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October 1, 2019

*Via Electronic Filing*

Public Utility Commission of Oregon  
Filing Center  
201 High St. SE, Suite 100  
PO Box 1088  
Salem, OR 97308-1088

Re: Portland General Electric Company's Revised Request to Update Schedule 201 and Standard Power Purchase Agreements

Dear Filing Center:

Portland General Electric Company (PGE or Company) hereby submits the following documents for filing and approval:

1. Revised Schedule 201, Qualifying Facility (QF) 10 MW or Less, Avoided Cost and Power Purchase Information; and
2. Revised Standard Power Purchase Agreements (PPAs), identified below:
  - a. Standard On-System Non-Variable Power Purchase Agreement
  - b. Standard Off-System Non-Variable Power Purchase Agreement
  - c. Standard On-System Variable Power Purchase Agreement
  - d. Standard Off-System Variable Power Purchase Agreement
  - e. Standard Renewable On-System Non-Variable Power Purchase Agreement
  - f. Standard Renewable Off-System Non-Variable Power Purchase Agreement
  - g. Standard Renewable On-System Variable Power Purchase Agreement
  - h. Standard Renewable Off-System Variable Power Purchase Agreement.

In support of this filing, PGE also submits two explanatory documents that describe each of the changes made to Schedule 201 and the PPAs on a provision-by-provision basis, including a comparison of terms between the currently effective and proposed documents, and the rationale for each change.<sup>1</sup>

**A. Introduction and Background**

On December 7, 2018, PGE requested approval from the Public Utility Commission of Oregon (Commission) to implement revisions to the documents listed above, in order to improve

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<sup>1</sup> Please note that the PPA explanatory document is based on the Standard Renewable Off-System Variable PPA because this version of the Standard PPA best reflects the proposed updates and changes to the Standard PPA.

its existing contracts by removing ambiguities, incorporate best contracting practices, and update certain substantive provisions (“Original Filing”). In the nine months since, PGE, Commission Staff, and other parties have engaged in six workshops to review and discuss the Original Filing. These workshops provided parties with the opportunity to suggest additional changes or revisions to the proposed documents. In addition, parties engaged in substantial settlement discussions, including the exchange of several rounds of redlines to the proposed Schedule 201 and PPAs. Despite these productive and long-running discussions, the parties have been unable to agree upon a final product for either Schedule 201 or the Standard PPAs.

Therefore, PGE now requests that the Commission approve the revised PPAs and Schedule 201 submitted in this filing (“Revised Filing”). The Revised Filing offers updated versions of each of the previously submitted documents, which incorporate feedback received from parties. As a result, the Revised Filing is significantly improved from both the currently effective documents and the Original Filing. In addition, the Revised Filing offers many incremental benefits for QFs in addition to those proposed in the Original Filing.

PGE designed the Revised Filing so that it can be expeditiously reviewed by stakeholders and approved by the Commission.<sup>2</sup> PGE eliminated changes proposed in the Original Filing that would have imposed additional substantive responsibilities on QFs and removed those few provisions that would have required a change in Commission policy. While PGE understands that the Commission is currently considering broadly applicable changes to its Public Utility Regulatory Policies Act (PURPA) policies—including contract terms and procedures—in docket UM 2000, PGE’s experience in this docket suggests that the process of revising contracts is unlikely to be completed quickly. Meanwhile, PGE continues to receive applications from QF developers and to sign new standard PPAs, and expects that contracting activity will not abate. Therefore, it is crucial that PGE be allowed to implement the updated, improved, and clarified Standard PPAs and Schedule 201 contained in this Revised Filing in the interim.<sup>3</sup>

PGE’s proposed revisions are critical to ensuring that the Company’s implementation of PURPA is transparent, fair, efficient, and protects PGE’s customers. Because each new PPA executed will likely be in effect for a 20-year term, implementing the Revised Filing will protect PGE’s customers and QFs by providing increased certainty and avoiding future disputes. For these reasons, PGE respectfully requests that the Commission expeditiously review and approve the Revised Filing.

## **B. Overview of Changes in Revised Filing**

The revised Schedule 201 generally provides a streamlined and clarified contracting process, which is designed to avoid disputes. Specifically, PGE removed the requirement to exchange a “final draft PPA,” thereby shortening the contracting process from 3-steps to 2-steps, which has long been requested by QFs. In addition, PGE will provide redlined drafts at each stage in the PPA development process to aid QFs’ review. And Schedule 201 now includes timelines

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<sup>2</sup> To facilitate parties’ review, PGE will provide Word versions of the revised PPAs and Schedule 201 and/or redlined documents showing the differences between the Original Filing and the Revised Filing, upon request.

<sup>3</sup> PGE believes that further changes to the Commission’s PURPA implementation policies, not included in this filing, are necessary to adequately protect customers and comply with PURPA. PGE reserves its right to propose such additional changes in the future in the course of UM 2000 or other dockets.

for both PGE and QFs to execute a final PPA, addressing an ongoing concern of QFs.

Overall, the Revised Filing PPAs reflect increased clarity and precision, which benefit all parties and will help prevent disputes and reduce litigation at the Commission and in the courts. Many provisions have been revised or added to increase the level of detail and clarify requirements, and the PPAs now contain more definitions and greater detail. For example, the definition of “Environmental Attributes” now clarifies what is *not* an environmental attribute, and the definition of “REC” clarifies that thermal RECs are *not* included. Also, the PPAs now clearly explain how payments and damages are calculated and includes a new exhibit, Exhibit G, with illustrative calculation examples to add further clarity.

Some provisions of the PPAs have been revised to reflect Commission orders issued since the former documents were approved. For example, the pricing terms of the PPAs have been revised to clarify that the 15-year fixed-price term begins at the earlier of the scheduled commercial operation date or the actual commercial operation date, as determined by the Commission in Order No. 17-256.<sup>4</sup> In addition, the PPAs contain significant additional clarity regarding permissible facility modifications, consistent with the Commission’s prior and more recent orders.<sup>5</sup>

Finally, the Revised Filing PPAs contain many substantive changes that benefit QFs, including:

- The definition of “Lost Energy” related to a QF’s failure to achieve commercial operation uses the estimated monthly net output provided by the QF to calculate the amount the QF may owe PGE, which is more likely to reflect a lesser amount of Lost Energy than the default calculation under the currently effective PPAs.
- The definition of “Planned Maintenance” no longer requires PGE’s consent for a QF to undertake maintenance, and Section 6.2.1<sup>6</sup> now requires that PGE be notified of only significant outages at the Facility, rather than any planned maintenance. Both changes make it easier and faster for Sellers to maintain their facilities.
- Sections 2.3 and 4.1 now clarify that PGE will accept and compensate Seller for Test Energy, whereas PGE’s current PPA is silent on this issue.
- Section 2.6 now clarifies the circumstances under which PGE will agree to revise the scheduled commercial operation date in the PPA, an issue that has been the subject of several disputes.

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<sup>4</sup> *Nw. and Intermountain Power Producers Coal., et al. v. Portland Gen. Elec. Co.*, Docket No. UM 1805, Order No. 17-256 at 1 (July 13, 2017).

<sup>5</sup> *In the Matter of Public Utility Commission of Oregon Staff’s Investigation Relating to Electric Utility Purchases from Qualifying Facilities*, Docket No. UM 1129, Order No. 06-538 at 37-39 (Sept. 20, 2006); *Portland Gen. Elec. Co. v. Pac. Nw. Solar, LLC*, Docket No. UM 1894, Order No. 18-284 at 7-8 (Aug. 2, 2018).

<sup>6</sup> The Section numbers in this list refer to the Renewable Off-System Variable PPA.

- Sections 3.2 and 4.1 implement monthly (instead of daily) netting for imbalance energy delivered by off-system QFs, which was requested in a recent complaint<sup>7</sup> and is consistent with PacifiCorp's approach.
- Section 10 now includes cure periods for many of the default provisions, which makes it easier for Seller to avoid defaulting under the Agreement.
- Section 10.2 is a new provision that allows Seller's lender the right to cure an event of Seller default, and Section 14.8 now provides that Seller does not need PGE's consent to assign the Agreement to the lender. In the event lenders require a collateral consent agreement, PGE has drafted a form agreement to expedite this process (see Section 14.9 and Exhibit D). All these changes respond to feedback from QFs regarding the importance of these provisions to obtaining financing.
- Section 12.3.3 now allows the Seller to purchase claims-made insurance coverage, which responds to requests PGE has received from QFs.

C. **Conclusion**

PGE's Revised Filing reflects significant improvements, which benefit both QFs and PGE's customers by increasing clarity and commercial reasonableness, implementing recent Commission orders, and improving PGE's administration of standard contracts. Therefore, PGE respectfully requests that the Commission expeditiously consider and approve this Revised Filing.

Please contact David White at (503) 464-7701 or Jordan Schoonover (503) 290-3633 with any questions pertaining to this filing. Please direct all formal correspondence and requests to the following email addresses: [dockets@mrg-law.com](mailto:dockets@mrg-law.com) and [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com).

Thank you in advance for your assistance.

Sincerely,

*/s/ David F. White*

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<sup>7</sup> *Evergreen BioPower, LLC v. Portland Gen. Elec. Co.*, Docket No. UM 1998, Evergreen's Complaint at 7 (Jan. 28, 2019).

**CERTIFICATE OF SERVICE – UM 1987**

I hereby certify that I served a true and correct copy of **Portland General Electric Company’s Revised Request to Update Schedule 201 and Standard Power Purchase Agreements** on the following named person(s) who have not waived paper service, on the date indicated below by first-class mail addressed to said person(s) at his or her last-known address(es) indicated below.

Irion A. Sanger Sanger Thompson PC 1041 SE 58 <sup>th</sup> Place Portland, OR 97215 irion@sanger-law.com	John Lowe Renewable Energy Coalition 12050 SW Tremont St. Portland, OR 97225-5430 jravenesanmarcos@yahoo.com
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Dated this 1<sup>st</sup> day of October, 2019.

*/s/ Wendy McIndoo* \_\_\_\_\_  
Wendy McIndoo  
Office Manager  
McDowell Rackner Gibson PC

**Revised Schedule 201  
Qualifying Facility (QF) 10 MW or Less,  
Avoided Cost and  
Power Purchase Information**

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

**I. PURPOSE**

To provide information about power purchase prices, standard contract options, and the process for obtaining a standard contract for power delivered to Portland General Electric (PGE or the Company) by a Qualifying Facility (QF) with a Facility Nameplate Capacity Rating of 10,000 kW (10 MW) or less.

**II. APPLICABLE**

To developers and owners of QFs making sales, or proposing to make sales, of electricity to PGE in the State of Oregon (Sellers).

**III. COMMUNICATIONS**

Sellers may call PGE's Qualifying Facility Administrator at (503) 464-7523 or email at [Qualifying.Facility@pgn.com](mailto:Qualifying.Facility@pgn.com) to obtain more information about being a Seller.

**IV. DEFINITIONS**

1. **Affiliated Person:** Any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.
2. **Ancillary Services:** Any of the services identified by a Transmission Provider in its transmission tariff as "ancillary services."
3. **Balancing Authority (BA):** An entity responsible for maintaining the load-interchange-generation balance within the Balancing Authority Area applicable to the Facility.
4. **Balancing Authority Area:** The collection of generation, transmission, and loads within the metered boundaries of the BA. The BA maintains load-resource balance within this area.
5. **Business Day:** Any day other than Saturday, Sunday or the following holidays: New Year's Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.
6. **Commercial Operation Date:** The date when the Facility is operational and reliable in accordance with the terms of the applicable Standard PPA.



7. **Community-Based QF:** A QF that satisfies the following requirements:
- a. There is a recognized and established organization located within the county of the Facility or within 50 miles of the Facility that (i) has a genuine role in helping the Facility be developed and (ii) has some not insignificant continuing role with or interest in the Facility after it is completed and placed in service. (Such an organization hereinafter referred to as a “sponsoring organization.”)
  - b. After excluding the passive investor(s) whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, 80 percent or more of the equity (ownership) interests in the entity that owns the Facility are held by the following Persons: (i) the sponsoring organization or its controlled affiliates; (ii) members of the sponsoring organization (if it is a membership organization) or owners of the sponsoring organization (if it is privately owned); (iii) Persons who live in the county in which the Facility is located or who live in a county adjoining the county in which the Facility is located; or (iv) units of local government, charities, or other established nonprofit organizations active either in the county in which the Facility is located or active in a county adjoining the county in which the Facility is located.
8. **Daily Market Index Price:** The Day Ahead Intercontinental Exchange (ICE) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On Peak Power and Average Off Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller will select an alternative successor index representative of the delivery point.
9. **Eligibility Requirements:** The requirements that a developer or owner of a QF must demonstrate the Facility will satisfy to be eligible to enter into a Standard PPA, which are set forth in Section V.1 below.
10. **Environmental Attributes:** Any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere. Environmental Attributes do not include: (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation; (ii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

11. **Facility:** For purposes of this Schedule, an existing or proposed facility for generation of electricity from which the Seller proposes to sell electricity to the Company under this Schedule.
12. **Facility Nameplate Capacity Rating:** The sum of the Nameplate Capacity Ratings for all Generation Units comprising the Facility.
13. **Family-Owned QF:** A QF that satisfies the following requirement: After excluding the ownership interest of the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, either (i) five or fewer natural persons own 50 percent or more of the equity of the entity that owns the Facility, or (ii) fifteen or fewer natural persons own 90 percent or more of the entity that owns the Facility. For purposes of this definition, the following principles apply:
  - a. A "look through" rule applies to closely held entities that hold the project entity, so that equity held by LLCs, trusts, estates, corporations, partnerships or other similar entities is considered held by the equity owners of the look through entity.
  - b. In determining whether the thresholds in (i) or (ii) above have been met, spouses and children of an equity owner of the Facility who also have an equity interest are aggregated and counted as a single individual.
14. **Firm Energy:** Energy scheduled and delivered on a firm basis to the delivery point by an Off-System Facility via firm transmission rights.
15. **Generation Unit:** Means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.
16. **Initial Information Request (IIR):** Form available in electronic format on the Company's website (<https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge>). The Company may from time to time update or revise the IIR. Seller may provide information in addition to the information specifically requested in the IIR. The IIR (and subsequent information provided about Facility during contracting process) is not binding upon the Seller or PGE except to the extent such information is memorialized in an executed PPA.
17. **Nameplate Capacity Rating:** The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.
18. **Net Output:** All energy, expressed in kWhs, produced by the Facility, less station service and other onsite uses, as measured at the Point of Interconnection.

19. **Off-System QF:** A QF whose proposed or existing Facility is not directly interconnected to PGE's transmission or distribution system.
20. **On-System QF:** A QF whose proposed or existing Facility is directly interconnected to PGE's transmission or distribution system.
21. **Oregon Renewable Portfolio Standard:** The renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the effective date of the executed Standard PPA.
22. **Oregon RPS-Qualified RECs:** RECs that can be used by PGE to comply with the requirements of the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.200 and the implementing regulations.
23. **Person(s):** Any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.
24. **Point of Interconnection:** The point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner.
25. **Qualifying Facility (QF):** A qualifying cogeneration facility or a qualifying small power production facility or facilities within the meaning of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3, and the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.
26. **REC:** All Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as "green tags," "Green-e Certified," or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by a QF, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred to PGE must comply with the Oregon Renewable Portfolio Standard.
27. **REC Reporting Rights:** The right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person's discretion, including without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.
28. **Reliability Entity:** A Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of

the QF or delivery of the Net Output, including the North American Electric Reliability Corporation and the Western Electricity Coordinating Council or any successor thereto.

29. **Renewable Standard PPA:** A Standard PPA that provides for the transfer of Oregon RPS-Qualified RECs to PGE during the Renewable Resource Deficiency Period.
30. **Renewable Resource Deficiency Period:** The period beginning in 2025.
31. **Renewable Resource Sufficiency Period:** The period from the current year through 2024.
32. **Same Site:** Generating facilities are considered to be located at the same site as the QF for which qualification for a Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the Standard PPA is sought.
33. **Scheduled Commercial Operation Date:** The date specified in the Standard PPA by the Seller by which Seller expects that commercial operation of the Facility will be achieved.

Sellers developing a QF may specify a Scheduled Commercial Operation Date anytime up to three years from the date the Standard PPA is executed, or anytime later than three years after the date the Standard PPA is executed if the Seller establishes to the Company that a later Scheduled Commercial Operation Date is reasonable and necessary and the Company agrees, provided that the Company will not unreasonably withhold its consent. Seller may elect to describe the Scheduled Commercial Operation Date in the Standard PPA as a precise date or as an interval of time after the effective date of the PPA, e.g., "three years after the Effective Date."

34. **Seller:** The entity selling or proposing to sell the Net Output of the Facility to PGE pursuant to the terms and conditions of a Standard PPA.
35. **Solar QF:** A QF whose Facility will generate energy using the sun as its motive force.
36. **Standard Power Purchase Agreement (Standard PPA):** A standard pro forma Power Purchase Agreement approved by the Commission for the Company to execute with Sellers who propose to sell to the Company from a Facility meeting the Eligibility Requirements.
37. **Transmission Agreement(s):** Agreement(s) between the Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Facility Nameplate Capacity Rating. The Transmission Agreement must have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of the Standard PPA.

38. **Transmission Provider:** The transmission system operator(s) with whom the Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the delivery point.
39. **Wind QF:** A QF whose Facility will generate energy using wind as its motive force.

## V. ELIGIBILITY REQUIREMENTS

1. A Seller is eligible to enter into a Standard PPA if it proposes to sell from a Facility that will meet the following eligibility requirements:
  - a. The Facility Nameplate Capacity Rating, together with that of any other electric generating facility using the same motive force, owned or controlled by the same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW. For purposes of applying this requirement, the following principles apply:
    - Two Facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) solely because they are developed by a single entity.
    - Two Community-Based QFs or Family-Owned QFs will not be held to be owned or controlled by the same Person(s) or Affiliated Person(s) if such common Person or Persons is a “passive investor” whose ownership interest in the Facility is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the Facilities at issue each meet the criteria for independent Family-Owned QFs or Community-Based QFs. A unit of Oregon local government may also be a “passive investor” in a Community-Based QF if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the Facility and that its only interest is a share of the cash flow from the Facility, which share will not exceed twenty percent (20%). The twenty percent (20%) cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.
2. The QF will satisfy the credit and insurance requirements set forth in the Standard PPA. A developer or owner of an existing or proposed Facility that will not meet the Eligibility Requirements in Section V.1 is not eligible to enter into a Standard PPA but may seek a negotiated power purchase agreement pursuant to the terms of Schedule 202.
3. Solar QFs proposing sales from a Facility that will meet the Eligibility Requirements in Section V.1 and that have Facility Nameplate Capacity Ratings (as calculated in Section V.1.a that exceed 3 MW but do not exceed 10 MW are eligible for a Standard PPA containing prices negotiated under Schedule 202 and are ineligible for the standard pricing options described in Sections XI and XV below. All existing or proposed Facilities with Facility Nameplate Capacity Ratings (as calculated in Section V.1) that exceed 10 MW are ineligible for a Standard PPA and the standard pricing options described in Section XI and Section XV below.

4. QFs otherwise meeting the ownership requirements set forth in Section V.1 of this Schedule and eligible for a Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs eligible for the Standard PPA, so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection contract requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved standard contract.

**VI. STANDARD PPA OPTIONS**

PGE offers eight Standard PPAs. The following chart shows the available Standard PPAs and the criteria for determining which Standard PPA applies. The term of each PPA will be specified in the PPA and will expire or terminate no more than twenty years from the Scheduled Commercial Operation Date or on the date the PPA is terminated if earlier.

Available pricing under the Standard PPAs is addressed separately in Section X below:

<b>Form of Standard PPA</b>	<b>Eligible and Electing to Transfer Oregon RPS-Qualified RECs to PGE*</b>	<b>On-System QF</b>	<b>Wind QF or Solar QF</b>
Standard On-System Non-Variable PPA	no	yes	no
Standard Off-System Non-Variable PPA	no	no	no
Standard On-System Variable PPA**	no	yes	yes
Standard Off-System Variable PPA**	no	no	yes
Renewable Standard On-System Non-Variable PPA	yes	yes	no
Renewable Standard Off-System Non-Variable PPA	yes	no	no
Renewable Standard On-System Variable PPA**	yes	yes	yes
Renewable Standard Off-System Variable PPA**	yes	no	yes

\*QFs that generate electricity from a source capable of producing Oregon RPS-Qualified RECs may elect to enter into a Renewable Standard PPA providing for the transfer of RECs to PGE but are not required to do so. Under the terms of a Renewable Standard PPA, a QF retains ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period, and transfers to PGE all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the term of the Renewable Standard PPA.

\*\* QFs utilizing run of river hydro as the primary motive force are eligible for both Variable and Non-Variable PPAs and the pricing corresponding to the PPA type. (If a QF utilizing run of river hydro as the primary motive force elects to receive prices identified in Tables 1(a and b) or 4(a & b), the QF must execute a Standard Non-Variable PPA.)

**VII. PROCESS FOR OBTAINING A STANDARD PPA**

**1. Communications**

A Seller must initiate the QF application process by contacting PGE by email at [Qualifying.Facility@pgn.com](mailto:Qualifying.Facility@pgn.com) or by calling the Company at (503) 464-7523. The Company will respond to all such communications in a timely manner. If the Company is not able to comply with a request by the Seller because of incomplete or missing information from the Seller, the Company will notify the Seller of the additional information it requires.

## 2. Process

- a. In order to obtain a project-specific draft Standard PPA from the Company, the Seller must provide PGE with a completed IIR in electronic format as an Excel workbook. Throughout the process described below, the Company may request additional information not included in the IIR only if such additional information is necessary for the Company to (i) understand the existing or proposed QF project, (ii) determine whether the QF project is eligible for a Standard PPA, or (iii) complete a Standard PPA.
- b. Upon receiving a completed IIR from the Seller, if the Company requires additional or clarifying information, it will request such information from the Seller in writing within 15 business days of receiving the completed IIR. If necessary, the Company may repeat this process until it has obtained all information necessary to (i) understand the existing or proposed QF, (ii) determine whether the QF is eligible for a Standard PPA, and (iii) complete a Standard PPA.
- c. The Company will provide all Standard PPAs to Seller in PDF format at each stage in the process and will provide redlines from prior document drafts.
- d. The Company will provide the Seller with a draft Standard PPA within 15 business days following receipt of all information in the IIR and any additional clarifying information requested by the Company pursuant to this Schedule. The Company may re-issue a draft Standard PPA if there are any material changes to the information provided by the Seller to the Company, including, but not limited to: changes to the Facility Nameplate Capacity Rating; the applicable minimum, maximum, or average Net Output delivered to the point of interconnection; the location; the motive force; or the Scheduled Commercial Operation Date.
- e. After reviewing the draft Standard PPA provided by PGE, the Seller may either (i) approve the draft Standard PPA in writing without requesting any changes or modifications; or (ii) prepare a set of written comments and proposals (including, without limitation, a request for any changes or modifications to information previously provided by the Seller to the Company).
  - i. If the Seller desires to proceed with the draft Standard PPA without requesting any changes or modifications, it must approve the draft Standard PPA in writing and request in writing that the Company prepare a final executable Standard PPA. After receiving the Seller's written approval and request that the Company prepare a final executable Standard PPA, the Company will provide the Seller with a final executable Standard PPA with 15 business days.

- ii. If the Seller provides PGE with a set of written comments and proposals for any changes or modifications to either the draft Standard PPA or the information previously provided by the Seller to the Company, the Company will have 15 business days from the receipt of such written comments and proposals within which to: (i) request additional or clarifying information from the Seller; or (ii) provide the Seller with a revised draft Standard PPA. This process may be repeated until such time as the Seller submits no further written comments or proposals to modify any of the terms and conditions of the previous draft Standard PPA provided by PGE, or changes or modifications to information previously provided by the Seller to the Company, and provides PGE with a written approval of the draft Standard PPA and written request for a final executable Standard PPA.
- f. Seller must execute the final executable version of the Standard PPA within 15 business days of receipt. Once the Seller executes the final executable version of the Standard PPA and returns all copies to the Company, the Company will execute the Standard PPA within 15 business days of receipt. Following the Company's execution, a fully executed copy will be returned to the Seller.

While a legally enforceable obligation is established once the Seller executes the final executable version of the Standard PPA, the Standard PPA itself will not be final and binding until the Standard PPA has been executed by both parties. The prices paid to the Seller will be those approved by the Commission at the time Seller executes the final executable version of the Standard PPA.

### **VIII. INTERCONNECTION REQUIREMENTS**

In addition to executing a PPA, QFs connecting directly to the Company's electrical system are required to enter into an interconnection agreement with the Company that governs the physical interconnection of the Facility at its Facility Nameplate Capacity Rating to the Company's electrical system. QFs must contact the Company's Transmission and Reliability Services Department to arrange for interconnection. The Company's interconnection process, including required system upgrades, can take up to 36 months, depending on the complexity of the project and the length of time necessary for interconnection studies. QFs whose Facility will interconnect directly to transmission or distribution systems owned by entities other than the Company must contact the owner of such systems to determine the interconnection requirements and wheeling arrangements necessary to move the power to the delivery point.

### **IX. PRICING OPTIONS**

The Company offers two categories of pricing options for QFs: (1) Non-Renewable Fixed Price Options, which are available to all QFs meeting the Eligibility Requirements and not entering into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above); and (2) Renewable Fixed Price Options, which are available to QFs meeting the Eligibility Requirements that are eligible and elect to enter into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above). (See Section VI above for a description of



eligibility requirements to enter into Renewable Standard PPAs.) Prices will be those in effect at the time the Seller delivers to PGE a signed Standard PPA that is in final executable form pursuant to the procedures described in Article VII above. Additional details about pricing options are provided below.

### **1. Non-Renewable Fixed Price Options**

Non-Renewable Fixed Price Options are available to all QFs meeting the Eligibility Requirements and that are ineligible for, or do not elect to enter into, a Renewable Standard PPA, provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Non-Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. This fixed price option is available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date. Prices will be equal to the Non-Renewable prices in Tables 1a and 1b, 2a and 2b, or 3a and 3b, depending on the type of QF.

If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 2a and 2b.

A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Daily Market Index Price based on the interval that the energy is generated and delivered for the remainder of the term after the 15-year fixed price option period expires.

### **2. Renewable Fixed Price Options**

Renewable Fixed Price Options are available to QFs that meet the Eligibility Requirements and that are eligible for and elect to enter into a Renewable Standard PPA; provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. These fixed price options are available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date.

If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 5a and 5b.

A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of the Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Daily Market Index Price based on the interval the energy is generated for the remainder of the term after the 15-year fixed price option period expires.

### **3. Pricing Tables**

The prices paid to QFs under a Standard PPA are set forth in the tables provided in Section XV. The chart provided below describes which QFs are eligible for the available pricing options.

<b>PRICING TABLES</b>	<b>ELIGIBLE QFs (in all cases must be eligible for a Standard PPA)</b>
Tables 1a, 1b: Non-Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF	All QFs, other than Wind QFs and Solar QFs, that are either ineligible for or elect not to enter into a Renewable Standard PPA.
Tables 2a, 2b: Non-Renewable Fixed Price Option for Wind QF	All Wind QFs that elect not to enter into a Renewable Standard PPA.
Tables 3a, 3b: Non-Renewable Fixed Price Option for Solar QF	All Solar QFs sized at or below 3 MW (calculated as described in Section V above) that elect not to enter into a Renewable Standard PPA.
Tables 4a, 4b: Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF	All QFs, other than Wind QFs and Solar QFs, that are eligible for and elect to enter into a Renewable Standard PPA.
Tables 5a, 5b: Renewable Fixed Price Option for Wind QF	Wind QFs that are eligible for and elect to enter into a Renewable Standard PPA.
Tables 6a, 6b: Renewable Fixed Price Option for Solar QF	Solar QFs sized at or below 3 MW (calculated as described in Section V above) that are eligible for and elect to enter into a Renewable Standard PPA.
Table 7: Wind Integration Costs	Wind QFs not directly interconnected to PGE's transmission or distribution system.

**X. MONTHLY SERVICE CHARGE**

Each separately metered QF not associated with a retail customer account will be charged the basic meter charge set forth in Schedule 300 of PGE's Retail Tariff.

**XI. SPECIAL CONDITIONS**

1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company.
2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer.
3. Unless required by state or federal law, if the Public Utility Regulatory Policies Act of 1978 (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard PPA's termination date.

**XII. PRICING OPTIONS**

The following tables set forth the pricing approved by the Commission for use in the Standard PPAs. The following tables will not apply to Solar QFs with a Facility Nameplate

Capacity Rating (calculated as described in Section V above) exceeding 3 MW.

For purposes of the following tables, "On-Peak Hours" are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays, and "Off-Peak Hours" are all hours other than On-Peak Hours.

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PRICING OPTIONS FOR STANDARD PPA  
**Non-Renewable Fixed Price Option**

Table 1a

TABLE 1a												
Avoided Costs												
Non-Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	53.16	53.01	52.61	50.38	50.26	50.41	50.57	50.64	50.61	50.78	51.95	52.88
2022	54.48	54.34	53.95	51.85	51.74	51.90	52.08	52.20	52.21	52.38	53.73	54.66
2023	56.37	56.22	55.84	53.95	53.82	53.99	54.16	54.32	54.33	54.50	55.07	56.02
2024	57.14	57.22	57.27	56.39	56.47	56.55	56.63	56.70	56.79	56.86	57.95	58.04
2025	59.42	59.50	59.22	58.30	58.35	58.38	58.47	58.55	58.64	58.76	59.85	59.94
2026	61.26	61.34	60.96	59.99	60.00	60.09	60.18	60.28	60.36	60.45	61.62	61.71
2027	63.05	63.15	63.21	62.23	62.32	62.42	62.51	62.61	62.71	62.81	64.05	64.15
2028	65.50	65.60	65.71	64.78	64.88	64.99	65.09	65.20	65.31	65.57	66.73	66.84
2029	68.38	68.50	68.61	67.74	67.99	68.31	68.43	68.55	68.68	68.83	70.20	70.32
2030	72.05	73.56	73.70	72.63	72.78	72.93	73.06	73.21	73.35	73.60	75.04	75.19
2031	76.89	77.04	77.19	75.90	76.04	76.20	76.35	76.51	76.67	76.89	78.46	78.63
2032	80.15	80.31	80.32	78.82	78.98	79.15	79.31	79.49	79.65	79.83	81.57	81.74
2033	83.87	84.06	83.65	82.24	82.40	82.36	82.54	82.72	82.89	83.08	84.89	85.08
2034	87.14	87.33	85.15	83.71	83.90	83.97	84.15	84.33	84.53	84.70	86.54	86.74
2035	88.57	88.77	86.55	84.34	84.53	83.66	83.83	84.01	84.17	84.53	86.09	86.28
2036	90.60	90.80	88.52	86.23	86.42	85.54	85.71	85.89	86.07	86.41	88.05	88.24
2037	92.98	93.19	90.82	88.49	88.67	87.76	87.94	88.13	88.31	88.67	90.35	90.55
2038	95.27	95.48	93.05	90.63	90.82	89.89	90.08	90.27	90.45	90.83	92.55	92.76
2039	97.63	97.85	95.34	92.86	93.04	92.07	92.26	92.46	92.67	93.04	94.82	95.04
2040	100.01	100.24	97.64	95.08	95.29	94.29	94.50	94.68	94.89	95.29	97.13	97.33
2041	102.51	102.74	100.07	97.43	97.64	96.62	96.81	97.02	97.24	97.64	99.54	99.75
2042	105.06	105.30	102.54	99.81	100.03	98.97	99.17	99.40	99.63	100.03	101.97	102.21
2043	107.67	107.92	105.08	102.27	102.48	101.39	101.60	101.84	102.07	102.48	104.49	104.74

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PRICING OPTIONS FOR STANDARD PPA  
**Non-Renewable Fixed Price Option**

Table 1b

TABLE 1b												
Avoided Costs												
Non-Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	23.55	23.41	23.01	20.77	20.65	20.80	20.97	21.03	21.00	21.17	22.35	23.27
2022	24.28	24.14	23.76	21.65	21.54	21.70	21.88	22.00	22.01	22.18	23.53	24.47
2023	25.47	25.32	24.94	23.05	22.92	23.09	23.26	23.42	23.43	23.60	24.16	25.12
2024	25.82	25.91	25.95	25.07	25.15	25.23	25.31	25.39	25.47	25.55	26.64	26.72
2025	27.37	27.46	27.18	26.26	26.30	26.33	26.42	26.51	26.59	26.71	27.80	27.89
2026	28.57	28.66	28.27	27.30	27.31	27.40	27.49	27.59	27.68	27.77	28.93	29.02
2027	29.71	29.81	29.87	28.89	28.98	29.08	29.17	29.27	29.37	29.47	30.71	30.81
2028	31.50	31.60	31.70	30.77	30.88	30.98	31.08	31.20	31.30	31.56	32.72	32.84
2029	33.70	33.82	33.92	33.06	33.30	33.63	33.74	33.86	33.99	34.14	35.51	35.64
2030	36.67	38.19	38.32	37.26	37.40	37.55	37.69	37.83	37.97	38.22	39.67	39.81
2031	40.80	40.95	41.11	39.82	39.95	40.11	40.27	40.43	40.59	40.80	42.37	42.54
2032	43.58	43.74	43.75	42.25	42.41	42.57	42.73	42.92	43.08	43.26	44.99	45.17
2033	46.33	46.52	46.11	44.69	44.86	44.82	45.00	45.17	45.35	45.54	47.35	47.54
2034	48.72	48.91	46.73	45.30	45.48	45.56	45.74	45.92	46.11	46.28	48.13	48.32
2035	49.51	49.71	47.50	45.28	45.47	44.60	44.77	44.96	45.11	45.47	47.04	47.22
2036	50.89	51.09	48.81	46.52	46.71	45.83	46.00	46.17	46.36	46.70	48.34	48.53
2037	52.35	52.56	50.19	47.86	48.03	47.13	47.31	47.50	47.68	48.03	49.72	49.91
2038	53.83	54.04	51.61	49.19	49.37	48.45	48.63	48.82	49.01	49.38	51.10	51.31
2039	55.36	55.57	53.06	50.58	50.77	49.80	49.98	50.18	50.40	50.77	52.55	52.76
2040	56.89	57.12	54.52	51.96	52.18	51.17	51.38	51.56	51.77	52.18	54.01	54.21
2041	58.52	58.76	56.09	53.45	53.66	52.64	52.83	53.04	53.26	53.66	55.56	55.77
2042	60.20	60.44	57.68	54.95	55.17	54.11	54.31	54.54	54.76	55.17	57.11	57.35
2043	61.91	62.16	59.32	56.51	56.73	55.63	55.85	56.08	56.31	56.73	58.73	58.98

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PRICING OPTIONS FOR STANDARD PPA  
**Non-Renewable Fixed Price Option**

Table 2a

TABLE 2a												
Avoided Costs												
Non-Renewable Fixed Price Option for Wind QF												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					14.38	16.41	28.39	34.00	29.92	24.06	24.06	30.18
2019	26.96	25.36	20.60	17.31	16.88	17.31	28.46	31.79	29.49	23.60	25.53	29.90
2020	30.82	29.10	23.42	18.71	18.08	19.01	29.76	34.15	31.06	26.48	28.53	34.02
2021	35.34	35.20	34.80	32.56	32.44	32.60	32.76	32.83	32.79	32.96	34.14	35.06
2022	36.31	36.16	35.78	33.68	33.57	33.73	33.91	34.03	34.03	34.21	35.56	36.49
2023	37.78	37.63	37.25	35.36	35.23	35.40	35.57	35.72	35.74	35.91	36.47	37.43
2024	38.29	38.37	38.42	37.54	37.62	37.70	37.78	37.85	37.94	38.01	39.10	39.19
2025	40.13	40.22	39.94	39.02	39.06	39.09	39.18	39.27	39.35	39.47	40.56	40.65
2026	41.59	41.67	41.29	40.32	40.33	40.42	40.51	40.61	40.69	40.78	41.95	42.04
2027	42.99	43.09	43.14	42.16	42.25	42.36	42.45	42.55	42.65	42.75	43.99	44.09
2028	45.04	45.14	45.24	44.32	44.42	44.52	44.63	44.74	44.84	45.11	46.26	46.38
2029	47.51	47.63	47.73	46.87	47.11	47.44	47.56	47.68	47.80	47.96	49.32	49.45
2030	50.76	52.28	52.41	51.35	51.49	51.65	51.78	51.92	52.06	52.31	53.76	53.90
2031	55.18	55.33	55.48	54.19	54.33	54.49	54.64	54.80	54.96	55.18	56.75	56.92
2032	58.14	58.30	58.32	56.82	56.98	57.14	57.30	57.49	57.65	57.82	59.56	59.73
2033	61.28	61.47	61.06	59.64	59.81	59.77	59.95	60.13	60.30	60.49	62.30	62.49
2034	64.03	64.22	62.04	60.61	60.79	60.86	61.04	61.23	61.42	61.59	63.43	63.63
2035	65.07	65.27	63.06	60.85	61.03	60.16	60.33	60.52	60.68	61.03	62.60	62.78
2036	66.70	66.90	64.62	62.34	62.52	61.64	61.81	61.99	62.17	62.51	64.15	64.34
2037	68.54	68.74	66.37	64.05	64.22	63.32	63.50	63.69	63.87	64.22	65.91	66.10
2038	70.34	70.54	68.11	65.70	65.88	64.95	65.14	65.33	65.51	65.89	67.61	67.82
2039	72.20	72.41	69.91	67.43	67.61	66.64	66.83	67.03	67.24	67.61	69.39	69.61
2040	74.06	74.29	71.69	69.13	69.35	68.35	68.55	68.74	68.94	69.35	71.18	71.39
2041	76.04	76.28	73.61	70.97	71.18	70.15	70.35	70.55	70.78	71.18	73.07	73.28
2042	78.07	78.31	75.56	72.82	73.05	71.99	72.18	72.41	72.64	73.05	74.98	75.23
2043	80.14	80.39	77.55	74.74	74.96	73.86	74.08	74.31	74.54	74.96	76.96	77.21

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PRICING OPTIONS FOR STANDARD PPA  
**Non-Renewable Fixed Price Option**

Table 2b

TABLE 2b												
Avoided Costs												
Non-Renewable Fixed Price Option for Wind QF												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					5.71	5.71	15.04	23.04	23.55	20.49	20.49	24.82
2019	22.46	21.80	17.19	10.78	8.57	7.69	17.89	22.33	22.76	20.60	21.72	25.24
2020	24.58	24.78	19.24	13.17	10.00	9.63	19.09	25.24	25.73	23.44	25.06	29.75
2021	22.63	22.49	22.09	19.85	19.73	19.88	20.05	20.11	20.08	20.25	21.43	22.35
2022	23.34	23.20	22.82	20.71	20.60	20.76	20.94	21.06	21.07	21.24	22.59	23.53
2023	24.51	24.36	23.98	22.09	21.96	22.13	22.30	22.46	22.47	22.64	23.20	24.16
2024	24.84	24.93	24.97	24.09	24.17	24.25	24.33	24.41	24.49	24.57	25.66	25.74
2025	26.37	26.46	26.18	25.26	25.30	25.33	25.42	25.51	25.59	25.71	26.80	26.89
2026	27.55	27.64	27.25	26.28	26.29	26.38	26.47	26.57	26.66	26.75	27.91	28.00
2027	28.67	28.77	28.83	27.85	27.94	28.04	28.13	28.23	28.33	28.43	29.67	29.77
2028	30.44	30.54	30.64	29.71	29.82	29.92	30.02	30.14	30.24	30.50	31.66	31.78
2029	32.62	32.74	32.84	31.98	32.22	32.55	32.66	32.78	32.91	33.06	34.43	34.56
2030	35.57	37.09	37.22	36.16	36.30	36.45	36.59	36.73	36.87	37.12	38.57	38.71
2031	39.68	39.83	39.99	38.70	38.83	38.99	39.15	39.31	39.47	39.68	41.25	41.42
2032	42.44	42.60	42.61	41.11	41.27	41.43	41.59	41.78	41.94	42.12	43.85	44.03
2033	45.16	45.35	44.94	43.52	43.69	43.65	43.83	44.00	44.18	44.37	46.18	46.37
2034	47.53	47.72	45.54	44.11	44.29	44.37	44.55	44.73	44.92	45.09	46.94	47.13
2035	48.30	48.50	46.29	44.07	44.26	43.39	43.56	43.75	43.90	44.26	45.83	46.01
2036	49.65	49.85	47.57	45.28	45.47	44.59	44.76	44.93	45.12	45.46	47.10	47.29
2037	51.09	51.30	48.93	46.60	46.77	45.87	46.05	46.24	46.42	46.77	48.46	48.65
2038	52.54	52.75	50.32	47.90	48.08	47.16	47.34	47.53	47.72	48.09	49.81	50.02
2039	54.05	54.26	51.75	49.27	49.46	48.49	48.67	48.87	49.09	49.46	51.24	51.45
2040	55.55	55.78	53.18	50.62	50.84	49.83	50.04	50.22	50.43	50.84	52.67	52.87
2041	57.15	57.39	54.72	52.08	52.29	51.27	51.46	51.67	51.89	52.29	54.19	54.40
2042	58.81	59.05	56.29	53.56	53.78	52.72	52.92	53.15	53.37	53.78	55.72	55.96
2043	60.49	60.74	57.90	55.09	55.31	54.21	54.43	54.66	54.89	55.31	57.31	57.56

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PRICING OPTIONS FOR STANDARD PPA  
**Non-Renewable Fixed Price Option**

Table 3a

TABLE 3a												
Avoided Costs												
Non-Renewable Fixed Price Option for Solar QF (less than or equal to 3MW)												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	34.38	34.23	33.83	31.60	31.48	31.63	31.79	31.86	31.83	32.00	33.17	34.09
2022	35.32	35.18	34.80	32.69	32.58	32.75	32.92	33.04	33.05	33.22	34.57	35.51
2023	36.77	36.62	36.24	34.35	34.22	34.39	34.56	34.71	34.73	34.90	35.46	36.42
2024	37.27	37.36	37.40	36.52	36.61	36.68	36.76	36.84	36.92	37.00	38.09	38.17
2025	39.09	39.18	38.89	37.98	38.02	38.05	38.14	38.22	38.31	38.43	39.52	39.61
2026	40.52	40.61	40.22	39.26	39.27	39.35	39.44	39.54	39.63	39.72	40.89	40.97
2027	41.90	42.00	42.06	41.08	41.17	41.27	41.36	41.46	41.56	41.66	42.90	43.00
2028	43.93	44.03	44.14	43.21	43.31	43.41	43.52	43.63	43.74	44.00	45.16	45.27
2029	46.38	46.50	46.60	45.74	45.98	46.31	46.43	46.54	46.67	46.83	48.19	48.32
2030	49.61	51.12	51.25	50.19	50.34	50.49	50.62	50.76	50.91	51.16	52.60	52.74
2031	54.00	54.14	54.30	53.01	53.15	53.31	53.46	53.62	53.78	54.00	55.57	55.74
2032	56.95	57.11	57.13	55.62	55.78	55.95	56.11	56.29	56.46	56.63	58.37	58.54
2033	60.05	60.24	59.84	58.42	58.59	58.55	58.73	58.90	59.08	59.27	61.08	61.27
2034	62.77	62.96	60.78	59.35	59.53	59.60	59.79	59.97	60.16	60.33	62.17	62.37
2035	63.79	63.99	61.78	59.57	59.75	58.88	59.05	59.24	59.40	59.75	61.32	61.50
2036	65.41	65.61	63.33	61.04	61.23	60.35	60.52	60.70	60.88	61.22	62.86	63.05
2037	67.21	67.41	65.04	62.71	62.89	61.99	62.17	62.36	62.54	62.89	64.58	64.77
2038	68.98	69.19	66.76	64.34	64.52	63.60	63.78	63.98	64.16	64.54	66.26	66.47
2039	70.82	71.03	68.52	66.04	66.23	65.26	65.44	65.64	65.85	66.23	68.01	68.22
2040	72.65	72.89	70.28	67.72	67.94	66.94	67.14	67.33	67.54	67.94	69.77	69.98
2041	74.61	74.84	72.17	69.53	69.74	68.72	68.91	69.12	69.34	69.74	71.64	71.85
2042	76.60	76.84	74.09	71.35	71.58	70.52	70.71	70.94	71.17	71.58	73.51	73.76
2043	78.64	78.89	76.05	73.24	73.46	72.36	72.58	72.81	73.04	73.46	75.46	75.71



Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
**Non-Renewable Fixed Price Option**

Table 3b

TABLE 3b												
Avoided Costs												
Non-Renewable Fixed Price Option for Solar QF (less than or equal to 3 MW)												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	23.55	23.41	23.01	20.77	20.65	20.80	20.97	21.03	21.00	21.17	22.35	23.27
2022	24.28	24.14	23.76	21.65	21.54	21.70	21.88	22.00	22.01	22.18	23.53	24.47
2023	25.47	25.32	24.94	23.05	22.92	23.09	23.26	23.42	23.43	23.60	24.16	25.12
2024	25.82	25.91	25.95	25.07	25.15	25.23	25.31	25.39	25.47	25.55	26.64	26.72
2025	27.37	27.46	27.18	26.26	26.30	26.33	26.42	26.51	26.59	26.71	27.80	27.89
2026	28.57	28.66	28.27	27.30	27.31	27.40	27.49	27.59	27.68	27.77	28.93	29.02
2027	29.71	29.81	29.87	28.89	28.98	29.08	29.17	29.27	29.37	29.47	30.71	30.81
2028	31.50	31.60	31.70	30.77	30.88	30.98	31.08	31.20	31.30	31.56	32.72	32.84
2029	33.70	33.82	33.92	33.06	33.30	33.63	33.74	33.86	33.99	34.14	35.51	35.64
2030	36.67	38.19	38.32	37.26	37.40	37.55	37.69	37.83	37.97	38.22	39.67	39.81
2031	40.80	40.95	41.11	39.82	39.95	40.11	40.27	40.43	40.59	40.80	42.37	42.54
2032	43.58	43.74	43.75	42.25	42.41	42.57	42.73	42.92	43.08	43.26	44.99	45.17
2033	46.33	46.52	46.11	44.69	44.86	44.82	45.00	45.17	45.35	45.54	47.35	47.54
2034	48.72	48.91	46.73	45.30	45.48	45.56	45.74	45.92	46.11	46.28	48.13	48.32
2035	49.51	49.71	47.50	45.28	45.47	44.60	44.77	44.96	45.11	45.47	47.04	47.22
2036	50.89	51.09	48.81	46.52	46.71	45.83	46.00	46.17	46.36	46.70	48.34	48.53
2037	52.35	52.56	50.19	47.86	48.03	47.13	47.31	47.50	47.68	48.03	49.72	49.91
2038	53.83	54.04	51.61	49.19	49.37	48.45	48.63	48.82	49.01	49.38	51.10	51.31
2039	55.36	55.57	53.06	50.58	50.77	49.80	49.98	50.18	50.40	50.77	52.55	52.76
2040	56.89	57.12	54.52	51.96	52.18	51.17	51.38	51.56	51.77	52.18	54.01	54.21
2041	58.52	58.76	56.09	53.45	53.66	52.64	52.83	53.04	53.26	53.66	55.56	55.77
2042	60.20	60.44	57.68	54.95	55.17	54.11	54.31	54.54	54.76	55.17	57.11	57.35
2043	61.91	62.16	59.32	56.51	56.73	55.63	55.85	56.08	56.31	56.73	58.73	58.98

Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
Renewable Fixed Price Option

Table 4a

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	35.25	33.33	26.96	21.68	20.97	22.02	34.07	38.99	35.53	30.39	32.69	38.84
2022	37.42	35.37	28.60	22.99	22.23	23.34	36.16	41.39	37.71	32.25	34.69	41.23
2023	37.44	35.39	28.62	23.01	22.25	23.36	36.18	41.41	37.73	32.26	34.71	41.25
2024	33.46	31.46	29.68	24.29	21.51	14.47	26.46	29.70	32.48	32.50	33.08	34.88
2025	109.78	104.72	100.19	86.52	79.49	61.62	92.04	100.26	107.30	107.36	108.82	113.41
2026	111.98	106.82	102.20	88.25	81.08	62.85	93.88	102.27	109.44	109.51	111.00	115.68
2027	114.22	108.95	104.24	90.01	82.70	64.11	95.75	104.31	111.63	111.70	113.22	117.99
2028	116.27	110.92	106.12	91.65	84.21	65.30	97.49	106.20	113.64	113.71	115.26	120.11
2029	118.83	113.35	108.45	93.65	86.04	66.70	99.62	108.52	116.14	116.20	117.79	122.75
2030	121.20	115.61	110.61	95.52	87.76	68.03	101.61	110.69	118.46	118.53	120.14	125.20
2031	123.62	117.92	112.82	97.43	89.51	69.39	103.64	112.90	120.83	120.90	122.54	127.71
2032	125.62	119.82	114.63	98.97	90.92	70.45	105.29	114.71	122.77	122.84	124.52	129.77
2033	128.61	122.69	117.38	101.36	93.12	72.19	107.82	117.46	125.70	125.78	127.49	132.86
2034	131.31	125.26	119.85	103.51	95.11	73.75	110.10	119.93	128.34	128.41	130.16	135.64
2035	133.81	127.64	122.12	105.45	96.88	75.10	112.18	122.20	130.78	130.85	132.64	138.22
2036	136.09	129.81	124.20	107.25	98.53	76.38	114.09	124.28	133.01	133.09	134.90	140.58
2037	139.21	132.79	127.05	109.71	100.80	78.14	116.70	127.13	136.06	136.14	137.99	143.80
2038	141.99	135.44	129.59	111.90	102.81	79.70	119.04	129.68	138.78	138.86	140.75	146.68
2039	144.83	138.15	132.18	114.14	104.86	81.29	121.41	132.27	141.55	141.63	143.56	149.61
2040	147.44	140.64	134.57	116.22	106.79	82.81	123.62	134.66	144.10	144.18	146.15	152.30
2041	150.67	143.73	137.51	118.75	109.10	84.57	126.32	137.61	147.26	147.35	149.36	155.65
2042	153.68	146.60	140.26	121.12	111.28	86.26	128.84	140.36	150.21	150.29	152.34	158.76
2043	156.76	149.53	143.06	123.54	113.50	87.99	131.42	143.16	153.21	153.30	155.38	161.93

Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
Renewable Fixed Price Option

Table 4b

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for QFs that are neither Wind QFs nor Solar QFs												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	29.15	29.38	22.96	15.91	12.23	11.81	22.79	29.92	30.49	27.83	29.70	35.15
2022	31.09	31.33	24.47	16.93	13.00	12.55	24.28	31.91	32.52	29.67	31.68	37.50
2023	31.41	31.65	24.71	17.09	13.12	12.66	24.53	32.24	32.85	29.98	32.00	37.89
2024	29.94	27.68	27.33	23.19	20.10	12.65	23.44	27.06	29.10	29.67	31.04	32.02
2025	68.81	63.08	62.21	51.70	43.86	24.97	52.32	61.52	66.70	68.13	71.61	74.10
2026	70.19	64.34	63.45	52.73	44.74	25.47	53.37	62.75	68.03	69.49	73.04	75.58
2027	71.59	65.63	64.72	53.78	45.63	25.97	54.44	64.01	69.39	70.88	74.50	77.09
2028	72.82	66.76	65.83	54.71	46.42	26.42	55.37	65.11	70.58	72.10	75.78	78.41
2029	74.48	68.28	67.33	55.95	47.47	27.02	56.63	66.59	72.19	73.74	77.50	80.20
2030	75.97	69.64	68.68	57.07	48.42	27.56	57.77	67.92	73.63	75.22	79.05	81.80
2031	77.49	71.03	70.05	58.21	49.39	28.11	58.92	69.28	75.10	76.72	80.63	83.44
2032	78.82	72.25	71.26	59.21	50.24	28.60	59.93	70.47	76.40	78.04	82.02	84.87
2033	80.61	73.90	72.88	60.56	51.38	29.25	61.30	72.08	78.14	79.82	83.89	86.80
2034	82.23	75.38	74.33	61.77	52.41	29.83	62.52	73.52	79.70	81.41	85.56	88.54
2035	83.87	76.88	75.82	63.01	53.46	30.43	63.77	74.99	81.29	83.04	87.27	90.31
2036	85.31	78.21	77.12	64.09	54.38	30.95	64.87	76.28	82.69	84.47	88.77	91.86
2037	87.25	79.99	78.88	65.55	55.62	31.66	66.35	78.01	84.57	86.39	90.80	93.95
2038	89.00	81.59	80.46	66.86	56.73	32.29	67.67	79.57	86.26	88.12	92.61	95.83
2039	90.78	83.22	82.07	68.20	57.86	32.94	69.03	81.16	87.99	89.88	94.46	97.75
2040	92.34	84.65	83.48	69.37	58.86	33.50	70.21	82.56	89.50	91.43	96.09	99.43
2041	94.44	86.57	85.38	70.95	60.20	34.27	71.81	84.44	91.54	93.51	98.28	101.69
2042	96.33	88.31	87.08	72.37	61.40	34.95	73.25	86.13	93.37	95.38	100.24	103.73
2043	98.25	90.07	88.83	73.81	62.63	35.65	74.71	87.85	95.23	97.28	102.24	105.80

Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
Renewable Fixed Price Option

Table 5a

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					14.38	16.41	28.39	34.00	29.92	24.06	24.06	30.18
2019	26.96	25.36	20.60	17.31	16.88	17.31	28.46	31.79	29.49	23.60	25.53	29.90
2020	30.82	29.10	23.42	18.71	18.08	19.01	29.76	34.15	31.06	26.48	28.53	34.02
2021	34.33	32.41	26.04	20.76	20.05	21.10	33.15	38.07	34.61	29.47	31.77	37.92
2022	36.48	34.43	27.66	22.05	21.29	22.40	35.22	40.45	36.77	31.31	33.75	40.29
2023	36.48	34.43	27.66	22.05	21.29	22.40	35.22	40.45	36.77	31.30	33.75	40.29
2024	32.48	30.48	28.70	23.31	20.53	13.49	25.48	28.72	31.50	31.52	32.10	33.90
2025	90.50	85.44	80.91	67.24	60.21	42.34	72.75	80.98	88.01	88.08	89.54	94.12
2026	92.31	87.15	82.53	68.58	61.41	43.18	74.21	82.60	89.77	89.84	91.33	96.01
2027	94.15	88.89	84.18	69.95	62.64	44.04	75.69	84.25	91.57	91.63	93.15	97.92
2028	95.81	90.45	85.66	71.19	63.75	44.84	77.03	85.73	93.18	93.25	94.79	99.65
2029	97.96	92.48	87.58	72.78	65.17	45.82	78.75	87.65	95.27	95.33	96.92	101.88
2030	99.91	94.33	89.33	74.23	66.47	46.74	80.32	89.40	97.17	97.24	98.85	103.92
2031	101.91	96.21	91.11	75.72	67.80	47.68	81.93	91.19	99.12	99.18	100.83	106.00
2032	103.61	97.81	92.62	76.96	68.91	48.44	83.28	92.70	100.76	100.83	102.51	107.76
2033	106.02	100.09	94.79	78.77	70.53	49.60	85.23	94.87	103.11	103.18	104.90	110.27
2034	108.20	102.15	96.74	80.40	72.00	50.65	86.99	96.82	105.23	105.30	107.05	112.53
2035	110.31	104.14	98.62	81.96	73.39	51.61	88.68	98.71	107.28	107.36	109.14	114.73
2036	112.19	105.92	100.30	83.35	74.63	52.48	90.19	100.39	109.11	109.19	111.00	116.68
2037	114.76	108.34	102.60	85.26	76.35	53.69	92.26	102.69	111.61	111.69	113.54	119.36
2038	117.05	110.51	104.65	86.96	77.87	54.76	94.10	104.74	113.84	113.92	115.81	121.74
2039	119.40	112.72	106.74	88.71	79.43	55.86	95.98	106.83	116.12	116.20	118.13	124.18
2040	121.49	114.70	108.62	90.28	80.84	56.86	97.68	108.72	118.16	118.24	120.20	126.36
2041	124.21	117.26	111.05	92.28	82.63	58.11	99.85	111.14	120.80	120.88	122.89	129.18
2042	126.70	119.61	113.27	94.13	84.29	59.27	101.85	113.37	123.22	123.31	125.35	131.77
2043	129.23	122.00	115.53	96.01	85.97	60.46	103.89	115.63	125.68	125.77	127.86	134.40

Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
Renewable Fixed Price Option

Table 5b

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					5.71	5.71	15.04	23.04	23.55	20.49	20.49	24.82
2019	22.46	21.80	17.19	10.78	8.57	7.69	17.89	22.33	22.76	20.60	21.72	25.24
2020	24.58	24.78	19.24	13.17	10.00	9.63	19.09	25.24	25.73	23.44	25.06	29.75
2021	28.23	28.46	22.04	14.99	11.31	10.89	21.87	29.00	29.57	26.91	28.78	34.23
2022	30.15	30.39	23.53	15.99	12.06	11.61	23.34	30.97	31.58	28.73	30.74	36.56
2023	30.45	30.69	23.75	16.13	12.16	11.70	23.57	31.28	31.89	29.02	31.04	36.93
2024	28.96	26.70	26.35	22.21	19.12	11.67	22.46	26.08	28.12	28.69	30.06	31.04
2025	67.81	62.08	61.21	50.70	42.86	23.97	51.32	60.52	65.70	67.13	70.61	73.10
2026	69.17	63.32	62.43	51.71	43.72	24.45	52.35	61.73	67.01	68.47	72.02	74.56
2027	70.55	64.59	63.68	52.74	44.59	24.93	53.40	62.97	68.35	69.84	73.46	76.05
2028	71.76	65.70	64.77	53.65	45.36	25.36	54.31	64.05	69.52	71.04	74.72	77.35
2029	73.40	67.20	66.25	54.87	46.39	25.94	55.55	65.51	71.11	72.66	76.42	79.12
2030	74.87	68.54	67.58	55.97	47.32	26.46	56.67	66.82	72.53	74.12	77.95	80.70
2031	76.37	69.91	68.93	57.09	48.27	26.99	57.80	68.16	73.98	75.60	79.51	82.32
2032	77.68	71.11	70.12	58.07	49.10	27.46	58.79	69.33	75.26	76.90	80.88	83.73
2033	79.44	72.73	71.71	59.39	50.21	28.08	60.13	70.91	76.97	78.65	82.72	85.63
2034	81.04	74.19	73.14	60.58	51.22	28.64	61.33	72.33	78.51	80.22	84.37	87.35
2035	82.66	75.67	74.61	61.80	52.25	29.22	62.56	73.78	80.08	81.83	86.06	89.10
2036	84.07	76.97	75.88	62.85	53.14	29.71	63.63	75.04	81.45	83.23	87.53	90.62
2037	85.99	78.73	77.62	64.29	54.36	30.40	65.09	76.75	83.31	85.13	89.54	92.69
2038	87.71	80.30	79.17	65.57	55.44	31.00	66.38	78.28	84.97	86.83	91.32	94.54
2039	89.47	81.91	80.76	66.89	56.55	31.63	67.72	79.85	86.68	88.57	93.15	96.44
2040	91.00	83.31	82.14	68.03	57.52	32.16	68.87	81.22	88.16	90.09	94.75	98.09
2041	93.07	85.20	84.01	69.58	58.83	32.90	70.44	83.07	90.17	92.14	96.91	100.32
2042	94.94	86.92	85.69	70.98	60.01	33.56	71.86	84.74	91.98	93.99	98.85	102.34
2043	96.83	88.65	87.41	72.39	61.21	34.23	73.29	86.43	93.81	95.86	100.82	104.38

Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
Renewable Fixed Price Option

Table 6a

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF (less than or equal to 3 MW)												
On-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					15.25	17.28	29.26	34.87	30.79	24.93	24.93	31.05
2019	27.84	26.24	21.48	18.19	17.76	18.19	29.34	32.67	30.37	24.48	26.41	30.78
2020	31.72	30.00	24.32	19.61	18.98	19.91	30.66	35.05	31.96	27.38	29.43	34.92
2021	35.25	33.33	26.96	21.68	20.97	22.02	34.07	38.99	35.53	30.39	32.69	38.84
2022	37.42	35.37	28.60	22.99	22.23	23.34	36.16	41.39	37.71	32.25	34.69	41.23
2023	37.44	35.39	28.62	23.01	22.25	23.36	36.18	41.41	37.73	32.26	34.71	41.25
2024	33.46	31.46	29.68	24.29	21.51	14.47	26.46	29.70	32.48	32.50	33.08	34.88
2025	89.46	84.40	79.87	66.19	59.16	41.29	71.71	79.93	86.97	87.03	88.50	93.08
2026	91.24	86.08	81.46	67.52	60.35	42.12	73.14	81.53	88.71	88.77	90.26	94.94
2027	93.07	87.80	83.09	68.86	61.55	42.96	74.60	83.16	90.48	90.55	92.07	96.84
2028	94.70	89.35	84.55	70.08	62.64	43.73	75.92	84.63	92.07	92.14	93.69	98.54
2029	96.82	91.35	86.44	71.64	64.04	44.69	77.62	86.52	94.14	94.20	95.78	100.75
2030	98.76	93.17	88.17	73.08	65.32	45.59	79.17	88.25	96.02	96.08	97.70	102.76
2031	100.73	95.03	89.93	74.54	66.62	46.50	80.75	90.01	97.94	98.00	99.65	104.82
2032	102.42	96.62	91.43	75.77	67.72	47.25	82.09	91.51	99.57	99.64	101.32	106.57
2033	104.80	98.87	93.56	77.55	69.31	48.37	84.01	93.64	101.89	101.96	103.67	109.05
2034	106.94	100.89	95.48	79.14	70.74	49.39	85.73	95.56	103.97	104.04	105.79	111.27
2035	109.03	102.86	97.34	80.68	72.11	50.33	87.40	97.43	106.00	106.08	107.86	113.45
2036	110.90	104.62	99.01	82.06	73.34	51.19	88.90	99.09	107.82	107.89	109.71	115.39
2037	113.43	107.01	101.27	83.93	75.02	52.36	90.93	101.36	110.28	110.36	112.21	118.03
2038	115.70	109.15	103.29	85.61	76.52	53.41	92.74	103.38	112.49	112.56	114.46	120.39
2039	118.01	111.33	105.36	87.32	78.05	54.47	94.60	105.45	114.73	114.81	116.74	122.79
2040	120.08	113.29	107.21	88.87	79.43	55.45	96.27	107.31	116.75	116.83	118.79	124.95
2041	122.77	115.83	109.61	90.85	81.20	56.67	98.42	109.71	119.36	119.45	121.46	127.75
2042	125.23	118.14	111.80	92.66	82.82	57.80	100.38	111.90	121.75	121.84	123.88	130.30
2043	127.73	120.50	114.04	94.51	84.48	58.96	102.39	114.14	124.18	124.27	126.36	132.91

Schedule 201

PRICING OPTIONS FOR STANDARD PPA  
Renewable Fixed Price Option

Table 6b

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF (less than or equal to 3 MW)												
Off-Peak Hours (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018					6.58	6.58	15.91	23.91	24.42	21.36	21.36	25.69
2019	23.34	22.68	18.07	11.66	9.45	8.57	18.77	23.21	23.64	21.48	22.60	26.12
2020	25.48	25.68	20.14	14.07	10.90	10.53	19.99	26.14	26.63	24.34	25.96	30.65
2021	29.15	29.38	22.96	15.91	12.23	11.81	22.79	29.92	30.49	27.83	29.70	35.15
2022	31.09	31.33	24.47	16.93	13.00	12.55	24.28	31.91	32.52	29.67	31.68	37.50
2023	31.41	31.65	24.71	17.09	13.12	12.66	24.53	32.24	32.85	29.98	32.00	37.89
2024	29.94	27.68	27.33	23.19	20.10	12.65	23.44	27.06	29.10	29.67	31.04	32.02
2025	68.81	63.08	62.21	51.70	43.86	24.97	52.32	61.52	66.70	68.13	71.61	74.10
2026	70.19	64.34	63.45	52.73	44.74	25.47	53.37	62.75	68.03	69.49	73.04	75.58
2027	71.59	65.63	64.72	53.78	45.63	25.97	54.44	64.01	69.39	70.88	74.50	77.09
2028	72.82	66.76	65.83	54.71	46.42	26.42	55.37	65.11	70.58	72.10	75.78	78.41
2029	74.48	68.28	67.33	55.95	47.47	27.02	56.63	66.59	72.19	73.74	77.50	80.20
2030	75.97	69.64	68.68	57.07	48.42	27.56	57.77	67.92	73.63	75.22	79.05	81.80
2031	77.49	71.03	70.05	58.21	49.39	28.11	58.92	69.28	75.10	76.72	80.63	83.44
2032	78.82	72.25	71.26	59.21	50.24	28.60	59.93	70.47	76.40	78.04	82.02	84.87
2033	80.61	73.90	72.88	60.56	51.38	29.25	61.30	72.08	78.14	79.82	83.89	86.80
2034	82.23	75.38	74.33	61.77	52.41	29.83	62.52	73.52	79.70	81.41	85.56	88.54
2035	83.87	76.88	75.82	63.01	53.46	30.43	63.77	74.99	81.29	83.04	87.27	90.31
2036	85.31	78.21	77.12	64.09	54.38	30.95	64.87	76.28	82.69	84.47	88.77	91.86
2037	87.25	79.99	78.88	65.55	55.62	31.66	66.35	78.01	84.57	86.39	90.80	93.95
2038	89.00	81.59	80.46	66.86	56.73	32.29	67.67	79.57	86.26	88.12	92.61	95.83
2039	90.78	83.22	82.07	68.20	57.86	32.94	69.03	81.16	87.99	89.88	94.46	97.75
2040	92.34	84.65	83.48	69.37	58.86	33.50	70.21	82.56	89.50	91.43	96.09	99.43
2041	94.44	86.57	85.38	70.95	60.20	34.27	71.81	84.44	91.54	93.51	98.28	101.69
2042	96.33	88.31	87.08	72.37	61.40	34.95	73.25	86.13	93.37	95.38	100.24	103.73
2043	98.25	90.07	88.83	73.81	62.63	35.65	74.71	87.85	95.23	97.28	102.24	105.80

Schedule 201

WIND INTEGRATION

Table 7

<b>TABLE 7</b>		
<b>Integration Costs</b>		
<b>Year</b>	<b>Wind</b>	<b>Solar</b>
<b>2018</b>	0.87	0.00
<b>2019</b>	0.88	0.00
<b>2020</b>	0.90	0.00
<b>2021</b>	0.92	0.00
<b>2022</b>	0.94	0.00
<b>2023</b>	0.96	0.00
<b>2024</b>	0.98	0.00
<b>2025</b>	1.00	0.00
<b>2026</b>	1.02	0.00
<b>2027</b>	1.04	0.00
<b>2028</b>	1.06	0.00
<b>2029</b>	1.08	0.00
<b>2030</b>	1.10	0.00
<b>2031</b>	1.12	0.00
<b>2032</b>	1.14	0.00
<b>2033</b>	1.17	0.00
<b>2034</b>	1.19	0.00
<b>2035</b>	1.21	0.00
<b>2036</b>	1.24	0.00
<b>2037</b>	1.26	0.00
<b>2038</b>	1.29	0.00
<b>2039</b>	1.31	0.00
<b>2040</b>	1.34	0.00
<b>2041</b>	1.37	0.00
<b>2042</b>	1.39	0.00
<b>2043</b>	1.42	0.00



**Standard On-System  
Non-Variable  
Power Purchase Agreement**

**STANDARD ON-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations

**STANDARD ON-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD ON-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

**RECITALS**

A. [New QF] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Adjusted Delivered Net Output**” means, for any given period, Net Output delivered as Firm Energy to the Delivery Point during the period *plus* Net Output that would have been delivered as Firm Energy to the Delivery Point during any period in which Seller was excused from its delivery obligations due to a Force Majeure Event, based on the Estimated Monthly Average Net Output set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard On-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Alternative Minimum Net Output**” has the meaning set forth in **Exhibit C**.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.

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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Non-Renewable Fixed Price Option for \_\_\_\_\_ *[specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule]*, as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Point of Interconnection.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Annual Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Annual Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Expiration Date**” has the meaning given to it in Section 2.1.

“**Facility**” is the entire facility as specified in **Exhibit A** and **Exhibit B**.

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

**“FERC”** means the Federal Energy Regulatory Commission or any successor government agency.

**“Force Majeure”** or **“Force Majeure Event”** has the meaning given to it in Section 12.1.

**“Generator”** means the electrical component within the Facility measured in kW that converts mechanical energy into electrical energy.

**“Generation Unit”** means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility.

**“Governmental Authority”** means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

**“Interconnection Agreement”** means an agreement between PGE and Seller governing the interconnection of the Facility with PGE’s electric system.

**“kW”** and **“kWh”** mean kilowatt and kilowatt hour, respectively.

**“Lender”** means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

**“Letter of Credit”** means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

**“Licensed Professional Engineer”** means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

**“Lost Energy”** means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if Seller fails to meet the Minimum Delivery Guarantee, then with respect to a Contract Year, an amount equal to the Minimum Net Output less the Adjusted Delivered Net Output; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output

(by On-Peak Hours and Off-Peak Hours – see Exhibit C) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 9. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or

- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 9 of this Agreement because of Seller's default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see Exhibit C) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see Exhibit C) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

**“Lost Energy Value”** means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in Exhibit C (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in Exhibit G.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in Exhibit G.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for On-Peak Hours for the period *less* the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for Off-Peak Hours for the period *less* the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in Exhibit G.

“**Minimum Delivery Guarantee**” has the meaning given to it in Section 3.3.

“**Minimum Net Output**” means, for a Contract Year, seventy-five percent (75%) of the Estimated Annual Average Net Output from the Facility for the period as set forth in **Exhibit C** (pro-rated as required for partial Contract Years and partial months, as applicable), unless Seller selects an Alternative Minimum Net Output consistent with the terms of **Exhibit C** of this Agreement (pro-rated for any period less than 12



calendar months), in which case the Minimum Net Output equals the selected Alternative Minimum Net Output.

**“Nameplate Capacity Rating”** means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

**“NERC”** means the North American Electric Reliability Corporation.

**“Net Available Capacity”** means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

**“Net Output”** means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

**“New QF”** means any QF that is not an Existing QF.

**“Off-Peak Hours”** means all hours other than On-Peak Hours.

**“On-Peak Hours”** means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

**“Person”** means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

**“Planned Maintenance”** means outages scheduled 90 calendar days in advance, with prior written notice to PGE.

**“Point of Interconnection”** means the point of interconnection between the Facility and PGE’s system, as specified in **Exhibit B**.

**“Prime Rate”** means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

**“Product”** means, each and together, as a single bundled product, Net Output together with all associated capacity.

**“Prudent Electrical Practices”** means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which

practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Delivery Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 9, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all interconnection rights, necessary to enable the delivery of energy from the Facility to the Point of Interconnection, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld,

conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE's information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business days' written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business days' written notice prior to commencing sales of Test Energy to PGE. PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

**"Commercial Operation"** will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement, and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, and a 8760 net energy production estimate.

2.4.6 PGE has received copies of all insurance certificates required under Section 11.1.

2.4.7 PGE has received any Credit Support required under Section 8.1.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.3.

2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

### ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

#### 3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the “**Delivery Period**”), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Point of Interconnection. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Point of Interconnection.

#### 3.2 Estimated Net Output.

Seller’s good faith, commercially reasonable estimate of the Facility’s monthly and annual average and maximum Net Output during the Delivery Period, and Seller’s basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee.

#### 3.3 Minimum Delivery Guarantee.

Seller guarantees that it will deliver to PGE from the Facility, for each Contract Year, Net Output equal to or greater than the Minimum Net Output, pro-rated for any partial years. This guarantee is referred to in this Agreement as the “Minimum Delivery Guarantee.”

#### 3.4 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE’s construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller’s control.

### ARTICLE 4: PRICE, BILLING AND PAYMENT

#### 4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* Net Output during the Billing Period. An illustrative example is provided in **Exhibit G**.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Delivery Guarantee.

If Seller fails to satisfy the Minimum Delivery Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following the end of the Contract Year, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

**ARTICLE 5: METERING**

5.1 Metering Equipment and Location.

5.1.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Interconnection Agreement.

5.1.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to

account for electrical losses, if any, between the point of metering and the Point of Interconnection, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Interconnection.

5.2 Meter Installation, Inspection and Correction.

PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

5.3 Metering Costs.

To the extent not otherwise provided in the Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

**ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13.



6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement under Schedule 202.

## ARTICLE 7: REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its

terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

7.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

## 7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights

generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 7 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

## ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

## 8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 8.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.

## ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

### 9.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement at any time during the term of this Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

9.1.8 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 10.1.9, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

9.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 13.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

9.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

9.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 9.1.8. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

9.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 9 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such

termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

## ARTICLE 10: INDEMNIFICATION AND LIABILITY

### 10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Point of Interconnection; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

### 10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Point of Interconnection; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

### 10.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

### 10.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

## ARTICLE 11: INSURANCE

### 11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

### 11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

11.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

### 11.3 Required Provisions.

11.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.

11.3.3 Insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

## ARTICLE 12: FORCE MAJEURE

### 12.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**Force Majeure Event**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party’s from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility’s equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

### 12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

## ARTICLE 13: GENERAL PROVISIONS

### 13.1 Relationship of the Parties.

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



13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

13.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.6 Waiver.

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

13.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

13.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 13.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Notices	PGE	Seller
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 13.13.

***Signature Page Follows.***

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

**A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Interconnection (name of distribution feeder or transmission line):

\_\_\_\_\_

**B. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):

\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER’S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)

**C.3. Alternative Minimum Net Output**

Seller may at its option designate an alternative to the Minimum Net Output value of seventy-five (75%) percent of the Estimated Annual Average Net Output set forth above in this Exhibit. If designated, such alternative shall be known as the “Alternative Minimum Net Output.” Such Alternative Minimum Net Output, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices, and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by Seller, PGE or others.

Annual Alternative Minimum Net Output: \_\_\_\_\_ kWh

Month	Alternative Minimum Net Output (if specified) (kWh)	
	On-Peak	Off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

**EXHIBIT D**

**COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM**

**(Power Purchase Agreement – \_\_\_\_\_)**

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE” or “Buyer”)**, [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “*Parties*” or each a “*Party*”).

**RECITALS**

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power” from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

**AGREEMENTS**

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c)



otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Any

capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

## EXHIBIT E

### START-UP TESTING

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**

**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 4.1 Illustrative Example - Monthly Settlement  
Pre Commercial Operation Date (Test Period)**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	600.00	400.00
Contract Price (Off-Peak)	\$18.31	\$18.31
<b>Total Payment for Energy</b>	\$10,986.00	\$7,324.00

**All Net Output paid at Off-Peak Power Purchase Agreement Rates**

**Section 4.1 Illustrative Example - Monthly Settlement  
 Post Commercial Operation Date**

	Net Output (MWh)	
	On-Peak	Off-Peak
Monthly Total MWh (Net Output)	2,275.43	1,722.80
Contract Price	\$23.86	\$18.31
<b>Total Payment for Energy</b>	\$54,291.76	\$31,544.42



**Section 3.3 & 4.3 - Illustrative Example: Minimum Delivery Guarantee**

Expected Net Output, per Exhibit C	3,170,633
Times 75%	x .75
Minimum Net Output (MNO)	2,377,975
Firm Energy Delivered	1,800,000
Plus Net Output Excused for Force Majeure	1,000
Adjusted Delivered Net Output (ADNO)	1,801,000
MNO - ADNO = Lost Energy KWh	576,975
MNO - ADNO = Lost Energy MWh	576.97

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
		2018 June	48	70%	30%	34	14	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 763.64
July	48	75%	25%	36	12	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 833.76	\$ 93.39	\$ 927.15
August	48	80%	20%	38	10	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 1,247.54	\$ 93.65	\$ 1,341.19
September	48	80%	20%	38	10	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 346.94	\$ 84.28	\$ 431.22
October	48	80%	20%	38	10	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 181.26	\$ 32.97	\$ 214.23
November	48	85%	15%	41	7	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 136.94	\$ 18.77	\$ 155.71
December	48	85%	15%	41	7	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 501.02	\$ 50.49	\$ 551.51
2019 January	48	80%	20%	38	10	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 447.64	\$ 83.37	\$ 531.01
Feb	48	80%	20%	38	10	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 247.00	\$ 28.43	\$ 275.43
March	48	75%	25%	36	12	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 132.48	\$ 19.45	\$ 151.93
April	48	70%	30%	34	14	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 30.26	\$ (0.99)	\$ 29.27
May	48	70%	30%	34	14	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 301.58	\$ 16.19	\$ 317.77
<b>Total</b>	<b>577</b>			<b>446</b>	<b>131</b>					<b>Sum of Monthly Calculations: \$</b>		<b>5,738.36</b>
												<b>Amount Due PGE <sup>1</sup></b>
												<b>(Lost Energy Value) \$</b>
												<b>5,738.36</b>

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

## Section 4.2 - Illustrative Example: Delay in Commercial Operation

### Calculation of Delay Damages

Execution / Effective Date = **7/2/2016**  
 Section 2.6 Date = Scheduled COD = **3/1/2019**  
 COD not established as of 3/31/2019 **March**

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 9.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Standard Off-System  
Non-Variable  
Power Purchase Agreement**

**STANDARD OFF-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations

**STANDARD OFF-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD OFF-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

**RECITALS**

A. [New QF] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 **Defined Terms.**

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Adjusted Delivered Net Output**” means, for any given period, Net Output delivered as Firm Energy to the Delivery Point during the period *plus* Net Output that would have been delivered as Firm Energy to the Delivery Point during any period in which Seller was excused from its delivery obligations due to a Force Majeure Event, based on the Estimated Monthly Average Net Output set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Off-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Alternative Minimum Net Output**” has the meaning set forth in **Exhibit C**.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.

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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Non-Renewable Fixed Price Option for \_\_\_\_\_ *[specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule]*, as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Delivery Point.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Delivery Point**” means the point of delivery where Seller delivers energy to the PGE system, as specified in **Exhibit B**. PGE and Seller may mutually agree to amend the Delivery Point.

“**e-Tag**” means NERC electronic tag.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Annual Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Annual Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.



“**Expiration Date**” has the meaning given to it in Section 2.1.

“**Facility**” is the entire facility as specified in **Exhibit A** and **Exhibit B**.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Firm Energy**” means energy scheduled and delivered on a firm basis to the Delivery Point via firm transmission rights.

“**Force Majeure**” or “**Force Majeure Event**” has the meaning given to it in Section 12.1.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy into electrical energy.

“**Generation Unit**” means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with \_\_\_\_\_’s [*specify relevant transmission system or distribution system owner*] electric system.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed

Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if Seller fails to meet the Minimum Delivery Guarantee, then with respect to a Contract Year, an amount equal to the Minimum Net Output less the Adjusted Delivered Net Output; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 9. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 9 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) **plus** any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) **multiplied by** the (applicable Replacement Price for On-Peak Hours **less** the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) **multiplied by** the (applicable Replacement Price for Off-Peak Hours **less** the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month **multiplied by** (the Replacement Price for On-Peak Hours for the period **less** the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month **multiplied by** (the Replacement Price for Off-Peak Hours for the period **less** the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Minimum Delivery Guarantee**” has the meaning given to it in Section 3.4.

“**Minimum Net Output**” means, for a Contract Year, seventy-five percent (75%) of the Estimated Annual Average Net Output from the Facility for the period as set forth in **Exhibit C** (pro-rated as required for partial Contract Years and partial months, as applicable), unless Seller selects an Alternative Minimum Net Output consistent with the terms of **Exhibit C** of this Agreement (pro-rated for any period less than 12 calendar months), in which case the Minimum Net Output equals the selected Alternative Minimum Net Output.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

“**Person**” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 calendar days in advance, with prior written notice to PGE.

“**Point of Interconnection**” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by

Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output and, if applicable, Imbalance Energy, together with all associated capacity.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Delivery Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 9, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement and the Transmission Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2. By definition, Surplus Delivery shall always be a positive number.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Specified Facility Nameplate Capacity Rating. The Transmission Agreement shall have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of this Agreement.

“**Transmission Provider(s)**” means \_\_\_\_\_, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning

of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all transmission and interconnection rights, necessary to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business days’ written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business day’s written notice prior to commencing sales of Test Energy to PGE. In order to complete Start-Up Testing, Seller may schedule and deliver Test Energy to PGE pursuant to the scheduling procedures set forth in Section 3.5, and PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

“**Commercial Operation**” will be achieved when the Facility is fully constructed and determined

by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement(s), and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, and a 8760 net energy production estimate.

2.4.6 PGE has received copies of all insurance certificates required under Section 11.1.

2.4.7 PGE has received any Credit Support required under Section 8.1.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by



the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.3.

## 2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

## **ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING**

### 3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 7.1, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

### 3.2 Surplus Delivery.

For purposes of this Agreement, (i) "**On-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* total Net Output during On-Peak Hours during such Billing Period; and (ii) "**Off-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* total Net Output during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "**Surplus Delivery.**" PGE shall accept but not pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period.

For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for any portion of total Net Output that exceeds total Firm Energy delivered to the Delivery Point during the applicable Billing Period.

3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's monthly and annual average and maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee.

3.4 Minimum Delivery Guarantee.

Seller guarantees that it will deliver to PGE from the Facility, for each Contract Year, Net Output equal to or greater than the Minimum Net Output, pro-rated for any partial years. This guarantee is referred to in this Agreement as the "Minimum Delivery Guarantee."

3.5 Scheduling Procedures.

Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current NERC and WECC scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. All energy shall be prescheduled according to customary WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider. The cost of delivering energy from the Facility to PGE shall be the sole responsibility of the Seller.

3.6 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE's construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

## ARTICLE 4: PRICE, BILLING AND PAYMENT

### 4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* the lesser of (i) Net Output during the Billing Period or (ii) Firm Energy delivered to the Delivery Point during the Billing Period. PGE shall not pay for Surplus Delivery. An illustrative example is provided in **Exhibit G**. In determining the amount due to Seller for the Product, the amount of Net Output generated in any hour shall be deemed to be zero or greater.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

### 4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

### 4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Delivery Guarantee.

If Seller fails to satisfy the Minimum Delivery Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following the end of the Contract Year, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

### 4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts

owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

**ARTICLE 5: METERING**

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE information in hourly increments for all Net Output and any other energy purchased under this Agreement.

5.2 Meter Installation, Inspection and Correction.

Seller shall arrange for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe, at its own expense, all inspection, testing, repair and replacement of the metering equipment. Upon request, Seller shall provide documentation regarding all inspection, testing, repair and replacement of the metering equipment.

If the Facility has a revenue grade meter in addition to the meter used to calculate deliveries and payments and the revenue grade meter is installed near the meter used to calculate deliveries and payments, Seller will send an annual report to PGE comparing the readings between the two meters. If the difference between the two meters is more than two percent (2.0%), PGE may request that the meters be recalibrated and that PGE receive the results of the tests. Also, PGE will be notified promptly of any other recalibration or calibration tests on the meter used to calculate deliveries and payments. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated during the term of the Agreement and consistent with the terms of this Section. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated 12 months after the Commercial Operation Date, at Seller's expense. If the test demonstrates a variance of more than two percent (2.0%) then PGE may request another test and recalibration twenty-four (24) months after the last test. If the test demonstrates a variance of less than two percent (2.0%), then PGE may not request a test and recalibration at the Seller's expense for thirty-six (36) months. PGE may arrange for testing and recalibration at its own expense, after reasonable notice and opportunity for Seller to have a representative on site.

If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed twelve (12) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. Any correction in billings or payments resulting from a correction in the meter

records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

## **ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

### **6.1 Seller's Duty to Operate and Maintain the Facility.**

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

### **6.2 Outages.**

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

### **6.3 Facility Upgrades.**

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified

Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement under Schedule 202.

## ARTICLE 7: REPRESENTATIONS AND WARRANTIES

### 7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

7.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 In connection with Seller's delivery of Firm Energy as required under this Agreement: Seller's delivery of Imbalance Energy, if any, results from Seller's purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility.

7.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 7 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

**ARTICLE 8: CREDIT SUPPORT**

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 8.1. However, for avoidance of doubt, Seller shall have no



obligation to replenish the Credit Support if PGE has terminated the Agreement.

## ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

### 9.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller’s receipt of written notice from PGE;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement(s) within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement or Transmission Agreement(s) at any time during the term of this Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller’s receipt of written notice from PGE;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

9.1.8 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 9.1.8, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

9.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 13.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

9.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

9.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 9.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 9.1.8. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

9.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 9 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

## ARTICLE 10: INDEMNIFICATION AND LIABILITY

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees,

agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

**ARTICLE 11: INSURANCE**

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the

satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

#### 11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

11.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against “all risks” of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

#### 11.3 Required Provisions.

11.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days’ prior written notice to PGE.

11.3.3 Insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

### **ARTICLE 12: FORCE MAJEURE**

#### 12.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**Force Majeure Event**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent

such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

#### 12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

### **ARTICLE 13: GENERAL PROVISIONS**

#### 13.1 Relationship of the Parties.

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

#### 13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

#### 13.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises

between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

13.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.6 Waiver.

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

13.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development,

construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

13.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 13.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Standard Off-System Non-Variable Power Purchase Agreement  
Form Effective \_\_\_\_\_

<b>Notices</b>	<b>PGE</b>	<b>Seller</b>
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 13.13.

*Signature Page Follows.*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

- A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Delivery: \_\_\_\_\_

- B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Entity with whom the Facility is or will be interconnected: \_\_\_\_\_

Transmission Provider(s): \_\_\_\_\_

- C. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):

\_\_\_\_\_  
\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER'S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)

**C.3. Alternative Minimum Net Output**

Seller may at its option designate an alternative to the Minimum Net Output value of seventy-five (75%) percent of the Estimated Annual Average Net Output set forth above in this Exhibit. If designated, such alternative shall be known as the “Alternative Minimum Net Output.” Such Alternative Minimum Net Output, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices, and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by Seller, PGE or others.

Annual Alternative Minimum Net Output: \_\_\_\_\_ kWh

Month	Alternative Minimum Net Output (if specified) (kWh)	
	On-Peak	Off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

**EXHIBIT D**

**COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM**

**(Power Purchase Agreement – \_\_\_\_\_)**

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE” or “Buyer”)**, [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “*Parties*” or each a “*Party*”).

