associated hourly energy schedule. Provided, for any hour in which Bonneville does not schedule loss returns concurrent with the associated energy schedule, Bonneville shall pay PacifiCorp for losses valued at the "Hourly Pricing Proxy" as described or as may be updated from time to time in PacifiCorp's currently effective Open Access Transmission Tariff.

Revisions to Exhibit G

If Bonneville notifies PacifiCorp that it wishes to effect a change to its exercised right of 200 MW, then Bonneville's utilization of transformer capacity shall be automatically updated upon the effective date of the election (subject to PacifiCorp's review of capacity availability pursuant to Section 5 (h) of the Agreement) to reflect the full amount of Bonneville's election of transformer capacity pursuant to this Agreement. The availability of such capacity to Bonneville pursuant to the Agreement shall not exceed 200 MW and the charge factor applied to Bonneville's use of the Malin transformer shall not exceed 30.77%. The Parties agree that any other change to the above methodologies or factors shall be by mutual agreement and shall not be allowed more often than once per three year period. Each party's agreement to recommended changes in input factors to the above methodologies shall not be unreasonably withheld, provided any such recommended changes have a reasonable basis in fact. The parties shall negotiate in good faith to address any requested change in underlying methodology or formulae. Such changes to input factors shall apply prospectively only.

Bonneville Power Administration

By: *Gary Thompson*

Title: VP, NW REQUIREMENTS MKTG

Date: 7/26/19

PacifiCorp

By: **Rick Vail** Digitally signed by Rick Vail
Date: 2019.07.29 10:48:27
-0700

Title: VP, Transmission

Date: 7/29/19

Exhibit H
[Example of Bonneville Summer Storage nomination letter, on Bonneville letterhead, to PacifiCorp]

Supervisor, Contract Administration
PacifiCorp
825 NE. Multnomah, Suite 600
Portland, OR 97232

RE: Contract No. DE-MS79-94BP94332, Summer Energy Option

Dear Sirs:

This letter serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp (PAC) that Bonneville chooses to exercise Section 12(a), Summer Storage, of our AC Intertie Agreement, Contract No. DE-MS79-94BP94332, by requesting PacifiCorp to store _____ [between 25,000 and 100,000] megawatt-hours (MWh) of energy in the month of _____ [June or July] ("Bonneville Requested Storage"). Bonneville shall deliver to PAC approximately _____ [134] MWhs of energy flat over all hours for the month of [June or July ("Bonneville Requested Storage Hourly Schedule")].

Bonneville requests that PacifiCorp shall return storage energy to Bonneville through a system-to-system return schedule (BPAT.PACW). Bonneville is planning on these energy returns being prescheduled.

As set forth in the [Amended and Restated AC Intertie Agreement], and as such terms are defined therein, Bonneville may request **Spill Protection Day(s)** up to the **Bonneville Monthly Spill Protection Day Cap**, which is eight (8) total days per storage month.

Similarly, for those days Bonneville has not requested **Contingent Spill Protection Day(s)**, PacifiCorp may reject such Bonneville Requested Storage Hourly Schedule up to the **PacifiCorp Monthly Storage Schedule Cut Cap**, which for the storage month described in this letter equals 16 % of the Bonneville Requested Storage, or _____ MWh.

For any further discussions regarding this notice, please contact me at (503) 230-4003.

Sincerely,

Mark E. Miller
Account Executive

Cc: Bonneville Contracts Administration

Exhibit I
[Example of Contingent Spill Protection Day e-mail to PacifiCorp]

Subject: Contingent Spill Protection Day

This email serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp (PAC) that Bonneville notices is a Contingent Spill Protection Day as described in Section 12(a), Summer Storage, of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332.

Period begins: Hour Ending [0100, June 1, 2011]
Period ends: Hour Ending [2400, June 4, 2011]

The Bonneville Monthly Spill Protection Day Cap is defined as eight (8) Spill Protection Days in this storage month. As described in this notice, Bonneville hereby declares ___ Spill Protection Days in the month of June, for a total of ___ Spill Protection Days to date.

Bonneville will be in a Spill Condition for a period of 2 days prior to when this period of Spill Protection Day(s) begin.