**RECITALS**

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power” from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

**AGREEMENTS**

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c)

otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Any

capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_



## EXHIBIT E

### START-UP TESTING

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**

**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 3.2 and 4.1: Illustrative Example - Monthly Settlement  
No Surplus Delivery**

	Net Output (MWh)		Firm Energy (MWh)		
	On-Peak	Off-Peak	On-Peak	Off-Peak	
Monthly Total MWh	2,475	1,755	2,274	1,722	
	<b>On-Peak</b>		<b>Off-Peak</b>		<b>Total</b>
<b>Lower of Net Output or Firm Energy</b>	2,274		1,722		
Contract Price	\$23.86		\$18.31		
<b>Total Payment for Energy</b>	\$54,257.64	+	\$31,529.82	=	\$85,787.46
<b>Surplus Delivery</b>	0.00		0.00		
Contract Price	\$0.00		\$0.00		
<b>Total Payment for Energy</b>	\$0.00	+	\$0.00	=	\$0.00

**Section 3.4 & 4.3 - Illustrative Example: Minimum Delivery Guarantee**

Expected Net Output, per Exhibit C	3,170,633
Times 75%	x .75
Minimum Net Output (MNO)	2,377,975
Firm Energy Delivered	1,800,000
Plus Net Output Excused for Force Majeure	1,000
Adjusted Delivered Net Output (ADNO)	1,801,000
MNO - ADNO = Lost Energy KWh	576,975
MNO - ADNO = Lost Energy MWh	576.97

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
2018 June	48	70%	30%	34	14	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 763.64	\$ 48.30	\$ 811.94
July	48	75%	25%	36	12	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 833.76	\$ 93.39	\$ 927.15
August	48	80%	20%	38	10	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 1,247.54	\$ 93.65	\$ 1,341.19
September	48	80%	20%	38	10	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 346.94	\$ 84.28	\$ 431.22
October	48	80%	20%	38	10	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 181.26	\$ 32.97	\$ 214.23
November	48	85%	15%	41	7	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 136.94	\$ 18.77	\$ 155.71
December	48	85%	15%	41	7	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 501.02	\$ 50.49	\$ 551.51
2019 January	48	80%	20%	38	10	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 447.64	\$ 83.37	\$ 531.01
Feb	48	80%	20%	38	10	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 247.00	\$ 28.43	\$ 275.43
March	48	75%	25%	36	12	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 132.48	\$ 19.45	\$ 151.93
April	48	70%	30%	34	14	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 30.26	\$ (0.99)	\$ 29.27
May	48	70%	30%	34	14	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 301.58	\$ 16.19	\$ 317.77
<b>Total</b>	<b>577</b>			<b>446</b>	<b>131</b>					<b>Sum of Monthly Calculations: \$</b>		<b>5,738.36</b>

**Amount Due PGE <sup>1</sup>**  
**(Lost Energy Value) \$ 5,738.36**

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Section 4.2 - Illustrative Example: Delay in Commercial Operation**

**Calculation of Delay Damages**

Execution / Effective Date	=	Delay Period
Section 2.6 Date = Scheduled COD	=	<b>7/2/2016</b>
COD not established as of 3/31/2019		<b>3/1/2019</b>
		<b>March</b>

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 9.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Standard On-System  
Variable  
Power Purchase Agreement**



**STANDARD ON-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT**

**BETWEEN**

**[COUNTERPARTY NAME]**

**AND**

**PORTLAND GENERAL ELECTRIC COMPANY**

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**Exhibits**

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations
Exhibit H	Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD ON-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD ON-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit H** containing the negotiated prices agreed to by the Parties].

**RECITALS**

A. [**New QF**] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [*identify resource type*] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [**Existing QF**] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [*identify resource type*] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard On-System Variable Power Purchase Agreement (Option A or Option B) and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years), *provided, however*, that Base Hours for the first Contract Year shall be the number of hours commencing on the first hour of the day after the Commercial Operation Date and ending on the last hour of December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and that Base Hours for the last Contract Year shall be the number of hours commencing on January 1 of the calendar year in which the Term ends and ending the last hour of the last day of the Term.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or

on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.

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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Non-Renewable Fixed Price Option for \_\_\_\_\_ [*specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit H**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Point of Interconnection.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Annual Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Annual Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Expiration Date**” has the meaning given to it in Section 2.1.

“**Facility**” is the entire facility as specified in **Exhibit A** and **Exhibit B**.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Force Majeure**” or “**Force Majeure Event**” has the meaning given to it in Section 12.1.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

“**Generation Unit**” means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Interconnection Agreement**” means an agreement between PGE and Seller governing the interconnection of the Facility with PGE’s electric system.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if the Mechanical Availability Percentage falls below the Minimum Availability Guarantee for a Contract Year, ((the Minimum Availability Guarantee as determined pursuant to Section 3.3 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 9. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 9 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year **plus** any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year **multiplied by** the (applicable Replacement Price for On-Peak Hours **less** the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year **multiplied by** the (applicable Replacement Price for Off-Peak Hours **less** the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) **plus** any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) **multiplied by** the (applicable Replacement Price for On-Peak Hours **less** the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) **multiplied by** the (applicable Replacement Price for Off-Peak Hours **less** the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month **multiplied by** (the Replacement Price for On-Peak Hours for the period **less** the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month **multiplied by** (the Replacement Price for Off-Peak Hours for the period **less** the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Mechanical Availability Percentage**” or “**MAP**” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

“**Minimum Availability Guarantee**” has the meaning given to it in Section 3.3.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in **Exhibit A**.

“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

“**Operational Hours**” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Interconnection in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate Generation Units of 1.5 MW each and Generation Unit 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Generation Unit 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Generation Unit 1 Operational Hours = 8,460 + 200 = 8,660. Generation Unit 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.



“**Person**” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 calendar days in advance, with prior written notice to PGE, provided however that maintenance during Off-Peak Hours (except Sundays between 6:00 a.m. and 10:00 p.m. PPT) on a Facility comprised of only solar Generators shall not be considered Planned Maintenance.

“**Point of Interconnection**” means the point of interconnection between the Facility and PGE’s system, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output together with all associated capacity.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Availability Guarantee or (ii) Seller’s failure to establish the

Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 9, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

**“Required Facility Documents”** means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement.

**“Schedule”** means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

**“Scheduled Commercial Operation Date”** has the meaning given to it in Section 2.6.

**“Senior Lien”** means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

**“Specified Facility Nameplate Capacity Rating”** means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

**“Start-Up Testing”** means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

**“Step-in Rights”** means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

**“Term”** has the meaning given to it in Section 2.1.

**“Test Energy”** means electric energy generated by the Facility during the Test Period.

**“Test Period”** means a period during which Start-Up Testing is to be conducted.

**“WECC”** means the Western Electricity Coordinating Council or any successor thereto.

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted

only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all interconnection rights, necessary to enable the delivery of energy from the Facility to the Point of Interconnection, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business days’ written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business day’s written notice prior to commencing sales of Test Energy to PGE. PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

“**Commercial Operation**” will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing,

Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement, and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.4.6 PGE has received copies of all insurance certificates required under Section 11.1.

2.4.7 PGE has received any Credit Support required under Section 8.1.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the

extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.3.

2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

**ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING**

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Point of Interconnection. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Point of Interconnection.

3.2 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's monthly and annual average and maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning.

3.3 Minimum Availability Guarantee.

3.3.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following ("Minimum Availability Guarantee"):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.

3.3.2 Annually, within 90 calendar days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.3.3 As a remedy for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE damages equal to the Lost Energy Value.

3.4 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE's construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

#### ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* Net Output during the Billing Period. An illustrative example is provided in **Exhibit G**.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any

Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Availability Guarantee.

If Seller fails to satisfy the Minimum Availability Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following PGE's receipt of Seller's detailed written report for such Contract Year in accordance with Section 3.3.2, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

**ARTICLE 5: METERING**

5.1 Metering Equipment and Location.

5.1.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Interconnection Agreement.

5.1.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Interconnection, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Interconnection.

5.2 Meter Installation, Inspection and Correction.

PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the

Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

5.3 Metering Costs.

To the extent not otherwise provided in the Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

**ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility



Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any resource types other than solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

## **ARTICLE 7: REPRESENTATIONS AND WARRANTIES**

### **7.1 Representations and Warranties of Seller.**

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

7.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 7 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

**ARTICLE 8: CREDIT SUPPORT**

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for

each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

## 8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 8.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.

## ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION

### 9.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement at any time during the term of this Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee;

9.1.8 Seller's failure to provide any written report required by Section 3.3.2 if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.9 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 9.1.9, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

## 9.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 13.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

## 9.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

## 9.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 9.1.9. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

9.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 9 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

**ARTICLE 10: INDEMNIFICATION AND LIABILITY**

10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Point of Interconnection; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Point of Interconnection; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

10.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

10.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

**ARTICLE 11: INSURANCE**

11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

11.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate

this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

### 11.3 Required Provisions.

11.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.

11.3.3 Insurance coverage provided on a "claims-made" basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

## ARTICLE 12: FORCE MAJEURE

### 12.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**Force Majeure Event**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

### 12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of



this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

### **ARTICLE 13: GENERAL PROVISIONS**

#### **13.1 Relationship of the Parties.**

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

#### **13.2 No Third Party Beneficiaries.**

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

#### **13.3 Governing Law.**

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

#### **13.4 Severability.**

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

#### **13.5 Effect of PURPA Repeal.**

The repeal of PURPA shall not result in the early termination of this Agreement unless such

termination is mandated by state or federal law.

13.6 Waiver.

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

13.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

13.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 13.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Notices	PGE	Seller
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 13.13.

*Signature Page Follows.*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

As-built Average Annual Degradation Percentage (applicable only to QFs with solar Generation Units).

**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

**A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Interconnection (name of distribution feeder or transmission line):

\_\_\_\_\_

**B. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):

\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER'S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)



**EXHIBIT D**

**COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM**

**(Power Purchase Agreement – \_\_\_\_\_)**

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE” or “Buyer”)**, [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “*Parties*” or each a “*Party*”).

**RECITALS**

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power” from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

**AGREEMENTS**

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c)

otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Any

capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**EXHIBIT E**

**START-UP TESTING**

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**  
**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 4.1 Illustrative Example - Monthly Settlement  
Pre Commercial Operation Date (Test Period)**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	600.00	400.00
Contract Price (Off-Peak)	\$18.31	\$18.31
<b>Total Payment for Energy</b>	\$10,986.00	\$7,324.00

**All Net Output paid at Off-Peak Power Purchase Agreement Rates**



**Section 4.1 Illustrative Example - Monthly Settlement  
 Post Commercial Operation Date**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	2,275.43	1,722.80
Contract Price	\$23.86	\$18.31
<b>Total Payment for Energy</b>	<b>\$54,291.76</b>	<b>\$31,544.42</b>

**Section 3.3 & 4.3 - Illustrative Example: Minimum Availability Guarantee**

Mechanical Availability Guarantee (MAG) 90%  
 Minimum Availability Percentage (MAP) 89%  
 MAG / MAP = 101%  
 Actual Net Output, MWh (ANO) 24,311  
 ANO \* (MAG / MAP) = Expected Energy (EE) 24,584  
 EE - ANO = Lost Energy MWh 273

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
2019 January	23	70%	30%	16	7	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 359.36	\$ 23.20	\$ 382.56
February	23	75%	25%	17	6	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 393.72	\$ 44.55	\$ 438.27
March	23	80%	20%	18	5	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 590.94	\$ 44.25	\$ 635.19
April	23	80%	20%	18	5	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 164.34	\$ 39.82	\$ 204.16
May	23	80%	20%	18	5	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 85.86	\$ 15.58	\$ 101.44
June	23	85%	15%	19	4	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 63.46	\$ 9.97	\$ 73.43
July	23	85%	15%	19	4	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 232.18	\$ 26.83	\$ 259.01
August	23	80%	20%	18	5	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 212.04	\$ 39.39	\$ 251.43
September	23	80%	20%	18	5	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 117.00	\$ 13.43	\$ 130.43
October	23	75%	25%	17	6	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 62.56	\$ 9.28	\$ 71.84
November	23	70%	30%	16	7	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 14.24	\$ (0.47)	\$ 13.77
December	23	70%	30%	16	7	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 141.92	\$ 7.78	\$ 149.70
<b>Total</b>	<b>273</b>			<b>210</b>	<b>63</b>					<b>Sum of Monthly Calculations: \$ 2,711.22</b>		
										<b>Amount Due PGE <sup>1</sup> (Lost Energy Value) \$ 2,711.22</b>		

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Section 4.2 - Illustrative Example: Delay in Commercial Operation**

**Calculation of Delay Damages**

Execution / Effective Date	=	Delay Period
Section 2.6 Date = Scheduled COD	=	<b>7/2/2016</b>
COD not established as of 3/31/2019		<b>3/1/2019</b>
		<b>March</b>

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 9.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**EXHIBIT H**

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Standard Off-System  
Variable  
Power Purchase Agreement**

**STANDARD OFF-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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Exhibits

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
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Exhibit H	Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD OFF-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD OFF-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit H** containing the negotiated prices agreed to by the Parties].

**RECITALS**

A. [**New QF**] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [*identify resource type*] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [**Existing QF**] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [*identify resource type*] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.



“**Agreement**” means this Standard Off-System Variable Power Purchase Agreement (Option A or Option B) and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years), *provided, however,* that Base Hours for the first Contract Year shall be the number of hours commencing on the first hour of the day after the Commercial Operation Date and ending on the last hour of December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and that Base Hours for the last Contract Year shall be the number of hours commencing on January 1 of the calendar year in which the Term ends and ending the last hour of the last day of the Term.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 8.1. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or

on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.

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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Non-Renewable Fixed Price Option for \_\_\_\_\_ [*specify applicable Non-Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit H**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 8.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 7.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Delivery Point.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Delivery Point**” means the point of delivery where Seller delivers energy to the PGE system, as specified in **Exhibit B**. PGE and Seller may mutually agree to amend the Delivery Point.

“**e-Tag**” means NERC electronic tag.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Estimated Annual Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Annual Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Expiration Date**” has the meaning given to it in Section 2.1.

“**Facility**” is the entire facility as specified in **Exhibit A** and **Exhibit B**.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Firm Energy**” means energy scheduled and delivered on a firm basis to the Delivery Point via firm transmission rights.

“**Force Majeure**” or “**Force Majeure Event**” has the meaning given to it in Section 12.1.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

“**Generation Unit**” means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with \_\_\_\_\_’s [*specify relevant transmission system or distribution system owner*] electric system.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in Section 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if the Mechanical Availability Percentage falls below the Minimum Availability Guarantee for a Contract Year, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 9. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 9 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for On-Peak Hours for the period *less* the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for Off-Peak Hours for the period *less* the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Mechanical Availability Percentage**” or “**MAP**” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

“**Minimum Availability Guarantee**” has the meaning given to it in Section 3.4.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in **Exhibit A**.

“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

**“Operational Hours”** for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate Generation Units of 1.5 MW each and Generation Unit 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Generation Unit 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Generation Unit 1 Operational Hours = 8,460 + 200 = 8,660. Generation Unit 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.

**“Person”** means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

**“Planned Maintenance”** means outages scheduled 90 calendar days in advance, with prior written notice to PGE, provided however that maintenance during Off-Peak Hours (except Sundays between 6:00 a.m. and 10:00 p.m. PPT) on a Facility comprised of only solar Generators shall not be considered Planned Maintenance.

**“Point of Interconnection”** means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

**“Prime Rate”** means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

**“Product”** means, each and together, as a single bundled product, Net Output and, if applicable, Imbalance Energy, together with all associated capacity.

**“Prudent Electrical Practices”** means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

**“PURPA”** means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Availability Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 9, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement and the Transmission Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.



“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2. By definition, Surplus Delivery shall always be a positive number.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Specified Facility Nameplate Capacity Rating. The Transmission Agreement shall have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of this Agreement.

“**Transmission Provider(s)**” means \_\_\_\_\_, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all transmission and interconnection rights, necessary to

enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE's information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business day's written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business days' written notice prior to commencing sales of Test Energy to PGE. In order to complete Start-Up Testing, Seller may schedule and deliver Test Energy to PGE pursuant to the scheduling procedures set forth in Section 3.5, and PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

“**Commercial Operation**” will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement(s), and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.4.6 PGE has received copies of all insurance certificates required under Section 11.1.

2.4.7 PGE has received any Credit Support required under Section 8.1.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 9.3.

2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of

Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

### ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

#### 3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 7.1, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point.

#### 3.2 Surplus Delivery.

For purposes of this Agreement, (i) "**On-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* total Net Output during On-Peak Hours during such Billing Period; and (ii) "**Off-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* total Net Output during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "**Surplus Delivery.**" PGE shall accept but not pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for any portion of total Net Output that exceeds total Firm Energy delivered to the Delivery Point during the applicable Billing Period.

#### 3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's monthly and annual average and maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning.

#### 3.4 Minimum Availability Guarantee.

3.4.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following ("Minimum Availability Guarantee"):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or

- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.

3.4.2 Annually, within 90 calendar days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.4.3 As a remedy for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE damages equal to the Lost Energy Value.

### 3.5 Scheduling Procedures.

Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current NERC and WECC scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. All energy shall be prescheduled according to customary WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider. The cost of delivering energy from the Facility to PGE shall be the sole responsibility of the Seller.

### 3.6 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE's construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

## ARTICLE 4: PRICE, BILLING AND PAYMENT

### 4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* the lesser of (i) Net Output during the Billing Period or (ii) Firm Energy delivered to the Delivery Point during the Billing Period. PGE shall not pay for Surplus Delivery. An illustrative example is provided in **Exhibit G**. In determining the amount due to Seller for the Product, the amount of Net Output generated in any hour shall be deemed to be zero or greater.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the

amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Availability Guarantee.

If Seller fails to satisfy the Minimum Availability Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following PGE's receipt of Seller's detailed written report for such Contract Year in accordance with Section 3.4.2, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

## ARTICLE 5: METERING

### 5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE information in hourly increments for all Net Output and any other energy purchased under this Agreement.

### 5.2 Meter Installation, Inspection and Correction.

Seller shall arrange for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe, at its own expense, all inspection, testing, repair and replacement of the metering equipment. Upon request, Seller shall provide documentation regarding all inspection, testing, repair and replacement of the metering equipment.

If the Facility has a revenue grade meter in addition to the meter used to calculate deliveries and payments and the revenue grade meter is installed near the meter used to calculate deliveries and payments, Seller will send an annual report to PGE comparing the readings between the two meters. If the difference between the two meters is more than two percent (2.0%), PGE may request that the meters be recalibrated and that PGE receive the results of the tests. Also, PGE will be notified promptly of any other recalibration or calibration tests on the meter used to calculate deliveries and payments. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated during the term of the Agreement and consistent with the terms of this Section. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated 12 months after the Commercial Operation Date, at Seller's expense. If the test demonstrates a variance of more than two percent (2.0%) then PGE may request another test and recalibration twenty-four (24) months after the last test. If the test demonstrates a variance of less than two percent (2.0%), then PGE may not request a test and recalibration at the Seller's expense for thirty-six (36) months. PGE may arrange for testing and recalibration at its own expense, after reasonable notice and opportunity for Seller to have a representative on site.

If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed twelve (12) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

## ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES

### 6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall

not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

## 6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 13.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

## 6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the



Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any resource types other than solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

## ARTICLE 7: REPRESENTATIONS AND WARRANTIES

### 7.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

7.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

7.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.1.6 Either Seller satisfies the requirements set forth in Section 7.1.6.1 through 7.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 8.1.

7.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

7.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

7.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

7.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

7.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

7.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

7.1.10 In connection with Seller's delivery of Firm Energy as required under this Agreement: Seller's delivery of Imbalance Energy, if any, results from Seller's purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility.

7.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

## 7.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

7.2.1 It is a corporation duly organized under the laws of Oregon.

7.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

7.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

7.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

7.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

7.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

7.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 7 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

## ARTICLE 8: CREDIT SUPPORT

8.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for OnPeak Hours – the weighted average Contract Price for OffPeak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

8.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 9.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 8.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.

**ARTICLE 9: DEFAULT, REMEDIES AND TERMINATION**

9.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

9.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

9.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

9.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

9.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement(s) within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement or Transmission Agreement(s) at any time during the term of this Agreement;

9.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee;

9.1.8 Seller's failure to provide any written report required by Section 3.4.2 if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

9.1.9 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 9.1.9, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

9.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 13.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

9.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

9.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 9.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 9.1.9. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

9.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 9.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 9.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

9.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 9 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require

Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

## ARTICLE 10: INDEMNIFICATION AND LIABILITY

### 10.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

### 10.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

### 10.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

### 10.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

## ARTICLE 11: INSURANCE

### 11.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

### 11.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

11.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

11.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

### 11.3 Required Provisions.

11.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

11.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.

11.3.3 Insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

## ARTICLE 12: FORCE MAJEURE

### 12.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**Force Majeure Event**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party’s from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility’s equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

### 12.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 13.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

## ARTICLE 13: GENERAL PROVISIONS

### 13.1 Relationship of the Parties.

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



13.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

13.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

13.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

13.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

13.6 Waiver.

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

13.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

13.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

13.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 13.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

13.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

13.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

13.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

13.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Notices	PGE	Seller
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 13.13.

***Signature Page Follows.***

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Standard Off-System Variable Power Purchase Agreement  
Form Effective \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

As-built Average Annual Degradation Percentage (applicable only to QFs with solar Generation Units).

**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

- A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Delivery: \_\_\_\_\_

- B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Entity with whom the Facility is or will be interconnected: \_\_\_\_\_

Transmission Provider(s): \_\_\_\_\_

- C. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):

\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER'S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)



## EXHIBIT D

### COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM

(Power Purchase Agreement – \_\_\_\_\_)

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE”** or “**Buyer**”), [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “**Parties**” or each a “**Party**”).

### RECITALS

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power from which Seller shall sell and PGE shall purchase Net Output” (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

### AGREEMENTS

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are

capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller's rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural

number shall be deemed to have been made, respectively, in the plural or singular number as well. Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**EXHIBIT E**

**START-UP TESTING**

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**  
**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 3.2 and 4.1: Illustrative Example - Monthly Settlement  
 No Surplus Delivery**

	Net Output (MWh)		Firm Energy (MWh)			
	On-Peak	Off-Peak	On-Peak	Off-Peak		
Monthly Total MWh	2,475	1,755	2,274	1,722		
	<b>On-Peak</b>	<b>Off-Peak</b>	<b>On-Peak</b>	<b>Off-Peak</b>	<b>Total</b>	
<b>Lower of Net Output or Firm Energy</b>	2,274		1,722			
Contract Price	\$23.86		\$18.31			
<b>Total Payment for Energy</b>	<u>\$54,257.64</u>		<u>\$31,529.82</u>		<u>\$85,787.46</u>	
<b>Surplus Delivery</b>	0.00		0.00			
Contract Price	\$0.00		\$0.00			
<b>Total Payment for Energy</b>	<u>\$0.00</u>		<u>\$0.00</u>		<u>\$0.00</u>	



**Section 3.4 & 4.3 - Illustrative Example: Minimum Availability Guarantee**

Mechanical Availability Guarantee (MAG) 90%  
 Minimum Availability Percentage (MAP) 89%  
 MAG / MAP = 101%  
 Actual Net Output, MWh (ANO) 24,311  
 ANO \* (MAG / MAP) = Expected Energy (EE) 24,584  
 EE - ANO = Lost Energy MWh 273

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
2019 January	23	70%	30%	16	7	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 359.36	\$ 23.20	\$ 382.56
February	23	75%	25%	17	6	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 393.72	\$ 44.55	\$ 438.27
March	23	80%	20%	18	5	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 590.94	\$ 44.25	\$ 635.19
April	23	80%	20%	18	5	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 164.34	\$ 39.82	\$ 204.16
May	23	80%	20%	18	5	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 85.86	\$ 15.58	\$ 101.44
June	23	85%	15%	19	4	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 63.46	\$ 9.97	\$ 73.43
July	23	85%	15%	19	4	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 232.18	\$ 26.83	\$ 259.01
August	23	80%	20%	18	5	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 212.04	\$ 39.39	\$ 251.43
September	23	80%	20%	18	5	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 117.00	\$ 13.43	\$ 130.43
October	23	75%	25%	17	6	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 62.56	\$ 9.28	\$ 71.84
November	23	70%	30%	16	7	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 14.24	\$ (0.47)	\$ 13.77
December	23	70%	30%	16	7	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 141.92	\$ 7.78	\$ 149.70
<b>Total</b>	<b>273</b>			<b>210</b>	<b>63</b>					<b>Sum of Monthly Calculations:</b>		<b>\$ 2,711.22</b>
												<b>Amount Due PGE <sup>1</sup></b>
												<b>(Lost Energy Value) \$ 2,711.22</b>

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Section 4.2 - Illustrative Example: Delay in Commercial Operation**

**Calculation of Delay Damages**

Execution / Effective Date	=	Delay Period
Section 2.6 Date = Scheduled COD	=	<b>7/2/2016</b>
COD not established as of 3/31/2019		<b>3/1/2019</b>
		<b>March</b>

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 9.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**EXHIBIT H**

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Standard Renewable On-System  
Non-Variable  
Power Purchase Agreement**

**STANDARD RENEWABLE ON-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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**Exhibits**

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations

**STANDARD RENEWABLE ON-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE ON-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

**RECITALS**

A. [New QF] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Adjusted Delivered Net Output**” means, for any given period, Net Output delivered as Firm Energy to the Delivery Point during the period *plus* Net Output that would have been delivered as Firm Energy to the Delivery Point during any period in which Seller was excused from its delivery obligations due to a Force Majeure Event, based on the Estimated Monthly Average Net Output set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable On-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Alternative Minimum Net Output**” has the meaning set forth in **Exhibit C**.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.



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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for \_\_\_\_\_ *[specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule]*, as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Point of Interconnection.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

“**Estimated Annual Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Annual Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Expiration Date**” has the meaning given to it in Section 2.1.

“**Facility**” is the entire facility as specified in **Exhibit A** and **Exhibit B**.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Force Majeure**” or “**Force Majeure Event**” has the meaning given to it in Section 13.1.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy into electrical energy.

“**Generation Unit**” means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Interconnection Agreement**” means an agreement between PGE and Seller governing the interconnection of the Facility with PGE’s electric system.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in 2.4.2, and who is not a representative

of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if Seller fails to meet the Minimum Delivery Guarantee, then with respect to a Contract Year, an amount equal to the Minimum Net Output less the Adjusted Delivered Net Output; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 10. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 10 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year **plus** any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year **multiplied by** the (applicable Replacement Price for On-Peak Hours **less** the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year **multiplied by** the (applicable Replacement Price for Off-Peak Hours **less** the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) **plus** any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) **multiplied by** the (applicable Replacement Price for On-Peak Hours **less** the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) **multiplied by** the (applicable Replacement Price for Off-Peak Hours **less** the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month **multiplied by** (the Replacement Price for On-Peak Hours for the period **less** the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month **multiplied by** (the Replacement Price for Off-Peak Hours for the period **less** the Contract Price for Off-Peak Hours for the period); and

- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Minimum Delivery Guarantee**” has the meaning given to it in Section 3.3.

“**Minimum Net Output**” means, for a Contract Year, seventy-five percent (75%) of the Estimated Annual Average Net Output from the Facility for the period as set forth in **Exhibit C** (pro-rated as required for partial Contract Years and partial months, as applicable), unless Seller selects an Alternative Minimum Net Output consistent with the terms of **Exhibit C** of this Agreement (pro-rated for any period less than 12 calendar months), in which case the Minimum Net Output equals the selected Alternative Minimum Net Output.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

“**Oregon Renewable Portfolio Standard**” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the Effective Date of this Agreement.

“**Person**” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 calendar days in advance, with prior written notice to PGE.

“**Point of Interconnection**” means the point of interconnection between the Facility and PGE’s system, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output together with all associated capacity and Transferred RECs.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**REC**” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

“**REC Reporting Rights**” are the rights of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to

affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Renewable Resource Deficiency Period**” means the period beginning January 1, 2025 through the termination or Expiration Date of this Agreement.

“**Renewable Resource Sufficiency Period**” means the period through 2024.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Delivery Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 10, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

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

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all interconnection rights, necessary to enable the delivery of energy from the Facility to the Point of Interconnection, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for



the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business days' written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business day's written notice prior to commencing sales of Test Energy to PGE. PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

“**Commercial Operation**” will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement, and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, and a 8760 net energy production estimate.

2.4.6 PGE has received copies of all insurance certificates required under Section 12.1.

2.4.7 PGE has received any Credit Support required under Section 9.1.

2.4.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.3.

2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

### ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

#### 3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the “**Delivery Period**”), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Point of Interconnection. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Point of Interconnection, except that title to Transferred RECs shall transfer to PGE when generated.

#### 3.2 Estimated Net Output.

Seller’s good faith, commercially reasonable estimate of the Facility’s monthly and annual average and maximum Net Output during the Delivery Period, and Seller’s basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee.

#### 3.3 Minimum Delivery Guarantee.

Seller guarantees that it will deliver to PGE from the Facility, for each Contract Year, Net Output equal to or greater than the Minimum Net Output, pro-rated for any partial years. This guarantee is referred to in this Agreement as the “Minimum Delivery Guarantee.”

#### 3.4 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE’s construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller’s control.

### ARTICLE 4: PRICE, BILLING AND PAYMENT

#### 4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* Net Output during the Billing Period. An illustrative example is provided in **Exhibit G**.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Delivery Guarantee.

If Seller fails to satisfy the Minimum Delivery Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following the end of the Contract Year, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

## ARTICLE 5: METERING

5.1 Metering Equipment and Location.

5.1.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment

at Seller's cost and as required pursuant to the Interconnection Agreement.

5.1.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Interconnection, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Interconnection.

5.2 Meter Installation, Inspection and Correction.

PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

5.3 Metering Costs.

To the extent not otherwise provided in the Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

**ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more

consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement under Schedule 202.

**ARTICLE 7: ENVIRONMENTAL ATTRIBUTES**

7.1 Seller-Retained RECs.

Seller shall retain ownership of all RECs (“**Seller-Retained RECs**”) and all other Environmental Attributes associated with Net Output of the Facility during the Test Period and during the Renewable Resource Sufficiency Period. PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred**

RECs”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility meter at the point of interconnection shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs. In the event Seller generates power and associated RECs are transferred but the power is not delivered to PGE by Seller due to a Force Majeure Event, curtailment, or other reason, PGE and Seller will work together in good faith to return such RECs to Seller.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE’s WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes. PGE will reasonably cooperate in Seller’s efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE’s Balancing Authority.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

## **ARTICLE 8: REPRESENTATIONS AND WARRANTIES**

### **8.1 Representations and Warranties of Seller.**

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

8.1.2 The execution, delivery and performance of this Agreement are within Seller’s powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors’ rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.3 below (the “**Creditworthiness Requirements**”), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller’s knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers’, mechanics’, suppliers’ or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

8.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

8.1.11 The Facility generates RECs that comply with the Oregon Renewable Portfolio Standard.

8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors’ rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).



8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

## ARTICLE 9: CREDIT SUPPORT

9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant

an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 9.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.

**ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION**

10.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement at any time during the term of this Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

10.1.8 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 10.1.8, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

10.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 14.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

10.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

10.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 10.1.8. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

10.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require

Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

## ARTICLE 11: INDEMNIFICATION AND LIABILITY

### 11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Point of Interconnection; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

### 11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Point of Interconnection; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

### 11.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

### 11.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

## ARTICLE 12: INSURANCE

### 12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

### 12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

12.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

### 12.3 Required Provisions.

12.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.

12.3.3 Insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

### ARTICLE 13: FORCE MAJEURE

#### 13.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**Force Majeure Event**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party’s from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility’s equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

#### 13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

### ARTICLE 14: GENERAL PROVISIONS

#### 14.1 Relationship of the Parties.

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

14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

14.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

14.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

14.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

14.6 Waiver.

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

14.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

14.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 14.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.



Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Notices	PGE	Seller
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 14.13.

***Signature Page Follows.***

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

**A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Interconnection (name of distribution feeder or transmission line):

\_\_\_\_\_

**B. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):

\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER’S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)

**C.3. Alternative Minimum Net Output**

Seller may at its option designate an alternative to the Minimum Net Output value of seventy-five (75%) percent of the Estimated Annual Average Net Output set forth above in this Exhibit. If designated, such alternative shall be known as the “Alternative Minimum Net Output.” Such Alternative Minimum Net Output, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices, and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by Seller, PGE or others.

Annual Alternative Minimum Net Output: \_\_\_\_\_ kWh

Month	Alternative Minimum Net Output (if specified) (kWh)	
	On-Peak	Off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

**EXHIBIT D**

**COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM**

**(Power Purchase Agreement – \_\_\_\_\_)**

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE” or “Buyer”)**, [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “*Parties*” or each a “*Party*”).

**RECITALS**

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power” from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

**AGREEMENTS**

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c)

otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Any



Standard Renewable On-System Non-Variable Power Purchase Agreement  
Form Effective \_\_\_\_\_

capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

## EXHIBIT E

### START-UP TESTING

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**  
**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 4.1 Illustrative Example - Monthly Settlement**  
**Pre Commercial Operation Date (Test Period)**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	600.00	400.00
Contract Price (Off-Peak)	\$18.31	\$18.31
<b>Total Payment for Energy</b>	\$10,986.00	\$7,324.00

**All Net Output paid at Off-Peak Power Purchase Agreement Rates**

**Section 4.1 Illustrative Example - Monthly Settlement  
 Post Commercial Operation Date**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	2,275.43	1,722.80
Contract Price	\$23.86	\$18.31
<b>Total Payment for Energy</b>	<b>\$54,291.76</b>	<b>\$31,544.42</b>

**Section 3.3 & 4.3 - Illustrative Example: Minimum Delivery Guarantee**

Expected Net Output, per Exhibit C	3,170,633
Times 75%	x .75
Minimum Net Output (MNO)	2,377,975
Firm Energy Delivered	1,800,000
Plus Net Output Excused for Force Majeure	1,000
Adjusted Delivered Net Output (ADNO)	1,801,000
MNO - ADNO = Lost Energy KWh	576,975
MNO - ADNO = Lost Energy MWh	576.97

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
2018 June	48	70%	30%	34	14	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 763.64	\$ 48.30	\$ 811.94
July	48	75%	25%	36	12	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 833.76	\$ 93.39	\$ 927.15
August	48	80%	20%	38	10	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 1,247.54	\$ 93.65	\$ 1,341.19
September	48	80%	20%	38	10	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 346.94	\$ 84.28	\$ 431.22
October	48	80%	20%	38	10	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 181.26	\$ 32.97	\$ 214.23
November	48	85%	15%	41	7	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 136.94	\$ 18.77	\$ 155.71
December	48	85%	15%	41	7	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 501.02	\$ 50.49	\$ 551.51
2019 January	48	80%	20%	38	10	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 447.64	\$ 83.37	\$ 531.01
Feb	48	80%	20%	38	10	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 247.00	\$ 28.43	\$ 275.43
March	48	75%	25%	36	12	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 132.48	\$ 19.45	\$ 151.93
April	48	70%	30%	34	14	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 30.26	\$ (0.99)	\$ 29.27
May	48	70%	30%	34	14	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 301.58	\$ 16.19	\$ 317.77
<b>Total</b>	<b>577</b>			<b>446</b>	<b>131</b>					<b>Sum of Monthly Calculations: \$</b>		<b>5,738.36</b>
										<b>Amount Due PGE <sup>1</sup></b>		
										<b>(Lost Energy Value) \$</b>		<b>5,738.36</b>

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Section 4.2 - Illustrative Example: Delay in Commercial Operation**

**Calculation of Delay Damages**

Execution / Effective Date	=	Delay Period
Section 2.6 Date = Scheduled COD	=	<b>7/2/2016</b>
COD not established as of 3/31/2019		<b>3/1/2019</b>
		<b>March</b>

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.



**Section 10.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

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

**STANDARD RENEWABLE OFF-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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**Exhibits**

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
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Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations

**STANDARD RENEWABLE OFF-SYSTEM NON-VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE OFF-SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

**RECITALS**

A. [New QF] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Adjusted Delivered Net Output**” means, for any given period, Net Output delivered as Firm Energy to the Delivery Point during the period *plus* Net Output that would have been delivered as Firm Energy to the Delivery Point during any period in which Seller was excused from its delivery obligations due to a Force Majeure Event, based on the Estimated Monthly Average Net Output set forth in **Exhibit C** (pro-rated for partial months as applicable).

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable Off-System Non-Variable Power Purchase Agreement and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

**“Alternative Minimum Net Output”** has the meaning set forth in **Exhibit C**.

**“Ancillary Services”** means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

**“Applicable Law”** means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

**“As-built Supplement”** means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

**“Balancing Authority”** means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

**“Bankrupt”** means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

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

**“Business Day”** means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

**“Cash Escrow”** means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

**“Claims”** means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

**“Commercial Operation”** has the meaning given to it in Section 2.4.

**“Commercial Operation Date”** has the meaning given to it in Section 2.5.

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

**“Contract Price”** means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak

Hours and Off-Peak Hours under the Renewable Fixed Price Option for \_\_\_\_\_ [*specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F**, and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Delivery Point.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Delivery Point**” means the point of delivery where Seller delivers energy to the PGE system, as specified in **Exhibit B**. PGE and Seller may mutually agree to amend the Delivery Point.

“**e-Tag**” means NERC electronic tag.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

“**Estimated Annual Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Annual Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Average Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Estimated Monthly Maximum Net Output**” means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

“**Existing QF**” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

“**Expiration Date**” has the meaning given to it in Section 2.1.

“**Facility**” is the entire facility as specified in **Exhibit A** and **Exhibit B**.

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

“**FERC**” means the Federal Energy Regulatory Commission or any successor government agency.

“**Firm Energy**” means energy scheduled and delivered on a firm basis to the Delivery Point via firm transmission rights.

“**Force Majeure**” or “**Force Majeure Event**” has the meaning given to it in Section 13.1.

“**Generator**” means the electrical component within the Facility measured in kW that converts mechanical energy into electrical energy.

“**Generation Unit**” means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility.

“**Governmental Authority**” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with \_\_\_\_\_’s [*specify relevant transmission system or distribution system owner*] electric system.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in Section 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if Seller fails to meet the Minimum Delivery Guarantee, then with respect to a Contract Year, an amount equal to the Minimum Net Output less the Adjusted Delivered Net Output; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 10. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 10 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price



for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period); and

- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for On-Peak Hours for the period *less* the Contract Price for On-Peak Hours for the period); and

- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for Off-Peak Hours for the period *less* the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Minimum Net Output**” means, for a Contract Year, seventy-five percent (75%) of the Estimated Annual Average Net Output from the Facility for the period as set forth in **Exhibit C** (pro-rated as required for partial Contract Years and partial months, as applicable), unless Seller selects an Alternative Minimum Net Output consistent with the terms of **Exhibit C** of this Agreement (pro-rated for any period less than 12 calendar months), in which case the Minimum Net Output equals the selected Alternative Minimum Net Output.

“**Minimum Delivery Guarantee**” has the meaning given to it in Section 3.4.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

“**Oregon Renewable Portfolio Standard**” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the Effective Date of this Agreement.

“**Person**” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 calendar days in advance, with prior written notice to PGE.

“**Point of Interconnection**” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output and, if applicable, Imbalance Energy, together with all associated capacity and Transferred RECs.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**REC**” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

“**REC Reporting Rights**” are the rights of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under

Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Renewable Resource Deficiency Period**” means the period beginning January 1, 2025 through the termination or Expiration Date of this Agreement.

“**Renewable Resource Sufficiency Period**” means the period through 2024.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Delivery Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 10, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement and the Transmission Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2. By definition, Surplus Delivery shall always be a positive number.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Specified Facility Nameplate Capacity Rating. The Transmission Agreement shall have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of this Agreement.

“**Transmission Provider(s)**” means \_\_\_\_\_, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

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

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ *[Seller-selected date*

*or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date]* (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

## 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all transmission and interconnection rights, necessary to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

## 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business day’s written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business days’ written notice prior to commencing sales of Test Energy to PGE. In order to complete Start-Up Testing, Seller may schedule and deliver Test Energy to PGE pursuant to the scheduling procedures set forth in Section 3.5, and PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

## 2.4 Commercial Operation.

“**Commercial Operation**” will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller’s written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement(s), and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, and a 8760 net energy production estimate.

2.4.6 PGE has received copies of all insurance certificates required under Section 12.1.

2.4.7 PGE has received any Credit Support required under Section 9.1.

2.4.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.3.

2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

**ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING**

3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 8.1, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.

3.2 Surplus Delivery.

For purposes of this Agreement, (i) "**On-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* total Net Output during On-Peak Hours during such Billing Period; and (ii) "**Off-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* total Net Output during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "**Surplus Delivery.**" PGE shall accept but not pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for any portion of total Net Output that exceeds total Firm Energy delivered to the Delivery Point during the applicable Billing Period.

3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's monthly and annual average and maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes



modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning and for purposes of determining the Minimum Delivery Guarantee.

3.4 Minimum Delivery Guarantee.

Seller guarantees that it will deliver to PGE from the Facility, for each Contract Year, Net Output equal to or greater than the Minimum Net Output, pro-rated for any partial years. This guarantee is referred to in this Agreement as the “Minimum Delivery Guarantee.”

3.5 Scheduling Procedures.

Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current NERC and WECC scheduling rules and practices. The Parties’ respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties’ schedule. All energy shall be prescheduled according to customary WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider. The cost of delivering energy from the Facility to PGE shall be the sole responsibility of the Seller.

3.6 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE’s construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller’s control.

#### ARTICLE 4: PRICE, BILLING AND PAYMENT

4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price **multiplied by** the lesser of (i) Net Output during the Billing Period or (ii) Firm Energy delivered to the Delivery Point during the Billing Period. PGE shall not pay for Surplus Delivery. An illustrative example is provided in **Exhibit G**. In determining the amount due to Seller for the Product, the amount of Net Output generated in any hour shall be deemed to be zero or greater.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy **multiplied by** the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Delivery Guarantee.

If Seller fails to satisfy the Minimum Delivery Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following the end of the Contract Year, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

## ARTICLE 5: METERING

5.1 Metering.

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE information in hourly increments for all Net Output

and any other energy purchased under this Agreement.

5.2 Meter Installation, Inspection and Correction.

Seller shall arrange for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe, at its own expense, all inspection, testing, repair and replacement of the metering equipment. Upon request, Seller shall provide documentation regarding all inspection, testing, repair and replacement of the metering equipment.

If the Facility has a revenue grade meter in addition to the meter used to calculate deliveries and payments and the revenue grade meter is installed near the meter used to calculate deliveries and payments, Seller will send an annual report to PGE comparing the readings between the two meters. If the difference between the two meters is more than two percent (2.0%), PGE may request that the meters be recalibrated and that PGE receive the results of the tests. Also, PGE will be notified promptly of any other recalibration or calibration tests on the meter used to calculate deliveries and payments. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated during the term of the Agreement and consistent with the terms of this Section. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated 12 months after the Commercial Operation Date, at Seller's expense. If the test demonstrates a variance of more than two percent (2.0%) then PGE may request another test and recalibration twenty-four (24) months after the last test. If the test demonstrates a variance of less than two percent (2.0%), then PGE may not request a test and recalibration at the Seller's expense for thirty-six (36) months. PGE may arrange for testing and recalibration at its own expense, after reasonable notice and opportunity for Seller to have a representative on site.

If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed twelve (12) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

**ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 10,000 kW, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 10,000 kW, consistent with then-current Applicable Law, provided that the new power purchase agreement must be a negotiated agreement under Schedule 202.

## ARTICLE 7: ENVIRONMENTAL ATTRIBUTES

### 7.1 Seller-Retained RECs.

Seller shall retain ownership of all RECs (“**Seller-Retained RECs**”) and all other Environmental Attributes associated with Net Output of the Facility during the Test Period and during the Renewable Resource Sufficiency Period. PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

### 7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred RECs**”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility meter at the point of interconnection shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs. In the event Seller generates power and associated RECs are transferred but the power is not delivered to PGE by Seller due to a Force Majeure Event, curtailment, or other reason, PGE and Seller will work together in good faith to return such RECs to Seller.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE’s WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes. PGE will reasonably cooperate in Seller’s efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE’s Balancing Authority.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

## ARTICLE 8: REPRESENTATIONS AND WARRANTIES

### 8.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

8.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

8.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 In connection with Seller's delivery of Firm Energy as required under this Agreement: Seller's delivery of Imbalance Energy, if any, results from Seller's purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility.

8.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

8.1.12 The Facility generates RECs associated with all Net Output that comply with the Oregon Renewable Portfolio Standard.

## 8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

## 8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

## ARTICLE 9: CREDIT SUPPORT

### 9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period

starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

#### 9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 9.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.

### **ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION**

#### 10.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a



remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement(s) within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement or Transmission Agreement(s) at any time during the term of this Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Delivery Guarantee;

10.1.8 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 10.1.8, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

#### 10.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 14.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

#### 10.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

#### 10.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 10.1.8. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

10.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

**ARTICLE 11: INDEMNIFICATION AND LIABILITY**

11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

11.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with

reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

11.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

**ARTICLE 12: INSURANCE**

12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

12.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

12.3 Required Provisions.

12.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.

12.3.3 Insurance coverage provided on a "claims-made" basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

**ARTICLE 13: FORCE MAJEURE**

13.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**Force Majeure Event**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

## ARTICLE 14: GENERAL PROVISIONS

### 14.1 Relationship of the Parties.

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

### 14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

### 14.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

### 14.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

### 14.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

### 14.6 Waiver.

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

14.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

14.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 14.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known

or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

<b>Notices</b>	<b>PGE</b>	<b>Seller</b>
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 14.13.

*Signature Page Follows.*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Standard Renewable Off-System Non-Variable Power Purchase Agreement  
Form Effective \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

**A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Delivery: \_\_\_\_\_

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Entity with whom the Facility is or will be interconnected: \_\_\_\_\_

Transmission Provider(s): \_\_\_\_\_

**C. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):  
\_\_\_\_\_  
\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER’S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)

**C.3. Alternative Minimum Net Output**

Seller may at its option designate an alternative to the Minimum Net Output value of seventy-five (75%) percent of the Estimated Annual Average Net Output set forth above in this Exhibit. If designated, such alternative shall be known as the “Alternative Minimum Net Output.” Such Alternative Minimum Net Output, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices, and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by Seller, PGE or others.

Annual Alternative Minimum Net Output: \_\_\_\_\_ kWh

Month	Alternative Minimum Net Output (if specified) (kWh)	
	On-Peak	Off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

**EXHIBIT D**

**COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM**

**(Power Purchase Agreement – \_\_\_\_\_)**

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE”** or “**Buyer**”), [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “**Parties**” or each a “**Party**”).

**RECITALS**

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power from which Seller shall sell and PGE shall purchase Net Output” (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

**AGREEMENTS**

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and

obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_



## EXHIBIT E

### START-UP TESTING

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**

**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

<p><b>Section 3.2 and 4.1: Illustrative Example - Monthly Settlement</b> <b>No Surplus Delivery</b></p>
---

	<u>Net Output (MWh)</u>		<u>Firm Energy (MWh)</u>		
	<b>On-Peak</b>	<b>Off-Peak</b>	<b>On-Peak</b>	<b>Off-Peak</b>	
Monthly Total MWh	2,475	1,755	2,274	1,722	
	<b>On-Peak</b>		<b>Off-Peak</b>		<b>Total</b>
<b>Lower of Net Output or Firm Energy</b>	2,274		1,722		
Contract Price	\$23.86		\$18.31		
<b>Total Payment for Energy</b>	<u>\$54,257.64</u>		<u>\$31,529.82</u>		<u>\$85,787.46</u>
<b>Surplus Delivery</b>	0.00		0.00		
Contract Price	\$0.00		\$0.00		
<b>Total Payment for Energy</b>	<u>\$0.00</u>		<u>\$0.00</u>		<u>\$0.00</u>

**Section 3.4 & 4.3 - Illustrative Example: Minimum Delivery Guarantee**

Expected Net Output, per Exhibit C	3,170,633
Times 75%	x .75
Minimum Net Output (MNO)	<u>2,377,975</u>
Firm Energy Delivered	1,800,000
Plus Net Output Excused for Force Majeure	<u>1,000</u>
Adjusted Delivered Net Output (ADNO)	1,801,000
MNO - ADNO = Lost Energy KWh	<b>576,975</b>
MNO - ADNO = Lost Energy MWh	<b>576.97</b>

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
		2018 June	48	70%	30%	34	14	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 763.64
July	48	75%	25%	36	12	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 833.76	\$ 93.39	\$ 927.15
August	48	80%	20%	38	10	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 1,247.54	\$ 93.65	\$ 1,341.19
September	48	80%	20%	38	10	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 346.94	\$ 84.28	\$ 431.22
October	48	80%	20%	38	10	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 181.26	\$ 32.97	\$ 214.23
November	48	85%	15%	41	7	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 136.94	\$ 18.77	\$ 155.71
December	48	85%	15%	41	7	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 501.02	\$ 50.49	\$ 551.51
2019 January	48	80%	20%	38	10	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 447.64	\$ 83.37	\$ 531.01
Feb	48	80%	20%	38	10	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 247.00	\$ 28.43	\$ 275.43
March	48	75%	25%	36	12	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 132.48	\$ 19.45	\$ 151.93
April	48	70%	30%	34	14	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 30.26	\$ (0.99)	\$ 29.27
May	48	70%	30%	34	14	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 301.58	\$ 16.19	\$ 317.77

Total	577			446	131					<b>Sum of Monthly Calculations: \$</b>		<b>5,738.36</b>
										<b>Amount Due PGE <sup>1</sup></b>		
										<b>(Lost Energy Value) \$</b>		<b>5,738.36</b>

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

## Section 4.2 - Illustrative Example: Delay in Commercial Operation

### Calculation of Delay Damages

Execution / Effective Date = **7/2/2016**  
 Section 2.6 Date = Scheduled COD = **3/1/2019**  
 COD not established as of 3/31/2019 **March**

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 10.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

Sum of Monthly Calculations: \$ 438,420.99

Amount Due PGE <sup>2</sup>

(Lost Energy Value) \$ 438,420.99

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Standard Renewable On-System  
Variable  
Power Purchase Agreement**



**STANDARD RENEWABLE ON-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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**Exhibits**

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations

Exhibit H                      Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD RENEWABLE ON-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE ON-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit H** containing the negotiated prices agreed to by the Parties].

**RECITALS**

A. [New QF] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC Commission regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable On-System Variable Power Purchase Agreement (Option A or Option B) and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years), *provided, however*, that Base Hours for the first Contract Year shall be the number of hours commencing on the first hour of the day after the Commercial Operation Date and ending on the last hour of December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and that Base Hours for the last Contract Year shall be the number of hours commencing on January 1 of the calendar year in which the Term ends and ending the last hour of the last day of the Term.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.

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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for \_\_\_\_\_ [*specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit H**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Point of Interconnection.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to

the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

**"Estimated Annual Average Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Estimated Annual Maximum Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Estimated Monthly Average Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Estimated Monthly Maximum Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Existing QF"** means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

**"Expiration Date"** has the meaning given to it in Section 2.1.

**"Facility"** is the entire facility as specified in **Exhibit A** and **Exhibit B**.

**"Facility Nameplate Capacity Rating"** means the sum of the Nameplate Capacity Ratings for all Generation Units comprising the Facility.

**"FERC"** means the Federal Energy Regulatory Commission or any successor government agency.

**"Force Majeure"** or **"Force Majeure Event"** has the meaning given to it in Section 13.1.

**"Generator"** means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

**"Generation Unit"** means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.

**"Governmental Authority"** means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

**"Interconnection Agreement"** means an agreement between PGE and Seller governing the interconnection of the Facility with PGE's electric system.

**"kW"** and **"kWh"** mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if the Mechanical Availability Percentage falls below the Minimum Availability Guarantee for a Contract Year, ((the Minimum Availability Guarantee as determined pursuant to Section 3.3 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 10. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 10 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year

*plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and
- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for On-Peak Hours for the period *less* the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for Off-Peak Hours for the period *less* the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Mechanical Availability Percentage**” or “**MAP**” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

“**Minimum Availability Guarantee**” has the meaning given to it in Section 3.3.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.

“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in **Exhibit**

**A.**



“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

“**Operational Hours**” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Interconnection in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate Generation Units of 1.5 MW each and Generation Unit 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Generation Unit 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Generation Unit 1 Operational Hours = 8,460 + 200 = 8,660. Generation Unit 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.

“**Oregon Renewable Portfolio Standard**” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the Effective Date of this Agreement.

“**Person**” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 calendar days in advance, with prior written notice to PGE, provided however that maintenance during Off-Peak Hours (except Sundays between 6:00 a.m. and 10:00 p.m. PPT) on a Facility comprised of only solar Generators shall not be considered Planned Maintenance.

“**Point of Interconnection**” means the point of interconnection between the Facility and PGE’s system, as specified in **Exhibit B**.

“**Prime Rate**” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

“**Product**” means, each and together, as a single bundled product, Net Output together with all associated capacity and Transferred RECs.

“**Prudent Electrical Practices**” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which

practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

“**PURPA**” means the Public Utility Regulatory Policies Act of 1978.

“**Qualifying Facility**” has the meaning set forth in the Recitals.

“**REC**” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

“**REC Reporting Rights**” are the rights of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“**Reliability Entity**” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Renewable Resource Deficiency Period**” means the period beginning January 1, 2025 through the termination or Expiration Date of this Agreement.

“**Renewable Resource Sufficiency Period**” means the period through 2024.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Availability Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 10, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

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

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted

only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all interconnection rights, necessary to enable the delivery of energy from the Facility to the Point of Interconnection, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business days’ written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business day’s written notice prior to commencing sales of Test Energy to PGE. PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

“**Commercial Operation**” will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing,

Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement, and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.4.6 PGE has received copies of all insurance certificates required under Section 12.1.

2.4.7 PGE has received any Credit Support required under Section 9.1.

2.4.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise

the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.3.

## 2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

## **ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING**

### 3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered at the Point of Interconnection. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Point of Interconnection, except that title to Transferred RECs shall transfer to PGE when generated.

### 3.2 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's monthly and annual average and maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning.

3.3 Minimum Availability Guarantee.

3.3.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following (“Minimum Availability Guarantee”):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.

3.3.2 Annually, within 90 calendar days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.3.3 As a remedy for Seller’s failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE damages equal to the Lost Energy Value.

3.4 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE’s construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller’s control.

**ARTICLE 4: PRICE, BILLING AND PAYMENT**

4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* Net Output during the Billing Period. An illustrative example is provided in **Exhibit G**.

4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay

Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Availability Guarantee.

If Seller fails to satisfy the Minimum Availability Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following PGE's receipt of Seller's detailed written report for such Contract Year in accordance with Section 3.3.2, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.

## ARTICLE 5: METERING

5.1 Metering Equipment and Location.

5.1.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Interconnection Agreement.

5.1.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Interconnection, so that



the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Interconnection.

5.2 Meter Installation, Inspection and Correction.

PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

5.3 Metering Costs.

To the extent not otherwise provided in the Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

**ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

6.1 Seller's Duty to Operate and Maintain the Facility.

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any resource types other than solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

## ARTICLE 7: ENVIRONMENTAL ATTRIBUTES

### 7.1 Seller-Retained RECs.

Seller shall retain ownership of all RECs (“**Seller-Retained RECs**”) and all other Environmental Attributes associated with Net Output of the Facility during the Test Period and during the Renewable Resource Sufficiency Period. PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

### 7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred RECs**”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility meter at the point of interconnection shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs. In the event Seller generates power and associated RECs are transferred but the power is not delivered to PGE by Seller due to a Force Majeure Event, curtailment, or other reason, PGE and Seller will work together in good faith to return such RECs to Seller.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE’s WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes. PGE will reasonably cooperate in Seller’s efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE’s Balancing Authority.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

## ARTICLE 8: REPRESENTATIONS AND WARRANTIES

### 8.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

8.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

8.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

8.1.11 The Facility generates RECs that comply with the Oregon Renewable Portfolio Standard.

8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

## ARTICLE 9: CREDIT SUPPORT

9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit

Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

## 9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) business days, and Seller shall promptly, and in no more than fifteen (15) business days following notice from PGE, restore the Credit Support to the amount required under Section 9.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.

## ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION

### 10.1 Events of Default.

An "**Event of Default**" means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement at any time during the term of this Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee;

10.1.8 Seller's failure to provide any written report required by Section 3.3.2 if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;

10.1.9 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 10.1.9, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.

#### 10.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 14.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

#### 10.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

#### 10.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 10.1.9. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

10.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

**ARTICLE 11: INDEMNIFICATION AND LIABILITY**

11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Point of Interconnection; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Point of Interconnection; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.



11.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

11.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

**ARTICLE 12: INSURANCE**

12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

12.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against "all risks" of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the Facility is destroyed or substantially destroyed, it may terminate

this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

### 12.3 Required Provisions.

12.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.

12.3.3 Insurance coverage provided on a "claims-made" basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

## ARTICLE 13: FORCE MAJEURE

### 13.1 Definition of "Force Majeure."

As used in this Agreement, "**Force Majeure**" or "**Force Majeure Event**" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

### 13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of

this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

#### ARTICLE 14: GENERAL PROVISIONS

##### 14.1 Relationship of the Parties.

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

##### 14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

##### 14.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

##### 14.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

##### 14.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

14.6 Waiver.

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

14.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

14.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 14.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective

unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Notices	PGE	Seller
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 14.13.

*Signature Page Follows.*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Standard Renewable On-System Variable Power Purchase Agreement  
Form Effective \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.

As-built 8760 Net Energy Production Profile.

As-built Average Annual Degradation Percentage (applicable only to QFs with solar Generation Units).



**EXHIBIT B**

**SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

**A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Interconnection (name of distribution feeder or transmission line):

\_\_\_\_\_

**B. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):

\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER’S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)

## EXHIBIT D

### COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM

(Power Purchase Agreement – \_\_\_\_\_)

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE” or “Buyer”)**, [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “*Parties*” or each a “*Party*”).

### RECITALS

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power” from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

### AGREEMENTS

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c)

otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Any

capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

## EXHIBIT E

### START-UP TESTING

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.

**EXHIBIT F**  
**SCHEDULE 201**

[Attach Schedule 201]



**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 4.1 Illustrative Example - Monthly Settlement**  
**Pre Commercial Operation Date (Test Period)**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	600.00	400.00
Contract Price (Off-Peak)	\$18.31	\$18.31
<b>Total Payment for Energy</b>	\$10,986.00	\$7,324.00

**All Net Output paid at Off-Peak Power Purchase Agreement Rates**

**Section 4.1 Illustrative Example - Monthly Settlement**  
**Post Commercial Operation Date**

	<b>Net Output (MWh)</b>	
	<b>On-Peak</b>	<b>Off-Peak</b>
Monthly Total MWh (Net Output)	2,275.43	1,722.80
Contract Price	\$23.86	\$18.31
<b>Total Payment for Energy</b>	\$54,291.76	\$31,544.42

**Section 3.3 & 4.3 - Illustrative Example: Minimum Availability Guarantee**

Mechanical Availability Guarantee (MAG) 90%  
 Minimum Availability Percentage (MAP) 89%  
 MAG / MAP = 101%  
 Actual Net Output, MWh (ANO) 24,311  
 ANO \* (MAG / MAP) = Expected Energy (EE) 24,584  
 EE - ANO = Lost Energy MWh 273

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
2019 January	23	70%	30%	16	7	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 359.36	\$ 23.20	\$ 382.56
February	23	75%	25%	17	6	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 393.72	\$ 44.55	\$ 438.27
March	23	80%	20%	18	5	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 590.94	\$ 44.25	\$ 635.19
April	23	80%	20%	18	5	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 164.34	\$ 39.82	\$ 204.16
May	23	80%	20%	18	5	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 85.86	\$ 15.58	\$ 101.44
June	23	85%	15%	19	4	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 63.46	\$ 9.97	\$ 73.43
July	23	85%	15%	19	4	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 232.18	\$ 26.83	\$ 259.01
August	23	80%	20%	18	5	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 212.04	\$ 39.39	\$ 251.43
September	23	80%	20%	18	5	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 117.00	\$ 13.43	\$ 130.43
October	23	75%	25%	17	6	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 62.56	\$ 9.28	\$ 71.84
November	23	70%	30%	16	7	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 14.24	\$ (0.47)	\$ 13.77
December	23	70%	30%	16	7	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 141.92	\$ 7.78	\$ 149.70
<b>Total</b>	<b>273</b>			<b>210</b>	<b>63</b>					<b>Sum of Monthly Calculations: \$ 2,711.22</b>		
										<b>Amount Due PGE <sup>1</sup> (Lost Energy Value) \$ 2,711.22</b>		

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Section 4.2 - Illustrative Example: Delay in Commercial Operation**

**Calculation of Delay Damages**

Execution / Effective Date = **7/2/2016**  
 Section 2.6 Date = Scheduled COD = **3/1/2019**  
 COD not established as of 3/31/2019 **March**

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 10.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**EXHIBIT H**

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Standard Renewable Off-System  
Variable  
Power Purchase Agreement**



**STANDARD RENEWABLE OFF-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT  
BETWEEN  
[COUNTERPARTY NAME]  
AND  
PORTLAND GENERAL ELECTRIC COMPANY**

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**Exhibits**

Exhibit A	Description of Facility
Exhibit B	Seller's Interconnection Facilities and Delivery Attributes
Exhibit C	Seller's Net Output Estimates
Exhibit D	Collateral Assignment and Consent Agreement Form
Exhibit E	Start-Up Testing
Exhibit F	Schedule 201
Exhibit G	Illustrative Examples of Payment and Lost Energy Value Calculations

Exhibit H                      Negotiated Prices for Option B, Solar Standard Terms and Negotiated Price Agreement (if applicable)

**STANDARD RENEWABLE OFF-SYSTEM VARIABLE  
POWER PURCHASE AGREEMENT**

This STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“**Agreement**”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Seller**”) and Portland General Electric Company, an Oregon corporation (“**PGE**”) (hereinafter each a “**Party**” and collectively, “**Parties**”).

Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or

Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an **Exhibit H** containing the negotiated prices agreed to by the Parties].

**RECITALS**

A. [New QF] Seller intends to construct, own, operate and maintain a New QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF \_\_\_\_\_ [identify resource type] facility for the generation of electric power located in \_\_\_\_\_ County, \_\_\_\_\_, as further described in **Exhibit A** and **Exhibit B**.

B. Seller intends to operate the Facility as a “**Qualifying Facility**,” as that term is defined in the FERC regulations codified at 18 CFR Part 292.

C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.

**AGREEMENT**

NOW, THEREFORE, the Parties agree as follows:

**ARTICLE 1: DEFINITIONS AND CONTRACT INTERPRETATION**

1.1 Defined Terms.

For all purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose,

“control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

“**Agreement**” means this Standard Renewable Off-System Variable Power Purchase Agreement (Option A or Option B) and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.

“**Ancillary Services**” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.

“**As-built Supplement**” means a supplement to **Exhibit A** and **Exhibit B** provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.

“**Balancing Authority**” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.

“**Bankrupt**” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) calendar days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.

“**Base Hours**” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years), *provided, however,* that Base Hours for the first Contract Year shall be the number of hours commencing on the first hour of the day after the Commercial Operation Date and ending on the last hour of December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and that Base Hours for the last Contract Year shall be the number of hours commencing on January 1 of the calendar year in which the Term ends and ending the last hour of the last day of the Term.

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

“**Business Day**” means any day other than Saturday, Sunday or the following holidays: New Year’s Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.

“**Cash Escrow**” means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller’s placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.

“**Claims**” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court

costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.

“**Commercial Operation**” has the meaning given to it in Section 2.4.

“**Commercial Operation Date**” has the meaning given to it in Section 2.5.

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

“**Contract Price**” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for \_\_\_\_\_ [*specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule*], as published in the Schedule and attached as **Exhibit F** (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as **Exhibit H**, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Daily Market Index Price in effect during the interval when the energy is generated.

“**Contract Year**” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“**PPT**”) on January 1 and ending at 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31<sup>st</sup> of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.

“**Credit Support**” has the meaning given to it in Section 9.1.

“**Creditworthiness Requirements**” has the meaning given to it in Section 8.1.6.

“**Daily Market Index Price**” means the Day Ahead Intercontinental Exchange (“**ICE**”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <https://www.theice.com/products/OTC/Physical-Energy/Electricity>. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Delivery Point.

“**Delay Damages**” has the meaning given to it in Section 2.6.

“**Delivery Period**” has the meaning given to it in Section 3.1.

“**Delivery Point**” means the point of delivery where Seller delivers energy to the PGE system, as specified in **Exhibit B**. PGE and Seller may mutually agree to amend the Delivery Point.

“**e-Tag**” means NERC electronic tag.

“**Effective Date**” has the meaning given to it in Section 2.1.

“**Environmental Attributes**” shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not

limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.

**"Estimated Annual Average Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Estimated Annual Maximum Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Estimated Monthly Average Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Estimated Monthly Maximum Net Output"** means the relevant amount specified in **Exhibit C**, as reasonably updated by Seller when Seller issues an As-built Supplement.

**"Existing QF"** means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.

**"Expiration Date"** has the meaning given to it in Section 2.1.

**"Facility"** is the entire facility as specified in **Exhibit A** and **Exhibit B**.

**"Facility Nameplate Capacity Rating"** means the sum of the Nameplate Capacity Ratings for all Generation Units comprising the Facility.

**"FERC"** means the Federal Energy Regulatory Commission or any successor government agency.

**"Firm Energy"** means energy scheduled and delivered on a firm basis to the Delivery Point via firm transmission rights.

**"Force Majeure"** or **"Force Majeure Event"** has the meaning given to it in Section 13.1.

**"Generator"** means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.

**"Generation Unit"** means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.

**"Governmental Authority"** means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality,

judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.

“**Imbalance Energy**” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.

“**Interconnection Agreement**” means an agreement governing the interconnection of the Facility with \_\_\_\_\_’s [*specify relevant transmission system or distribution system owner*] electric system.

“**kW**” and “**kWh**” mean kilowatt and kilowatt hour, respectively.

“**Lender**” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.

“**Letter of Credit**” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.

“**Licensed Professional Engineer**” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in Section 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

“**Lost Energy**” means (in kWh):

- A. In connection with a Facility after the Commercial Operation Date, if the Mechanical Availability Percentage falls below the Minimum Availability Guarantee for a Contract Year, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or
- B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see **Exhibit C**) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 10. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or
- C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 10 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month during the 24 months following termination, or the sum of the Estimated Monthly

Average Net Output (by On-Peak and Off-Peak Hours – see **Exhibit C**) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.

“**Lost Energy Value**” means:

- A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in **Exhibit C** (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period); and
- The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period).

If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in **Exhibit G**.

- B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) *plus* any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for On-Peak Hours *less* the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for On-Peak Hours for the same period; and

- The Off-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) *multiplied by* the (applicable Replacement Price for Off-Peak Hours *less* the Contract Price for Off-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for Off-Peak Hours) shall not exceed the Contract Price for Off-Peak Hours for the same period.

If the above calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero. See the example calculation in **Exhibit G**.

- C. In connection with Lost Energy described in subpart (C) of the definition of Lost Energy, with respect to the applicable period (which may be up to 24-months) during which Lost Energy exists, the sum of the following amount calculated for each month or partial month of the applicable period during which Lost Energy exists:

The monthly calculation of Lost Energy Value equals the sum of the following:

- The On-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for On-Peak Hours for the period *less* the Contract Price for On-Peak Hours for the period); and
- The Off-Peak Lost Energy for the applicable calendar month or partial calendar month *multiplied by* (the Replacement Price for Off-Peak Hours for the period *less* the Contract Price for Off-Peak Hours for the period); and
- Any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Estimated Monthly Average Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.

If the above calculation of the Lost Energy Value for the applicable period results in a negative value, the Lost Energy Value for the applicable period shall be deemed zero. See the example calculation in **Exhibit G**.

“**Mechanical Availability Percentage**” or “**MAP**” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

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

“**Minimum Availability Guarantee**” has the meaning given to it in Section 3.4.

“**Nameplate Capacity Rating**” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.

“**NERC**” means the North American Electric Reliability Corporation.



“**Net Available Capacity**” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.

“**Net Output**” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.

“**New QF**” means any QF that is not an Existing QF.

“**Number of Units**” means the number of Generation Units in the Facility, as specified in **Exhibit A**.

“**Off-Peak Hours**” means all hours other than On-Peak Hours.

“**On-Peak Energy Imbalance Accumulation**” and “**Off-Peak Energy Imbalance Accumulation**” have the meanings given to them in Section 3.2.

“**On-Peak Hours**” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.

“**Operational Hours**” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate Generation Units of 1.5 MW each and Generation Unit 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Generation Unit 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Generation Unit 1 Operational Hours = 8,460 + 200 = 8,660. Generation Unit 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.

“**Oregon Renewable Portfolio Standard**” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the Effective Date of this Agreement.

“**Person**” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.

“**Planned Maintenance**” means outages scheduled 90 calendar days in advance, with prior written notice to PGE, provided however that maintenance during Off-Peak Hours (except Sundays between 6:00 a.m. and 10:00 p.m. PPT) on a Facility comprised of only solar Generators shall not be considered Planned Maintenance.

“**Point of Interconnection**” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in **Exhibit B**.

**“Prime Rate”** means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

**“Product”** means, each and together, as a single bundled product, Net Output and, if applicable, Imbalance Energy, together with all associated capacity and Transferred RECs.

**“Prudent Electrical Practices”** means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.

**“PURPA”** means the Public Utility Regulatory Policies Act of 1978.

**“Qualifying Facility”** has the meaning set forth in the Recitals.

**“REC”** means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

**“REC Reporting Rights”** are the rights of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

**“Reliability Entity”** means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.

“**Renewable Resource Deficiency Period**” means the period beginning January 1, 2025 through the termination or Expiration Date of this Agreement.

“**Renewable Resource Sufficiency Period**” means the period through 2024.

“**Replacement Price**” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.

When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Availability Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):

- For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).
- For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 10, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.

“**Required Facility Documents**” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement and the Transmission Agreement.

“**Schedule**” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as **Exhibit F**; however, if there is any difference between **Exhibit F** and the Schedule, the terms of the Schedule shall apply and prevail.

“**Scheduled Commercial Operation Date**” has the meaning given to it in Section 2.6.

“**Seller-Retained RECs**” has the meaning given to it in Section 7.1.

“**Senior Lien**” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.

“**Specified Facility Nameplate Capacity Rating**” means the Facility Nameplate Capacity Rating set forth in **Exhibit A**, as it may be amended from time to time in accordance with this Agreement.

“**Start-Up Testing**” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in **Exhibit E** (as it may be updated by Seller) during the Test Period.

“**Step-in Rights**” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

“**Surplus Delivery**” has the meaning given to it in Section 3.2. By definition, Surplus Delivery shall always be a positive number.

“**Term**” has the meaning given to it in Section 2.1.

“**Test Energy**” means electric energy generated by the Facility during the Test Period.

“**Test Period**” means a period during which Start-Up Testing is to be conducted.

“**Transferred RECs**” has the meaning given to it in Section 7.2.1.

“**Transmission Agreement**” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Specified Facility Nameplate Capacity Rating. The Transmission Agreement shall have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of this Agreement.

“**Transmission Provider(s)**” means \_\_\_\_\_, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.

“**WECC**” means the Western Electricity Coordinating Council or any successor thereto.

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

## 1.2 Interpretation.

In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.

## ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION

### 2.1 Term.

The term of this Agreement (“**Term**”) commences on the date this Agreement is signed by both Parties (“**Effective Date**”) and ends on the earlier of \_\_\_\_\_ [*Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date*] (“**Expiration Date**”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.

### 2.2 Construction of the Facility.

2.2.1 Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole

cost, design and construct the Facility and obtain all transmission and interconnection rights, necessary to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.

2.2.2 Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE's information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.

### 2.3 Start-Up Testing.

Seller shall perform Start-Up Testing of the Facility in accordance with **Exhibit E** (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business day's written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business days' written notice prior to commencing sales of Test Energy to PGE. In order to complete Start-Up Testing, Seller may schedule and deliver Test Energy to PGE pursuant to the scheduling procedures set forth in Section 3.5, and PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.

### 2.4 Commercial Operation.

**"Commercial Operation"** will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:

2.4.1 If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with **Exhibit E**, and PGE has received Seller's written certification of completion of Start-Up Testing.

2.4.2 PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.

2.4.3 PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE's reasonable satisfaction, which may include equipment specifications.

2.4.4 PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement(s), and any other Required Facility Documents requested by PGE.

2.4.5 PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.

2.4.6 PGE has received copies of all insurance certificates required under Section 12.1.

2.4.7 PGE has received any Credit Support required under Section 9.1.

2.4.8 Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.

2.5 Establishment of Commercial Operation Date.

When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in **Exhibit A** and **Exhibit B**. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "**Commercial Operation Date**" for all purposes under this Agreement.

2.6 Scheduled Commercial Operation Date.

By no later than \_\_\_\_\_ ("**Scheduled Commercial Operation Date**"), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE's negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE's negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date ("**Delay Damages**"). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.3.

2.7 Status of the Facility.

2.7.1 Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.

2.7.2 Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.

### ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING

#### 3.1 Delivery and Sale of Energy.

Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the "**Delivery Period**"), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller's representations and warranties in Section 8.1, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.

#### 3.2 Surplus Delivery.

For purposes of this Agreement, (i) "**On-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during On-Peak Hours during a Billing Period *less* total Net Output during On-Peak Hours during such Billing Period; and (ii) "**Off-Peak Energy Imbalance Accumulation**" means total Firm Energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period *less* total Net Output during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed "**Surplus Delivery.**" PGE shall accept but not pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for any portion of total Net Output that exceeds total Firm Energy delivered to the Delivery Point during the applicable Billing Period.

#### 3.3 Estimated Net Output.

Seller's good faith, commercially reasonable estimate of the Facility's monthly and annual average and maximum Net Output during the Delivery Period, and Seller's basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in **Exhibit C**, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning.

#### 3.4 Minimum Availability Guarantee.

3.4.1 Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following ("Minimum Availability Guarantee"):

- (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or
- (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.

3.4.2 Annually, within 90 calendar days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.

3.4.3 As a remedy for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE damages equal to the Lost Energy Value.

### 3.5 Scheduling Procedures.

Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current NERC and WECC scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. All energy shall be prescheduled according to customary WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider. The cost of delivering energy from the Facility to PGE shall be the sole responsibility of the Seller.

### 3.6 Loss of Interconnection and Curtailment.

PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE's construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.

## ARTICLE 4: PRICE, BILLING AND PAYMENT

### 4.1 Prices and Payment for Delivered Product.

4.1.1 During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price *multiplied by* the lesser of (i) Net Output during the Billing Period or (ii) Firm Energy delivered to the Delivery Point during the Billing Period. PGE shall not pay for Surplus Delivery. An illustrative example is provided in **Exhibit G**. In determining the amount due to Seller for the Product, the amount of Net Output generated in any hour shall be deemed to be zero or greater.



4.1.2 Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy *multiplied by* the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.

4.1.3 Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.

4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages.

By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in **Exhibit G**.

4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Availability Guarantee.

If Seller fails to satisfy the Minimum Availability Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following PGE's receipt of Seller's detailed written report for such Contract Year in accordance with Section 3.4.2, PGE will in the ordinary course deliver to Seller an invoice showing PGE's computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

4.4 Form of Payment and Interest on Late Payments.

The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.

4.5 Right to Offset.

PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this

Agreement and any other agreement between the Parties related to the Facility.

## **ARTICLE 5: METERING**

### **5.1 Metering.**

Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in **Exhibit B**. Seller shall provide to PGE information in hourly increments for all Net Output and any other energy purchased under this Agreement.

### **5.2 Meter Installation, Inspection and Correction.**

Seller shall arrange for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe, at its own expense, all inspection, testing, repair and replacement of the metering equipment. Upon request, Seller shall provide documentation regarding all inspection, testing, repair and replacement of the metering equipment.

If the Facility has a revenue grade meter in addition to the meter used to calculate deliveries and payments and the revenue grade meter is installed near the meter used to calculate deliveries and payments, Seller will send an annual report to PGE comparing the readings between the two meters. If the difference between the two meters is more than two percent (2.0%), PGE may request that the meters be recalibrated and that PGE receive the results of the tests. Also, PGE will be notified promptly of any other recalibration or calibration tests on the meter used to calculate deliveries and payments. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated during the term of the Agreement and consistent with the terms of this Section. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated 12 months after the Commercial Operation Date, at Seller's expense. If the test demonstrates a variance of more than two percent (2.0%) then PGE may request another test and recalibration twenty-four (24) months after the last test. If the test demonstrates a variance of less than two percent (2.0%), then PGE may not request a test and recalibration at the Seller's expense for thirty-six (36) months. PGE may arrange for testing and recalibration at its own expense, after reasonable notice and opportunity for Seller to have a representative on site.

If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed twelve (12) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.

## **ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES**

### **6.1 Seller's Duty to Operate and Maintain the Facility.**

6.1.1 Seller shall operate and maintain the Facility, including the Facility's metering equipment and

interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.

6.1.2 Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.

6.2 Outages.

6.2.1 On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13.

6.2.2 Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.

6.3 Facility Upgrades.

6.3.1 Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.

6.3.2 At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in **Exhibit C**, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in **Exhibit C** for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.

6.3.2.1 If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend **Exhibit A** and **Exhibit C** as appropriate to reflect the modifications.

6.3.2.2 So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.

6.3.3 If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law:

6.3.3.1 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.

6.3.3.2 If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

6.3.3.3 If the Facility produces Net Output through any resource types other than solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.

## ARTICLE 7: ENVIRONMENTAL ATTRIBUTES

### 7.1 Seller-Retained RECs.

7.1.1 Seller shall retain ownership of all RECs (“**Seller-Retained RECs**”) and all other Environmental Attributes associated with Net Output of the Facility during the Test Period and during the Renewable Resource Sufficiency Period. PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.

### 7.2 Transferred RECs.

7.2.1 Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term (“**Transferred RECs**”). PGE’s payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.

7.2.2 Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility meter at the point of interconnection shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs. In the event Seller generates power and associated RECs are transferred but the power is not delivered to PGE by Seller due to a Force Majeure Event, curtailment, or other reason, PGE and Seller will work together in good faith to return such RECs to Seller.

7.2.3 Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and

report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE's WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes. PGE will reasonably cooperate in Seller's efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE's Balancing Authority.

7.2.4 All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.

## ARTICLE 8: REPRESENTATIONS AND WARRANTIES

### 8.1 Representations and Warranties of Seller.

On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:

8.1.1 Seller is duly organized and in good standing under the laws of the state of incorporation or formation.

8.1.2 The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.1.3 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.1.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.1.5 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.1.6 Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.3 below (the "**Creditworthiness Requirements**"), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.

8.1.6.1 Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller's knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.

8.1.6.2 Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.

8.1.6.3 Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

8.1.7 No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.

8.1.8 The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.

8.1.9 Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.

8.1.10 In connection with Seller's delivery of Firm Energy as required under this Agreement: Seller's delivery of Imbalance Energy, if any, results from Seller's purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility.

8.1.11 Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.

8.1.12 The Facility generates RECs that comply with the Oregon Renewable Portfolio Standard.

8.2 Representations and Warranties of PGE.

On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:

8.2.1 It is a corporation duly organized under the laws of Oregon.

8.2.2 This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).

8.2.3 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

8.2.4 There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

8.2.5 It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it

being or becoming Bankrupt.

8.2.6 No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

8.3 Duty to Notify.

If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.

**ARTICLE 9: CREDIT SUPPORT**

9.1 Required Credit Support.

In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "**Credit Support**"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.

If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.

Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.

9.2 Right to Draw on Credit Support.

At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) calendar days, and Seller shall promptly, and in no more than fifteen (15) calendar days following notice from PGE, restore the Credit Support to the amount required under Section 9.1. However, for avoidance of doubt, Seller shall have no

obligation to replenish the Credit Support if PGE has terminated the Agreement.

## ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION

### 10.1 Events of Default.

An “**Event of Default**” means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:

10.1.1 the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;

10.1.2 any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;

10.1.3 the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;

10.1.4 with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller’s receipt of written notice from PGE;

10.1.5 with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement(s) within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement or Transmission Agreement(s) at any time during the term of this Agreement;

10.1.6 with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller’s receipt of written notice from PGE;

10.1.7 with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee;

10.1.8 Seller’s failure to provide any written report required by Section 3.4.2 if such failure is not cured within 30 calendar days of Seller’s receipt of written notice from PGE;

10.1.9 with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 10.1.9, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.



10.2 Lender's Right to Cure a Seller Event of Default.

Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 14.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.

10.3 Termination for Default.

If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.

10.4 Damages.

If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 10.1.9. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in **Exhibit G**.

10.5 Payment of Outstanding Obligations.

If this Agreement is terminated pursuant to Section 10.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.

10.6 Post-Termination PURPA Status.

In the event (i) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.

**ARTICLE 11: INDEMNIFICATION AND LIABILITY**

11.1 Seller's Indemnity.

Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees,

agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.

#### 11.2 PGE's Indemnity.

PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.

#### 11.3 No Dedication.

Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.

#### 11.4 Disclaimer of Consequential Damages.

**NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.**

### ARTICLE 12: INSURANCE

#### 12.1 Certificates of Insurance.

Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the

satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

## 12.2 Required Insurance.

Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than “B+” by the A.M. Best Company the insurance coverage specified below:

12.2.1 Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.

12.2.2 All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against “all risks” of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar Facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.

## 12.3 Required Provisions.

12.3.1 The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.

12.3.2 All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days’ prior written notice to PGE.

12.3.3 Insurance coverage provided on a “claims-made” basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.

## **ARTICLE 13: FORCE MAJEURE**

### 13.1 Definition of “Force Majeure.”

As used in this Agreement, “**Force Majeure**” or “**Force Majeure Event**” means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent

such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).

### 13.2 Effect of Force Majeure.

If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall re-commence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.

## ARTICLE 14: GENERAL PROVISIONS

### 14.1 Relationship of the Parties.

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

### 14.2 No Third Party Beneficiaries.

This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

### 14.3 Governing Law.

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

Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises

between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.

The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.

14.4 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.

14.5 Effect of PURPA Repeal.

The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.

14.6 Waiver.

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

14.7 Survival.

Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.

14.8 Successors and Assigns.

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development,

construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.

14.9 Financing Documents.

Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to **Exhibit D**, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 14.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in **Exhibit D**, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.

14.10 Entire Agreement; Amendments; Order of Precedence.

This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.

14.11 Seller Release.

By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

14.12 Rights and Remedies Cumulative.

Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.

14.13 Notices.

All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.

Standard Renewable Off-System Variable Power Purchase Agreement  
Form Effective \_\_\_\_\_

<b>Notices</b>	<b>PGE</b>	<b>Seller</b>
	Portland General Electric C/O QF Contract Management 3WTC-0306 121 SW Salmon St Portland, OR 97204	

The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 14.13.

*Signature Page Follows.*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

(Name Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**FACILITY DESCRIPTION**

**A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement:**

Seller's Facility consists of generators fueled by \_\_\_\_\_.

Location of the Facility: The Facility is to be constructed in \_\_\_\_\_ County, \_\_\_\_\_, with GPS coordinates of \_\_\_\_\_

The location is more particularly described as follows:

[legal description of parcel]

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Specified Facility Nameplate Capacity Rating \_\_\_\_\_ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2).

Number of Generation Units: \_\_\_\_\_

Manufacturer's Nameplate Capacity Rating of Generation Unit(s): \_\_\_\_\_ kW

Net Available Capacity: \_\_\_\_\_ kW

Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Interconnection Rating: \_\_\_\_\_ kW (the Facility capacity rating specified in the Interconnection Agreement)

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

\_\_\_\_\_  
\_\_\_\_\_

Single line diagram of Facility, including station use meter, Facility output meter(s), interconnection facilities, points of interconnection, ratings of generators, and balance of plant equipment.

As-built Operating 12x24 Generation Profile.



As-built 8760 Net Energy Production Profile.

As-built Average Annual Degradation Percentage (applicable only to QFs with solar Generation Units).

**EXHIBIT B**

**SELLER’S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES**

**A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter:**

Point of Delivery: \_\_\_\_\_

**B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement:**

Entity with whom the Facility is or will be interconnected: \_\_\_\_\_

Transmission Provider(s): \_\_\_\_\_

**C. The following information shall be provided in the As-built Supplement prior to Commercial Operation:**

Point(s) of metering, including the type of meter(s) and the owner of the meter(s):  
\_\_\_\_\_  
\_\_\_\_\_

Specification of Point of Interconnection: \_\_\_\_\_

**EXHIBIT C**

**SELLER’S NET OUTPUT ESTIMATES**

Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:

**C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output  
(as measured at the Facility meter at the Point of Interconnection)**

Month	Estimated Monthly Average Net Output (kWh)		Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%)		Estimated Monthly Maximum Net Output (kWh)	
	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output**

Estimated Annual Average Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Average Net Output)

Estimated Annual Maximum Net Output: \_\_\_\_\_ kWh

(sum of Estimated Monthly Maximum Net Output)

**EXHIBIT D**

**COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM**

**(Power Purchase Agreement – \_\_\_\_\_)**

This Collateral Assignment and Consent Agreement (the “*Agreement*”) is made and entered into as of \_\_\_\_\_, 2019, by and among **PORTLAND GENERAL ELECTRIC COMPANY (“PGE”** or “**Buyer**”), [INSERT LENDER], a \_\_\_\_\_ company (the “*Lender*”), and [INSERT SELLER], a \_\_\_\_\_ company (the “*Borrower*” or “*Seller*”) (the “**Parties**” or each a “**Party**”).

**RECITALS**

A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “*Loan Agreement*”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately \_\_\_\_\_ MW energy generating facility by Borrower in \_\_\_\_\_ County, \_\_\_\_\_.

B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard \_\_\_\_\_ Power Purchase Agreement, dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the “*PPA*” or the “*Assigned Agreement*”), a copy of which is attached as *Exhibit A*, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).

C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “*Security Agreement*”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “*Secured Obligations*”). The Loan Agreement and the Security Agreement are referred to herein as the “*Security Documents*.”

**AGREEMENTS**

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.

2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are

capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller's rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a "Financing Default"), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.

3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority of the assignment for security purposes of the Assigned Agreement. Lender is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement. Lender hereby releases Buyer from any liability to Lender related to this Agreement.

4. Seller Indemnity. Seller shall indemnify, defend and hold harmless PGE and its directors, officers, employees and agents (hereinafter collectively "Indemnitees") from any and all claims, demands, suits, losses, costs, expenses (including attorneys' fees), liens, encumbrances, liabilities, governmental fines and penalties and damages of every kind and description, whether incurred at the trial or appellate level against any of the Indemnitees resulting from, any act, omission, fault or negligence of Seller and its employees, agents, representatives or subcontractors in the performance or nonperformance of Seller's obligations under the Assigned Agreement, the Security Documents, the Agreement, or any other agreement between Lender and Seller that relates in any way to the Assigned Agreement.

5. Limitation on Damages. No Party will be liable to any other Party for any indirect, consequential, special, punitive, exemplary or incidental damages of any kind, however caused, arising out of or related to this Agreement. This limitation will apply regardless of whether the legal theory of liability for damages arises under contract, tort (including negligence and strict liability), or any other theory whatsoever.

6. Amendment to Assigned Agreement. Lender acknowledges and agrees that Buyer may agree with Seller to modify or amend the Assigned Agreement, and that Buyer is not obligated to notify Lender of any such amendment or modification to the Assigned Agreement. Lender hereby releases Buyer from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

7. No Modifications or Agreement to Future Assignments. Nothing in this Agreement shall (i) be construed to modify, waive or affect any of the terms, covenants, conditions, provisions or agreements of the Assigned Contracts, or to waive any breach thereof, or any of PGE's rights thereunder, or to enlarge or increase PGE's obligations thereunder; or (ii) be construed as a consent by PGE to any further assignment, it being clearly understood that any such further assignment shall require the consent of PGE to the extent required pursuant to the Assigned Contracts.