PacifiCorp, please confirm this e-mail by a return e-mail acknowledgment to:
ajspain@bpa.gov
memiller@bpa.gov

For any further discussions regarding this notice, please contact me at (503) 230-4003,
Alex Spain at (503) 230-5780.

Exhibit J
[Example of PacifiCorp Contingent Spill Protection Day criteria validation e-mail to Bonneville]

Subject: Contingent Spill Protection Day Criteria Validation
To: Mark Miller
Alex Spain

This email serves as notification from PacifiCorp (PAC) to Bonneville Power Administration (Bonneville) as to which Contingent Spill Condition Day(s) for the month of ____, 2011 trigger Bonneville Spill Protection Day LD(s).

Contingent Spill Protection Day that meet criteria in Section 27(gg) and fall within Bonneville Monthly Spill Protection Day Cap of 8 days

Date
Date
Date
Date

Contingent Spill Protection Day that meet criteria in Section 27(gg) and exceed Bonneville Monthly Spill Protection Day Cap of 8 days (Bonneville Spill Protection Day LD will apply)

Date
Date

Contingent Spill Protection Day that failed to meet criteria in Section 27(gg) (Bonneville Spill Protection Day LD will apply)

Date
date

PacifiCorp, please confirm this e-mail by a return e-mail acknowledgment to:
Jim.schroeder@pacificorp.com
Stacey.kusters@pacificorp.com
Mark.smith@pacificorp.com

For any further discussions regarding this notice, please contact Mark Smith at (503) 813-5393.

Exhibit K
Sample of Bonneville Spill Conditions website posting found at
www.transmission.bpa.gov/Business/Operations/Misc/

HOURLY SPILL CONDITIONS

From 07/05/09 through 07/08/11 (illustratively shown 6/1/2011)

- This posting is provided as information to users of BPA's Energy Imbalance and Generation Imbalance services.
- Spill Conditions, for the purpose of determining credit or payment for Deviations under the EI and GI rates, exist when spill physically occurs on the BPA system due to lack of load or market. Spill due to lack of load or market typically occurs during periods of high flows or flood control implementation, but can also occur at other times. Discretionary spill, where BPA may choose whether to spill, does not constitute a Spill Condition. Spill for fish is included in discretionary spill and is not a Spill Condition.
- Account 501935 (Actual System Spill, After-The-Fact): A "1" indicates Spill conditions were declared for that hour. A "0" indicates No Spill was declared for that hour.
- Account 501936 (Forecasted System Spill, Before-The-Fact): not utilized by BPA - will not be used for that hour. A "0" indicates No Spill is projected to occur for that hour.
- BPA will continue to use the Actual Spill conditions posted after-the-fact (Account 501935) for billing purposes.
- This file is updated daily at 11:00 AM, Pacific Time
- Source of Spill Flag: BPA Power Services
- Source of this Posting: BPA Transmission Services 05Jul2011 11:00
- For further information, please contact Harry Speropulos, Transmission Transaction Analysis & Reconciliation, at 360-418-8670.

Date	Time	# 501935	# 501936
		Actual	Forecast
6/1/2011	1:00	1	
6/1/2011	2:00	1	
6/1/2011	3:00	1	
6/1/2011	4:00	1	
6/1/2011	5:00	1	
6/1/2011	6:00	1	
6/1/2011	7:00	0	
6/1/2011	8:00	0	
6/1/2011	9:00	0	
6/1/2011	10:00	0	
6/1/2011	11:00	0	
6/1/2011	12:00	0	
6/1/2011	13:00	0	
6/1/2011	14:00	0	
6/1/2011	15:00	0	
6/1/2011	16:00	0	
6/1/2011	17:00	0	
6/1/2011	18:00	0	
6/1/2011	19:00	0	
6/1/2011	20:00	1	
6/1/2011	21:00	1	
6/1/2011	22:00	1	
6/1/2011	23:00	1	
6/1/2011	24:00:00	1	

Exhibit L
Sample of Bonneville Spill Protection Day LD

Bonneville Spill Protection Day Cap LD

Bonneville declared a Contingent Spill Condition Day in excess of their cap of 8 days or declared a Spill Protection Day that failed to meet the Spill Protection Day criteria in 27(gg).