8. Notices. All notices given under this Agreement and the PPA shall be in accordance with Section \_\_\_\_\_ of the PPA, and this Agreement (as permitted under Section \_\_\_\_\_) serves as notice by Seller to Buyer to update with notices address information in the Assigned Agreement as follows:

If to Seller:

With a copy to:

If to PGE:

Portland General Electric Company  
Attention: Contracts Manager  
QF Contracts, 3WTC0306  
121 S.W. Salmon Street  
Portland, Oregon 97204

If to Lender:

With a copy to:

9. Successors and Assigns. This Agreement shall be (i) binding upon and shall inure to the benefit of the successors and assigns of Buyer, (ii) binding upon and inure to the benefit of the Lender and its successors and permitted transferees and assigns under the Security Documents, and (iii) binding upon and inure to the benefit of Seller and its permitted successors and assigns.

10. Termination. This Agreement shall terminate upon the satisfaction in full of the Secured Obligations, and the parties hereto agree to execute, deliver and, if necessary, record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be a condition to the termination of this Agreement which shall immediately be effective upon notice from Lender to PGE.

11. Governing Law and Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to principles of conflicts of law which would result in the application of the laws of another jurisdiction. The exclusive jurisdiction for any complaint, claim or action related to this Agreement shall be the Public Utility Commission of Oregon or the federal or state courts located in Multnomah County, Oregon.

12. Severability. If any provision of this Agreement or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

13. Counterparts; Rules of Construction; Definitions. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original and all of which, when taken together, will be deemed to constitute one and the same agreement. All references made (a) in the neuter, masculine, or feminine gender shall be deemed to have been made in all such genders, and (b) in the singular or plural

number shall be deemed to have been made, respectively, in the plural or singular number as well. Any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Assigned Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

**PGE:**

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**LENDER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**BORROWER:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

**EXHIBIT E**

**START-UP TESTING**

[Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit;
13. Saturation tests;
14. Governor system steady state stability test;
15. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
16. Auto stop/start sequence;
17. Level control system tests; and
18. Completion of all state and federal environmental testing requirements.



**EXHIBIT F**  
**SCHEDULE 201**

[Attach Schedule 201]

**EXHIBIT G**

**ILLUSTRATIVE EXAMPLES OF PAYMENT AND LOST ENERGY VALUE CALCULATIONS**

**Section 3.2 and 4.1: Illustrative Example - Monthly Settlement  
 No Surplus Delivery**

	Net Output (MWh)		Firm Energy (MWh)			
	On-Peak	Off-Peak	On-Peak	Off-Peak		
Monthly Total MWh	2,475	1,755	2,274	1,722		
<b>Lower of Net Output or Firm Energy</b>	<b>On-Peak</b>		<b>Off-Peak</b>		<b>Total</b>	
Contract Price	2,274		1,722			
	\$23.86		\$18.31			
<b>Total Payment for Energy</b>	<u>\$54,257.64</u>		<u>\$31,529.82</u>		<u>\$85,787.46</u>	
<b>Surplus Delivery</b>	0.00		0.00			
Contract Price	\$0.00		\$0.00			
<b>Total Payment for Energy</b>	<u>\$0.00</u>		<u>\$0.00</u>		<u>\$0.00</u>	

**Section 3.4 & 4.3 - Illustrative Example: Minimum Availability Guarantee**

Mechanical Availability Guarantee (MAG) 90%  
 Minimum Availability Percentage (MAP) 89%  
 MAG / MAP = 101%  
 Actual Net Output, MWh (ANO) 24,311  
 ANO \* (MAG / MAP) = Expected Energy (EE) 24,584  
 EE - ANO = Lost Energy MWh 273

	Lost Energy allocated evenly to each month (MWh)	Percentage On/Off Peak (per Exhibit C)		Allocate Monthly Lost Energy to On & Off Peak Hours		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
		On	Off	On	Off	On	Off	On	Off	On	Off	Total
2019 January	23	70%	30%	16	7	\$ 18.19	\$ 8.57	\$ 40.65	\$ 12.00	\$ 359.36	\$ 23.20	\$ 382.56
February	23	75%	25%	17	6	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 393.72	\$ 44.55	\$ 438.27
March	23	80%	20%	18	5	\$ 32.67	\$ 23.21	\$ 65.50	\$ 32.50	\$ 590.94	\$ 44.25	\$ 635.19
April	23	80%	20%	18	5	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 164.34	\$ 39.82	\$ 204.16
May	23	80%	20%	18	5	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 85.86	\$ 15.58	\$ 101.44
June	23	85%	15%	19	4	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 63.46	\$ 9.97	\$ 73.43
July	23	85%	15%	19	4	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 232.18	\$ 26.83	\$ 259.01
August	23	80%	20%	18	5	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 212.04	\$ 39.39	\$ 251.43
September	23	80%	20%	18	5	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 117.00	\$ 13.43	\$ 130.43
October	23	75%	25%	17	6	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 62.56	\$ 9.28	\$ 71.84
November	23	70%	30%	16	7	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 14.24	\$ (0.47)	\$ 13.77
December	23	70%	30%	16	7	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 141.92	\$ 7.78	\$ 149.70
<b>Total</b>	<b>273</b>			<b>210</b>	<b>63</b>					<b>Sum of Monthly Calculations:</b>		<b>\$ 2,711.22</b>
												<b>Amount Due PGE <sup>1</sup></b>
												<b>(Lost Energy Value) \$ 2,711.22</b>

<sup>1</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**Section 4.2 - Illustrative Example: Delay in Commercial Operation**

**Calculation of Delay Damages**

Execution / Effective Date	=	Delay Period
Section 2.6 Date = Scheduled COD	=	<b>7/2/2016</b>
COD not established as of 3/31/2019		<b>3/1/2019</b>
		<b>March</b>

	Replacement Price <sup>1,2</sup> (\$/MWh)	Contract Price (\$/MWh)	Lower of (Replacement Price - Contract Price) or Contract Price \$/MWh	Lost Energy: Estimated Monthly Average Net Output Per Exhibit C (MWh) <sup>2</sup>	Lost Energy X Lower of (Replacement Price - Contract Price) or Contract Price
On-Peak	\$ 80.33	\$ 50.56	\$ 29.77	1125	\$ 33,489.90
Off-Peak	\$ 115.55	\$ 44.06	\$ 44.06	375	\$ 16,522.50
<b>Sum of Monthly Calculations for On-Peak and Off-Peak Lost Energy</b>					<b>\$ 50,012.40</b>
<b>Other 3rd Party Costs to Replace Net Output</b>					<b>\$ 500.00</b>
<b>Total Lost Energy Value<sup>3</sup></b>					<b>\$ 50,512.40</b>

<sup>1</sup> Replacement Prices are calculated as follows for each applicable calendar month (or partial calendar month):

- On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month) .
- Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).

<sup>2</sup> Will be calculated for partial calendar month as needed.

<sup>3</sup> If the calculation of the Lost Energy Value for the applicable calendar month (or partial calendar month) results in a negative value, the Lost Energy Value for the applicable calendar month or partial calendar month shall be deemed zero.

**Section 10.4 - Illustrative Example: Termination**

**Termination Payment Calculation**

Termination Date: June 1, 2019

PPA Term - 2015 - 2035

	Estimated Monthly Average Net Output (MWh) <sup>1</sup>		Contract Prices (\$/MWh)		Replacement Price (\$/MWh)		Monthly Calculations		
	On	Off	On	Off	On	Off	On	Off	Total
2019 June	2,170	930	\$ 18.19	\$ 8.57	\$ 23.65	\$ 12.00	\$ 11,848.20	\$ 3,189.90	\$ 15,038.10
July	2,588	862	\$ 29.34	\$ 18.77	\$ 52.50	\$ 26.50	\$ 59,938.08	\$ 6,663.26	\$ 66,601.34
August	2,440	610	\$ 32.67	\$ 23.21	\$ 65.00	\$ 32.50	\$ 78,885.20	\$ 5,666.90	\$ 84,552.10
September	1,989	497	\$ 30.37	\$ 23.64	\$ 39.50	\$ 32.00	\$ 18,159.57	\$ 4,154.92	\$ 22,314.49
October	1,500	375	\$ 24.48	\$ 21.48	\$ 29.25	\$ 24.75	\$ 7,155.00	\$ 1,226.25	\$ 8,381.25
November	948	167	\$ 26.41	\$ 22.60	\$ 29.75	\$ 25.25	\$ 3,166.32	\$ 442.55	\$ 3,608.87
December	646	114	\$ 30.78	\$ 26.12	\$ 43.00	\$ 33.25	\$ 7,894.12	\$ 812.82	\$ 8,706.94
2020 January	640	160	\$ 31.72	\$ 25.48	\$ 43.50	\$ 33.75	\$ 7,539.20	\$ 1,323.20	\$ 8,862.40
Feb	1,080	270	\$ 30.00	\$ 25.68	\$ 36.50	\$ 28.50	\$ 7,020.00	\$ 761.40	\$ 7,781.40
March	1,125	375	\$ 24.32	\$ 20.14	\$ 28.00	\$ 21.75	\$ 4,140.00	\$ 603.75	\$ 4,743.75
April	1,505	645	\$ 19.61	\$ 14.07	\$ 20.50	\$ 14.00	\$ 1,339.45	\$ (45.15)	\$ 1,294.30
May	1,873	802	\$ 18.98	\$ 10.90	\$ 18.86	\$ 11.52	\$ (224.76)	\$ 497.24	\$ 272.48
June	2,170	930	\$ 19.91	\$ 10.53	\$ 24.51	\$ 12.08	\$ 9,982.00	\$ 1,441.50	\$ 11,423.50
July	2,588	862	\$ 30.66	\$ 19.99	\$ 47.85	\$ 23.32	\$ 44,487.72	\$ 2,870.46	\$ 47,358.18
August	2,440	610	\$ 35.05	\$ 26.14	\$ 56.94	\$ 29.63	\$ 53,411.60	\$ 2,128.90	\$ 55,540.50
September	1,989	497	\$ 31.96	\$ 26.63	\$ 39.20	\$ 28.05	\$ 14,400.36	\$ 705.74	\$ 15,106.10
October	1,500	375	\$ 27.38	\$ 24.34	\$ 32.88	\$ 25.32	\$ 8,250.00	\$ 367.50	\$ 8,617.50
November	948	167	\$ 29.43	\$ 25.96	\$ 33.45	\$ 25.92	\$ 3,810.96	\$ (6.68)	\$ 3,804.28
December	646	114	\$ 34.92	\$ 30.65	\$ 40.93	\$ 29.76	\$ 3,882.46	\$ (101.46)	\$ 3,781.00
2021 January	640	160	\$ 35.25	\$ 29.15	\$ 45.15	\$ 39.27	\$ 6,336.00	\$ 1,619.20	\$ 7,955.20
February	1,080	270	\$ 33.33	\$ 29.38	\$ 42.29	\$ 33.28	\$ 9,676.80	\$ 1,053.00	\$ 10,729.80
March	1,125	375	\$ 26.96	\$ 22.96	\$ 35.41	\$ 25.94	\$ 9,506.25	\$ 1,117.50	\$ 10,623.75
April	1,505	645	\$ 21.68	\$ 15.91	\$ 30.61	\$ 16.45	\$ 13,439.65	\$ 348.30	\$ 13,787.95
May	1,873	802	\$ 20.97	\$ 12.23	\$ 29.84	\$ 13.38	\$ 16,613.51	\$ 922.30	\$ 17,535.81

**Sum of Monthly Calculations: \$ 438,420.99**

**Amount Due PGE <sup>2</sup>**

**(Lost Energy Value) \$ 438,420.99**

<sup>1</sup> The Estimated Monthly Average Net Output and Replacement Price will be prorated for partial calendar months.

<sup>2</sup> If the calculation of the Lost Energy Value results in a negative value, the Lost Energy Value shall be deemed zero.

**EXHIBIT H**

[Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]

**Power Purchase Agreement  
Explanatory Matrix**



PPA Matrix  
September 30, 2019

The following matrix explicates all terms in the revised PPAs that are included with this filing, explaining changes to each section and subsection as compared with the currently effective PPA. The terms described specifically refer to those in the renewable off-system variable PPA.

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>Introduction</b>	<p>This STANDARD RENEWABLE OFF-SYSTEM VARIABLE POWER PURCHASE AGREEMENT (“Agreement”) is between [COUNTERPARTY NAME], a [STATE OF ORGANIZATION] [ENTITY TYPE] (“Seller”) and Portland General Electric Company, an Oregon corporation (“PGE”) (hereinafter each a “Party” and collectively, “Parties”).</p> <p><input type="checkbox"/> Option A: Standard Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating no greater than 3 MW and other qualifying facilities with Facility Nameplate Capacity Rating no greater than 10 MW]; or</p> <p><input type="checkbox"/> Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with Facility Nameplate Capacity Rating above 3 MW but no greater than 10 MW; if this option is selected, there will be an Exhibit H containing the negotiated prices agreed to by the Parties].</p>	<p>THIS AGREEMENT is between (“Seller”) and Portland General Electric Company (“PGE”) (hereinafter each a “Party” or collectively, “Parties”) and is effective upon execution by both Parties (“Effective Date”). The Parties agree this Agreement is a [choose one]:</p> <p><input type="checkbox"/> Option A: Standard Renewable Price Agreement [generally available to solar qualifying facilities with nameplate capacity no greater than 3 MW and other qualifying facilities with nameplate capacity no greater than 10 MW; if this option is selected then Option A will apply under Section 1.6, Section 3.1.14, and Section 4.3, and there will be no Exhibit E]; or</p> <p><input type="checkbox"/> Option B: Solar Standard Terms and Negotiated Price Agreement [generally available to solar qualifying facilities with nameplate capacity above 3 MW but no greater than 10 MW; if this option is selected then Option B will apply under Section 1.6, Section 3.1.14, and Section 4.3, and there will be an Exhibit E containing the negotiated prices agreed to by the Parties].</p> <p>Eligibility for a Standard Renewable Price Agreement (Option A) or a Solar Standard Terms and Negotiated Price Agreement (Option B) is governed by the Schedule and applicable Commission orders.</p>	<p>The introductory portion of the PPA has been revised for clarity; there are no substantive changes.</p>

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>RECITALS</b>	<p>A. [New QF] Seller intends to construct, own, operate and maintain a New QF _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in Exhibit A and Exhibit B.</p> <p>A. [Existing QF] Seller owns and intends to operate and maintain an Existing QF _____ [identify resource type] facility for the generation of electric power located in _____ County, _____, as further described in Exhibit A and Exhibit B.</p> <p>B. Seller intends to operate the Facility as a “Qualifying Facility,” as that term is defined in the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.</p> <p>C. Seller wishes to sell and PGE is willing to purchase the Net Output from the Facility, subject to and in accordance with the terms and conditions of this Agreement, and Seller wishes to provide energy and capacity pursuant to this Agreement.</p>	<p>Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt (“kW”), as further described in Exhibit A (“Facility”); and</p> <p>Seller intends to operate the Facility as a “Qualifying Facility,” as such term is defined in Section 3.1.3, below.</p> <p>Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.21, below, from the Facility in accordance with the terms and conditions of this Agreement.</p>	<p>The Recitals have been revised slightly to clarify that the relevant definition of "Qualifying Facility" is FERC's definition, as codified in 18 CFR 292. In addition, there are two options for Part A to account for the fact that existing QFs are already constructed. The language of Part C has been revised to be more consistent with a recital instead of the mandatory "shall," and to state that Seller will be providing energy and capacity.</p>
<b>1.1 Defined Terms</b>	<p>“Affiliate” means, with respect to Seller, any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.</p>	n/a	<p>This definition is adapted from the definition of "Affiliated Person" contained in the partial stipulation adopted in Order No. 06-586 and revised to reflect uses in the PPA. The definition is used in QF and PGE representations and warranties provisions (Sections 8.1.4 and 8.2.4), the post-termination PURPA status provision (Section 10.6), and in the indemnity provisions (Sections 11.1 and 11.2).</p>

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Agreement” means this Standard Renewable Off-System Variable Power Purchase Agreement (Option A or Option B) and all incorporated exhibits and attachments to this Agreement, as the same may be amended by the Parties from time to time.	n/a	This standard commercial definition was added to the Definitions for clarity, but does not represent a substantive change from the former PPA.
<b>1.1 Defined Terms</b>	“Ancillary Services” means any of the services identified by a Transmission Provider in its transmission tariff as “ancillary services.”	n/a	This new definition is used in the definition of Lost Energy Value (Section 1.1). It was added to increase detail and in turn clarify this concept.
<b>1.1 Defined Terms</b>	“Applicable Law” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority, including but not limited to PURPA.	n/a	This standard commercial definition was added to the Definitions for clarity.
<b>1.1 Defined Terms</b>	“As-built Supplement” means a supplement to Exhibit A and Exhibit B provided by Seller in accordance with Section 2.2 following completion of construction of the Facility, or modifications to the Facility, which describes the Facility as actually built.	“As-built Supplement” means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.	This definition was modified slightly to clarify that an As-built Supplement is required following modification of the Facility-- a concept which also is present in PacifiCorp's agreements. The change ensures that PGE will always have an accurate As-built Supplement.
<b>1.1 Defined Terms</b>	“Balancing Authority” means an entity responsible for maintaining the load-interchange-generation balance within the balancing authority area applicable to the Facility.	n/a	This new definition is used in the definition of Reliability Entity (Section 1.1) and in the transferred RECs provision (Section 7.2.3). The term "balancing authority" was present in the former PPA but was not defined, and the addition of this definition increases clarity in the revised PPA.

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	<p>“Bankrupt” means with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it and such petition filed or commenced against it is not dismissed within ninety (90) days of such filing or commencement, (ii) makes an assignment or any general arrangement for the benefit of creditors, or (iii) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets.</p>	n/a	<p>This standard commercial definition was added because it is a commercial best practice to have a clear definition of bankruptcy in a contract to avoid doubt or potential disputes. This definition is used in the representations and warranties provisions (Sections 8.1.6.1 and 8.2.5).</p>
<b>1.1 Defined Terms</b>	<p>“Base Hours” means the total number of hours in each Contract Year (8,760 or 8,784 for leap years), provided, however, that Base Hours for the first Contract Year shall be the number of hours commencing on the first hour of the day after the Commercial Operation Date and ending on the last hour of December 31st of the calendar year in which the Commercial Operation Date occurs, and that Base Hours for the last Contract Year shall be the number of hours commencing on January 1 of the calendar year in which the Term ends and ending the last hour of the last day of the Term.</p>	<p>“Base Hours” is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year).</p>	<p>This definition has not been substantively changed, except to clarify the calculation of Base Hours in the first and last Contract Years, which may not coincide with a full calendar year.</p>

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	"Billing Period" means one calendar month.	"Billing Period" means from the start of the first day of each calendar month to the end of the last day of each calendar month.	This definition has not been substantively changed but has been revised for clarity.
<b>1.1 Defined Terms</b>	"Business Day" means any day other than Saturday, Sunday or the following holidays: New Year's Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.	n/a	This new definition was added for clarity and avoidance of doubt.
<b>1.1 Defined Terms</b>	"Cash Escrow" means an agreement among Seller, PGE, and a Seller-selected third-party escrow agent reasonably acceptable to PGE that provides for Seller's placement of cash in the custody of the escrow agent for delivery to PGE after the fulfillment of any of the conditions specified in Section 9.2. Amounts in the Cash Escrow shall earn interest at the rate applicable to money market deposits at escrow agent.	"Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.	This definition was revised in two substantive ways. First, it now requires the third-party escrow agent to be reasonably acceptable to PGE, which is a commercially reasonable and standard term. Second, it provides that amounts in the cash escrow will earn interest, which is also a commercially reasonable and standard term that was not present in the former PPA. This revised definition benefits QFs as compared with the current definition.

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Claims” means all third party claims or actions, on trial and appeal, that relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, fines, penalties, attorneys’ fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement. Claims include any such claims or actions for or on account of personal injury, bodily or otherwise, death, and damage to, or destruction or economic loss of property.	n/a	This new definition was added to specifically define the claims encompassed in the indemnity provisions (Sections 11.1 and 11.2). The new definition is a standard commercial definition.
<b>1.1 Defined Terms</b>	“Commercial Operation” has the meaning given to it in Section 2.4.	n/a	This new definition refers to the description of Commercial Operation in Section 2.4. However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Commercial Operation Date” has the meaning given to it in Section 2.5.	The requirements for COD (that are now in Section 2.5) were contained in the Definitions in the old PPA.	This definition now refers to the requirements for COD specified in Section 2.5, rather than listing the requirements in the Definitions. This results in a clearer, more organized agreement.
<b>1.1 Defined Terms</b>	“Commission” means the Public Utility Commission of Oregon.	n/a	This new definition was added for clarity and avoidance of doubt.

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	<p>“Contract Price” means, during the fifteen (15) years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date, the applicable fixed price for On-Peak Hours and Off-Peak Hours under the Renewable Fixed Price Option for _____ [specify applicable Renewable Fixed Price Option based on resource type, in accordance with Schedule], as published in the Schedule and attached as Exhibit F (or in the case of QFs electing Option B, the Solar Standard Terms and Negotiated Price Agreement, as set forth in the price matrix attached as Exhibit H, which reflects the negotiated price, including on-peak and off-peak prices), and thereafter, for the remainder of the Term, the Market Index Price in effect during the interval when the energy is generated.</p>	<p>“Contract Price” means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.</p>	<p>This definition was revised to incorporate the Commission's guidance regarding the 15-year fixed-price term, to clarify the applicable prices over the entire term of the PPA, and to implement the revised eligibility cap for standard contract prices for solar facilities agreed upon in Docket No. UM 1854. In addition, this definition aligns with the approach advocated by QF parties in UM 1805--for QFs whose actual Commercial Operation Date occurs before the Scheduled Commercial Operation Date, the 15-year fixed-price term begins on the actual Commercial Operation Date. See Order No. 17-373, App'x A at 3.</p>
<b>1.1 Defined Terms</b>	<p>“Contract Year” means each twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending at 24:00 hours PPT on December 31; provided, however, that the first Contract Year shall commence on the Commercial Operation Date and end on December 31st of the calendar year in which the Commercial Operation Date occurs, and the last Contract Year shall end on the last day of the Term.</p>	<p>"Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final Contract Year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.</p>	<p>This definition was revised to align the Contract Year with the calendar year (except during the first and last years of the term), because this approach is easier to administer than the approach in the former PPA of measuring the contract year from the Commercial Operation Date, on a rolling basis.</p>

PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Credit Support” has the meaning given to it in Section 9.1.	n/a	This new definition is used in the commercial operation provisions (Section 2.4.7), representations and warranties provisions (Section 8.1.6), credit support provisions (Sections 9.1 and 9.2), and default provisions (Section 10.1.6). This definition refers to the description of Credit Support in Section 9.1. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Creditworthiness Requirements” has the meaning given to it in Section 8.1.6.	n/a	This new definition is used in the representations and warranties provisions (Section 8.1.6) and in the credit support provisions (Section 9.1). This definition refers to the description of the Creditworthiness Requirements in Section 8.1.6. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Daily Market Index Price” means the Day Ahead Intercontinental Exchange (“ICE”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <a href="https://www.theice.com/products/OTC/Physical-Energy/Electricity">https://www.theice.com/products/OTC/Physical-Energy/Electricity</a> . In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Point of Interconnection.	“Mid-C Index Price” means the Day Ahead Intercontinental Exchange (“ICE”) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On Peak Power and Average Off Peak Power found on the following website: <a href="https://www.theice.com/products/OTC/Physical-Energy/Electricity">https://www.theice.com/products/OTC/Physical-Energy/Electricity</a> . In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.	This new definition is used in the definitions of Contract Price and Replacement Price (Section 1.1). The related definition in the former PPA was "Mid-C Index Price," and although the term has changed, the definition of the price is substantively the same.
<b>1.1 Defined Terms</b>	“Delay Damages” has the meaning given to it in Section 2.6.	n/a	This new definition is used in the provision regarding scheduled Commercial Operation Date (Section 2.6), the provision regarding invoicing and payment for delay damages (Section 4.2), and the provision regarding termination for failure to meet COD (Section 10.1.9). This definition refers to the description of Delay Damages in Section 2.6. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.



PPA Matrix  
September 30, 2019

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Delivery Period” has the meaning given to it in Section 3.1.	n/a	This new definition is used in the provision regarding Delivery and Sale (Section 3.1), Estimated Net Output (Section 3.3), Prices and Payment (Section 4.1), and Outages (Section 6.2). This definition refers to the description of the Delivery Period in Section 3.1. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Delivery Point” means the point of delivery where Seller delivers energy to the PGE system, as specified in Exhibit B. PGE and Seller may mutually agree to amend the Delivery Point.	Point of Delivery means the PGE system.	This definition replaces the definition for "Point of Delivery" in the former PPA. The term "Delivery Point" replaces "Point of Delivery" to avoid confusion with the technical scheduling term "Point of Delivery." Moreover, this definition now clarifies that the Delivery Point may be amended with mutual agreement.
<b>1.1 Defined Terms</b>	“e-Tag” means NERC electronic tag.	n/a	This new definition is used in the scheduling provision (Sections 3.5). The term "E-Tag" appeared in the former PPA but was not defined. This definition, a standard definition, is included in this PPA because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Effective Date” has the meaning given to it in Section 2.1.	same	This definition is unchanged.

PPA Matrix  
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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	<p>“Environmental Attributes” shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, or (ii) fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.</p>	<p>“Environmental Attributes” shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere.</p>	<p>This definition has been revised to clarify what are not environmental attributes in an effort to avoid disputes.</p>
<b>1.1 Defined Terms</b>	<p>“Estimated Annual Average Net Output” means the relevant amount specified in Exhibit C, as reasonably updated by Seller when Seller issues an As-built Supplement.</p>	n/a	<p>This new definition is used in Exhibit C, and the definition is added here for detail and clarity.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
1.1 Defined Terms	“Estimated Annual Maximum Net Output” means the relevant amount specified in Exhibit C, as reasonably updated by Seller when Seller issues an As-built Supplement.	n/a	This new definition is used in Exhibit C, and the definition is added here for detail and clarity.
1.1 Defined Terms	“Estimated Monthly Average Net Output” means the relevant amount specified in Exhibit C, as reasonably updated by Seller when Seller issues an As-built Supplement.	n/a	This new definition is used in Exhibit C, and the definition is added here for detail and clarity.
1.1 Defined Terms	“Estimated Monthly Maximum Net Output” means the relevant amount specified in Exhibit C, as reasonably updated by Seller when Seller issues an As-built Supplement.	n/a	This new definition is used in the definition of Lost Energy and in Exhibit C, and the definition is added here for detail and clarity.
1.1 Defined Terms	“Existing QF” means a QF that (1) is or has been operational before the Effective Date of this Agreement, or (2) has ever sold energy or capacity to PGE or a third party.	n/a	This new definition is added to provide clarity regarding the portions of the PPA that do not apply to Existing QFs.
1.1 Defined Terms	“Expiration Date” has the meaning given to it in Section 2.1.	n/a	This new definition is used in the definitions of Renewable Resource Deficiency Period and Transmission Agreement, and in the provision regarding Term (Section 2.1). This definition refers to the description of the Expiration Date in Section 2.1. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
1.1 Defined Terms	“Facility” is the entire facility as specified in Exhibit A and Exhibit B.	Facility has the meaning set forth in the Recitals.	This definition has been revised to more specifically and accurately define the Facility by referencing the Exhibits with detailed information.
1.1 Defined Terms	“Facility Nameplate Capacity Rating” means the sum of the Nameplate Capacity Ratings for all Generation Units comprising the Facility.	n/a	This new definition was added in an effort to achieve absolute clarity and avoid any future disputes about a Facility's nameplate capacity rating. PacifiCorp's agreements also define "Facility Capacity Rating."

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“FERC” means the Federal Energy Regulatory Commission or any successor government agency.	n/a	The former PPA included a reference to the Federal Energy Regulatory Commission ("FERC") but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Firm Energy” means energy scheduled and delivered on a firm basis to the Delivery Point via firm transmission rights.	n/a	This new definition is used in the definitions of Imbalance Energy, Transmission Agreement, and Transmission Provider (Section 1.1), as well as in the delivery provisions (Sections 3.1 and 3.2), prices and payment provision (Section 4.1.1) and representations and warranties provisions (Section 8.1.10). This definition was added to make clear the QF's obligation under this agreement to deliver firm energy.
<b>1.1 Defined Terms</b>	“Force Majeure” or “Force Majeure Event” has the meaning given to it in Section 13.1.	n/a	The former PPA included a definition of "Force Majeure" in the body, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Generator” means the electrical component within the Facility measured in kW that converts mechanical energy or solar radiation into electrical energy.	n/a	This new definition is used in the definitions of Generation Unit, Planned Maintenance, and Nameplate Capacity Rating. The term "generator" was used in the former PPA but is defined here for clarity.
<b>1.1 Defined Terms</b>	“Generation Unit” means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.	“Generation Unit” means each separate electrical generator that contributes toward Nameplate Capacity Rating included in Exhibit A. For solar facilities, a generating unit is a complete solar electrical generation system within the Facility that is able to generate and deliver energy to the Point of Delivery independent of other Generation Units within the same Facility	This defined term is used in the definitions of Facility Nameplate Capacity Rating, Mechanical Availability Percentage, Mechanical Availability Guarantee, Number of Units, and Operational Hours. Now that "Generator" is itself a defined term in this PPA, the additional language in the prior definition is extraneous and has been removed. This definition also provides an example to clarify its interpretation for solar generators.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Governmental Authority” means federal, national, state, municipal, local, tribal, territorial, or other governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial, legislative or administrative body, domestic or foreign, including, without limitation, FERC and the Commission.	n/a	This standard commercial definition was added to the Definitions for clarity.
<b>1.1 Defined Terms</b>	“Imbalance Energy” means that portion of Firm Energy, measured in kWh, scheduled and delivered to the Delivery Point that was not Net Output.	n/a	This new definition is used in the definition of Product (Section 1.1) and the provisions related to delivery and sale (Section 3.1) and representations and warranties (Section 8.1.10). This definition was added to clarify the approach to pricing and netting imbalance energy, discussed in more depth below. PacifiCorp also takes a netting approach to imbalance energy.
<b>1.1 Defined Terms</b>	“Interconnection Agreement” means an agreement governing the interconnection of the Facility with _____’s [specify relevant transmission system or distribution system owner] electric system.	“Generation Interconnection Agreement” means an agreement governing the interconnection of the Facility with _____ electric system.	This definition is substantively unchanged.
<b>1.1 Defined Terms</b>	“kW” and “kWh” mean kilowatt and kilowatt hour, respectively.	n/a	The terms kW and kWh were used in the former PPA but were not defined in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Lender” means any Person providing capital, money or extending credit to Seller (i) for the construction, term or permanent financing or refinancing of the Facility; (ii) for working capital or other ordinary business requirements of the Facility; (iii) for any development financing, bridge financing or credit support with respect to Seller or the Facility; or (iv) primarily for income tax credits and other income tax benefits.	n/a	This new definition is used in the provisions regarding Credit Support (Section 9.1), Lender’s Right to Cure (Section 10.2), Successors and Assigns (Section 14.8), and Financing Documents (Section 14.9). This definition comprehensively identifies entities that may be financially supporting the development of the QF. This definition was added to increase clarity in the provisions in which it is used.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Letter of Credit” means an irrevocable standby letter of credit from an institution selected by the Seller that has a long-term senior unsecured debt rating of “A” or greater from S&P or “A2” or greater from Moody’s, in a form reasonably acceptable to PGE, naming PGE as the party entitled to demand payment and present draw requests thereunder.	“Letter of Credit” means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.	This definition was revised to conform to the definition in PacifiCorp's agreements, which is more commercially reasonable and standard than the definition in the former PPA, and to clarify that the institution providing the letter will be selected by Seller.
<b>1.1 Defined Terms</b>	“Licensed Professional Engineer” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, except for being retained by Seller to perform the duties required in Section 2.4.2, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.	“Licensed Professional Engineer” means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.	This definition is unchanged, except that it now clarifies the engineer will have a relationship with Seller to the extent the engineer is retained to perform the duties required under the PPA.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>1.1 Defined Terms</b></p>	<p>“Lost Energy” means (in kWh):</p> <p>A. In connection with a Facility after the Commercial Operation Date, if the Mechanical Availability Percentage falls below the Minimum Availability Guarantee for a Contract Year, ((the Minimum Availability Guarantee as determined pursuant to Section 3.4 / the actual Mechanical Availability Percentage for the applicable Contract Year) X actual Net Output for the applicable Contract Year) - actual Net Output for the applicable Contract Year; or</p> <p>B. In connection with a Facility that does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Estimated Monthly Average Net Output (by On-Peak Hours and Off-Peak Hours – see Exhibit C) for each month during the period from the Scheduled Commercial Operation Date until the earlier of the actual Commercial Operation Date or contract termination pursuant to Section 10. The Estimated Monthly Average Net Output shall be pro-rated for any partial months; or</p> <p>C. In connection with a Facility whose Agreement has been terminated by PGE pursuant to Section 10 of this Agreement because of Seller’s default, the lesser of the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see Exhibit C) for each month during the 24 months following termination, or the sum of the Estimated Monthly Average Net Output (by On-Peak and Off-Peak Hours – see Exhibit C) for each month from the date of termination through the end of the Term. The Estimated Monthly Average Net Output shall be pro-rated for any partial months.</p>	<p>“Lost Energy” means ((the Guarantee of Mechanical Availability as set forth in 3.1.10 / MAP) X Net Output for a Calendar Year) – Net Output for the Calendar Year. Lost Energy shall be zero unless the result of the calculation in this subsection results in a positive number; see also section 9.2 of standard PPA ("Seller shall have one year in which to cure the default [which include failure to meet Scheduled Commercial Operation Date] during which time the Seller shall pay PGE damages equal to the Lost Energy Value").</p>	<p>This definition now clarifies three circumstances under which the QF may be liable to PGE for failure to deliver (1) failure to meet the Commercial Operation Date, (2) failure to meet the Mechanical Availability Guarantee, and (3) default. These concepts previously were addressed separately, but are now addressed in the same provision for clarity.</p> <p>There is one substantive change for variable standard PPAs. The calculation of Lost Energy when a QF fails to meet the Commercial Operation Date no longer would default to formulas that are based on fixed de-rate percentages and is therefore likely to result in a lesser amount of Lost Energy—which is a benefit to QFs from the current provision.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>1.1 Defined Terms</b></p>	<p>“Lost Energy Value” means:</p> <p>A. In connection with Lost Energy described in subpart (A) of the definition of Lost Energy, the Lost Energy is allocated evenly to each calendar month in the Contract Year and then allocated to On-Peak Hours and Off-Peak Hours (by month) based on the ratio of generation in On-Peak Hours and Off-Peak Hours in Exhibit C (under the Estimated Monthly Average Net Output) during the applicable calendar month or partial calendar month. The Lost Energy Value is the sum of the of the monthly calculations of Lost Energy Value (see below) for the Contract Year plus any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.</p> <p>The monthly calculation of Lost Energy Value equals the sum of the following:</p> <ul style="list-style-type: none"> <li>• The On-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year multiplied by the (applicable Replacement Price for On-Peak Hours less the Contract Price for On-Peak Hours for the same period); and</li> <li>• The Off-Peak Hours Lost Energy for each applicable calendar month (or partial calendar month) in the Contract Year multiplied by the (applicable Replacement Price for Off-Peak Hours less the Contract Price for Off-Peak Hours for the same period).</li> </ul> <p>If the above calculation of the Lost Energy Value for the Contract Year results in a negative value, the Lost Energy Value for the Contract Year shall be deemed zero. See the example calculation in Exhibit G.</p> <p>B. In connection with Lost Energy described in subpart (B) of the definition of Lost Energy, the Lost Energy Value is calculated individually for each calendar month (or partial calendar month) during which Seller has failed to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. The Lost Energy Value for each such calendar month (or partial calendar month) is the monthly calculation of Lost Energy Value (see below) plus any commercially reasonable third-party costs incurred by PGE to purchase a replacement for any Net Output that Seller is required to deliver under this Agreement during the period, including associated incremental Ancillary Services or transmission charges.</p> <p>The monthly calculation of Lost Energy Value equals the sum of the following:</p> <ul style="list-style-type: none"> <li>• The On-Peak Hours Lost Energy for the applicable calendar month (or partial calendar month) multiplied by the (applicable Replacement Price for On-Peak Hours less the Contract Price for On-Peak Hours for the same period), however any positive difference obtained by subtracting the Contract Price from the Replacement Price (for On-Peak Hours) shall not exceed the Contract Price for</li> </ul>	<p>“Lost Energy Value” means Lost Energy X the excess of the annual time-weighted average Mid-C Index Price for On Peak Hours and Off Peak Hours over the time weighted average Contract Price for On Peak and Off Peak Hours for the corresponding time period (provided that such excess shall not exceed the Contract Price and further provided that Lost Energy is deemed to be zero prior to reaching the Commercial Operation Date) plus any reasonable costs incurred by PGE to purchase replacement power and/or transmission to deliver the replacement power to the Point of Delivery (For Start-Up Lost Energy Value See 1.35).</p>	<p>This definition has been re-worded and reorganized for clarity, and details regarding the Replacement Price have been moved to a separate definition (discussed below). The definition also provides more detail regarding how the Lost Energy Value is calculated.</p>



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<b>1.1 Defined Terms</b>	<p>“Mechanical Availability Percentage” or “MAP” means that percentage for any Contract Year for the Facility calculated in accordance with the following formula:  <math>MAP = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})</math></p>	<p>“Mechanical Availability Percentage” or “MAP” shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:  <math>MAP = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})</math></p>	<p>This definition has not been substantively changed.</p>
<b>1.1 Defined Terms</b>	<p>“Minimum Availability Guarantee” has the meaning given to it in Section 3.4.</p>	<p>n/a</p>	<p>This new definition is used in the definitions of Lost Energy and Replacement Price (Section 1.1), the provision regarding failure to satisfy the Minimum Availability Guarantee (Section 4.3), and the provision regarding default for failure to satisfy the Minimum Availability Guarantee (Section 10.1.7) This definition refers to the description of Minimum Availability Guarantee in Section 3.4. However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.</p>
<b>1.1 Defined Terms</b>	<p>“Nameplate Capacity Rating” means the full-load electrical quantities assigned by the designer to a Generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.</p>	<p>“Nameplate Capacity Rating” means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.</p>	<p>This definition was revised to increase the level of detail and clarity. The first sentence of the definition mirrors the stipulated definition adopted in Order No. 07-360. The second sentence is substantively similar to the definition in PacifiCorp's agreements.</p>
<b>1.1 Defined Terms</b>	<p>“NERC” means the North American Electric Reliability Corporation.</p>	<p>n/a</p>	<p>The former PPA included a reference to NERC, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
1.1 Defined Terms	“Net Available Capacity” means the full (maximum) net energy the Facility is capable of delivering to the electric grid, as measured in AC, at the Point of Interconnection continuously for sixty (60) minutes.	n/a	This new definition provides clarity regarding the maximum amount of energy that the QF may deliver and receive payment for in any given hour and that the value will be measured in AC. PGE needs the Net Available Capacity information for planning purposes.
1.1 Defined Terms	“Net Output” means all energy, expressed in kWhs, produced by the Facility, less station service and other onsite use, as measured at the Facility meter at the Point of Interconnection.	"Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses.	This definition was revised to remove the references to transformation and transmission losses, and therefore line losses now are not deducted from Net Output.
1.1 Defined Terms	“New QF” means any QF that is not an Existing QF.	n/a	This new definition is added to provide clarity regarding the portions of the PPA that specifically apply to New QFs.
1.1 Defined Terms	“Number of Units” means the number of Generation Units in the Facility, as specified in Exhibit A.	same	This definition is unchanged.
1.1 Defined Terms	“Off-Peak Hours” means all hours other than On-Peak Hours.	"Off-Peak Hours" has the meaning provided in the Schedule.	This definition now includes the language from the Schedule that it formerly referenced to avoid the need to reference the Schedule.
1.1 Defined Terms	“On-Peak Energy Imbalance Accumulation” and “Off-Peak Energy Imbalance Accumulation” have the meanings given to them in Section 3.2.	n/a	This new definition is used in the provision regarding Seller's obligation to minimize delivery of imbalance energy (Section 3.2). It refers to the description in Section 3.2. However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
1.1 Defined Terms	“On-Peak Hours” means 6:00 a.m. to 10:00 p.m. PPT Monday through Saturday, excluding NERC holidays.	"On-Peak Hours" has the meaning provided in the Schedule.	This definition now includes the language from the Schedule that it formerly referenced to avoid the need to reference the Schedule.

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<b>1.1 Defined Terms</b>	<p>“Operational Hours” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units is capable of producing power regardless of actual weather, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Delivery Point in a Contract Year. For each Contract Year, each Generation Unit is eligible to include no more than 200 hours as Operational Hours when the Generation Unit is not operational because of Planned Maintenance or an event of Force Majeure. For example, if the Facility consists of two separate Generation Units of 1.5 MW each and Generation Unit 1 is operational for 8,460 hours and is not operational for 300 hours due to Planned Maintenance or an event of Force Majeure; and Generation Unit 2 is operational for 8,560 hours and is not operational for 200 hours due to Planned Maintenance or an event of Force Majeure, then the Operational Hours for the Facility for the Contract Year would be calculated as follows: Generation Unit 1 Operational Hours = 8,460 + 200 = 8,660. Generation Unit 2 Operational Hours = 8,560 + 200 = 8,760. Operational Hours of the Facility = 8,760 + 8,660 = 17,420.</p>	<p>“Operational Hours” for the Facility means the total across all Generation Units of the number of hours each of the Facility’s Generation Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather conditions, season and the time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, two hundred (200) hours of Planned Maintenance during a Contract Year for each Generation Unit and hours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example, in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit or Event of Force Majeure, the Operational Hours for a wind farm with five (5) separate two (2) MW turbines would be 43,800 for a Contract Year.</p>	<p>This definition no longer requires the Facility to be capable of producing at its Nameplate Capacity Rating in order to be considered operational, which is a benefit to QFs. In addition, other minor wording changes have been made to conform to other definitions in the PPA, and additional detail has been added.</p>
<b>1.1 Defined Terms</b>	<p>“Oregon Renewable Portfolio Standard” means the renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the Effective Date of this Agreement.</p>	n/a	<p>The former PPA included a reference to Oregon's Renewable Portfolio Standard Act, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include such terms in the Definitions.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Person” means any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.	n/a	This new commercially reasonable and standard definition was added for clarity.
<b>1.1 Defined Terms</b>	“Planned Maintenance” means outages scheduled 90 calendar days in advance, with prior written notice to PGE, provided however that maintenance during Off-Peak Hours (except Sundays between 6:00 a.m. and 10:00 p.m. PPT) on a Facility comprised of only solar Generators shall not be considered Planned Maintenance.	“Planned Maintenance” means outages scheduled ninety (90) days in advance, with PGE’s prior written consent, which shall not be unreasonably withheld.	This definition no longer requires PGE's consent for planned maintenance, and clarifies that maintenance for solar facilities during certain off-peak hours is exempted, which is a benefit to QFs over the current definition.
<b>1.1 Defined Terms</b>	“Point of Interconnection” means the point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner, as specified in Exhibit B.	n/a	This new definition is used in the definitions of Net Available Capacity and Net Output (Section 1.1) and in Exhibit B, Seller's Interconnection Facilities. It is not intended to change the substance of the PPA but instead to provide clarity.
<b>1.1 Defined Terms</b>	“Prime Rate” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.	same	This definition is unchanged.
<b>1.1 Defined Terms</b>	“Product” means, each and together, as a single bundled product, Net Output and, if applicable, Imbalance Energy, together with all associated capacity and Transferred RECs.	n/a	This new definition was added to make clear all of the applicable components purchased by the utility under the PPA that are compensated by the Contract Price.

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<b>1.1 Defined Terms</b>	<p>“Prudent Electrical Practices” means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the WECC that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all Applicable Law. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediately preceding sentence.</p>	same	This definition is substantively unchanged.
<b>1.1 Defined Terms</b>	<p>“PURPA” means the Public Utility Regulatory Policies Act of 1978.</p>	n/a	The former PPA defined PURPA, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	<p>“Qualifying Facility” has the meaning set forth in the Recitals.</p>	n/a	The former PPA defined QF, but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.

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<p><b>1.1 Defined Terms</b></p>	<p>“REC” means Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by the Facility, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred. All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.</p>	<p>n/a</p>	<p>The former PPA used the term "REC" but did not define it. This new definition was added to provide detail and clarity. It has been further revised to clarify that thermal RECs are not included.</p>
<p><b>1.1 Defined Terms</b></p>	<p>“REC Reporting Rights” are the rights of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, and include without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.</p>	<p>n/a</p>	<p>This concept was present in the former PPA, but this term was not defined. This new definition was added for drafting purposes and to provide detail and clarity.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Reliability Entity” means a Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the Facility or delivery of the Product, including NERC and WECC or any successor thereto.	n/a	This new definition is used in the provision related to loss of interconnection and curtailment (Section 3.6). This definition is included for clarity and because it is commercial best practice to define terms used in the PPA.
<b>1.1 Defined Terms</b>	“Renewable Resource Deficiency Period” means the period beginning January 1, 2025 through the termination or Expiration Date of this Agreement.	n/a	This term was present in the former PPA but was not defined. This new definition with a date certain was added for drafting purposes and to provide detail and clarity.
<b>1.1 Defined Terms</b>	“Renewable Resource Sufficiency Period” means the period through 2024.	n/a	This term was present in the former PPA but was not defined. This new definition with a date certain was added for drafting purposes and to provide detail and clarity.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>1.1 Defined Terms</b></p>	<p>“Replacement Price” means the positive or negative value equal to the market price (by On-Peak Hours and Off-Peak Hours) at the Mid-Columbia trading hub for any Net Output that Seller fails to deliver as required under this Agreement.</p> <p>When the Replacement Price is used to calculate the Lost Energy Value associated with (i) the Facility’s failure to meet the Minimum Availability Guarantee or (ii) Seller’s failure to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, the Replacement Prices shall be calculated as follows for each applicable calendar month (or partial calendar month):</p> <ul style="list-style-type: none"> <li>• For Lost Energy During On-Peak Hours: the hourly average of the on-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).</li> <li>• For Lost Energy During Off-Peak Hours: the hourly average of the off-peak Daily Market Index Prices for the applicable calendar month (or partial calendar month).</li> </ul> <p>When the Replacement Price is used to calculate the Lost Energy Value associated with termination of this Agreement under Section 10, the Replacement Price shall be the respective On-Peak Hours and Off-Peak Hours ICE Mid-Columbia fixed price futures or a replacement published market survey regarding future prices during the applicable period.</p>	<p>n/a</p>	<p>This new definition is used in the calculation of Lost Energy Value. The new approach uses the Daily Market Index Price for the shorter-term replacement periods associated with either a project’s failure to meet the Minimum Availability Guarantee, Minimum Delivery Guarantee (for non-variable standard PPAs), or failure to establish the Commercial Operation Date by the Scheduled Commercial Operation Date, but uses longer-term futures prices for lost energy replacement associated with termination of the Agreement under Section 10. The new definition provides further clarity and certainty regarding the appropriate treatment during on-peak and off-peak hours. The new approach aligns with the Seller providing on/off peak average monthly values in order to determine a more appropriate Replacement Price</p>



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Required Facility Documents” means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility as specified by the Seller, as well as the Interconnection Agreement and the Transmission Agreement.	"Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.	This definition was present in the former PPA but has been revised to make clear that the Interconnection Agreement and Transmission Agreement are Required Facility Documents that must be received before the Facility achieves Commercial Operation (Section 2.4.4). The revisions to the Required Facility Documents definition do not represent a substantive change from the former PPA. Exhibit B to the former PPA listed the Interconnection Agreement as a Required Facility Document, and the former PPA required that PGE receive a copy of the Transmission Agreement prior to commercial operation.
<b>1.1 Defined Terms</b>	“Schedule” means PGE’s Schedule 201 filed with the Commission and in effect on the date that Seller delivers to PGE an executed copy of this Agreement. For ease of reference and informational purposes only, a copy of the Schedule is attached hereto as Exhibit F; however, if there is any difference between Exhibit F and the Schedule, the terms of the Schedule shall apply and prevail.	“Schedule” shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission (“Commission”) in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference.	This definition was present in the former PPA and has been revised to clarify that the Schedule in effect on the date the QF signs the PPA is the Schedule applicable to the agreement. Also, the Schedule will now be attached to the PPA for ease of reference, for informational purposes only.
<b>1.1 Defined Terms</b>	“Scheduled Commercial Operation Date” has the meaning given to it in Section 2.6.	n/a	This new definition was added to clearly distinguish between the COD and the scheduled COD. This definition refers to Section 2.6, however the term also is listed in the Definitions because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Seller-Retained RECs” has the meaning given to it in Section 7.1.	n/a	This new definition refers to the provision regarding Seller-retained RECs (Section 7.1.1). However, the term is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions. The former PPA addressed Seller-Retained Environmental Attributes but did not define the term in the definitions.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
1.1 Defined Terms	“Senior Lien” means a prior lien that has precedence as to the property under the lien over another lien or encumbrance.	“Senior Lien” means a prior lien which has precedence as to the property under the lien over another lien or encumbrance	This definition is substantively unchanged.
1.1 Defined Terms	“Specified Facility Nameplate Capacity Rating” means the Facility Nameplate Capacity Rating set forth in Exhibit A, as it may be amended from time to time in accordance with this Agreement.	n/a	This new definition refers to Exhibit A in which the Facility Nameplate Capacity is listed. The term is used in the definition of Transmission Agreement (Section 1.1) and the provisions related to outages (Section 6.2), facility upgrades (Section 6.3), and Required Insurance (Section 12.2). The former PPA specified the nameplate capacity rating of the facility but did not distinguish the specified rating from the actual rating or make clear that the specified rating controls, which could result in confusion.
1.1 Defined Terms	“Start-Up Testing” means the performance of applicable start-up tests conducted prior to achieving Commercial Operation of the Facility as set forth in Exhibit E (as it may be updated by Seller) during the Test Period.	"Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.	This definition was present in the former PPA and has been revised slightly to clarify that start-up testing occurs during the Test Period, which is prior to the Commercial Operation Date. This is not a substantive change.
1.1 Defined Terms	“Step-in Rights” means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.	same	This definition is unchanged.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
1.1 Defined Terms	“Surplus Delivery” has the meaning given to it in Section 3.2. By definition, Surplus Delivery shall always be a positive number.	n/a	This new definition refers to the provision regarding Seller's obligation to minimize delivery of imbalance energy (Section 3.2). However, the term is listed in the Definitions as well, because it is commercial best practice to include all defined terms in the Definitions. This new definition also is used in the prices and payment for delivered product provision (Section 4.1.1). This definition was added to clarify the approach to pricing and netting imbalance energy, which is discussed in more depth in Sections 3 and 4 below. PacifiCorp also takes a netting approach to imbalance energy.
1.1 Defined Terms	“Term” has the meaning given to it in Section 2.1.	“Term” shall mean the period beginning on the Effective Date and ending on the Termination Date.	This revised definition now refers to the provision regarding the term of the PPA (Section 2.1). However, the term "term" is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
1.1 Defined Terms	“Test Energy” means electric energy generated by the Facility during the Test Period.	n/a	This new definition is used in the provisions regarding start-up testing (Section 2.3), prices and payment (Section 4.1), and insurance (Section 12.1). This definition was added to provide clarity regarding how the PPA treats test energy, which was lacking from the former PPA.
1.1 Defined Terms	“Test Period” means a period during which Start-Up Testing is to be conducted.	“Test Period” shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.	This revised definition is used in the definitions of Start-Up Testing and Test Energy (Section 1.1) and in the provision regarding seller-retained RECs (Section 7.1.1). This definition removes the prior time limitation on the Test Period, with the understanding that a QF may require greater flexibility to conduct Start-Up Testing.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“Transferred RECs” has the meaning given to it in Section 7.2.1.	n/a	This new definition is used in the definition of Product (Section 1.1) and the provision related to delivery and sale of energy (Section 3.1). This definition refers to the provision regarding transferred RECs (Section 7.2). However, the term "term" is listed in Definitions as well, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“Transmission Agreement” means an agreement (or agreements) between Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Specified Facility Nameplate Capacity Rating. The Transmission Agreement shall have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of this Agreement.	“Transmission Agreement” means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.	This revised definition is used in the definitions of Required Facility Documents and Transmission Provider (Section 1.1) and in the provisions regarding commercial operation (Section 2.4.4) and default (Section 10.1.5). This definition has been revised to add detail and clarity about what is required in the Transmission Agreement. These revisions are not intended to be substantive changes from PGE's current policy.
<b>1.1 Defined Terms</b>	“Transmission Provider(s)” means _____, the transmission system operator(s) with whom Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the Delivery Point in accordance with this Agreement.	“Transmission Provider(s)” means the signatory (other than the Seller) to the Transmission Agreement.	This revised definition is used in the definitions of Ancillary Services, Point of Interconnection, Reliability Entity, and Transmission Agreement (Section 1.1), and in the provisions related to scheduling (Section 3.5) and representations & warranties (Section 8.1.10). This definition has been revised to be more detailed and precise. These revisions are not intended to be substantive changes.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>1.1 Defined Terms</b>	“WECC” means the Western Electricity Coordinating Council or any successor thereto.	n/a	The former PPA included a reference to the Western Electricity Coordinating Council (WECC) but this term was not in the Definitions. This new definition was added, because it is commercial best practice to include all defined terms in the Definitions.
<b>1.1 Defined Terms</b>	“WREGIS” means the Western Renewable Energy Generation Information System.	n/a	This new definition is used in the provisions related to registering the facility as a requirement of commercial operation (Section 2.4.8) and transferred RECs (Section 7.2.3). This definition was added to provide clarity and because the new PPA has more detail about the process associated with RECs.
<b>1.2 Interpretation</b>	In this Agreement, references to Recitals, Sections, and Exhibits are references to the recitals, sections and exhibits of this Agreement. The article and section headings in this Agreement are inserted only as an aid in identifying subject matter and should not be considered an interpretation of the meaning of the article or section. As used in this Agreement, the terms “includes” or “including” mean “includes but is not limited to” and “including but not limited to,” respectively. Words not otherwise defined herein that have well known and generally accepted technical or trade meanings are used in this Agreement in accordance with such recognized meanings.	n/a	This is standard language for commercial contracts and was added for clarity.
<b>ARTICLE 2: TERM; FACILITY; COMMERCIAL OPERATION</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>2.1 Term</b>	The term of this Agreement (“Term”) commences on the date this Agreement is signed by both Parties (“Effective Date”) and ends on the earlier of _____ [Seller-selected date or fixed-interval period of time that is no more than 20 years from the Scheduled Commercial Operation Date] (“Expiration Date”) or the date on which this Agreement is terminated pursuant to the terms of the Agreement.	This Agreement shall become effective upon execution by both Parties (“Effective Date”).  This Agreement shall terminate on _____, ____ [date to be chosen by Seller but not to exceed 20 years from the date contained in Section 2.2.2], or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier (“Termination Date”).	This provision combines two sections of the old PPA, and makes clear that the Seller selects the Commercial Operation Date and accompanying Term.

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<b>2.2 Construction of the Facility</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.2.1	Development, design, construction, and operation of the Facility and delivery of energy therefrom to PGE’s system, as applicable, is the sole responsibility of Seller and its successors and assigns, as may be managed by Seller in its sole discretion consistent with the terms of this Agreement. Seller shall, at its sole cost, design and construct the Facility and obtain all transmission and interconnection rights, necessary to enable the delivery of energy from the Facility to the Delivery Point, all in compliance with this Agreement, the Required Facility Documents, and Prudent Electrical Practices.	<p>Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices.</p> <p>Seller is solely responsible for the operation and maintenance of the Facility.</p>	This provision has been revised to bring together language from two provisions of the old PPA that fit together conceptually, to address them chronologically, and to make the language more clear and comprehensive.
2.2.2	Prior to Commercial Operation and upon completion of any subsequent construction affecting the Facility, Seller shall provide to PGE an As-built Supplement specifying the complete Facility as built. The As-built Supplement may be reviewed by PGE, which review shall not be unreasonably withheld, conditioned or delayed. Any review by PGE of the design, construction, operation or maintenance of the Facility or documents pertaining thereto is solely for PGE’s information, and PGE shall have no responsibility to Seller or any third party in connection with such review. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability of the Facility. For avoidance of doubt, nothing in this Section is intended to authorize modifications to the Facility except as permitted pursuant to Section 6.3.	<p>Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built.</p> <p>PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.</p>	This provision has been revised to bring together language from two provisions of the old PPA that fit together conceptually and to add new language allowing PGE to review the As-built Supplement. This provision also clarifies that the As-built Supplement requirement does not authorize modifications to the Facility except as permitted elsewhere in the PPA, which responds to an argument made by a QF and rejected by the Commission in UM 1894.



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>2.3 Start-Up Testing</b></p>	<p>Seller shall perform Start-Up Testing of the Facility in accordance with Exhibit E (as may be updated by Seller after the Effective Date as reasonably determined by Seller to be consistent with the design of the constructed Facility), and shall provide written notice to PGE when the Start-Up Testing has been successfully completed. Seller must provide no less than one (1) business day's written notice to PGE prior to the commencement of Start-Up Testing, and must provide PGE ten (10) business days' written notice prior to commencing sales of Test Energy to PGE. In order to complete Start-Up Testing, Seller may schedule and deliver Test Energy to PGE pursuant to the scheduling procedures set forth in Section 3.5, and PGE shall compensate the Seller for delivered Test Energy in accordance with Section 4.1.1. This Section 2.3 does not apply if the Facility is an Existing QF unless the Existing QF elects to conduct Start-Up Testing.</p>	<p>"Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.</p>	<p>This provision provides detail regarding the requirements and procedures for performing Start-Up Testing of the facility. The former PPA simply listed the types of start-up testing required and did not address procedures for the testing or treatment of Test Energy. The provision provides that PGE will accept and pay for Test Energy in accordance with Section 4.1.1, which is a benefit to QFs. The revised provision also clarifies that its terms may apply to an Existing QF if that Existing QF elects to conduct Start-Up Testing.</p>
<p><b>2.4 Commercial Operation</b></p>	<p>"Commercial Operation" will be achieved when the Facility is fully constructed and determined by PGE in its reasonable judgment to be operational and reliable. Without limiting the foregoing, Commercial Operation requires all of the following events to have occurred:</p>	<p>"Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:</p>	<p>This provision has been revised slightly to clarify that the Facility must be fully constructed and to incorporate other, minor wording changes. It is now similar to the definition of "Commercial Operation Date" in PacifiCorp's agreements. The requirements for Commercial Operation, detailed in Section 2.4.1-2.4.8, ensure that the facility is operationally and commercially ready and that PGE has all necessary information about the Facility.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.4.1	If the Facility is a New QF, Start-Up Testing of the Facility has been completed in accordance with Exhibit E, and PGE has received Seller's written certification of completion of Start-Up Testing.	Start-Up Testing of the Facility has been completed in accordance with Section 1.36;	The former PPA required that Start-Up Testing be complete prior to Commercial Operation. This provision has been revised to require that PGE receive a written certification of completion of Start-Up Testing to document that Start-Up Testing has concluded. In addition, this provision now makes clear that Start-Up Testing is required for New QFs only.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.4.2	<p>PGE has received a certificate addressed to PGE from one or more Licensed Professional Engineers (i) identifying the Facility Nameplate Capacity Rating of the Facility; (ii) stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement; (iii) stating that the Facility is interconnected and operational in accordance with the Interconnection Agreement; and (iv) stating that the Facility has operated for testing purposes and was continuously mechanically available for operation for a minimum of 120 hours.</p>	<p>(facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer (“LPE”) acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);</p> <p>(facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;</p> <p>(facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement and was continuously mechanically available for operation for a minimum of 120 hours. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the mechanical availability of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;</p>	<p>This provision combines three separate requirements from the former PPA but does not change them significantly.</p> <p>The requirement that the Licensed Professional Engineer identify the Facility Nameplate Capacity Rating has been added to ensure that PGE has appropriate support for and documentation of the Facility Nameplate Capacity Rating.</p>
2.4.3	<p>PGE has received documentation reasonably requested by PGE that establishes the Facility Nameplate Capacity Rating to PGE’s reasonable satisfaction, which may include equipment specifications.</p>	n/a	<p>This new provision has been added to ensure that PGE receives adequate documentation of the Facility Nameplate Capacity Rating.</p>

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2.4.4	PGE has received a letter addressed to PGE from an attorney in good standing in the State of Oregon stating that Seller has obtained all Required Facility Documents, and PGE has received a copy of the fully executed Interconnection Agreement and Transmission Agreement(s), and any other Required Facility Documents requested by PGE.	(facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;	This provision has been revised to be consistent with PacifiCorp's agreements. It now requires that an attorney in good standing in the State of Oregon, rather than a Licensed Professional Engineer, provide the confirmation regarding the Required Facility Documents. An attorney is more likely than an engineer to have the expertise necessary to make such an attestation. It also requires that PGE have received the Interconnection and Transmission Agreements and any other Required Facility Documents requested by PGE prior to Commercial Operation. As revised, the provision also clarifies that such confirmation may be provided by letter, as opposed to a "certificate."
2.4.5	PGE has received the following documents with respect to the Facility: the As-built Supplement, including but not limited to an electrical single-line diagram, a 12x24 estimated net energy profile, a 8760 net energy production estimate, and (for solar QFs) an annual degradation factor.	n/a	This provision specifies the components of the As-Built Supplement to ensure PGE has the information required to understand the Facility, as built, and ensure that it is consistent with the Facility for which PGE contracted, before the Facility begins commercial operation.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.4.6	PGE has received copies of all insurance certificates required under Section 12.1.	Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.	The former PPA required that Seller provide insurance certificates to PGE prior to the connection of the Facility to PGE's electric system. This provision has been added to Section 2.4 to make clear that PGE must receive all necessary documents before the Facility achieves Commercial Operation.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.4.7	PGE has received any Credit Support required under Section 9.1.	In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.	The former PPA required that Seller provide credit support within 10 days after it was unable to represent that it met the creditworthiness requirements. The requirement to provide any Credit Support required by the creditworthiness provisions is now a prerequisite for achieving Commercial Operation. This requirement ensures that PGE and its customers are protected from the outset.
2.4.8	Seller has provided evidence of the registration of the Facility as a generating unit in WREGIS and satisfaction of any other requirements for the recording of RECs in WREGIS.	n/a	This provision has been added as a requirement of Commercial Operation, because the Seller must be prepared to transfer RECs in order to receive the renewable avoided cost rates. The administrative burden and costs of registering are minimal, and requiring the Seller to be registered prior to achieving commercial operation ensures there will not be problems when Seller begins transferring RECs.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>2.5 Establishment of Commercial Operation Date</b></p>	<p>When Seller determines that it has met the requirements for Commercial Operation under Section 2.4, Seller shall deliver to PGE written notice thereof, together with all required supporting documentation, including but not limited to information required in Exhibit A and Exhibit B. PGE shall, within ten (10) business days following receipt of such notice and documentation, deliver either a written certification stating that Commercial Operation has been achieved, or a notice identifying in reasonable detail any requirements for Commercial Operation that have not been achieved. If PGE sends a notice that one or more requirements of Commercial Operation have not been achieved, Seller shall take such action as necessary to satisfy such requirements and issue to PGE another notice of Commercial Operation. This process shall be repeated until PGE certifies completion of the requirements for Commercial Operation, provided that PGE shall not unreasonably withhold such certification. The date of Seller's notice of Commercial Operation that is accepted by PGE in a written certification pursuant to this Section shall be considered the "Commercial Operation Date" for all purposes under this Agreement.</p>	<p>n/a</p>	<p>This provision details the process for documenting when Commercial Operation has occurred and clarifies the date that will be deemed the Commercial Operation Date. Providing a detailed process ensures that the Seller and PGE understand relevant timelines and helps avoid disputes. This provision further clarifies that PGE must not unreasonably withhold the certification for completion of the requirements for Commercial Operation.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>2.6 Scheduled Commercial Operation Date</b></p>	<p>By no later than _____ (“Scheduled Commercial Operation Date”), Seller shall have completed all requirements under Section 2.4 and shall have established the Commercial Operation Date. After the Effective Date, Seller may request and PGE shall agree to amend this Agreement to revise the Scheduled Commercial Operation Date if Seller fails to establish the Commercial Operation Date by the Scheduled Commercial Operation Date and such delay was caused by PGE’s negligence or willful misconduct. If the Agreement is amended to revise the Scheduled Commercial Operation Date, the extension shall be as long as the delays caused by PGE’s negligence or willful misconduct. If Seller does not establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date, then Seller will owe PGE an amount equal to the Lost Energy Value calculated over each calendar month during such delay period commencing on the Scheduled Commercial Operation Date and ending on (but not including) the Commercial Operation Date (“Delay Damages”). If Commercial Operation does not occur by the first anniversary of the Scheduled Commercial Operation Date then PGE will have the right to terminate this Agreement in accordance with Section 10.3.</p>	<p>By _____ [date to be determined by the Seller subject to Section 2.2.3 below] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.</p> <p>In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement: Seller’s failure to meet the Commercial Operation Date.</p> <p>8.1.6. Seller’s failure to meet the Commercial Operation Date. 8.2. In the event of a default under Section 8.1.6, PGE may provide Seller with written notice of default. Seller shall have one year in which to cure the default during which time the Seller shall pay PGE damages equal to the Lost Energy Value. If Seller is unable to cure the default, PGE may immediately terminate this Agreement as provided in Section 8.3. PGE’s resource sufficiency/deficiency position shall have no bearing on PGE’s right to terminate the Agreement under this Section 8.2.</p>	<p>This provision brings together the Scheduled Commercial Operation Date and the consequences of failing to meet it, which, in the former PPA, were not grouped into a single section. This provision now also clarifies those circumstances in which PGE will agree to revise the Scheduled Commercial Operation Date.</p>
<p><b>2.7 Status of the Facility</b></p>			



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.7.1	<p>Seller shall construct and operate the Facility so as to ensure its status as a Qualifying Facility and in a manner consistent with its FERC Qualifying Facility certification. At any time during the Term, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable judgment that the Facility continues to qualify as a Qualifying Facility. If PGE is not reasonably satisfied that the Facility is a Qualifying Facility, Seller shall provide upon PGE's request documentation acceptable to PGE in its reasonable judgment demonstrating that the Facility is a Qualifying Facility.</p>	<p>Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.</p>	<p>The former PPA required Seller to warrant that the Facility complied with FERC's QF requirements and to provide PGE with evidence if asked. This requirement has been moved from the warranties to this section but otherwise is unchanged.</p> <p>In addition, this provision now includes requirements for the QF to provide PGE with support and documentation regarding its qualifying facility status if a question about such status arises.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
2.7.2	<p>Seller shall not make any changes in its ownership, control or management that would cause the Facility to fail to satisfy the eligibility requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement. Seller shall provide upon request by PGE, not more frequently than every 36 months, any documentation and information as may be reasonably required to establish Seller's continued compliance with the applicable eligibility requirements. PGE shall take reasonable steps to maintain the confidentiality of any such documentation and information that Seller identifies as confidential, provided that PGE may provide all such information to the Commission upon the Commission's request.</p>	<p>Seller warrants that the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule and Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Commission upon the Commission's request.</p>	<p>The contents of this provision have been moved from the representations and warranties but have not otherwise been substantively changed. This provision continues to require that PGE not request documentation of a Facility's Qualifying Facility State more frequently than every 36 months.</p>
<p><b>ARTICLE 3: DELIVERY AND SALE OF ENERGY; SCHEDULING</b></p>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>3.1 Delivery and Sale of Energy</b></p>	<p>Except as otherwise provided in this Agreement, commencing on the Commercial Operation Date and continuing until the end of the Term (the “Delivery Period”), Seller shall deliver and sell and PGE shall receive and purchase all of the Net Output delivered as Firm Energy at the Delivery Point. In reliance on Seller’s representations and warranties in Section 8.1, Seller may also deliver and PGE shall receive and purchase Imbalance Energy delivered at the Delivery Point, subject to Section 3.2. Title and risk of loss related to the Product shall transfer from Seller to PGE at the Delivery Point, except that title to Transferred RECs shall transfer to PGE when generated.</p>	<p>Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.</p>	<p>This provision has been revised for increased clarity, because the former provision was lacking in detail. In addition, this provision clarifies when title and risk of loss transfer, which is a commercially reasonable and standard provision.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>3.2 Surplus Delivery</b></p>	<p>For purposes of this Agreement, (i) “On-Peak Energy Imbalance Accumulation” means total Firm Energy delivered to the Delivery Point during On-Peak Hours during a Billing Period less total Net Output during On-Peak Hours during such Billing Period; and (ii) “Off-Peak Energy Imbalance Accumulation” means total Firm Energy delivered to the Delivery Point during Off-Peak Hours during a Billing Period less total Net Output during Off-Peak Hours during such Billing Period. Any positive On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation shall be deemed “Surplus Delivery.” PGE shall accept but not pay for Surplus Delivery. Any negative On-Peak Energy Imbalance Accumulation or Off-Peak Energy Imbalance Accumulation during a Billing Period implies that Seller has delivered less than the aggregate Net Output during the applicable hours in the Billing Period. For the avoidance of doubt, the Parties agree that Seller is not entitled to compensation for any portion of total Net Output that exceeds total Firm Energy delivered to the Delivery Point during the applicable Billing Period.</p>	<p>n/a</p>	<p>This new provision provides for monthly netting of imbalance energy—instead of PGE's current practice of daily netting—which QFs have advocated for. The provision requires Seller to ensure that delivery of imbalance energy nets to zero over a one-month netting period (a concept that also is in PacifiCorp's agreements) and makes clear that imbalance energy is tracked separately for on-peak and off-peak hours. It explains that PGE will accept but will not pay for Surplus Delivery of imbalance energy over the netting period and also will not pay for undelivered Net Output. This provision is substantially similar to PacifiCorp's current practice.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>3.3 Estimated Net Output</b>	Seller’s good faith, commercially reasonable estimate of the Facility’s monthly and annual average and maximum Net Output during the Delivery Period, and Seller’s basis for determining such amounts, consistent with Prudent Electrical Practices, are set forth in Exhibit C, which amounts may be updated by Seller when Seller issues an As-built Supplement prior to Commercial Operation or after Seller makes modifications to the Facility as provided in Section 6.3. Seller acknowledges that PGE will use these estimates in its resource planning.	Seller and PGE represent, covenant, and warrant as follows: Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours (“kWh”), which amount PGE will include in its resource planning.	The concepts in this provision requiring Seller to estimate Net Output and acknowledge the estimate will be used in resource planning were present in the former PPA. The revised provision now requires that the estimate be commercially reasonable, include monthly and annual values, and that the basis for the estimates be provided. As revised, the provision also provides for updates by the Seller prior to commencing Commercial Operation or after other modifications are made pursuant to Section 6.3.
<b>3.4 Minimum Availability Guarantee</b>			
<b>3.4.1</b>	Seller hereby guarantees that the Facility will achieve Mechanical Availability Percentages that meet or exceed the following (“Minimum Availability Guarantee”): (i) Ninety percent (90%) beginning in the first Contract Year and extending through the Term of this Agreement if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date; or (ii) Ninety percent (90%) beginning in Contract Year three and extending through the Term of this Agreement.	Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages (“Guarantee of Mechanical Availability”):  Ninety percent (90%) beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; or  Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.	This provision has undergone minor wording changes but has not been substantively changed.
<b>3.4.2</b>	Annually, within 90 calendar days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual Mechanical Availability Percentage for the previous Contract Year.	Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.	This provision has undergone minor wording changes for detail and clarity but has not been substantively changed.

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3.4.3	As a remedy for Seller's failure to satisfy the Minimum Availability Guarantee in any Contract Year, Seller shall owe PGE damages equal to the Lost Energy Value.	Seller's failure to meet the Guarantee of Mechanical Availability in a Calendar Year shall result in damages payable to PGE by Seller equal to the Lost Energy Value. PGE shall bill Seller for such damages in accordance with Section 7.	This provision has been revised slightly to account for the wording change in Section 3.4.1 ("Minimum Availability Guarantee"), and to make clear that remedies, in the form of the Lost Energy Value, are owed in the event the Minimum Availability Guarantee is not met.
3.5 Scheduling Procedures	Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current NERC and WECC scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. All energy shall be prescheduled according to customary WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider. The cost of delivering energy from the Facility to PGE shall be the sole responsibility of the Seller.	Seller shall provide preschedules for all deliveries of energy hereunder, including identification of receiving and generating control areas, by 9:00:00 PPT on the last business day prior to the scheduled date of delivery. All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. All energy shall be prescheduled according to customary WECC scheduling practices. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.	This provision, formerly Section 4.4, has been combined with a relevant sentence from former Section 3.1.11 (now the final sentence of this provision), which was moved in the interest of clarity, but has otherwise not been changed.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>3.6 Loss of Interconnection and Curtailment</b>	PGE shall not be liable to Seller and shall have no obligation to purchase the Product from Seller, and Seller shall have no obligation to generate, sell or deliver the Product to PGE, to the extent that, due to the action of a Reliability Entity, a Force Majeure Event or PGE's construction and maintenance activities conducted consistent with Prudent Electrical Practices, (i) the interconnection of the Facility to the electric system is disconnected, suspended or interrupted, or (ii) generation or transmission curtailment is required. If Seller delivers Product to PGE during a transmission curtailment event, PGE shall purchase such Product. Notwithstanding the foregoing, Seller may be liable under this Agreement or otherwise if the disconnection, suspension, interruption, or curtailment results from action or inaction within Seller's control.	PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement.	This provision has been revised to clarify that PGE's purchase and the QF's sale obligations under this Agreement do not apply if certain circumstances force curtailment or disconnection of the Facility's interconnection. This provision is now phrased reciprocally, because if PGE is not purchasing the net output, then the Seller has no obligation to sell it. Like the former provision, this provision clarifies when Seller is liable. And as revised, this provision also clarifies that, if Seller delivers Product during a transmission curtailment event, PGE must purchase the delivered Product.
<b>ARTICLE 4: PRICE, BILLING AND PAYMENT</b>			
<b>4.1 Prices and Payment for Delivered Product</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
4.1.1	During the Delivery Period, PGE shall pay Seller an amount for Product delivered during a Billing Period calculated as follows: the Contract Price multiplied by the lesser of (i) Net Output during the Billing Period or (ii) Firm Energy delivered to the Delivery Point during the Billing Period. PGE shall not pay for Surplus Delivery. An illustrative example is provided in Exhibit G. In determining the amount due to Seller for the Product, the amount of Net Output generated in any hour shall be deemed to be zero or greater.	On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment.	This provision has been revised to clarify what PGE will and will not pay for and to incorporate the new policies surrounding Imbalance Energy, Net Available Capacity, and Surplus Delivery discussed above.
4.1.2	Prior to the Commercial Operation Date, for a period of up to ninety (90) consecutive days after Seller first delivers Test Energy to PGE, PGE shall pay the Seller for Test Energy delivered to PGE, in the amount of the quantity of Test Energy multiplied by the applicable Contract Price for Off-Peak Hours. After the expiration of the 90-day period, PGE will not pay Seller for Test Energy.	n/a	This new provision clarifies that PGE will pay for delivered Test Energy for up to 90 days. Payment for Test Energy was not addressed in the former PPA.
4.1.3	Payment under this Section will be due on or before the thirtieth (30th) calendar day following the end of each Billing Period. PGE shall send Seller a computation supporting its payment calculation, including any offsets for amounts owing to PGE by Seller.	On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment.	This provision has been revised to clarify that PGE will offset payments for amounts owing to PGE, which is not a new policy but was not addressed in the former PPA.



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>4.2 Invoicing and Payment for Lost Energy Value Related to Delay Damages</b></p>	<p>By the thirtieth (30th) calendar day following the end of any calendar month in which Delay Damages accrue, PGE will in the ordinary course deliver to Seller an invoice showing PGE’s computation (and supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Alternatively, PGE may by written notice to Seller elect to reduce the amount payable by PGE for future deliveries of energy hereunder until the amount of such Delay Damages is recovered. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the calendar month in which such Lost Energy Value accrued. An illustrative example showing the method for calculating Delay Damages is set forth in Exhibit G.</p>	<p>n/a</p>	<p>This new provision provides detail and clarity regarding the process for PGE to receive payment for Delay Damages owed by the Seller. The former PPA provided only for PGE to offset payments to reflect amounts it was owed, but this did not protect PGE and its customers in situations where the QF owes PGE but is not generating. In addition, this provision provides a timeline by which PGE must invoice the Seller for Delay Damages—which is a benefit to QFs.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>4.3 Invoicing and Payment for Lost Energy Value Related to Minimum Availability Guarantee</b></p>	<p>If Seller fails to satisfy the Minimum Availability Guarantee during any Contract Year, on or before the forty-fifth (45th) calendar day following PGE’s receipt of Seller’s detailed written report for such Contract Year in accordance with Section 3.4.2, PGE will in the ordinary course deliver to Seller an invoice showing PGE’s computation (including supporting data) of the Lost Energy Value, if any. No later than twenty (20) calendar days after receiving such invoice, Seller shall pay to PGE the amount set forth as due in such invoice. Thereafter, if applicable, the amount payable by PGE for future deliveries of energy hereunder shall be reduced until the Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period of such reduction (not to exceed one year) so as to minimize the risk of Seller’s default on its commercial or financing agreements necessary for its continued operation of the Facility. Seller shall not owe PGE for any Lost Energy Value pursuant to this Section that is not invoiced within one year of the end of the Contract Year in which such Lost Energy Value accrued. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in Exhibit G.</p>	<p>On or before the thirtieth (30th) day following the end of each Contract Year, PGE shall bill for any Lost Energy Value accrued pursuant to this Agreement.</p>	<p>This provision provides detail and clarity regarding the process for PGE to bill Seller for Lost Energy Value for failure to meet the Minimum Availability Guarantee (MAG) and permits PGE to offset payments to receive the amount payable. In addition, this provision provides a timeline by which PGE must invoice the Seller for the Lost Energy Value—which is a benefit to QFs. Finally, this provision ensures that PGE will work with Seller to ensure that compensating PGE does not hamper Seller's continued operation of the Facility, which is also a benefit to QFs.</p>
<p><b>4.4 Form of Payment and Interest on Late Payments</b></p>	<p>The Party owing payment under this Agreement will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the receiving Party. Any amounts owing after the due date and not disputed in good faith shall bear annual interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by Applicable Law, and if a court awards damages to a Party under this Agreement, this Section does not limit the interest that may be awarded under Applicable Law.</p>	<p>Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.</p>	<p>The revisions to this provision incorporate commercially reasonable and standard language regarding payments and interest. It also clarifies that the limitation on the interest rate does not affect court-awarded damages.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>4.5 Right to Offset</b>	PGE may offset any payment due to Seller by amounts owing from Seller to PGE pursuant to this Agreement and any other agreement between the Parties related to the Facility.	PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.	This provision has been moved and now clarifies the scope of other agreements that may be included in offsetting arrangements.
<b>ARTICLE 5: METERING</b>			
<b>5.1 Metering</b>	Metering shall be performed at the location and in a manner consistent with this Agreement, as specified in Exhibit B. Seller shall provide to PGE information in hourly increments for all Net Output and any other energy purchased under this Agreement.	n/a	This new provision is necessary for the new policies surrounding Imbalance Energy, so that PGE can discern what portion of the output it receives is Facility output and what portion is imbalance energy and can ensure that it is billing accurately. This provision specifies that information is to be provided in hourly increments, but does not require a real-time communications link.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>5.2 Meter Installation, Inspection and Correction</b></p>	<p>Seller shall arrange for the installation, testing, and maintenance of the metering equipment required by Section 5.1 in accordance with Prudent Electrical Practices. PGE shall have reasonable access to observe, at its own expense, all inspection, testing, repair and replacement of the metering equipment. Upon request, Seller shall provide documentation regarding all inspection, testing, repair and replacement of the metering equipment.</p> <p>If the Facility has a revenue grade meter in addition to the meter used to calculate deliveries and payments and the revenue grade meter is installed near the meter used to calculate deliveries and payments, Seller will send an annual report to PGE comparing the readings between the two meters. If the difference between the two meters is more than two percent (2.0%), PGE may request that the meters be recalibrated and that PGE receive the results of the tests. Also, PGE will be notified promptly of any other recalibration or calibration tests on the meter used to calculate deliveries and payments. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated during the term of the Agreement and consistent with the terms of this Section. If the Facility does not have a second revenue grade meter that can be used for accurate comparison with the meter used to calculate deliveries and payments, then PGE may request that the project meter be tested and recalibrated 12 months after the Commercial Operation Date, at Seller's expense. If the test demonstrates a variance of more than two percent (2.0%) then PGE may request another test and recalibration twenty-four (24) months after the last test. If the test demonstrates a variance of less than two percent (2.0%), then PGE may not request a test and recalibration at the Seller's expense for thirty-six (36) months. PGE may arrange for testing and recalibration at its own expense, after reasonable notice and opportunity for Seller to have a representative on site.</p> <p>If any of inspections or tests reveal an error exceeding two percent (2.0%), either fast or slow, appropriate correction, based upon the inaccuracy found, shall be made with respect to previous readings for the period during which the Facility metering equipment rendered inaccurate measurements (such period not to exceed twelve (12) months). If the period of inaccuracy cannot be ascertained, correction shall be made to measurements taken since the metering equipment was last tested, provided that such period shall not exceed three (3) months. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of the metering inaccuracy.</p>	<p>n/a</p>	<p>A similar provision was present in PGE's on-system PPA and this provision is now being added to the off-system PPA, as well, to aid in implementing the metering requirements, for the reasons discussed above. In addition, this provision establishes a process for re-allocation of funds if a meter is discovered to be inaccurate. Both of these concepts are present in PacifiCorp's agreements. As revised, this provision clarifies that PGE shall have reasonable access to observe testing of metering equipment at PGE's expense. The provision further details how meters may be recalibrated and tested to help ensure accuracy.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>ARTICLE 6: OPERATION AND MAINTENANCE; OUTAGES; FACILITY UPGRADES</b>			
<b>6.1 Seller's Duty to Operate and Maintain the Facility</b>			
<b>6.1.1</b>	Seller shall operate and maintain the Facility, including the Facility's metering equipment and interconnection facilities, in a safe manner in accordance with the Required Facility Documents and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility, except to the extent that PGE's negligence or willful misconduct during PGE's inspection of the Facility damages the Facility.	Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation interconnection Agreement, and Prudent Electrical Practices. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.	This provision has been supplemented to clarify that PGE would be liable for damage caused to a Facility as a result of PGE's own negligence or willful misconduct during an inspection—which is a benefit to QFs. The provision contains minor revisions for detail and clarity.
<b>6.1.2</b>	Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide copies of the same to PGE upon request.	same	This provision is unchanged.
<b>6.2 Outages</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
6.2.1	On or before September 1 of the calendar year prior to the Commercial Operation Date, and thereafter on or before each September 1 during the Delivery Period, Seller shall provide PGE with a schedule of all planned outages for maintenance, construction, inspection, testing or other planned activities at the Facility for the upcoming calendar year that are expected to result in an outage of more than twenty-five percent (25%) of the Specified Facility Nameplate Capacity Rating for twenty-four (24) or more consecutive hours. Such notice shall be provided in accordance with the notice requirements of Section 14.13.	n/a	The former PPA required the Seller to schedule and notify PGE of any planned maintenance, but this provision has been revised to require notification only for an outage of more than 25% of the generating capacity for 24 or more hours, which is a benefit to QFs.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
6.2.2	Seller shall use commercially reasonable efforts to avoid or mitigate outages during the Delivery Period, and Seller shall use commercially reasonable efforts to avoid or mitigate outages during PGE's system emergencies.	If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.	This provision has been revised to more generally require the Seller to avoid or mitigate outages, using commercially reasonable efforts.
6.3 Facility Upgrades			
6.3.1	Prior to the Commercial Operation Date, Seller may not materially change the Specified Facility Nameplate Capacity Rating.	n/a	The former PPA language resulted in a dispute regarding the timing and types of changes permissible under the analogous section of the former PPA. This provision has been revised for clarity and is consistent with Commission Order 18-284 in UM 1894.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>6.3.2</b>	At any time after the Commercial Operation Date upon at least six months prior written notice, Seller may increase the Facility Nameplate Capacity Rating beyond the Specified Facility Nameplate Capacity Rating or increase the expected Net Output of the Facility as set forth in Exhibit C, but only to the extent any such increase to the Facility Nameplate Capacity Rating or the expected Net Output is due to operational efficiency improvements or the replacement of damaged or defective equipment. Seller may not increase the Facility Nameplate Capacity Rating or the expected Net Output of the Facility as set forth in Exhibit C for any other reason, including by installing additional generating units or replacement equipment that results in an increase in Net Output due to reasons other than operational efficiency improvements, or by modifying inverter settings.	Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE.	The former PPA language resulted in a dispute regarding the type of changes permissible under the analogous section of the former PPA. This provision has been revised for clarity to provide additional detail regarding the types of permissible changes, consistent with Commission Order Nos. 06-538 and 18-284.
<b>6.3.2.1</b>	If any upgrades or other modifications are made to the Facility in accordance with Section 6.3.1 or Section 6.3.2 that result in a Facility Nameplate Capacity Rating other than the Specified Facility Nameplate Capacity Rating, the Parties shall amend Exhibit A and Exhibit C as appropriate to reflect the modifications.	n/a	This provision ensures that, in the event of an upgrade or modification, the PPA is amended to reflect the new reality.



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
6.3.2.2	So long as Seller does not increase the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller will continue to receive the Contract Price for all delivered Net Output.	In the event Seller increases the Nameplate Capacity Rating of the Facility pursuant to this section to no more than 3,000 kW (if the Facility produces Net Output through solar generation), or to no more than 10,000 kW (if the Facility does not produce Net Output through solar generation), PGE shall pay the Contract Price for the additional delivered Net Output.	This provision is substantively consistent with the former PPA.
6.3.3	If Seller increases the Facility Nameplate Capacity Rating pursuant to Section 6.3.1 or Section 6.3.2 to greater than 3,000 kW if the Facility produces Net Output through solar generation, or 10,000 kW if the Facility produces Net Output through any other resource types, then Seller and PGE shall enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase in Facility Nameplate Capacity Rating above 3,000 kW (solar) or 10,000 kW (all other QFs), consistent with then-current Applicable Law:	In the event Seller increases the Nameplate Capacity Rating of the Facility to greater than 3,000 kW and the Facility produces Net Output through solar generation, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 3,000 kW.	This provision is substantively consistent with the former PPA, and, for avoidance of doubt, it makes clear that the new PPA will be negotiated consistent with then-current applicable law and Commission policies.
6.3.3.1	If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to more than 3,000 kW and no greater than 10,000 kW, then Seller may elect to enter either (a) a standard power purchase agreement with negotiated prices, or (b) a negotiated power purchase agreement with negotiated prices.	In the event Seller increases the Nameplate Capacity Rating of the Facility to greater than 3,000 kW but no greater than 10,000 kW and the Facility produces Net Output through solar generation, the new power purchase agreement will be (at Seller's choice) either a standard (Schedule 201) power purchase agreement or a negotiated (Schedule 202) power purchase agreement and neither option is eligible for Schedule 201 prices.	This provision is substantively consistent with the former PPA.
6.3.3.2	If the Facility produces Net Output through solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.	In the event the Seller increases the Nameplate Capacity Rating to greater than 10,000 kW and the Facility produces Net Output through solar generation, then Seller shall be required to enter into a new negotiated (Schedule 202) power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 3,000 kW.	This provision is substantively consistent with the former PPA. Solar QFs in this situation are treated the same as all other QFs (addressed in Section 6.3.3.3), but solar QFs are discussed separately in this section for clarity.

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<b>6.3.3.3</b>	If the Facility produces Net Output through any other resource types other than solar generation and increases the Facility Nameplate Capacity Rating to greater than 10,000 kW, then the new power purchase agreement must be a negotiated agreement.	In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW and the Facility produces Net Output through means other than solar generation, then Seller shall be required to enter into a new negotiated (Schedule 202) power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.	This provision is substantively consistent with the former PPA.
<b>ARTICLE 7: ENVIRONMENTAL ATTRIBUTES</b>			
<b>7.1 Seller-Retained RECs</b>			
<b>7.1.1</b>	Seller shall retain ownership of all RECs (“Seller-Retained RECs”) and all other Environmental Attributes associated with Net Output of the Facility during the Test Period and during the Renewable Resource Sufficiency Period. PGE shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Seller-Retained RECs belong to any Person other than Seller.	During the Renewable Resource Sufficiency Period, Seller shall retain all Environmental Attributes in accordance with the Schedule.  The Contract Price includes full payment for the Net Output and any RPS Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement (“Seller-Retained Environmental Attributes”) Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained Environmental Attributes, and PGE shall not report under such program that such Seller-Retained Environmental Attributes belong to it.	This provision does not represent a substantive change from the former PPA, although it has been streamlined as portions of the former provision are now addressed elsewhere in the PPA. The revised provision also clarifies that Seller retains RECs and other Environmental Attributes produced during the Test Period.
<b>7.2 Transferred RECs</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
7.2.1	<p>Seller shall transfer to PGE and PGE shall acquire all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the Term ("Transferred RECs"). PGE's payments for Product under this Agreement include full payment for all Transferred RECs. Seller shall not report under §1605(b) of the Energy Policy Act of 1992 or any other applicable program that any Transferred RECs belong to any Person other than PGE. PGE shall be entitled to claim all rights associated with the Transferred RECs, including any value in the ownership, use or allocation of RECs created by legislation or regulation after the Effective Date.</p>	<p>From the start of the Renewable Resource Deficiency Period through the remainder of the Term of this Agreement, Seller shall provide and PGE shall acquire the RPS Attributes for the Contract Years as specified in the Schedule and Seller shall retain ownership of all other Environmental Attributes (if any). During the Renewable Resource Sufficiency Period, Seller shall retain all Environmental Attributes in accordance with the Schedule. The Contract Price includes full payment for the Net Output and any RPS Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement ("Seller- Retained Environmental Attributes") Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained Environmental Attributes, and PGE shall not report under such program that such Seller-Retained Environmental Attributes belong to it. With respect to RPS Attributes transferred to PGE under this Agreement ("Transferred RECs"), PGE may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to it any of the Transferred RECs, and Seller shall not report under such program that such Transferred RECs belong to it.</p>	<p>This provision has been revised and simplified for clarity. It provides that PGE will acquire all RECs associated with Net Output during the Renewable Resource Deficiency Period and that Seller may not report such RECs, which is substantively consistent with the former PPA. It also clarifies that PGE's payment under the PPA is for all transferred RECs and that PGE is entitled to all rights associated with Transferred RECs.</p>
7.2.2	<p>Transferred RECs shall be deemed delivered and sold to PGE under this Agreement as they are produced, and title to Transferred RECs shall pass to PGE when generated. The Facility meter at the point of interconnection shall serve as the record source for purposes of calculating, certifying, and auditing Transferred RECs. In the event Seller generates power and associated RECs are transferred but the power is not delivered to PGE by Seller due to a Force Majeure Event, curtailment, or other reason, PGE and Seller will work together in good faith to return such RECs to Seller.</p>	n/a	<p>This provision adds clarity by stating that the Facility meter serves as the record for purposes of calculating Transferred RECs. This provision also addresses a circumstance not previously handled by the PPA, wherein RECs are transferred without the underlying power being delivered (due to curtailment of other event); the revised provisions requires the parties to work together to seek to return these RECs to the Seller.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
7.2.3	<p>Seller shall comply with all requirements necessary for all Transferred RECs to be issued, monitored, accounted for, and transferred by and through WREGIS, consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0090. Without limiting the generality of the foregoing, Seller shall cause the Facility to implement all necessary generation information communications in WREGIS, and report generation information to WREGIS pursuant to a WREGIS-approved meter that is dedicated to the Facility and only the Facility. Seller shall cause delivery and transfer of the Transferred RECs to PGE's WREGIS account to be perfected in accordance with WREGIS rules. Seller shall hold the Transferred RECs in trust for PGE until such delivery and transfer is perfected. Each Party shall take such steps and further actions as may be required by WREGIS or Applicable Law in order to effect and confirm the sale and delivery of the Transferred RECs to PGE for all purposes. PGE will reasonably cooperate in Seller's efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE's Balancing Authority.</p>	<p>Seller warrants that it will comply with all requirements necessary for all Transferred RECs (as defined in Section 4.5) associated with Net Output to be issued, monitored, accounted for, and transferred by and through the Western Renewable Energy Generation System consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0050. PGE warrants that it will reasonably cooperate in Seller's efforts to meet such requirements, including, for example serving as the qualified reporting entity for the Facility if the Facility is located in PGE's balancing authority.</p>	<p>The revisions to this provision require Seller to work with PGE to transfer the RECs in WREGIS, while preserving the requirement for PGE to cooperate in Seller's efforts to meet its requirements (by, for instance, serving as the reporting entity if the Facility is in PGE's balancing authority).</p>
7.2.4	<p>All RECs delivered to PGE under this Agreement must comply with the Oregon Renewable Portfolio Standard.</p>	n/a	<p>This provision makes explicit a requirement that was implied in the former PPA's definition of "RPS Attributes" by referring to the Oregon RPS.</p>
<b>ARTICLE 8: REPRESENTATIONS AND WARRANTIES</b>			
<b>8.1 Representations and Warranties of Seller</b>	<p>On the Effective Date and throughout the Term, Seller represents and warrants to PGE as follows:</p>	<p>Seller and PGE represent, covenant, and warrant as follows:</p>	<p>This provision has been revised slightly to separate Seller's and PGE's representations and warranties.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
8.1.1	Seller is duly organized and in good standing under the laws of the state of incorporation or formation.	Seller warrants it is a _____ duly organized under the laws of _____.	This provision has been revised to give the Seller more flexibility.
8.1.2	The execution, delivery and performance of this Agreement are within Seller's powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.	Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.	This provision was revised slightly to be more commercially standard.
8.1.3	This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending).	n/a	This provision is a standard commercial representation.
8.1.4	There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.	n/a	This provision is a standard commercial representation.
8.1.5	No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.	n/a	This provision is a standard commercial representation.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>8.1.6</b>	Either Seller satisfies the requirements set forth in Section 8.1.6.1 through 8.1.6.3 below (the “Creditworthiness Requirements”), or Seller has provided and is maintaining, for as long as Seller fails to satisfy the Creditworthiness Requirements, Credit Support as required pursuant to Section 9.1.	n/a	This new representation is another way of ensuring that the QF meets the creditworthiness requirements throughout the term of the PPA. However, the mandate to meet the creditworthiness requirements is not a substantive change.
<b>8.1.6.1</b>	Seller is not and has not been Bankrupt within the past two (2) years, and there are no proceedings pending or being contemplated by Seller or, to Seller’s knowledge, threatened against Seller that would result in Seller being or becoming Bankrupt.	Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.	This provision has been revised to incorporate the commercially reasonable and standard definition of Bankrupt, as discussed above in Section 1.1, and is limited to bankruptcy of the Seller (as opposed to its principal equity owners).
<b>8.1.6.2</b>	Seller is not in default under any of its material agreements and is current on all of its financial obligations, including construction-related financial obligations.	Seller is and will continue to be for term of agreement current on all of its financial obligations.	The language of this provision has been revised for clarity and to add detail but the concept is unchanged.
<b>8.1.6.3</b>	Seller owns, and will continue to own for the term of this Agreement, all right, title and interest in and to the Facility, free and clear of all liens and encumbrances other than liens and encumbrances related to third-party financing of the Facility, workers’, mechanics’, suppliers’ or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.	Seller warrants that during the Term of this Agreement, all of Seller’s right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers’, mechanics’, suppliers’ or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.	This provision is substantively the same as in the existing PPA.
<b>8.1.7</b>	No later than the Commercial Operation Date, Seller will possess a valid hydropower license or exemption from licensing from FERC for the Facility, if required.	n/a	This new provision ensures that the QF has an ongoing obligation throughout the term of the Agreement to possess a valid license or exemption from FERC for the Facility if one is required.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
8.1.8	The Facility, as described in this Agreement and constructed, owned and operated by Seller following Commercial Operation, satisfies the requirements specified in the Schedule for entering into the form of Standard PPA and pricing reflected in this Agreement.	Seller warrants that the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE’s Schedule...	The minor revisions to this provision are not intended to alter its meaning. Because the Facility may not have been built at the time the Agreement is entered, the former warranty that "the Facility satisfies the eligibility requirements" has been revised for clarity. In addition, this provision has been separated out from a longer provision in the former PPA. Finally, this provision has been revised in light of the fact that solar QFs greater than 3 MW and not over 10 MW are not eligible to receive the standard prices.
8.1.9	Seller meets the Eligibility Requirements for entering into a Standard PPA, as such terms are defined in the Schedule.	Seller warrants that (i) the Facility satisfies the eligibility requirements for the Renewable Fixed Price Option specified in the section of PGE’s Schedule entitled “Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Fixed Price Option or the Renewable Fixed Price Option under the Standard PPA” and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the eligibility requirements for the Renewable Fixed Price Option specified in the section of PGE’s Schedule entitled “Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Fixed Price Option or the Renewable Fixed Price Option under the Standard PPA.”	This provision has been revised and streamlined but is still intended to ensure that the Seller complies with all of the applicable eligibility requirements in Schedule 201.
8.1.10	In connection with Seller’s delivery of Firm Energy as required under this Agreement: Seller’s delivery of Imbalance Energy, if any, results from Seller’s purchase of energy imbalance ancillary service that the Transmission Provider(s) require(s) Seller to procure, as a condition of providing transmission service, in order to correct a mismatch between energy scheduled by the Facility and the real-time production of the Facility.	n/a	The new representations in warranties in Section 8.1.10 relate to the new approach toward imbalance energy reflected in the PPA and discussed above. The former PPA did not address imbalance energy. In addition, these representations and warranties address an issue that has arisen in the past in which QFs schedule deliveries significantly in excess of their Net Output and require PGE to accept a significant amount of imbalance energy.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
8.1.11	Seller has the right to sell the Product to PGE free and clear of liens or encumbrances.	n/a	This provision is a standard commercial representation.
8.1.12	The Facility generates RECs that comply with the Oregon Renewable Portfolio Standard.	n/a	This provision has been added to the representations and warranties to make clear the current policy that the Facility must generate RECs and that those RECs must comply with the RPS. This is not a substantive addition but instead a clarification.
<b>8.2 Representations and Warranties of PGE</b>	On the Effective Date and throughout the Term, PGE represents and warrants to Seller as follows:	Seller and PGE represent, covenant, and warrant as follows:	This provision has been revised slightly to separate Seller's and PGE's representations and warranties.
8.2.1	It is a corporation duly organized under the laws of Oregon.	n/a	This provision is a standard commercial representation.
8.2.2	This Agreement, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms (subject only to any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending)	n/a	This provision is a standard commercial representation.
8.2.3	The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.	n/a	This provision is a standard commercial representation.
8.2.4	There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.	n/a	This provision is a standard commercial representation.



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
8.2.5	It is not and has not been Bankrupt within the past two (2) years and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.	PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.	This provision has been revised to incorporate the commercially reasonable and standard definition of Bankrupt, as discussed above in Section 1.1.
8.2.6	No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.	n/a	This provision is a standard commercial representation.
8.3 Duty to Notify	If a Party gains knowledge of any event or circumstance that renders any representation and warranty of such Party set forth in this Article 8 false or misleading, such Party shall promptly provide the other Party with written notice of the event or information, the representation or warranty affected, and the remedial action, if any, which such Party intends to take to make the representations and warranties true and correct.	n/a	This new provision ensures that each party to the PPA will be made aware if the other fails to satisfy a requirement. This is a standard commercial provision.
<b>ARTICLE 9: CREDIT SUPPORT</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>9.1 Required Credit Support</b></p>	<p>In the event that Seller does not satisfy any one or more of the Creditworthiness Requirements, Seller shall immediately notify PGE in writing and shall promptly (and in no less than ten (10) business days after notifying PGE) provide credit support in the form of, at the Seller's election: (i) Senior Lien, (ii) Step-in Rights, (iii) a Cash Escrow or (iv) Letter of Credit (the "Credit Support"). In each case, the amount of Credit Support required shall be calculated as follows: (aggregate number of On-Peak Hours in the 12-month period starting on the month Credit Support is required to be provided) x (for the 12-month period starting on the month Credit Support is required to be provided, the weighted average Contract Price for On-Peak Hours – the weighted average Contract Price for Off-Peak Hours) x (Net Available Capacity). The amount of Credit Support required shall be updated annually, on the anniversary of the month Credit Support was first required to be provided. The updated amount of Credit Support shall be calculated for each subsequent 12-month period, consistent with the calculation described in this Section.</p> <p>If PGE has a reasonable ground for questioning whether Seller satisfies any one or more of the Creditworthiness Requirements, Seller shall provide, within ten (10) business days from receipt of a written request from PGE, all reasonable records necessary for PGE to confirm Seller satisfies the Creditworthiness Requirements. PGE shall be permitted to provide written notice to Seller if PGE reasonably believes that Seller does not satisfy any one or more of the Creditworthiness Requirements. Within ten (10) business days of receiving such written notice from PGE, Seller shall provide credit support in the form and in the amount specified above in this Section. The costs of providing Credit Support shall be borne by Seller.</p> <p>Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its reasonable discretion, grant an exception to the requirements to provide default security if the Seller has negotiated financial arrangements with the Lender that mitigate Seller's financial risk to PGE.</p>	<p>In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.</p>	<p>This provision has been revised to add detail regarding the amount of credit support required, but the available forms of credit support have not changed and the exception for construction-related financial obligations has been retained. And as revised, the provision clarifies that exceptions for construction-related financial obligations will be granted through PGE's exercise of reasonable discretion. In addition, the Creditworthiness Requirements have been moved from this section to their own section and revised (as discussed in Section 8.1.6).</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>9.2 Right to Draw on Credit Support</b>	At any time after the occurrence and during the continuation of an Event of Default, or upon an early termination of this Agreement by PGE pursuant to Section 10.3, PGE may draw on Seller's Credit Support to satisfy any amounts that Seller owes PGE under this Agreement. In the event that PGE draws on the Credit Support during the Term, PGE shall inform Seller within fifteen (15) calendar days, and Seller shall promptly, and in no more than fifteen (15) calendar days following notice from PGE, restore the Credit Support to the amount required under Section 9.1. However, for avoidance of doubt, Seller shall have no obligation to replenish the Credit Support if PGE has terminated the Agreement.	n/a	This new provision requires Seller to replenish credit support in the event that PGE draws upon it. This is a commercially reasonable and standard provision, and it is necessary to protect PGE. Under the former PPA, if PGE drew upon credit support but the PPA continued in effect, PGE would be left unprotected for the remainder of the PPA term. The provision also requires PGE to inform Seller if PGE draws upon the Credit Support, and clarifies that Seller has no obligation to replenish Credit Support if PGE has terminated the Agreement.
<b>ARTICLE 10: DEFAULT, REMEDIES AND TERMINATION</b>			
<b>10.1 Events of Default</b>	An "Event of Default" means, with respect to a Party, the occurrence of any of the following unless otherwise excused under this Agreement:	In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:	This provision has been revised for clarity.
<b>10.1.1</b>	the failure of such Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) business days after receipt of written notice;	Failure of PGE to make any required payment pursuant to Section 7.1.	This provision has been revised to make clear that either Party's failure to make required payments is an event of default- not just PGE's.
<b>10.1.2</b>	any representation or warranty made by such Party in this Agreement is false or misleading in any material respect if such inaccuracy is not cured within thirty (30) calendar days after the non-defaulting Party gives the defaulting Party a notice of default;	Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.	This is a commercially reasonable and standard provision.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>10.1.3</b>	the failure of a Party to perform any material covenant or obligation set forth in this Agreement for which an exclusive remedy is not provided in this Agreement and not excused by Force Majeure, if the failure is not cured within thirty (30) calendar days after receipt of written notice from the other Party explaining the circumstances supporting the notice of default; provided that if such default is not reasonably capable of being cured within the thirty (30) calendar day cure period but is reasonably capable of being cured within a sixty (60) calendar day cure period, the defaulting Party will have such additional time (not exceeding an additional thirty (30) calendar days) as is reasonably necessary to cure, if, prior to the end of the thirty (30) calendar day cure period, (i) the defaulting Party provides the non-defaulting Party a remediation plan, (ii) the non-defaulting Party approves such remediation plan in its reasonable discretion, and (iii) the Defaulting Party promptly commences and diligently pursues the remediation plan;	n/a	This new provision is a general, catch-all default provision, the inclusion of which is commercially standard.
<b>10.1.4</b>	with respect to Seller, at any time after the Commercial Operation Date, the Facility is not a Qualifying Facility if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;	If Seller is no longer a Qualifying Facility.	This provision now includes a cure period, which is a benefit to QFs.
<b>10.1.5</b>	with respect to Seller, Seller fails to cure a default by Seller under the Interconnection Agreement or Transmission Agreement(s) within the cure period provided under such Agreement or fails to maintain or renew its Interconnection Agreement or Transmission Agreement(s) at any time during the term of this Agreement;	n/a	This new provision reflects the Seller's ongoing obligation to remain in compliance with other critical agreements in order to be a fit counterparty to the PPA.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>10.1.6</b>	with respect to Seller, Seller fails to establish, maintain, or increase Credit Support when required pursuant to this Agreement, if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;	Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.	This provision has been revised slightly for clarity and now includes a cure period, which is a benefit to QFs.
<b>10.1.7</b>	with respect to Seller, Seller fails, for any two or more consecutive Contract Years to satisfy the Minimum Availability Guarantee;	Seller's failure to meet the Guarantee of Mechanical Availability established in Section 3.1.10 for two consecutive Contract Years or Seller's failure to provide any written report required by that section.	This provision has been revised slightly for clarity, and the portion regarding failure to provide required written reports has been moved to a separate provision.
<b>10.1.8</b>	Seller's failure to provide any written report required by Section 3.4.2 if such failure is not cured within 30 calendar days of Seller's receipt of written notice from PGE;	Seller's failure to meet the Guarantee of Mechanical Availability established in Section 3.1.10 for two consecutive Contract Years or Seller's failure to provide any written report required by that section.	This provision has been separated from the preceding provision and now provides for a 30-day cure period.
<b>10.1.9</b>	with respect to Seller, Seller fails to establish the Commercial Operation Date on or before the Scheduled Commercial Operation Date. Seller shall have one (1) year to cure default under this Section 10.1.9, during which time Seller shall pay PGE Delay Damages pursuant to the terms of Section 2.6 and Section 4.2.	Seller's failure to meet the Commercial Operation Date. In the event of a default under Section 8.1.6, PGE may provide Seller with written notice of default. Seller shall have one year in which to cure the default during which time the Seller shall pay PGE damages equal to the Lost Energy Value. If Seller is unable to cure the default, PGE may immediately terminate this Agreement as provided in Section 8.3. PGE's resource sufficiency/deficiency position shall have no bearing on PGE's right to terminate the Agreement under this Section 8.2.	This provision has not been substantively changed but has been simplified and rephrased for clarity. The language regarding sufficiency/deficiency position has been removed to avoid potential confusion--but the principle remains in effect.
<b>10.2 Lender's Right to Cure a Seller Event of Default</b>	Seller may provide PGE with written notice identifying Seller's Lender, including contact information, and add the Lender as a representative to receive notices under Section 14.13 of this Agreement. PGE agrees to accept a cure of a Seller's Event of Default performed by the Lender, provided the cure is accomplished in accordance with this Agreement, including but not limited to within the applicable cure period set forth in this Agreement.	n/a	This new provision implements a new concept requested by QFs--the Lender's right to cure a Seller's Event of Default, which is a benefit to QFs.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>10.3 Termination for Default</b>	If an Event of Default has occurred and is continuing, the non-defaulting Party may immediately terminate this Agreement at its sole discretion, and without the non-defaulting Party incurring any liability to the defaulting Party, by delivering written notice to the defaulting Party. In addition, the non-defaulting Party may pursue any and all other legal or equitable remedies available to it, including recovery of damages as set forth below.	In the event of a default hereunder, except as otherwise provided in this Agreement, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, the nondefaulting Party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 20. The rights provided in this Section 8 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.	This provision has been slightly revised for clarity. There are no substantive changes.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>10.4 Damages</b>	<p>If this Agreement is terminated by PGE as a result of Seller's default, then Seller shall owe PGE the Lost Energy Value. Amounts owed by Seller pursuant to this Section shall be due within fifteen (15) business days after any invoice from PGE for the same. Damages owing under this Section 10.4 shall be cumulative and in addition to damages owing pursuant to Sections 2.6, 4.2, 4.3 and 10.1.9. An illustrative example showing the method for calculating the Lost Energy Value under this Section is set forth in Exhibit G.</p>	<p>In the event of a default under Section 8.1.6, PGE may provide Seller with written notice of default. Seller shall have one year in which to cure the default during which time the Seller shall pay PGE damages equal to the Lost Energy Value. If Seller is unable to cure the default, PGE may immediately terminate this Agreement as provided in Section 8.3. PGE's resource sufficiency/deficiency position shall have no bearing on PGE's right to terminate the Agreement under this Section 8.2.</p>	<p>This provision has been revised to eliminate the one-year cure period for all defaults, as Commission policy requires such a cure period only for failure to meet the scheduled COD and it is not commercially reasonable to permit such a lengthy cure period for all types of defaults. In addition, the PPA now makes clear that damages must be paid within 15 days of Seller receiving an invoice and are cumulative with other damages owed pursuant to other PPA sections.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>10.5 Payment of Outstanding Obligations</b>	If this Agreement is terminated pursuant to Section 10.3, then within thirty (30) calendar days of termination, PGE shall make all payments due and owing to Seller as of the time of receipt of notice of termination; provided that any such amounts may be set off against any amounts Seller owes PGE pursuant to Section 10.4 or otherwise. PGE shall not be required to pay Seller for Product delivered by Seller after the effective date of any termination notice.	If this Agreement is terminated as provided in this Section 8, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.	This provision has not been substantively changed, except to make clear that PGE may offset any amounts Seller owes to PGE against amounts PGE owes to Seller. This is a commercially reasonable and standard approach.
<b>10.6 Post-Termination PURPA Status</b>	In the event (i) PGE terminates this Agreement pursuant to this Article 10 or Seller terminates this Agreement without cause, and (ii) Seller or any Affiliate of Seller, or any successor to Seller with respect to the ownership of the Facility, wishes to sell Net Output to PGE from the Facility following such termination, then PGE may (but will not be obliged to) require that Seller, its Affiliate, or its successor do so subject to the terms and conditions of this Agreement, including but not limited to the Contract Price. If PGE elects to require Seller to sell Net Output pursuant to the terms of this Agreement, then Seller and PGE shall promptly execute a written document ratifying the terms of this Agreement. PGE's option to require Seller to sell Net Output pursuant to the terms of this Agreement will expire when a new agreement is executed for purchasing Net Output from the Facility.	In the event PGE terminates this Agreement pursuant to this Section 8, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.	This provision has been revised to be more detailed and comprehensive. It now makes clear that it applies if Seller terminates the PPA without cause, as well as if PGE terminates the PPA pursuant to Article 10. It also applies to future sales by Seller or Seller's Affiliate or successor, but clarifies that PGE's option to require Seller to sell pursuant to the Agreement expires when a new agreement is executed.
<b>ARTICLE 11: INDEMNIFICATION AND LIABILITY</b>			



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>11.1 Seller's Indemnity</b></p>	<p>Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) Seller's performance hereunder, including the delivery of energy to and at the Delivery Point; (ii) Seller's development, construction, ownership, operation, maintenance, or decommissioning of the Facility; (iii) the violation of any law, rule, order or regulation by Seller or any of its Affiliates, or their respective employees, contractors or agents in connection with this Agreement; (iv) Seller's failure to perform any of Seller's obligations under this Agreement or the Required Facility Documents; (v) Seller's breach of any representation or warranty set forth in this Agreement; or (vi) Seller's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by breach of this Agreement or by the negligence or willful misconduct of PGE, its directors, officers, employees, agents or representatives.</p>	<p>Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.</p>	<p>This provision has been revised to more clearly enumerate the scope of Seller's obligation to indemnify PGE, which is beneficial to both parties and is more commercially standard.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>11.2 PGE's Indemnity</b>	PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) PGE's receipt of energy under this Agreement after its delivery at the Delivery Point; (ii) the violation of any law, rule, order or regulation by PGE or any of its Affiliates, or their respective employees, or agents in connection with this Agreement; (iii) PGE's failure to perform any of PGE's obligations under this Agreement; (iv) PGE's breach of any representation or warranty set forth in this Agreement; or (v) PGE's negligence or willful misconduct in connection with this Agreement, except to the extent such Claim is caused by Seller's breach of this Agreement or by the negligence or willful misconduct of Seller, its directors, officers, employees, agents or representatives.	PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.	This provision has been revised to more clearly enumerate the scope of PGE's obligation to indemnify Seller, which is beneficial to both parties and is more commercially standard. PGE's indemnification obligation mirrors Seller's, except for as relates to construction of the Facility, which is Seller's responsibility alone.
<b>11.3 No Dedication</b>	Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent Person.	same	n/a

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>11.4 Disclaimer of Consequential Damages</b>	NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES UNDER OR IN RESPECT OF THIS AGREEMENT, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.	NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.	This provision has not been substantively changed.
<b>ARTICLE 12: INSURANCE</b>			
<b>12.1 Certificates of Insurance</b>	Prior to the start of deliveries (including Test Energy) under this Agreement, and whenever any required insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE, including the endorsements required herein, certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion may upon ten (10) calendar days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.	Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "B+" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.	The provision has been revised slightly to require that, if Seller chooses to provide a certificate of insurance rather than the full policy, Seller must also provide the endorsements. Requesting the endorsements in addition to a certificate of insurance is standard practice, because the endorsements provide more complete information about the policy than just a certificate alone, thereby enabling PGE to fully understand the policy if Seller opts not to provide the full policy to PGE. In addition, to accommodate existing QFs that are already interconnected to the electric system, the provision now applies prior to the start of deliveries to PGE under this PPA.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>12.2 Required Insurance</b>	Without limiting any liabilities or any other obligations of Seller under this Agreement, provided that the Facility has a Specified Facility Nameplate Capacity Rating of 200 kW or more, Seller shall secure and continuously carry for the Term, with an insurance company or companies rated no lower than "B+" by the A.M. Best Company the insurance coverage specified below:	Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "B+" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, it directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.	This provision was previously contained in a longer provision in the former PPA, from which it has been separated. This provision has not been substantively changed, other than to add the first clause clarifying that the insurance requirements do not affect Seller's other obligations under the PPA, which is standard commercial language.
<b>12.2.1</b>	Comprehensive General Liability Insurance, to include contractual liability, with a minimum single limit of \$1,000,000, to protect against and from all loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement. If circumstances arise that warrant an increase in insurance requirements, the Parties shall work together in good faith to amend this Agreement to reflect any commercially reasonable increases in insurance requirements.	see above	Although the language of this provision has been updated, the type of insurance required has not changed. "Comprehensive General Liability" insurance encompasses the types of insurance previously listed. As revised, this provision also directs parties to work together if circumstances warrant an increase in insurance requirements.

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<b>12.2.2</b>	All Risk Property Insurance providing coverage in an amount at least equal to the full replacement value of the Facility against “all risks” of physical loss or damage, including coverage for earth movement, flood, and boiler and machinery. The All Risk Policy may contain separate sub-limits and deductibles subject to insurance company underwriting guidelines. The All Risk Policy will be maintained in accordance with terms available in the insurance market for similar Facilities. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers’ rights of subrogation against PGE regarding Facility property losses.	Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "B+" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.	The property insurance requirements and terms have been elaborated in greater detail, but have not substantively changed.
<b>12.3 Required Provisions</b>			
<b>12.3.1</b>	The Comprehensive General Liability Policy required herein shall include (i) provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; (ii) a cross-liability or severability of insurance interest clause.	see above	This provision has been separated from a longer provision in the former PPA but has not been substantively changed.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>12.3.2</b>	All liability policies required by this Agreement shall include provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder, and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) calendar days' prior written notice to PGE.	see above	This provision has been separated from a longer provision in the former PPA but has not been substantively changed.
<b>12.3.3</b>	Insurance coverage provided on a "claims-made" basis shall be maintained by Seller for a minimum period of five (5) years after the completion of this Agreement and for such length of time necessary to cover liabilities arising out of the activities under this Agreement.	n/a	This new provision allows Seller the flexibility to provide coverage on a claims-made basis, so long as the coverage lasts for a minimum of five years after the Agreement ends. This timeline is necessary because claims-made coverage only applies to claims made while the coverage is in place, and therefore to be fully effective, the coverage cannot end immediately upon the conclusion of the Agreement. PGE previously allowed claims-made policies on a case-by-case basis but is now formalizing and clarifying the circumstances under which it will accept such coverage. This provision was included in response to requests from QFs and is a benefit to them.
<b>ARTICLE 13: FORCE MAJEURE</b>			

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>13.1 Definition of "Force Majeure"</b></p>	<p>As used in this Agreement, "Force Majeure" or "Force Majeure Event" means any event or circumstance, or combination of events or circumstances, that was not caused by the Party claiming the Force Majeure Event; is unforeseeable; cannot be prevented or overcome by the reasonable efforts and due diligence of the Party claiming the Force Majeure Event; and has an impact that will demonstrably prevent such Party's from performing its obligations (other than payment obligations) under this Agreement. Provided they meet all of the criteria described above, events of Force Majeure may include the following: acts of God, fire, flood, significant storms, wars, hostilities, civil strife, strikes and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority. Notwithstanding anything in the foregoing to the contrary, in no event shall any of the following constitute a Force Majeure Event: (i) the cost or availability of resources (including labor, fuel, materials and equipment) to operate the Facility, (ii) changes in market conditions, including but not limited to changes in renewable energy laws and climate change laws, that affect the price of energy or transmission, (iii) wind or water droughts, (iv) strikes and other labor disputes of the labor force under the control of the Party claiming the Force Majeure Event unless the strike is part of a more widespread or general strike extending beyond the Party, (v) economic hardship or financial inability to perform, (vi) normal climatic conditions, (vii) normal wear and tear or failure of the Facility's equipment, or (viii) smoke, haze, ash or other obstruction of sunlight (except to the extent such obstruction is caused by fires or volcanic eruptions).</p>	<p>As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.</p>	<p>This provision has been refined to add detail and clarity and to achieve a robust, commercially reasonable and standard definition of Force Majeure.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>13.2 Effect of Force Majeure</b>	If either Party is rendered wholly or in part unable to perform any of its obligations under this Agreement (other than payment obligations) because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the event of Force Majeure, after which such Party shall recommence performance of such obligation, provided that: (i) the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice pursuant to Section 14.13 of this Agreement describing the particulars of the occurrence; (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and (iii) the non-performing Party uses commercially reasonable efforts to remedy its inability to perform its obligations under this Agreement.	If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:  the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and  the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and  the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.	The only changes to this provision were (1) to carve out payment obligations from the performance obligations excused due to an event of Force Majeure, which is commercially standard, and (2) changing "best efforts" to "commercially reasonable efforts."
<b>ARTICLE 14: GENERAL PROVISIONS</b>			
<b>14.1 Relationship of the Parties</b>	Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such Party shall be jointly and severally liable for Seller's obligations under this Agreement.	same	n/a



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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>14.2 No Third Party Beneficiaries</b>	This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement), it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.	n/a	This is a commercially reasonable and standard provision.
<b>14.3 Governing Law</b>	<p>This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules that may direct the application of the laws of another jurisdiction.</p> <p>Each Party hereby acknowledges that this Agreement and any dispute that arises under this Agreement is subject to the jurisdiction of the Commission. If a dispute related to this Agreement arises between the Parties, the Parties' representatives shall first attempt to resolve the dispute informally through negotiation and consultation. If the Parties are unable to resolve their differences through such negotiation and consultation, any complaint, claim or action to resolve such dispute may be brought in a court in the state of Oregon or governmental agency with jurisdiction over the dispute.</p> <p>The public utility's compliance with the terms of this contract is conditioned on the qualifying facility submitting to the public utility and to the Public Utility Commission of Oregon, before the date of initial operation, certified copies of all local, state, and federal licenses, permits, and other approvals required by law.</p>	<p>This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.</p> <p>This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.</p>	This provision combines former Sections 14 and 17, and has been expanded to add clarity about the dispute resolution process, in response to both the significant volume of QF litigation and recent Commission rulings regarding the Commission's jurisdiction to resolve PPA disputes. This provision also includes language required by OAR 860-029-0020, which clarifies that the QF must submit all necessary permits, licenses, and other approvals before operation in order to trigger PGE's compliance requirements.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>14.4 Severability</b>	If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void as being contrary to any Applicable Law or public policy, all other terms of this Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties to this Agreement.	It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.	This provision has not been substantively changed.
<b>14.5 Effect of PURPA Repeal</b>	The repeal of PURPA shall not result in the early termination of this Agreement unless such termination is mandated by state or federal law.	In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.	This provision has not been substantively changed.
<b>14.6 Waiver</b>	Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.	same	n/a
<b>14.7 Survival</b>	Notwithstanding termination of this Agreement, PGE and Seller shall continue to be bound by the provisions of this Agreement which by their terms or by their nature shall survive such completion or termination.	Sections 8.1, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.	This is a commercially reasonable and standard provision.

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<p><b>14.8 Successors and Assigns</b></p>	<p>This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. Neither party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, that either party may assign its rights or delegate its obligations, in whole or in part, without such consent and upon thirty (30) calendar days' prior written notice to the other party, to an entity that acquires all or substantially all of the business or assets of the assigning party to which this Agreement pertains, whether by merger, reorganization, acquisition, sale, or otherwise. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder unless the non-assigning or non-delegating party enters into a novation releasing the assigning or delegating party of its obligation under the Agreement. Without PGE's consent, Seller may, upon notice to PGE, collaterally assign, transfer, pledge or encumber this Agreement or any of its rights or obligations hereunder to any Lender as collateral for financing with respect to the development, construction and/or operation of the Facility without the assignee being required to execute an agreement in the form of this Agreement in order to make such collateral assignment, transfer, pledge or encumbrance legally effective.</p>	<p>This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.</p>	<p>This provision has been revised to allow either party to assign its obligations under the PPA upon notice and without consent in the event that the assigning party is acquired. The provision also allows the Seller to assign its rights and obligations to a Lender upon notice and without PGE's consent. These revisions are a benefit to QFs.</p>

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Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed from Currently Effective PPA
<b>14.9 Financing Documents</b>	Upon receiving a request by Seller, PGE will execute a collateral assignment and consent agreement substantially similar to Exhibit D, which form PGE may change, in its sole discretion, from time to time. If Lender or Seller requests that PGE make changes to PGE's collateral assignment and consent agreement form or review any other proposed agreement or documents related to financing of the construction or operation of the Facility, PGE will take commercially reasonable efforts to review and respond to such proposed changes and requests. Seller shall be responsible for all reasonable cost and expense associated with PGE's review and activities reasonably required under this Section 14.9, including but not limited to the use of outside counsel, and excluding the execution of documents that are unchanged from the form contained in Exhibit D, as revised by PGE from time to time in PGE's sole discretion. No later than twenty (20) calendar days after receiving an invoice for such cost and expense, Seller shall pay to PGE the amount set forth as due in such invoice.	n/a	This new provision requires PGE to execute a collateral assignment and consent agreement form at Seller's request, which benefits QFs by streamlining the process for obtaining documents it may need to obtain financing.
<b>14.10 Entire Agreement; Amendments; Order of Precedence</b>	This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the contents of the Agreement, including PGE's purchase of energy from the Facility. No amendment or modification of this Agreement shall be effective unless it is in writing and signed by both parties. If there is a conflict between the terms of the Schedule and this Agreement, the terms of this Agreement shall apply and prevail.	This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.	This first two sentences of this provision have not been substantively changed. The third sentence clarifies that, although Schedule 201 is attached, the terms of the Agreement prevail in the event of a conflict.
<b>14.11 Seller Release</b>	By executing this Agreement, Seller releases PGE from any claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.	By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.	This provision has been modified to encompass all claims, not only third party claims.

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<b>14.12 Rights and Remedies Cumulative</b>	Except as expressly set forth in this Agreement, the rights and remedies of the Parties provided in this Agreement and otherwise available at law or in equity are cumulative, such that the exercise of one or more rights or remedies shall not constitute a waiver of any other rights or remedies.	...The rights provided in this Section 8 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.	This provision has been separated from a longer provision in the former PPA but has not been substantively changed.
<b>14.13 Notices</b>	<p>All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested. Each Party may designate up to three contacts to receive notices under this Agreement.</p> <p>The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 14.13.</p>	<p>All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested.</p> <p>The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.</p>	This provision has been modified to allow each party to provide for up to three contacts to receive notices and to update cross-references.

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<p><b>Exhibit A: Facility Description</b></p>	<p>EXHIBIT A FACILITY DESCRIPTION A. The following information shall be provided prior to the Effective Date and may not be modified by an As-built Supplement: Seller's Facility consists of generators fueled by _____. Location of the Facility: The Facility is to be constructed in _____ County, _____, with GPS coordinates of _____  The location is more particularly described as follows: [legal description of parcel]  B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement: Specified Facility Nameplate Capacity Rating _____ kW (Equivalent to Facility Nameplate Rating or revised value as modified per section 6.3.2). Number of Generation Units: _____ Manufacturer's Nameplate Capacity Rating of Generation Unit(s): _____ kW Net Available Capacity: _____ kW Identify and describe any differences between the Specified Facility Nameplate Capacity Rating and the Net Available Capacity: _____ _____ _____ _____  Interconnection Rating: _____ kW (the Facility capacity rating specified in the Interconnection Agreement) Station service requirements, and other loads served by the Facility, if</p>	<p>EXHIBIT A DESCRIPTION OF SELLER'S FACILITY [Seller to Complete] [Sellers may include reasonable expected monthly Net Output for purposes of Section 1.35 (Start-Up Lost Energy Value). Amounts may vary by month and shall be assumed repeated for each Contract Year, unless amounts for each Contract Year of this Agreement are set forth in this Exhibit A. Such amounts, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of this Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.]</p>	<p>This Exhibit has been updated to add detail, to conform to the information about the Facility that PGE acquires in its Initial Information Request, and to ensure that the Exhibit describes key attributes of the resource PGE is acquiring.  As revised, this Exhibit provides that some project information may be updated following execution by providing additional detail in the As-Built Supplement, which is a benefit to QFs.</p>

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<b>Exhibit B: Sellers' Interconnection Facilities and Transmission Attributes</b>	<p>EXHIBIT B SELLER'S INTERCONNECTION FACILITIES AND DELIVERY ATTRIBUTES</p> <p>A. The following information shall be provided prior to the Effective Date and may not be modified by Seller thereafter: Point of Delivery: _____</p> <p>B. The following information shall be provided prior to the Effective Date and updated when Seller provides an As-built Supplement: Entity with whom the Facility is or will be interconnected: _____ Transmission Provider(s): _____ _____</p> <p>C. The following information shall be provided in the As-built Supplement prior to Commercial Operation: Point(s) of metering, including the type of meter(s) and the owner of the meter(s): _____ _____ _____</p> <p>Specification of Point of Interconnection: _____</p>	<p>EXHIBIT B REQUIRED FACILITY DOCUMENTS [Seller list all permits and authorizations required for this project] Sellers Generation Interconnection Agreement</p>	<p>This Exhibit ensures that PGE has all information needed to understand the Facility. In addition, as revised, this Exhibit provides that some project information may be updated following execution by providing additional detail in the As-Built Supplement, which is a benefit to QFs.</p>

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<b>Exhibit C: Seller's Net Output Estimates</b>	<p>EXHIBIT C SELLER'S NET OUTPUT ESTIMATES Seller to provide commercially reasonable estimate of Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output during the Delivery Period, and the resulting Estimated Annual Average Net Output and Estimated Annual Maximum Net Output. Seller to provide explanation for the basis for the estimates:</p> <p>C.1. Estimated Monthly Average Net Output and Estimated Monthly Maximum Net Output (as measured at the Facility meter at the Point of Interconnection) Month Estimated Monthly Average Net Output (kWh) Percentage of Estimated Monthly Average Net Output That is On-Peak and Off-Peak (Total = 100%) Estimated Monthly Maximum Net Output (kWh)</p> <table border="0"> <tr> <td>On-Peak</td> <td>Off-Peak</td> <td>On-Peak %</td> <td>Off-Peak %</td> <td>On-Peak</td> <td>Off-Peak</td> </tr> <tr> <td>January</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>February</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>March</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>April</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>May</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>June</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>July</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>August</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>September</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>October</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>November</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>December</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>C.2. Estimated Annual Average Net Output and Estimated Annual Maximum Net Output</p>	On-Peak	Off-Peak	On-Peak %	Off-Peak %	On-Peak	Off-Peak	January						February						March						April						May						June						July						August						September						October						November						December						<p>n/a</p>	<p>This new Exhibit provides information PGE requires for contract administration and for resource planning purposes and ensures that the values are commercially reasonable.</p>
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<p><b>Exhibit D: Required Facility Documents</b></p>	<p>EXHIBIT D COLLATERAL ASSIGNMENT AND CONSENT AGREEMENT FORM (Power Purchase Agreement – _____) This Collateral Assignment and Consent Agreement (the “Agreement”) is made and entered into as of _____, 2019, by and among PORTLAND GENERAL ELECTRIC COMPANY (“PGE” or “Buyer”), [INSERT LENDER], a _____ company (the “Lender”), and [INSERT SELLER], a _____ company (the “Borrower” or “Seller”) (the “Parties” or each a “Party”).</p> <p>RECITALS</p> <p>A. Borrower and Lender have entered (or will be entering) into a construction loan agreement (as amended, restated, supplemented, or otherwise modified from time to time, the “Loan Agreement”), together with certain other Loan Documents (as defined therein), in order to finance a portion of the costs of the construction of an approximately _____ MW energy generating facility by Borrower in _____ County, _____.</p> <p>B. Borrower, as seller, and PGE, as buyer, are parties to that certain Standard _____ Power Purchase Agreement, dated as of _____ (as amended, restated, supplemented or otherwise modified from time to time, the “PPA” or the “Assigned Agreement”), a copy of which is attached as Exhibit A, under which Seller intends to construct, own, operate, and maintain a facility for generation of electric power from which Seller shall sell and PGE shall purchase Net Output (capitalized terms in this sentence not otherwise defined herein being as defined in Assigned Agreement).</p> <p>C. As part of the transactions contemplated by the Loan Agreement and the PPA, Borrower has executed (or will upon the execution of the Loan Agreement) in favor of the Lender a security agreement (the “Security Agreement”), pursuant to which Borrower collaterally assigns and grants a security interest to Lender in, among other things, all right, title and interest of Borrower in, to and under the Assigned Agreement and certain other “Collateral” defined therein as collateral security for its obligations under the Loan Agreement and the other Loan Documents (the “Secured Obligations”). The Loan Agreement and the Security Agreement are referred to herein as the “Security Documents.”</p> <p>AGREEMENTS</p> <p>NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:</p> <p>1. Consent to Assignment. PGE hereby consents to Borrower granting a collateral assignment of and security interest in all of Borrower’s right, title and interest in and to the Assigned Agreement.</p> <p>2. Limitations on Assignment. Lender acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Security Documents executed by Seller, Lender shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Lender or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured, (b) executes and delivers to Buyer a written assumption of all of Seller’s rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to Buyer, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, and (d) provides such tax and enforceability assurance as Buyer may reasonably require. Lender further acknowledges that the assignment of the Assigned Agreement is for security purposes only and that Lender has no rights under the Assigned Agreement to enforce the provisions of the Assigned Agreement unless and until an event of default has occurred and is continuing under the Security Documents between Seller and Lender (a “Financing Default”), in which case Lender shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Lender were an original party to the Assigned Agreement.</p> <p>3. No Representations and Warranties/Release. Seller and Lender each recognizes and acknowledges that Buyer makes no representation or warranty, express or implied, that Seller has any right, title, or interest in</p>	<p>n/a</p>	<p>This new Exhibit provides for the collateral assignment and consent agreement form, described above in Section 14.9.</p>

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<p><b>Exhibit E: Start-Up Testing</b></p>	<p>EXHIBIT E START-UP TESTING [Seller to identify all appropriate tests applicable to the Facility in accordance with final design before Start-Up Testing and/or supplement to the list below. This Exhibit is applicable to New QFs and to Existing QFs that elect to perform Start-Up Testing.] Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):</p> <ol style="list-style-type: none"> <li>1. Pressure tests of all steam system equipment;</li> <li>2. Calibration of all pressure, level, flow, temperature and monitoring instruments;</li> <li>3. Operating tests of all valves, operators, motor starters and motor;</li> <li>4. Alarms, signals, and fail-safe or system shutdown control tests;</li> <li>5. Insulation resistance and point-to-point continuity tests;</li> <li>6. Bench tests of all protective devices;</li> <li>7. Tests required by manufacturer of equipment; and</li> <li>8. Complete pre-parallel checks with PGE.</li> </ol> <p>Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):</p> <ol style="list-style-type: none"> <li>1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;</li> <li>2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;</li> <li>3. Brake tests;</li> <li>4. Energization of transformers;</li> <li>5. Synchronizing tests (manual and auto);</li> <li>6. Stator windings dielectric test;</li> <li>7. Armature and field windings resistance tests;</li> <li>8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;</li> <li>9. Heat runs;</li> <li>10. Tests required by manufacturer of equipment;</li> <li>11. Excitation and voltage regulation operation tests;</li> </ol>	<p>EXHIBIT C START-UP TESTING [Seller identify appropriate tests] Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):</p> <ol style="list-style-type: none"> <li>1. Pressure tests of all steam system equipment;</li> <li>2. Calibration of all pressure, level, flow, temperature and monitoring instruments;</li> <li>3. Operating tests of all valves, operators, motor starters and motor;</li> <li>4. Alarms, signals, and fail-safe or system shutdown control tests;</li> <li>5. Insulation resistance and point-to-point continuity tests;</li> <li>6. Bench tests of all protective devices;</li> <li>7. Tests required by manufacturer of equipment; and</li> <li>8. Complete pre-parallel checks with PGE.</li> </ol> <p>Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):</p> <ol style="list-style-type: none"> <li>1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;</li> <li>2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;</li> <li>3. Brake tests;</li> <li>4. Energization of transformers;</li> <li>5. Synchronizing tests (manual and auto);</li> <li>6. Stator windings dielectric test;</li> <li>7. Armature and field windings resistance tests;</li> <li>8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;</li> <li>9. Heat runs;</li> <li>10. Tests required by manufacturer of equipment;</li> <li>11. Excitation and voltage regulation operation tests;</li> <li>12. Open circuit and short circuit saturation tests;</li> </ol>	<p>This Exhibit has been revised to correct numbering and formatting and also to provide that both New QFs and Existing QFs can perform Start-Up Testing.</p>

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<b>Exhibit F: Schedule 201</b>	EXHIBIT F SCHEDULE 201  [Attach Schedule 201] <input type="checkbox"/>	EXHIBIT D SCHEDULE [Attach currently in-effect Schedule 201]	This exhibit reflects PGE's current practice of attaching Schedule 201 for clarity to ensure there are no disputes regarding the applicable version of Schedule 201.
<b>Exhibit G: Illustrative Examples of Payment and Lost Energy Value Calculations</b>	EXHIBIT G [Illustrative Examples of Payment and Lost Energy Value Calculations not included in matrix]	n/a	This new Exhibit provides examples of payment and damages calculations to ensure that QFs understand how these provisions work at the time they enter the Agreement and to avoid disputes.
<b>Exhibit H: Negotiated Prices for Option B – Solar Standard Terms and Negotiated Price Agreement</b>	EXHIBIT H [Attach negotiated prices for Option B – Solar Standard Terms and Negotiated Price Agreement]	EXHIBIT E NEGOTIATED CONTRACT PRICES [Attach On-Peak and Off-Peak Negotiated Contract Prices if Option B is selected in the first paragraph of the Agreement, otherwise delete Exhibit E]	This Exhibit has not been substantively changed. The Exhibit will be included only for solar QFs between 3 and 10 MW.