Date	Time HE	Bonneville Requested Storage Hourly Schedule MWh/hr	Powerdex Mid- Columbia Average Hourly Index Price \$/MWh	Hourly weighted average of daily ICE Day-Ahead Power Index for Mid-Columbia for Peak and Off- Peak from September - November 2011	Bonneville Spill Protection Day hourly Cap LD \$/day
				\$/MWh	
6/26/2010	100	139	\$ (12.67)	\$ 32.23	\$ 6,241.07
6/26/2010	200	139	\$ (2.58)	\$ 32.23	\$ 4,838.56
6/26/2010	300	139	\$ (0.41)	\$ 32.23	\$ 4,536.93
6/26/2010	400	139	\$ (2.95)	\$ 32.23	\$ 4,889.99
6/26/2010	500	139	\$ (0.74)	\$ 32.23	\$ 4,582.80
6/26/2010	600	139	\$ (0.08)	\$ 32.23	\$ 4,491.06
6/26/2010	700	139	\$ (4.10)	\$ 32.23	\$ 5,049.84
6/26/2010	800	139	\$ (2.12)	\$ 32.23	\$ 4,774.62
6/26/2010	900	139	\$ 1.11	\$ 32.23	\$ 4,325.65
6/26/2010	1000	139	\$ 0.50	\$ 32.23	\$ 4,410.44
6/26/2010	1100	139	\$ (3.92)	\$ 32.23	\$ 5,024.82
6/26/2010	1200	139	\$ (3.56)	\$ 32.23	\$ 4,974.78
6/26/2010	1300	139	\$ (1.46)	\$ 32.23	\$ 4,682.88
6/26/2010	1400	139	\$ (0.19)	\$ 32.23	\$ 4,506.35
6/26/2010	1500	139	\$ (0.58)	\$ 32.23	\$ 4,560.56
6/26/2010	1600	139	\$ 0.05	\$ 32.23	\$ 4,472.99
6/26/2010	1700	139	\$ (0.40)	\$ 32.23	\$ 4,535.54
6/26/2010	1800	139	\$ 0.07	\$ 32.23	\$ 4,470.21
6/26/2010	1900	139	\$ (0.19)	\$ 32.23	\$ 4,506.35
6/26/2010	2000	139	\$ 0.34	\$ 32.23	\$ 4,432.68
6/26/2010	2100	139	\$ (0.08)	\$ 32.23	\$ 4,491.06
6/26/2010	2200	139	\$ (4.15)	\$ 32.23	\$ 5,056.79
6/26/2010	2300	139	\$ (2.25)	\$ 32.23	\$ 4,792.69
6/26/2010	2400	139	\$ (0.70)	\$ 32.23	\$ 4,577.24

Bonneville Spill Protection Day
 LD: \$ 113,226.01

Exhibit M
Sample of PacifiCorp Storage Cut LD

PacifiCorp exceeded their Monthly Storage Schedule Cut Cap in HE0400

Date	Time HE	Bonneville Requested Storage Hourly Schedule	PacifiCorp Storage Schedule Cut	PacifiCorp Storage Schedule Cut in excess of Cap	Powerdex Mid- Columbia Average Hourly Index Price	Hourly weighted average of daily ICE Day-Ahead Power Index for Mid- Columbia for Peak and Off-Peak prices from September - November 2011	Bonneville Spill Protection Day hourly Cap LD
		MWh/hr	MWh/hr	MWh/hr	\$/MWh	\$/MWh	\$/day
6/21/2010	100	139	139		\$ (2.26)	\$ 32.23	\$ -
6/21/2010	200	139	139		\$ (2.06)	\$ 32.23	\$ -
6/21/2010	300	139	139		\$ (2.61)	\$ 32.23	\$ -
6/21/2010	400	139	139	139	\$ (4.07)	\$ 32.23	\$ 5,045.67
6/21/2010	500	139	139	139	\$ (1.31)	\$ 32.23	\$ 4,662.03
6/21/2010	600	139	139	139	\$ 0.21	\$ 32.23	\$ 4,450.75
6/21/2010	700	139	139	139	\$ 0.65	\$ 32.23	\$ 4,389.59
6/21/2010	800	139	139	139	\$ 4.03	\$ 32.23	\$ 3,919.77
6/21/2010	900	139	139	139	\$ 9.87	\$ 32.23	\$ 3,108.01
6/21/2010	1000	139	139	139	\$ 9.37	\$ 32.23	\$ 3,177.51
6/21/2010	1100	139	139	139	\$ 8.92	\$ 32.23	\$ 3,240.06
6/21/2010	1200	139	139	139	\$ 9.71	\$ 32.23	\$ 3,130.25
6/21/2010	1300	139	139	139	\$ 15.98	\$ 32.23	\$ 2,258.72
6/21/2010	1400	139	139	139	\$ 21.70	\$ 32.23	\$ 1,463.64
6/21/2010	1500	139	139	139	\$ 22.26	\$ 32.23	\$ 1,385.80
6/21/2010	1600	139	139	139	\$ 24.54	\$ 32.23	\$ 1,068.88
6/21/2010	1700	139	139	139	\$ 26.34	\$ 32.23	\$ 818.68
6/21/2010	1800	139	139	139	\$ 25.93	\$ 32.23	\$ 875.67
6/21/2010	1900	139	139	139	\$ 25.36	\$ 32.23	\$ 954.90
6/21/2010	2000	139	139	139	\$ 15.59	\$ 32.23	\$ 2,312.93
6/21/2010	2100	139	139	139	\$ 14.51	\$ 32.23	\$ 2,463.05
6/21/2010	2200	139	139	139	\$ 15.21	\$ 32.23	\$ 2,365.75
6/21/2010	2300	139	139	139	\$ 15.15	\$ 32.23	\$ 2,374.09
6/21/2010	2400	139	139	139	\$ 11.30	\$ 32.23	\$ 2,909.24
Total daily PacifiCorp Storage Cut LD:							\$ 56,375.09

Exhibit N
Amended and Restated AC Intertie
Contract No. DE-MS79-94BP94332

Exhibit N

[Example of 2014 Bonneville Summer Storage nomination letter, on Bonneville
letterhead, to
PacifiCorp]

Supervisor, Contract Administration
PacifiCorp
825 NE. Multnomah, Suite 600
Portland, OR 97232

RE: Contract No. DE-MS79-94BP94332, Summer Energy Option

Dear Sirs:

This letter serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp (PAC) that Bonneville chooses to exercise Section 12(a)(9), Summer Storage, of our AC Intertie Agreement, Contract No. DE-MS79-94BP94332, by requesting PacifiCorp to store up to 25,000 megawatt-hours (MWh) of energy in the month of <month>. Bonneville shall deliver the energy in anticipation of a Storage Day to PAC over eight calendar days at a rate of approximately 130 MW per hour subject to Spill Conditions.

For any further discussions regarding this notice, please contact me at (503) 230-4003.

Sincerely,

Mark E. Miller
Account Executive

Cc: Bonneville Contracts Administration

Exhibit O

[Example of 2014 Storage Day Notice e-mail to PacifiCorp]

Subject: Storage Day

This email serves as notification from the Bonneville Power Administration (Bonneville) to PacifiCorp that Bonneville will be exercising a Storage Day(s) as described in Section 12(a)(9)(v), Summer Storage, of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332.

Period begins: Hour Ending 0100, <month> <day>, 2014

Period ends: Hour Ending 2400, <month> <day>, 2014

Bonneville may nominate eight (8) Storage Days for the Delivery Month subject to Spill Conditions.

As described in this notice, Bonneville hereby declares _ Storage Day(s), for a total of _ Storage Day(s) used to Date in the Delivery Month.

PacifiCorp, please confirm this e-mail by a return e-mail acknowledgment to:

ajspain@bpa.gov

memiller@bpa.gov

rcjohnson@bpa.gov

For any further discussions regarding this notice, please contact me at (503) 230-4003, or
Alex Spain at (503) 230-5780.

Exhibit P
Amended and Restated AC Intertie
Contract No. DE-MS79-94BP94332

Exhibit P

Sample of Bonneville Storage Day LD Calculation for one Storage Day.