**Schedule 201**  
**Explanatory Matrix**

Section	September 2019 Revision	Original (Currently Effective) Language	Why was this Section Added/ Changed
<b>I. Purpose</b>	To provide information about power purchase prices, standard contract options, and the process for obtaining a standard contract for power delivered to the Portland General Electric (PGE or the Company) by a Qualifying Facility (QF) with a Facility Nameplate Capacity Rating of 10,000 kW (10 MW) or less.	To provide information about Standard Avoided Costs and Renewable Avoided Costs, Standard Power Purchase Agreements (PPA) and Negotiated PPAs, power purchase prices and price options for power delivered by a Qualifying Facility (QF) to the Company with nameplate capacity of 10,000 kW (10MW) or less.	This section was revised to more clearly and accurately convey the purpose of Schedule 201, which is broader than the Purpose articulated in the former language.
<b>II. Applicable</b>	To developers and owners of QFs making sales, or proposing to make sales, of electricity to PGE in the State of Oregon (Sellers).	AVAILABLE To owners of QFs making sales of electricity to the Company in the State of Oregon (Seller). APPLICABLE For power purchased from small power production or cogeneration facilities that are QFs as defined in 18 Code of Federal Regulations (CFR) Section 292, that meet the eligibility requirements described herein and where the energy is delivered to the Company's system and made available for Company purchase pursuant to a Standard PPA.	The new language is substantively the same as the Available section of the current Schedule 201. In addition, language has been added to clarify that it applies to prospective developers of QFs. The issues addressed by the former language of this section are now addressed in other sections of the revised Schedule.
<b>III. Communications</b>	Sellers may call PGE's Qualifying Facility Administrator at (503) 464-7523 or email at Qualifying.Facility@pgn.com to obtain more information about being a Seller.	n/a	Contact information for PGE's small power production coordinator was previously available on PGE's QF website, but now has been added to Schedule 201 so that it is readily available to QFs.
<b>IV. Definitions</b>		n/a	This section was added to provide clarity about where to find the definitions for defined terms. Unless otherwise noted, the defined terms are identical to those used in the PPA.
<b>Affiliated Person</b>	Any Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, Seller or that shares management or that acts jointly or in concert with or exercises influence over the policies or actions of Seller. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.	As used above, the term "Same Person(s)" or "Affiliated Person(s)" means a natural person or persons or any legal entity or entities sharing common ownership, management or acting jointly or in concert with or exercising influence over the policies or actions of another person or entity. However, two facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) solely because they are developed by a single entity.  Furthermore, two facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) if such common person or persons is a "passive investor" whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent family-owned or community-based projects. A unit of Oregon local government may also be a "passive investor" in a community-based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.	This term was moved into the "Definitions" section and revised to be consistent with both the PPA definition and the stipulation adopted in Order No. 06-586.
<b>Ancillary Services</b>	Any of the services identified by a Transmission Provider in its transmission tariff as "ancillary services."	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

<b>Balancing Authority (BA)</b>	An entity responsible for maintaining the load-interchange-generation balance within the Balancing Authority Area applicable to the Facility.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Balancing Authority Area</b>	The collection of generation, transmission, and loads within the metered boundaries of the BA. The BA maintains load-resource balance within this area.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule. NERC uses the same definition.
<b>Business Day</b>	Any day other than Saturday, Sunday or the following holidays: New Year's Day, January 1; Memorial Day, last Monday in May; Independence Day, July 4; Labor Day, first Monday in September; Thanksgiving Day and the day after Thanksgiving, fourth Thursday and Friday in November; Christmas Day, December 25.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Commercial Operation Date</b>	The date when the Facility is operational and reliable in accordance with the terms of the applicable Standard PPA.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Community-Based QF</b>	A QF that satisfies the following requirements: a. There is a recognized and established organization located within the county of the Facility or within 50 miles of the Facility that (i) has a genuine role in helping the Facility be developed and (ii) has some not insignificant continuing role with or interest in the Facility after it is completed and placed in service. (Such an organization hereinafter referred to as a "sponsoring organization.")  b. After excluding the passive investor(s) whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, 80 percent or more of the equity (ownership) interests in the entity that owns the Facility are held by the following Persons: (i) the sponsoring organization or its controlled affiliates; (ii) members of the sponsoring organization (if it is a membership organization) or owners of the sponsoring organization (if it is privately owned); (iii) Persons who live in the county in which the Facility is located or who live in a county adjoining the county in which the Facility is located; or (iv) units of local government, charities, or other established nonprofit organizations active either in the county in which the Facility is located or active in a county adjoining the county in which the Facility is located.	a) A community project (or a community sponsored project) must have a recognized and established organization located within the county of the project or within 50 miles of the project that has a genuine role in helping the project be developed and must have some not insignificant continuing role with or interest in the project after it is completed and placed in service.  b) After excluding the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, the equity (ownership) interests in a community sponsored project must be owned in substantial percentage (80 percent or more) by the following persons (individuals and entities): (i) the sponsoring organization, or its controlled affiliates; (ii) members of the sponsoring organization (if it is a membership organization) or owners of the sponsorship organization (if it is privately owned); (iii) persons who live in the county in which the project is located or who live a county adjoining the county in which the project is located; or (iv) units of local government, charities, or other established nonprofit organizations active either in the county in which the project is located or active in a county adjoining the county in which the project is located.	This term was moved to the "Definitions" section and revised slightly for clarity. The changes are not intended to alter the terms of the stipulation adopted in Order No. 06-586.
<b>Daily Market Index Price</b>	The Day Ahead Intercontinental Exchange (ICE) index price for the bilateral OTC market for energy at the Mid-C Physical for Average On Peak Power and Average Off Peak Power found on the following website: <a href="https://www.theice.com/products/OTC/Physical-Energy/Electricity">https://www.theice.com/products/OTC/Physical-Energy/Electricity</a> . In the event ICE no longer publishes this index, PGE and the Seller will select an alternative successor index representative of the delivery point.	MID-C INDEX PRICE As used in this schedule, the daily Mid-C Index Price shall be the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for Average On-Peak Power and Average Off-Peak Power found on the following website: <a href="https://www.theice.com/products/OTC/Physical-Energy/Electricity">https://www.theice.com/products/OTC/Physical-Energy/Electricity</a> . In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.	The related definition in the former PPA was "Mid-C Index Price," and although the term has changed, the definition of the price is substantively the same.
<b>Eligibility Requirements</b>	The requirements that a developer or owner of a QF must demonstrate the Facility will satisfy to be eligible to enter into a Standard PPA, which are set forth in Section V.1 below.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

<b>Environmental Attributes</b>	Any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as (subject to the foregoing) sulfur oxides (SO <sub>x</sub> ), nitrogen oxides (NO <sub>x</sub> ), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), and other greenhouse gasses (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation, (ii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits.	As used in this schedule, Environmental Attributes shall mean any and all claims, credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water. Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SO <sub>x</sub> ), nitrogen oxides (NO <sub>x</sub> ), carbon monoxide (CO), and other pollutants; and (2) any avoided emissions of carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere.	This definition has been revised to clarify what are <u>not</u> environmental attributes in an effort to avoid disputes.
<b>Facility</b>	For purposes of this Schedule, an existing or proposed facility for generation of electricity from which the Seller proposes to sell electricity to the Company under this Schedule.	n/a	This definition was added to increase clarity and replace the less-precise term "QF" in places where the facility itself is discussed.
<b>Facility Nameplate Capacity Rating</b>	The sum of the Nameplate Capacity Ratings for all Generation Units comprising the Facility.	n/a	This definition was added to provide clarity and avoid any future disputes about a Facility's nameplate capacity rating.
<b>Family-Owned QF</b>	A QF that satisfies the following requirement: After excluding the ownership interest of the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, either (i) five or fewer natural persons own 50 percent or more of the equity of the entity that owns the Facility, or (ii) fifteen or fewer natural persons own 90 percent or more of the entity that owns the Facility. For purposes of this definition, the following principles apply: a. A "look through" rule applies to closely held entities that hold the project entity, so that equity held by LLCs, trusts, estates, corporations, partnerships or other similar entities is considered held by the equity owners of the look through entity. b. In determining whether the thresholds in (i) or (ii) above have been met, spouses and children of an equity owner of the Facility who also have an equity interest are aggregated and counted as a single individual.	After excluding the ownership interest of the passive investor whose ownership interests are primarily related to green tag values and tax benefits as the primary ownership benefit, five or fewer individuals own 50 percent or more of the equity of the project entity, or fifteen or fewer individuals own 90 percent or more of the project entity. A "look through" rule applies to closely held entities that hold the project entity, so that equity held by LLCs, trusts, estates, corporations, partnerships or other similar entities is considered held by the equity owners of the look through entity. An individual is a natural person. In counting to five or fifteen, spouses or children of an equity owner of the project owner who also have an equity interest are aggregated and counted as a single individual.	This term was moved to the "Definitions" section and revised slightly to read more clearly. The changes are not intended to alter the terms of the 06-586 Stipulation.
<b>Firm Energy</b>	Energy scheduled and delivered on a firm basis to the delivery point by an Off-System Facility via firm transmission rights.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Generation Unit</b>	Means a complete electrical generation system within the Facility that is able to generate and deliver energy to the Point of Interconnection independent of other Generation Units within the same Facility. For example, for a solar facility, a Generation Unit is an inverter and the panels associated with such inverter.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

<b>Initial Information Request</b>	Form available in electronic format on the Company's website ( <a href="https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge">https://www.portlandgeneral.com/business/power-choices-pricing/renewable-power/install-solar-wind-more/sell-power-to-pge</a> ). The Company may from time to time update or revise the IIR. Seller may provide information in addition to the information specifically requested in the IIR. The IIR (and subsequent information provided about Facility during contracting process) is not binding upon the Seller or PGE except to the extent such information is memorialized in an executed PPA.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Nameplate Capacity Rating</b>	The full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovoltamperes, kilowatts, volts or other appropriate units. Nameplate Capacity Rating is usually indicated on a nameplate attached to the individual machine or device.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule. The first sentence of the definition mirrors the stipulated definition adopted in Order No. 07-360. The second sentence is substantively similar to the definition in PacifiCorp's agreements.
<b>Net Output</b>	All energy, expressed in kWhs, produced by the Facility, less station service and other onsite uses, as measured at the Point of Interconnection.	n/a	This term was used in the former Schedule but was not defined. This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Off-System QF</b>	A QF whose proposed or existing Facility is not directly interconnected to PGE's transmission or distribution system.	OFF-SYSTEM PPA A Seller with a facility that interconnects with an electric system other than the Company's electric system may enter into a PPA with the Company after following the applicable Standard or Negotiated PPA guidelines and making the arrangements necessary for transmission of power to the Company's system.	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>On-System QF</b>	A QF whose proposed or existing Facility is directly interconnected to PGE's transmission or distribution system.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Oregon Renewable Portfolio Standard</b>	The renewable portfolio standard contemplated by ORS 469A.005 to 469A.200, and the implementing regulations, in each case as in effect on the effective date of the executed Standard PPA.	Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.210	This term was used in the former Schedule, but it has been added to the "Definitions" section and the definition has been revised slightly for clarity, including by specifying that the relevant statute and regulation are those in effect on the PPA effective date. The changes are not intended to be substantive.
<b>Oregon RPS-Qualified RECs</b>	RECs that can be used by PGE to comply with the requirements of the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.200 and the implementing regulations.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Person(s)</b>	Any individual, corporation, limited liability company, firm, partnership, joint venture, association, trust, unincorporated organization or government authority, or any similar entity or organization.	n/a	This standard commercial definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Point of Interconnection</b>	The point of interconnection between the Facility and the interconnecting Transmission Provider or distribution system owner.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Qualifying Facility (QF)</b>	A qualifying cogeneration facility or a qualifying small power production facility or facilities within the meaning of sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3, and the Federal Energy Regulatory Commission regulations codified at 18 CFR Part 292.	n/a	This definition was added to be clear that the relevant definition of "Qualifying Facility" is the definition used in PURPA and FERC's regulations.



<b>REC</b>	All Environmental Attributes and REC Reporting Rights, however commercially transferred or traded under any or other product names, such as “green tags,” “Green-e Certified,” or otherwise. RECs are accumulated on a MWh basis and one REC represents the Environmental Attributes and REC Reporting Rights made available by the generation of one MWh of energy by a QF, as represented by the actual Net Output on an hourly basis. RECs do not include: (i) Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity; or (ii) thermal renewable energy certificates as defined in ORS 469A.132 and the implementing regulations. All RECs transferred to PGE must comply with the Oregon Renewable Portfolio Standard.	Definition of RPS Attributes As used in this schedule, RPS Attributes means all attributes related to the Net Output generated by the Facility that are required in order to provide PGE with “qualifying electricity,” as that term is defined in Oregon’s Renewable Portfolio Standard Act, Ore. Rev. Stat. 469A.010, in effect at the time of execution of this Agreement. RPS Attributes do not include Environmental Attributes that are greenhouse gas offsets from methane capture not associated with the generation of electricity and not needed to ensure that there are zero net emissions associated with the generation of electricity.	This definition was revised to be more comprehensive to reflect the changing nature of the marketplace for environmental attributes and also to clarify what are <u>not</u> RECs to avoid disputes.
<b>REC Reporting Rights</b>	The right of a Person to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at such Person’s discretion, including without limitation those REC Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present federal, state, or local law, regulation or bill, and international or foreign emissions trading program.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Reliability Entity</b>	A Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has responsibility over the reliability of the bulk power system and, by virtue of such responsibility, the legal authority to affect the operations of the QF or delivery of the Net Output, including the North American Electric Reliability Corporation and the Western Electricity Coordinating Council or any successor thereto.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Renewable Standard PPA</b>	A Standard PPA that provides for the transfer of Oregon RPS-Qualified RECs to PGE during the Renewable Resource Deficiency Period.	n/a	This definition was added to provide additional clarity about the use and applicability of the Renewable Standard PPA.
<b>Renewable Resource Deficiency Period</b>	The period beginning in 2025.	This is the period from 2025.	This definition contains a non-substantive revision made to be consistent with the language used in defining Renewable Resource Sufficiency Period.
<b>Renewable Resource Sufficiency Period</b>	The period from the current year through 2024.	This is the period from the current year through 2024.	This definition contains a non-substantive revision made for drafting and clarity purposes.
<b>Same Site</b>	Generating facilities are considered to be located at the same site as the QF for which qualification for a Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the Standard PPA is sought.	For purposes of the foregoing, generating facilities are considered to be located at the same site as the QF for which qualification for pricing under the Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for pricing under the Standard PPA is sought.	This definition contains minor non-substantive changes made for drafting purposes. The last sentence was revised slightly to recognize that there are some QF projects that may qualify for the terms and conditions but not the pricing of the Standard PPA.

<b>Scheduled Commercial Operation Date</b>	The date specified in the Standard PPA by the Seller by which Seller expects that commercial operation of the Facility will be achieved. Sellers developing a QF may specify a Scheduled Commercial Operation Date anytime up to three years from the date the Standard PPA is executed, or anytime later than three years after the date the Standard PPA is executed if the Seller establishes to the Company that a later Scheduled Commercial Operation Date is reasonable and necessary and the Company agrees, provided that the Company will not unreasonably withhold its consent. Seller may elect to describe the Scheduled Commercial Operation Date in the Standard PPA as a precise date or as an interval of time after the effective date of the PPA, e.g., "three years after the Effective Date."	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule. This definition benefits QFs by allowing them flexibility to describe the Scheduled COD in words, e.g., "three years after the Effective Date," or as a specific date.
<b>Seller</b>	The entity selling or proposing to sell the Net Output of the Facility to PGE pursuant to the terms and conditions of a Standard PPA.	...owners of QFs making sales of electricity to the Company in the State of Oregon (Seller)	This definition was added to the "Definitions" section and revised to be more detailed and specific.
<b>Solar QF</b>	A QF whose Facility will generate energy using the sun as its motive force.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Standard Power Purchase Agreement (Standard PPA)</b>	A standard pro forma Power Purchase Agreement approved by the Commission for the Company to execute with Sellers who propose to sell to the Company from a Facility meeting the Eligibility Requirements.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Transmission Agreement(s)</b>	Agreement(s) between the Seller and the Transmission Provider(s) that provide(s) for the transmission and delivery of Firm Energy from the Facility to the Delivery Point, at no less than the Facility Nameplate Capacity Rating. The Transmission Agreement must have a term of at least the lesser of (i) five (5) years, with renewal rights, or (ii) until the Expiration Date of the Standard PPA.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule and to provide clarity about what is required in the Transmission Agreement.
<b>Transmission Provider</b>	The transmission system operator(s) with whom the Seller will enter or has entered into the Transmission Agreement(s) to provide for delivery of Firm Energy from the Facility to the delivery point.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.
<b>Wind QF</b>	A QF whose Facility will generate energy using wind as its motive force.	n/a	This definition was added to provide clarity about the use of the term elsewhere in the Schedule.

<p><b>V. Eligibility Requirements</b></p>	<p>1. A Seller is eligible to enter into a Standard PPA if it proposes to sell from a Facility that will meet the following eligibility requirements: a. The Facility Nameplate Capacity Rating, together with that of any other electric generating facility using the same motive force, owned or controlled by the same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW. For purposes of applying this requirement, the following principles apply: • Two Facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) solely because they are developed by a single entity. • Two Community-Based QFs or Family-Owned QFs will not be held to be owned or controlled by the same Person(s) or Affiliated Person(s) if such common Person or Persons is a “passive investor” whose ownership interest in the Facility is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the Facilities at issue each meet the criteria for independent Family-Owned QFs or Community-Based QFs. A unit of Oregon local government may also be a “passive investor” in a Community-Based QF if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the Facility and that its only interest is a share of the cash flow from the Facility, which share will not exceed twenty percent (20%). The twenty percent (20%) cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.</p>	<p>A QF will be eligible to receive pricing under the Standard PPA if the nameplate capacity of the QF, together with any other electric generating facility using the same motive force, owned or controlled by the Same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW. A Community-Based or Family-Owned QF is exempt from these restrictions. Furthermore, two facilities will not be held to be owned or controlled by the Same Person(s) or Affiliated Person(s) if such common person or persons is a “passive investor” whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit and the facilities at issue are independent family-owned or community-based projects. A unit of Oregon local government may also be a “passive investor” in a community-based project if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.</p>	<p>This section was revised for drafting and clarity purposes, but the changes are non-substantive.</p>
	<p>2. The QF will satisfy the credit and insurance requirements set forth in the Standard PPA. A developer or owner of an existing or proposed Facility that will not meet the Eligibility Requirements in Section V.1 is not eligible to enter into a Standard PPA but may seek a negotiated power purchase agreement pursuant to the terms of Schedule 202.</p>	<p>n/a</p>	<p>This section was added to clarify which QFs are eligible to receive a Standard PPA.</p>
	<p>3. Solar QFs proposing sales from a Facility that will meet the Eligibility Requirements in Section V.1 and that have Facility Nameplate Capacity Ratings (as calculated in Section V.1.a that exceed 3 MW but do not exceed 10 MW are eligible for a Standard PPA containing prices negotiated under Schedule 202 and are ineligible for the standard pricing options described in Sections XI and XV below. All existing or proposed Facilities with Facility Nameplate Capacity Ratings (as calculated in Section V.1) that exceed 10 MW are ineligible for a Standard PPA and the standard pricing options described in Section XI and Section XV below.</p>	<p>n/a</p>	<p>This section was added to incorporate the eligibility requirements adopted in Docket No. UM 1854 and to clarify which QFs are eligible to receive a Standard PPA.</p>
	<p>4. QFs otherwise meeting the ownership requirements set forth in Section V.1 of this Schedule and eligible for a Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs eligible for the Standard PPA, so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection contract requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved standard contract.</p>	<p>QFs otherwise meeting the above-described separate ownership test and thereby qualified for entitlement to pricing under the Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs qualifying for pricing under the Standard PPA so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection agreement requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved Standard PPA.</p>	<p>This section contains non-substantive changes made for drafting purposes.</p>

<p><b>VI. Standard PPA Options</b></p>	<p>PGE offers eight Standard PPAs. The following chart shows the available Standard PPAs and the criteria for determining which Standard PPA applies. The term of each PPA will be specified in the PPA and will expire or terminate no more than twenty years from the Scheduled Commercial Operation Date or on the date the PPA is terminated if earlier. Available pricing under the Standard PPAs is addressed separately in Section X below:</p> <p>Form of Standard PPA Eligible and Electing to Transfer Oregon RPS-Qualified RECs to PGE* On-System QF Wind QF or Solar QF Standard On-System Non-Variable PPA no yes no Standard Off-System Non-Variable PPA no no no Standard On-System Variable PPA** no yes yes Standard Off-System Variable PPA** no no yes Renewable Standard On-System Non-Variable PPA yes yes no Renewable Standard Off-System Non-Variable PPA yes no no Renewable Standard On-System Variable PPA** yes yes yes Renewable Standard Off-System Variable PPA** yes no yes</p> <p>*QFs that generate electricity from a source capable of producing Oregon RPS-Qualified RECs may elect to enter into a Renewable Standard PPA providing for the transfer of RECs to PGE but are not required to do so. Under the terms of a Renewable Standard PPA, a QF retains ownership of all RECs associated with Net Output during the Renewable Resource Sufficiency Period, and transfers to PGE all RECs associated with Net Output from the start of the Renewable Resource Deficiency Period through the remainder of the term of the Renewable Standard PPA.</p> <p>** QFs utilizing run of river hydro as the primary motive force are eligible for both Variable and Non-Variable PPAs and the pricing corresponding to the PPA type. (If a QF utilizing run of river hydro as the primary motive force elects to receive prices identified in Tables 1(a and b) or 4(a &amp; b), the QF must execute a Standard Non-Variable PPA.)</p>	<p>The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Standard Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p> <p>The available Standard PPAs are:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Standard In-System Non-Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard Off-System Non-Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard In-System Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard Off-System Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard Renewable In-System Non-Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard Renewable Off-System Non-Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard Renewable In-System Variable Power Purchase Agreement</li> <li><input type="checkbox"/> Standard Renewable Off-System Variable Power Purchase Agreement</li> </ul> <p>The Standard PPAs applicable to variable resources are available only to QFs utilizing wind, solar or run of river hydro as the primary motive force.</p>	<p>This chart was added to provide additional clarity and detail concerning the PPAs offered by PGE. In addition, language was added to clarify when the PPA term begins, consistent with Order No. 17-256. Finally, language was added to clarify the PPA and pricing available to run of river hydro QFs.</p>
<p><b>VII. Process for Obtaining a Standard PPA</b></p>	<p>1. A Seller must initiate the QF application process by contacting PGE by email at Qualifying.Facility@pgn.com or by calling the Company at (503) 464-7523. The Company will respond to all such communications in a timely manner. If the Company is not able to comply with a request by the Seller because of incomplete or missing information from the Seller, the Company will notify the Seller of the additional information it requires.</p>	<p>n/a</p>	<p>This section was added to provide more detail and transparency about the QF application process. In response to QFs' requests, it provides flexibility for QFs to initiate communications via email or telephone.</p>
	<p>2. a. In order to obtain a project-specific draft Standard PPA from the Company, the Seller must provide PGE with a completed IIR in electronic format as an Excel workbook. Throughout the process described below, the Company may request additional information not included in the IIR only if such additional information is necessary for the Company to (i) understand the existing or proposed QF project, (ii) determine whether the QF project is eligible for a Standard PPA, or (iii) complete a Standard PPA.</p>	<p>n/a</p>	<p>This section was added to provide more detail and transparency about the QF application process and clarity around the circumstances in which the Company may request additional information from the applicant.</p>

	<p>b. Upon receiving a completed IIR from the Seller, if the Company requires additional or clarifying information, it will request such information from the Seller in writing within 15 business days of receiving the completed IIR. If necessary, the Company may repeat this process until it has obtained all information necessary to (i) understand the existing or proposed QF, (ii) determine whether the QF is eligible for a Standard PPA, and (iii) complete a Standard PPA.</p>	<p>n/a</p>	<p>This section was added to provide more detail and transparency about the QF application process.</p>
	<p>c. The Company will provide all Standard PPAs to Seller in PDF format at each stage in the process and will provide redlines from prior document drafts.</p>	<p>n/a</p>	<p>This section adds the new requirement that the Company provide redlines from prior drafts at each stage in the process, which will benefit QFs reviewing draft documents and help avoid disputes.</p>
	<p>d. The Company will provide the Seller with a draft Standard PPA within 15 business days following receipt of all information in the IIR and any additional clarifying information requested by the Company pursuant to this Schedule. The Company may re-issue a draft Standard PPA if there are any material changes to the information provided by the Seller to the Company, including, but not limited to: changes to the Facility Nameplate Capacity Rating; the applicable minimum, maximum, or average Net Output delivered to the point of interconnection; the location; the motive force; or the Scheduled Commercial Operation Date.</p>	<p>When all information required in the Standard PPA has been received in writing from the Seller, the Company will respond within 15 business days with a draft Standard PPA.</p>	<p>This section was revised to provide more detail and transparency about the QF application process. In particular, it provides examples of circumstances in which the Company may re-issue a draft Standard PPA.</p>
	<p>e. After reviewing the draft Standard PPA provided by PGE, the Seller may either (i) approve the draft Standard PPA in writing without requesting any changes or modifications; or (ii) prepare a set of written comments and proposals (including, without limitation, a request for any changes or modifications to information previously provided by the Seller to the Company).</p> <p>i. If the Seller desires to proceed with the draft Standard PPA without requesting any changes or modifications, it must approve the draft Standard PPA in writing and request in writing that the Company prepare a final executable Standard PPA. After receiving the Seller's written approval and request that the Company prepare a final executable Standard PPA, the Company will provide the Seller with a final executable Standard PPA with 15 business days.</p> <p>ii. If the Seller provides PGE with a set of written comments and proposals for any changes or modifications to either the draft Standard PPA or the information previously provided by the Seller to the Company, the Company will have 15 business days from the receipt of such written comments and proposals within which to: (i) request additional or clarifying information from the Seller; or (ii) provide the Seller with a revised draft Standard PPA. This process may be repeated until such time as the Seller submits no further written comments or proposals to modify any of the terms and conditions of the previous draft Standard PPA provided by PGE, or changes or modifications to information previously provided by the Seller to the Company, and provides PGE with a written approval of the draft Standard PPA and written request for a final executable Standard PPA.</p>	<p>The Seller may request in writing that the Company prepare a final draft Standard PPA. The Company will respond to this request within 15 business days. In connection with such request, the QF must provide the Company with any additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft Standard PPA.</p> <p>When both parties are in full agreement as to all terms and conditions of the draft Standard PPA, the Company will prepare and forward to the Seller a final executable version of the agreement within 15 business days.</p>	<p>This section was revised to eliminate the final draft PPA stage in response to QF requests. Now, the Company and Seller will continue exchanging draft PPAs until there are no additional changes or modifications, at which point the Company will provide a final executable PPA. This approach will benefit QFs by streamlining and simplifying the process.</p>
	<p>f. Seller must execute the final executable version of the Standard PPA within 15 business days of receipt. Once the Seller executes the final executable version of the Standard PPA and returns all copies to the Company, the Company will execute the Standard PPA within 15 business days of receipt. Following the Company's execution, a fully executed copy will be returned to the Seller.</p>	<p>Following the Company's execution, an executed copy will be returned to the Seller.</p>	<p>This section was revised to provide more detail and transparency about the QF application process. In particular, this new section provides timelines for both Seller and PGE to execute the final executable PPA in order to provide certainty for both parties.</p>

	<p>While a legally enforceable obligation is established once the Seller executes the final executable version of the Standard PPA, the Standard PPA itself will not be final and binding until the Standard PPA has been executed by both parties. The prices paid to the Seller will be those approved by the Commission at the time Seller executes the final executable version of the Standard PPA.</p>	<p>Prices and other terms and conditions in the PPA will not be final and binding until the Standard PPA has been executed by both parties.</p>	<p>This section was revised to provide more detail and transparency about the QF application process and to conform to current Commission policy reflected in Order No. 16-174 regarding when the PPA and pricing take effect.</p>
<p><b>VIII. Interconnection Requirements</b></p>	<p>In addition to executing a PPA, QFs connecting directly to the Company's electrical system are required to enter into an interconnection agreement with the Company that governs the physical interconnection of the Facility at its Facility Nameplate Capacity Rating to the Company's electrical system. QFs must contact the Company's Transmission and Reliability Services Department to arrange for interconnection. The Company's interconnection process, including required system upgrades, can take up to 36 months, depending on the complexity of the project and the length of time necessary for interconnection studies. QFs whose Facility will interconnect directly to transmission or distribution systems owned by entities other than the Company must contact the owner of such systems to determine the interconnection requirements and wheeling arrangements necessary to move the power to the delivery point.</p>	<p>Except as otherwise provided in a generation Interconnection Agreement between the Company and Seller, if the QF is located within the Company's service territory, switching equipment capable of isolating the QF from the Company's system will be accessible to the Company at all times. At the Company's option, the Company may operate the switching equipment described above if, in the sole opinion of the Company, continued operation of the QF in connection with the utility's system may create or contribute to a system emergency.</p> <p>The QF owner interconnecting with the Company's distribution system must comply with all requirements for interconnection as established pursuant to Commission rule, in the Company's Rules and Regulations (Rule C) or the Company's Interconnection Procedures contained in its FERC Open Access Transmission Tariff (OATT), as applicable. The Seller will bear full responsibility for the installation and safe operation of the interconnection facilities.</p>	<p>This section was revised to add language ensuring that owners of QFs are aware of applicable interconnection requirements and processes. Language pertaining to switching equipment was deleted as such matters will be addressed in the interconnection agreement.</p>
<p><b>XI. Pricing Options</b></p>	<p>The Company offers two categories of pricing options for QFs: (1) Non-Renewable Fixed Price Options, which are available to all QFs meeting the Eligibility Requirements and not entering into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above); and (2) Renewable Fixed Price Options, which are available to QFs meeting the Eligibility Requirements that are eligible and elect to enter into a Renewable Standard PPA except for Solar QFs sized at more than 3 MW (calculated as described in Section V above). (See Section VI above for a description of eligibility requirements to enter into Renewable Standard PPAs.) Prices will be those in effect at the time the Seller delivers to PGE a signed Standard PPA that is in final executable form pursuant to the procedures described in Article VII above. Additional details about pricing options are provided below.</p>	<p>The Standard PPA pricing will be based on either the Standard or Renewable Avoided Costs in effect at the time the agreement is executed.</p>	<p>This section was revised to provide additional detail about the two pricing options and to state the Commission's current policy, articulated in Order No. 16-174, as to when a QF locks in its avoided cost prices. The names of the two pricing options were changed to more clearly describe the options.</p>

<p><b>1) Non-Renewable Fixed Price Options</b></p>	<p>Non-Renewable Fixed Price Options are available to all QFs meeting the Eligibility Requirements and that are ineligible for, or do not elect to enter into, a Renewable Standard PPA, provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Non-Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. This fixed price option is available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date. Prices will be equal to the Non-Renewable prices in Tables 1a and 1b, 2a and 2b, or 3a and 3b, depending on the type of QF.</p> <p>If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 2a and 2b.</p> <p>A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Daily Market Index Price based on the interval that the energy is generated and delivered for the remainder of the term after the 15-year fixed price option period expires.</p>	<p>The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Standard Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both the Base Load QF resources (Tables 1a and 1b) and the avoided proxy resource, the basis used to determine Standard Avoided Costs for the Standard Fixed Price Option, are assumed to have a capacity contribution to peak of 100%. The capacity contribution for Wind QF resources (Tables 2a and 2b) is assumed to be 5%. The capacity contribution for Solar QF resources (Tables 3a and 3b) is assumed to be 5%.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option for Wind QFs (Tables 2a and 2b) include a reduction for the wind integration costs in Table 7. However, if the Wind QF is outside of PGE's Balancing Authority Area as contemplated in the Commission's Order No. 14-058, the Seller is paid the wind integration charges in Table 7, in addition to the prices listed in Tables 2a and 2b, for a net-zero effect.</p>	<p>This section was revised to provide additional clarity and detail about the Non-Renewable Fixed Price Option and to reflect the solar QF eligibility changes from UM 1854.</p>
<p><b>2) Renewable Fixed Price Options</b></p>	<p>Renewable Fixed Price Options are available to QFs that meet the Eligibility Requirements and that are eligible for and elect to enter into a Renewable Standard PPA; provided that, Solar QFs sized at more than 3 MW (calculated as described in Section V above) are ineligible to receive the Renewable Fixed Price Option and are required to negotiate prices pursuant to the terms of Schedule 202. These fixed price options are available for a maximum period of 15 years commencing on the earlier of the Scheduled Commercial Operation Date or the Commercial Operation Date.</p> <p>If the QF is an Off-System Wind QF, the Seller is paid the wind integration costs in Table 7, in addition to the prices listed in Tables 5a and 5b.</p> <p>A Seller with a PPA term that expires or is terminated more than 15 years from the earlier of the Commercial Operation Date or Scheduled Commercial Operation Date will receive pricing equal to the Daily Market Index Price based on the interval the energy is generated for the remainder of the term after the 15-year fixed price option period expires.</p>	<p>The Renewable Fixed Price Option is based on Renewable Avoided Costs. It is available only to Renewable QFs that generate electricity from a renewable energy source that may be used by the Company to comply with the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.210.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Renewable Avoided Costs in Tables 4a and 4b, 5a and 5b, or 6a and 6b, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p>	<p>This section was revised to provide additional clarity and detail about the Renewable Fixed Price Option and to reflect the solar QF eligibility changes from UM 1854.</p>

<p><b>3) Pricing Tables</b></p>	<p>The prices paid to QFs under a Standard PPA are set forth in the tables provided in Section XV. The chart provided below describes which QFs are eligible for the available pricing options.</p> <p>PRICING TABLES ELIGIBLE QFs (in all cases must be eligible for a Standard PPA)</p> <p>Tables 1a, 1b: Non-Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF All QFs, other than Wind QFs and Solar QFs, that are either ineligible for or elect not to enter into a Renewable Standard PPA.</p> <p>Tables 2a, 2b: Non-Renewable Fixed Price Option for Wind QF All Wind QFs that elect not to enter into a Renewable Standard PPA.</p> <p>Tables 3a, 3b: Non-Renewable Fixed Price Option for Solar QF All Solar QFs sized at or below 3 MW (calculated as described in Section V above) that elect not to enter into a Renewable Standard PPA.</p> <p>Tables 4a, 4b: Renewable Fixed Price Option for QF that is neither Wind QF nor Solar QF All QFs, other than Wind QFs and Solar QFs, that are eligible for and elect to enter into a Renewable Standard PPA.</p> <p>Tables 5a, 5b: Renewable Fixed Price Option for Wind QF Wind QFs that are eligible for and elect to enter into a Renewable Standard PPA.</p> <p>Tables 6a, 6b: Renewable Fixed Price Option for Solar QF Solar QFs sized at or below 3 MW (calculated as described in Section V above) that are eligible for and elect to enter into a Renewable Standard PPA.</p> <p>Table 7: Wind Integration Costs Wind QFs not directly interconnected to PGE's transmission or distribution system.</p>	<p>The Standard Fixed Price Option is based on Standard Avoided Costs including forecasted natural gas prices. It is available to all QFs.</p> <p>This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Standard Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution. QFs using any resource type other than wind and solar are assumed to be Base Load QFs.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option include adjustments for the capacity contribution of the QF resource type relative to that of the avoided proxy resource. Both the Base Load QF resources (Tables 1a and 1b) and the avoided proxy resource, the basis used to determine Standard Avoided Costs for the Standard Fixed Price Option, are assumed to have a capacity contribution to peak of 100%. The capacity contribution for Wind QF resources (Tables 2a and 2b) is assumed to be 5%. The capacity contribution for Solar QF resources (Tables 3a and 3b) is assumed to be 5%.</p> <p>Prices paid to the Seller under the Standard Fixed Price Option for Wind QFs (Tables 2a and 2b) include a reduction for the wind integration costs in Table 7. However, if the Wind QF is outside of PGE's Balancing Authority Area as contemplated in the Commission's Order No. 14-058, the Seller is paid the wind integration charges in Table 7, in addition to the prices listed in Tables 2a and 2b, for a net-zero effect.</p>	<p>This section was added to make it easier for Sellers to understand which pricing tables are applicable to each type of QF.</p>
<p><b>XII. Monthly Service Charge</b></p>	<p>Each separately metered QF not associated with a retail customer account will be charged the basic meter charge set forth in Schedule 300 of PGE's Retail Tariff.</p>	<p>Each separately metered QF not associated with a retail Customer account will be charged \$10.00 per month.</p>	<p>This section was revised to reference the section of the tariff containing the basic meter charge.</p>
<p><b>XIV. Special Conditions</b></p>	<p>1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company. 2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer. 3. Unless required by state or federal law, if the Public Utility Regulatory Policies Act of 1978 (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard PPA's termination date.</p>	<p>1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company. 2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer. 3. Unless required by state or federal law, if the 1978 Public Utility Regulatory Policies Act (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard or Negotiated PPA's termination date.</p>	<p>This section has not been changed, except to remove the reference to Negotiated PPAs, because Schedule 201 addresses Standard PPAs only.</p>



<p><b>XV. Pricing Options</b></p>	<p>The following tables set forth the pricing approved by the Commission for use in the Standard PPAs. The following tables will not apply to Solar QFs with a Facility Nameplate Capacity Rating (calculated as described in Section V above) exceeding 3 MW. For purposes of the following tables, "On-Peak Hours" are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays, and "Off-Peak Hours" are all hours other than On-Peak Hours.</p>	<p>Monthly On-Peak prices are included in both the Standard Avoided Costs as listed in Tables 1a, 2a, and 3a and Renewable Avoided Costs as listed in Tables 4a, 5a, and 6a. Monthly Off-Peak prices are included in both the Standard Avoided Costs as listed in Tables 1b, 2b, and 3b and Renewable Avoided Costs as listed in Tables 4b, 5b, and 6b.</p> <p><b>ON-PEAK PERIOD</b> The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.</p> <p><b>OFF-PEAK PERIOD</b> The Off-Peak period is 10:00 p.m. until 6:00 a.m., Monday through Saturday, and all day on Sunday.</p>	<p>This section has been revised to incorporate the eligibility requirements for solar QFs adopted in Docket No. UM 1854. In addition, table descriptions were revised for clarity, and the definition of "On-Peak Hours" was clarified to exclude NERC holidays.</p>
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