Description:

If Bonneville declared a Storage Day that does not meet the conditions described in section 12 (a)(9)(iii) Bonneville will be subject to Storage Day LDs.

The following is an example of how the Storage Day LD is calculated for one day only.

	Time	Bonneville Deliveries	Powerdex Mid-Columbia Average Hourly Index Price	Hourly weighted average of daily ICE Day-Ahead Pwr Index for Mid-Columbia for Peak and Off-Peak from Sept, Oct, Nov 2014	Liquidated Damages for each hour of the Storage Day
Date	HE	MWh/hr	\$/MWh	\$/MWh	\$/day
6/26/2014	100	130	-12.67	32.23	5,837.00
6/26/2014	200	130	-2.58	32.23	4,525.30
6/26/2014	300	130	-0.41	32.23	4,243.20
6/26/2014	400	130	-2.95	32.23	4,573.40
6/26/2014	500	130	-0.74	32.23	4,286.10
6/26/2014	600	130	-0.08	32.23	4,200.30
6/26/2014	700	130	-4.1	32.23	4,722.90
6/26/2014	800	130	-2.12	32.23	4,465.50
6/26/2014	900	130	1.11	32.23	4,045.60
6/26/2014	1000	130	0.5	32.23	4,124.90
6/26/2014	1100	130	-3.92	32.23	4,699.50
6/26/2014	1200	130	-3.56	32.23	4,652.70
6/26/2014	1300	130	-1.46	32.23	4,379.70
6/26/2014	1400	130	-0.19	32.23	4,214.60
6/26/2014	1500	130	-0.58	32.23	4,265.30
6/26/2014	1600	130	0.05	32.23	4,183.40
6/26/2014	1700	130	-0.04	32.23	4,195.10
6/26/2014	1800	130	0.07	32.23	4,180.80
6/26/2014	1900	130	-0.19	32.23	4,214.60
6/26/2014	2000	130	0.34	32.23	4,145.70
6/26/2014	2100	130	-0.08	32.23	4,200.30
6/26/2014	2200	130	-4.15	32.23	4,729.40
6/26/2014	2300	130	-2.25	32.23	4,482.40
6/26/2014	2400	130	-0.7	32.23	4,280.90

Bonneville Storage Day LD:					105,848.60
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EXHIBIT F, REVISION NO. 18
CAPITAL REPLACEMENTS AND ADDITIONS

This Exhibit F, Revision No. 18 details the cost sharing obligations for:

- 1. Replacement of the RALZ B protective relays at the jointly owned Dixonville Substation associated with the Dixonville-Alvey 500 kV transmission line. PacifiCorp has purchased and installed the new relays. Bonneville Power Administration (BPA) and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Amended and Restated AC Intertie Agreement, Contract No. DE-MS79-94BP94332 (Agreement). BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
 - 2. Replacement of the RALZ B protective relays at the jointly owned Alvey Substation associated with the Dixonville-Alvey 500 kV transmission line. BPA has purchased and installed the new relays. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
 - 3. Replacement of the transfer trip and RAS equipment located at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
 - 4. Emergency replacement of the battery charger at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement.*
 - 5. Emergency Replacement of a failed line insulator on line 90 at PacifiCorp structure 2/17 under PAC work order number 6509002. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement.*
-

COMPLETED CAPITAL REPLACEMENT					
Description	Total Cost (\$)	PacifiCorp Share (%)	BPA Share (%)	Amount Owed by PAC (\$)	Amount Owed by BPA (\$)
Dixonville – Alvey 500 kV Line at the Dixonville Substation: Replace the existing RALZ B relays with SEL 421 relays. PAC Work Order: 24006899/94005976	\$489,331	50%	50%		\$244,665
Dixonville – Alvey 500 kV Line at the Alvey Substation: Replace the existing RALZ B relays with SEL 421 relays; BPA Work Order: 339242 (was 00353502)	\$848,589	50%	50%	\$424,294	
Alvey Substation: Replace TT and RAS equipment. PAC Work Order:24007001/94006110 BPA Work Order: 339242	\$925,217	50%	50%	\$462,609	
Alvey Substation: Emergency Replacement Battery Charger PAC Work Order: 24010688 BPA Work Order: 390627	\$15,639	50%	50%	\$7,820	
Alvey-Dixonville line 90 work by PacifiCorp PAC Work Order: 6509002	\$21,258	50%	50%		\$10,629
Total	\$2,300,034			\$894,723	\$255,294

JOINT OWNERSHIP PAYMENT OBLIGATION

BPA agrees to pay PacifiCorp \$ 255,294. PacifiCorp shall issue an invoice to BPA for this amount and BPA shall pay the invoice in accordance with the terms of this agreement.

PacifiCorp agrees to pay BPA \$ 894,723. BPA shall issue an invoice to PacifiCorp for this amount and PacifiCorp shall pay the invoice in accordance with the terms of this agreement.

SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and the Agreement may be executed 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: /s/ Rick Vail

By: /s/ Eric H. Carter

Title: VP, Transmission

Title: Senior Transmission Account Executive

If opting out of the electronic signature:

By: _____

Name: _____
(Print/Type)

Title: _____

Date: _____

EXHIBIT F, REVISION NO. 18
CAPITAL REPLACEMENTS AND ADDITIONS

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- 3. Replacement of the transfer trip and RAS equipment located at Alvey Substation. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement;*
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- 5. Emergency Replacement of a failed line insulator on line 90 at PacifiCorp structure 2/17 under PAC work order number 6509002. BPA and PacifiCorp agree that this capital project is subject to cost sharing based on the terms of the Agreement. BPA's 50% cost share of this capital project is based upon the cost share percentage as stated in Exhibit B of the Agreement.*

COMPLETED CAPITAL REPLACEMENT					
<u>Description</u>	<u>Total Cost</u> <u>(\$)</u>	<u>PacifiCorp</u> <u>Share</u> <u>(%)</u>	<u>BPA</u> <u>Share</u> <u>(%)</u>	<u>Amount</u> <u>Owed by</u> <u>PAC</u> <u>(\$)</u>	<u>Amount</u> <u>Owed by</u> <u>BPA</u> <u>(\$)</u>
<u>Dixonville – Alvey 500 kV Line at the Dixonville Substation: Replace the existing RALZ B relays with SEL 421 relays.</u> <u>PAC Work Order: 24006899/94005976</u>	<u>\$489,331</u>	<u>50%</u>	<u>50%</u>		<u>\$244,665</u>
<u>Dixonville – Alvey 500 kV Line at the Alvey Substation: Replace the existing RALZ B relays with SEL 421 relays.</u> <u>BPA Work Order: 339242 (was 00353502)</u>	<u>\$848,589</u>	<u>50%</u>	<u>50%</u>	<u>\$424,294</u>	
<u>Alvey Substation: Replace TT and RAS equipment.</u> <u>PAC Work Order:24007001/94006110</u> <u>BPA Work Order: 339242</u>	<u>\$925,217</u>	<u>50%</u>	<u>50%</u>	<u>\$462,609</u>	
<u>Alvey Substation: Emergency Replacement Battery Charger</u> <u>PAC Work Order: 24010688</u> <u>BPA Work Order: 390627</u>	<u>\$15,639</u>	<u>50%</u>	<u>50%</u>	<u>\$7,820</u>	
<u>Alvey-Dixonville line 90 work by PacifiCorp</u> <u>PAC Work Order: 6509002</u>	<u>\$21,258</u>	<u>50%</u>	<u>50%</u>		<u>\$10,629</u>
<u>Total</u>	<u>\$2,300,034</u>			<u>\$894,723</u>	<u>\$255,294</u>

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PacifiCorp agrees to pay BPA \$ 894,723. BPA shall issue an invoice to PacifiCorp for this amount and PacifiCorp shall pay the invoice in accordance with the terms of this agreement.

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PACIFICORP

UNITED STATES OF AMERICA

Department of Energy

Bonneville Power Administration

By:

/s/ Rick Vail

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/s/ Eric H. Carter

Title:

VP, Transmission

Title:

Senior Transmission Account Executive

If opting out of the electronic signature:

By:

Name:

(Print/Type)

Title:

Date: