

Short-Term Bridge

Draft Prototype

NEW RESOURCE FIRM POWER BLOCK

POWER SALES AGREEMENT

executed by the

BONNEVILLE POWER ADMINISTRATION

and

«FULL NAME OF CUSTOMER»

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This BLOCK POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and «FULL NAME OF CUSTOMER» («Customer Name»). «Customer Name» is an investor-owned utility organized under the laws of the State of «_____».

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RECITALS

BPA has administratively divided its organization into two business lines in order to functionally separate the administration and decision-making activities of BPA's power business from the administrative and decision-making activities of its transmission business. References in this Agreement to the Power Business Line (PBL) are solely for the purpose of establishing which BPA business line is responsible for the administration of this Agreement.

BPA and «Customer Name» agree:

1. TERM

This Agreement takes effect on the date signed by BPA and «Customer Name» (Effective Date), and shall continue in effect until 2400 hours on September 30, 2011.

2. TERMINATION OF PRIOR AGREEMENT

Effective on the Effective Date, the Firm Power Block Power Sales Agreement, Contract No. 00PB-XXXXX between BPA and «Customer Name» is terminated.

3. DEFINITIONS

Capitalized terms in this Agreement shall have the meanings defined below, in the exhibits or in context. All other capitalized terms and acronyms are defined in BPA's applicable Wholesale Power Rate Schedules, including the General Rate Schedule Provisions (GRSPs), or its successors.

- (a) "Alternate Supplier" means an entity, other than «Customer Name», or a consumer of «Customer Name» serving its own load with an on site resource, that provides electric power service directly to a retail electric power consumer that receives service over the distribution system of «Customer Name» under Voluntary Retail Access or Mandated Retail Access.
- (b) "Amounts Taken" means an amount deemed equal to the amount of power scheduled by «Customer Name» under section 8 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (c) "Annexed Load" means the amount of load, including the increase in load associated with an annexation, that is added to «Customer Name»'s distribution system after September 30, 2000, due to «Customer Name» acquisition by condemnation, purchase or other legal process, as authorized under applicable state law, of distribution facilities and the obligation to serve the retail electric power consumers connected to the facilities. Annexed Load amounts are shown in Exhibit A, Rate Commitments.
- (d) "Contract Year" or "CY" means the period that begins each October 1 and which ends the following September 30. For instance, Contract Year 2008 begins October 1, 2007, and continues through September 30, 2008.

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- (e) “Diurnal” means the division of hours of the day between Heavy Load Hours (HLH) and Light Load Hours (LLH).
- (f) “Firm Power” means electric power that PBL will make continuously available to «Customer Name» under this Agreement.
- (g) “Mandated Retail Access” means the right, mandated either by Federal, or state law of retail electric power consumers to either acquire electric power service directly from one or more Alternate Suppliers of such electric power, or choose electric power service from a portfolio of power supply options, without «Customer Name» taking an ownership interest.
- (h) “New Large Single Load” or “NLSL” means the definition established for NLSL in the Northwest Power Act, as implemented in a NLSL policy developed by BPA after this Agreement is executed.
- (i) “Northwest Power Act” means the Pacific Northwest Electric Power Planning and Conservation Act of 1980, P.L. 96-501.
- (j) “Party” or “Parties” means PBL and/or «Customer Name».
- (k) “Points of Measurement” means the interconnection points between BPA, «Customer Name» and other control areas, as applicable. Electric power amounts are established at these points based on metered amounts or scheduled amounts, as appropriate.
- (l) “Points of Receipt” means the points of interconnection on the transmission provider's transmission system where Firm Power will be made available to «Customer Name»’s transmission provider by PBL.
- (m) “Power Business Line” or “PBL” means the administrative unit of the Bonneville Power Administration, United States Department of Energy, or its successor, which is acting by and for BPA in making this contract, and which is responsible for the management of marketing and sale of Federal power under BPA statutes.
- (n) “Region” means the definition established for “Region” in the Northwest Power Act.
- (o) “Returned Retail Load” means a retail electric power consumer load that returns to «Customer Name» for electric power service after receiving electric power service from an Alternate Supplier.
- (p) “Total Retail Load” means all electric power consumption including electric system losses, within a utility’s distribution system as measured at Points of Measurement, adjusted as needed for unmetered loads or generation, nonfirm or interruptible loads agreed to by the Parties, transfer loads of other utilities served by «Customer Name» and «Customer Name»’s transfer loads located in other control areas, and losses on «Customer Name»’s transmission

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system. No distinction is made between load that is served with Firm Power and load that is served with electric power from other sources.

- (q) “Transmission Business Line” or “TBL” means that portion of the BPA organization or its successor that is responsible for the management and sale of transmission service on the Federal Columbia River Transmission System (FCRTS).
- (r) “Voluntary Retail Access” means retail access that is not Mandated Retail Access and under which the retail electric power consumer has the ability to either acquire electric power service directly from one or more Alternate Suppliers of such electric power, or choose electric power service from a portfolio of power supply options, without «Customer Name» taking an ownership interest.

4. APPLICABLE RATES

The New Resource Firm Power (NR) rate schedule, including the GRSPs, or their successors, apply to Firm Power purchases under this Agreement.

5. NEW RESOURCE FIRM POWER BLOCK PRODUCT

(a) **Purchase and Sale of Block Product**

PBL shall sell and make available and «Customer Name» shall purchase under the applicable NR rates each hour the Firm Power amounts as established in section 5(b) below.

(b) **Establishment of Block Power Amounts**

«Customer Name» may, upon written notice to BPA, request Firm Power service from BPA. Any such notice shall specify, for each month of the term of the purchase, an equal amount of Firm Power in all hours of each such month. Upon mutual agreement by BPA and «Customer Name» of the terms and conditions for such Firm Power service, the Parties shall amend this Agreement to reflect such amounts in the table below.

Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MW												
HLH MW												
LLH MW												

6. LOAD LOSS

(a) **Limitation on Damages**

Up to 60 days after the end of each Contract Year, PBL may determine if «Customer Name» purchased less Firm Power, due to load loss established in section 5 of Exhibit C, Net Requirements, in any month during the previous Contract Year than it was contractually obligated to purchase under this Agreement (Monthly Purchase Deficiency). If PBL makes such a determination it shall calculate the reasonable market value of each Monthly Purchase Deficiency taking into account the differing market values within

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each month during such Contract Year. «Customer Name» shall pay PBL damages for such Contract Year equal to the amount by which the sum of the product of the Monthly Purchase Deficiencies and the amount PBL would have charged if the power had been taken under this Agreement, exceeds the sum of the product of the Monthly Purchase Deficiencies and the reasonable market value in each month. PBL may require through a written notice to «Customer Name» that «Customer Name» provide a reasonable forecast of its expected load loss amounts for a Contract Year.

(b) **Returned Retail Loads**

«Customer Name» shall notify PBL of any Returned Retail Load and provide PBL with metering information for such loads prior to PBL providing any power to serve such loads. «Customer Name» agrees not to request from PBL service under section 5(b) of the Northwest Power Act for a Returned Retail Load which would commence earlier than one year after the date the Returned Retail Load began receiving service from the Alternate Supplier.

7. **RETAIL ACCESS IMPLEMENTATION**

At least 180 days before «Customer Name» allows Voluntary Retail Access or before the effective date of Mandated Retail Access, the Parties shall amend the terms of this Agreement, if and to the extent necessary, to reflect the following «Customer Name» obligations:

- (a) «Customer Name» shall ensure that PBL has access to information adequate to plan, schedule, and bill for service rendered under this Agreement; and
- (b) «Customer Name» shall ensure that any retail electric power consumer, that receives all or a portion of its power supply from an Alternate Supplier, acquires all services necessary to support such service, including without limitation energy imbalance service.

8. **SCHEDULING**

All Firm Power transactions under this Agreement shall be scheduled and implemented consistent with Exhibit E, Scheduling. The procedures for scheduling described in Exhibit E, Scheduling are the standard utility procedures followed by PBL for power transactions between PBL and other utilities or entities in the Region that require scheduling.

9. **DELIVERY**

(a) **Transmission Service for Firm Power**

This Agreement does not provide transmission services for, or include the delivery of, Firm Power to «Customer Name». «Customer Name» shall be responsible for executing one or more wheeling agreements with a transmission supplier for the delivery of Firm Power (Wheeling Agreement). The Parties agree to take such actions as may be necessary to facilitate the delivery of Firm Power to «Customer Name» consistent with the terms, notice, and the time limits contained in the Wheeling Agreement.

(b) **Liability for Delivery**

«Customer Name» waives any claims against PBL arising under this Agreement for nondelivery of power to any points beyond the applicable Points of Receipt. PBL shall not be liable for any third-party claims related to the delivery of power after it leaves the Points of Receipt. In no event will either Party be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for transfer service.

(c) **Points of Receipt**

PBL shall make Firm Power available to «Customer Name» under this Agreement at Points of Receipt solely for the purpose of scheduling transmission to points of delivery on «Customer Name»'s distribution system. «Customer Name» shall schedule, if scheduling is necessary, such Firm Power solely for use by its firm retail electric power consumer load. PBL, for purposes of scheduling transmission for delivery under this Agreement, shall specify Points of Receipt in a written notice to «Customer Name» 18 months after «Customer Name» provides notice that it desires to purchase power from BPA, as required by section 5(b) of this Agreement.

If required by the Wheeling Agreement when PBL designates such Points of Receipt, PBL will provide capacity amounts for transmission under the Wheeling Agreement associated with the initial Points of Receipt that can be accepted as firm Points of Receipt under «Customer Name»'s Wheeling Agreement (except in the event that all Points of Receipt on the Federal Columbia River Power System (FCRPS) would be considered nonfirm). The sum of capacity amounts requested by PBL shall not exceed the amount reasonably necessary for PBL to provide Firm Power. Such Points of Receipt and their capacity amounts may only be changed through mutual agreement. However, at any time PBL may request the use of nonfirm Points of Receipt to provide Firm Power to «Customer Name», but notwithstanding section 9(b) above, PBL shall reimburse «Customer Name» for any additional costs incurred by «Customer Name» due to its compliance with such request.

(d) **Transmission Losses**

PBL shall provide «Customer Name» the losses, between the Points of Receipt and the point of interconnection between the BPA Control Area and the Control Area in which «Customer Name» resides, for Firm Power, at no additional charge. Losses will be provided at Points of Receipt as established under section 9(c), and under the terms and conditions as defined in the transmission provider's tariff.

10. MEASUREMENT

Amounts Taken are deemed equal to the amount of power scheduled by «Customer Name» under section 8 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.

11. BILLING AND PAYMENT

(a) **Billing**

PBL shall bill «Customer Name» monthly, consistent with applicable BPA rates, including the GRSPs and the provisions of this Agreement for the Firm Power, Unauthorized Increase Charges, payments pursuant to section 5, and other services provided to «Customer Name» in the preceding month or months under this Agreement. PBL may send «Customer Name» an estimated bill followed by a final bill. PBL shall send all bills on the bill's issue date either electronically or by mail, at «Customer Name»'s option. If electronic transmittal of the entire bill is not practical, PBL shall transmit a summary electronically, and send the entire bill by mail.

(b) **Payment**

Payment of all bills, whether estimated or final, must be received by the 20th day after the issue date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or Federal holiday, the Due Date is the next business day. If payment has been made on an estimated bill before receipt of a final bill for the same month, «Customer Name» shall pay only the amount by which the final bill exceeds the payment made for the estimated bill. PBL shall provide «Customer Name» the amounts by which an estimated bill exceeds a final bill through either a check or as a credit on the subsequent month's bill. After the Due Date, a late payment charge shall be applied each day to any unpaid balance. The late payment charge is calculated by dividing the Prime Rate for Large Banks as reported in the Wall Street Journal, plus 4 percent by 365. The applicable Prime Rate for Large Banks shall be the rate reported on the first day of the month in which payment is received. «Customer Name» shall pay by electronic funds transfer using BPA's established procedures. PBL may terminate this Agreement if «Customer Name» is more than three months behind in paying its bills under this Agreement and «Customer Name» cannot demonstrate an ability to make the payments owed.

(c) **Disputed Bills**

In case of a billing dispute, «Customer Name» shall note the disputed amount and pay its bill in full by the Due Date. Unpaid bills (including both disputed and undisputed amounts) are subject to late payment charges provided above. If «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate used to determine the interest is calculated by dividing the Prime Rate for Large Banks as reported in the Wall Street Journal; by 365. The applicable Prime Rate for Large Banks shall be the rate reported on the first day of the month in which payment is received by BPA.

12. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered: (a) in person; (b) by a nationally recognized delivery service; or (c) by United States

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Certified Mail. Notices are effective when received. Either Party may change its address for notices by giving notice of such change consistent with this section.

If to «Customer Name»:

«Customer Name»
«Street»
«City, State, Zip»
Attn: «Contact»
«Title»
Phone: «Phone»
FAX: «FAX»
E-Mail: «e-mail address»

If to PBL:

Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Attn: «AE»
Phone: 206-220-«____»
FAX: 206-220-«____»
E-Mail: «AE e-mail address»

13. COST RECOVERY

- (a) Nothing included in or omitted from this Agreement creates or extinguishes any right or obligation, if any, of BPA to assess against «Customer Name» and «Customer Name» to pay to BPA at any time a cost underrecovery charge pursuant to an applicable transmission rate schedule or otherwise applicable law.
- (b) BPA may adjust the rates for Firm Power set forth in the applicable power rate schedule during the term of this Agreement pursuant to the Cost Recovery Adjustment Clause in the 2002 GRSPs, or successor GRSPs.

14. UNCONTROLLABLE FORCES

PBL shall not be in breach of its obligation to provide Firm Power and «Customer Name» shall not be in breach of its obligation to purchase Firm Power to the extent the failure to fulfill that obligation is due to an Uncontrollable Force.

“Uncontrollable Force” means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force that impairs that Party’s ability to perform its contractual obligations under this Agreement and which, by exercise of that Party’s reasonable diligence and foresight, such Party could not be expected to avoid and was unable to avoid. Uncontrollable Forces include, but are not limited to:

- (a) any unplanned curtailment or interruption for any reason of firm transmission used to deliver Firm Power to «Customer Name»’s facilities or distribution system, including but not limited to unplanned maintenance outages;
- (b) any unplanned curtailment or interruption, failure or imminent failure of «Customer Name»’s distribution facilities, including but not limited to unplanned maintenance outages;
- (c) any planned transmission or distribution outage that affects either «Customer Name» or PBL which was provided by a third-party transmission or distribution owner, or by a transmission provider, including TBL, that is

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functionally separated from the generation provider in conformance with Federal Energy Regulatory Commission (FERC) Orders 888 and 889 or its successors;

- (d) strikes or work stoppage, including the threat of imminent strikes or work stoppage;
- (e) floods, earthquakes, or other natural disasters; and
- (f) orders or injunctions issued by any court having competent subject matter jurisdiction, or any order of an administrative officer which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

The Party claiming the Uncontrollable Force shall notify the other Party as soon as practicable of that Party's inability to meet its obligations under this Agreement due to an Uncontrollable Force. The Party claiming the Uncontrollable Force also agrees to notify any control area involved in the scheduling of a transaction which may be curtailed due to an Uncontrollable Force.

Both Parties shall be excused from their respective obligations, other than from payment obligations incurred prior to the Uncontrollable Force, without liability to the other, for the duration of the Uncontrollable Force and the period reasonably required for the Party claiming the Uncontrollable Force, using due diligence, to restore its operations to conditions existing prior to the occurrence of the Uncontrollable Force.

15. GOVERNING LAW AND DISPUTE RESOLUTION

- (a) This Agreement shall be interpreted consistent with and governed by Federal law. Final actions subject to section 9(e) of the Northwest Power Act are not subject to binding arbitration and shall remain within the exclusive jurisdiction of the United States Ninth Circuit Court of Appeals. Any dispute regarding any rights of the Parties under any BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. «Customer Name» reserves the right to seek judicial resolution of any dispute arising under this Agreement that is not subject to arbitration under this section 15. For purposes of this section 15 BPA policy means any written document adopted by BPA as a final action in a record of decision that establishes a policy of general application, or makes a determination under an applicable statute. If either Party asserts that a dispute is excluded

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from arbitration under this section 15, either Party may apply to the Federal court having jurisdiction for an order determining whether such dispute is subject to arbitration under this section 15.

- (b) Any contract dispute or contract issue between the Parties arising out of this Agreement, except for disputes that are excluded through section 15(a) above, shall be subject to binding arbitration. The Parties shall make a good faith effort to resolve such disputes before initiating arbitration proceedings. During arbitration, the Parties shall continue performance under this Agreement pending resolution of the dispute, unless to do so would be impossible or impracticable.
- (c) Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The CPR Institute for Dispute Resolution's arbitration procedures for commercial arbitration, Non-Administered Arbitration Rules (CPR Rules), shall be used for each dispute; *provided, however*, that: (1) the Parties shall have the discovery rights provided in the Federal Rules of Civil Procedure unless the Parties agree otherwise; and (2) for claims of \$1 million or more, each arbitration shall be conducted by a panel of three neutral arbitrators. The Parties shall select the arbitrators from a list containing the names of 15 qualified individuals supplied by the CPR Institute for Dispute Resolution. If the Parties cannot agree upon three arbitrators on the list within 20 business days, the Parties shall take turns striking names from the list of proposed arbitrators. The Party initiating the arbitration shall take the first strike. This process shall be repeated until three arbitrators remain on the list, and those individuals shall be designated as the arbitrators. For disputes involving less than \$1 million, a single neutral arbitrator shall be selected consistent with section 6 of the CPR Rules.
- (d) Except for arbitration awards which declare the rights and duties of the Parties under this Agreement, the payment of monies shall be the exclusive remedy available in any arbitration proceeding. Under no circumstances shall specific performance be an available remedy against BPA. The arbitration award shall be final and binding on both Parties, except that either Party may seek judicial review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof.
- (e) Each Party shall be responsible for its own costs of arbitration, including legal fees. The arbitrators may apportion all other costs of arbitration between the Parties in such manner as they deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

16. STATUTORY PROVISIONS

- (a) **Annual Financial Report and Retail Rate Schedules**

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«Customer Name» shall provide PBL with a current copy of its annual financial report and its retail rate schedules, as required by Section 5(a) of the Bonneville Project Act, P.L. 75-329.

(b) **Insufficiency and Allocations**

If BPA determines, consistent with section 5(b) of the Northwest Power Act and other applicable statutes, that it will not have sufficient resources on a planning basis to serve its loads after taking all actions required by applicable laws then BPA shall give «Customer Name» a written notice that BPA may restrict service. Such notice shall be consistent with BPA's insufficiency and allocations methodology, published in the Federal Register on March 20, 1996, and shall state the effective date of the restriction, the amount of «Customer Name»'s load to be restricted, and the expected duration of the restriction. BPA shall not change that methodology without the written agreement of all affected customers. Such restriction shall take effect no sooner than five years after notice is given to «Customer Name». If BPA imposes a restriction under this provision then the amount of Firm Power that «Customer Name» is obligated to purchase pursuant to section 5 shall be reduced to the amounts available under such restricted service.

(c) **New Large Single Loads**

(1) **General**

All existing NLSLs are listed in section 5 of Exhibit A, Rate Commitments. «Customer Name» shall provide reasonable notice to PBL of any expected increase in load that is likely to qualify as a new NLSL. «Customer Name» may either serve a NLSL with Firm Power or with power from another source. For purposes of this section 16(c), "Consumer" means an end-user of electric power or energy.

(2) **Determination of a Facility**

PBL, in consultation with «Customer Name», shall make a reasonable determination of what constitutes a single facility, for the purpose of identifying a NLSL, based upon the following criteria:

- (A) whether the load is operated by a single Consumer;
- (B) whether the load is in a single location;
- (C) whether the load serves a manufacturing process which produces a single product or type of product;
- (D) whether separable portions of the load are interdependent;
- (E) whether the load is contracted for, served or billed as a single load under «Customer Name»'s customary billing and service policy;

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- (F) consistent application of the foregoing criteria in similar fact situations; and
- (G) any other factors the Parties determine to be relevant.

PBL shall show an increase in load associated with a Consumer's facility which has been determined to be a NLSL in section 5 of Exhibit A, Rate Commitments. PBL shall have the unilateral right to amend Exhibit A to reflect such determinations when made.

(3) **Determination of Ten Average Megawatt Increase**

An increase in load shall be considered a NLSL if the energy consumption of the Consumer's load associated with a new facility, an existing facility, or expansion of an existing facility during the immediately past 12-month period exceeds by 10 average megawatts or more the Consumer's energy consumption for such new facility, existing facility or expansion of an existing facility for the consecutive 12-month period one year earlier, or the amount of the contracted for, or committed to load of the Consumer as of September 1, 1979, whichever is greater.

(4) **CF/CT Loads**

The following loads were determined by the Administrator to be contracted for, or committed to, as of September 1, 1979, as defined in section 3(13)(A) of the Northwest Power Act, and are subject to the applicable rate for the rest (non-NLSL) of «Customer Name's load:

[OPTIONS for section 16(c)(4).

Option 1-Include the following if customer has no CF/CT loads.

(4) **CF/CT Loads**

«Customer Name» has no loads that were contracted for, or committed to, as of September 1, 1979, as defined in section 3(13)(A) of the Northwest Power Act.

Option 2-Include the following if customer has CF/CT loads.

(4) **CF/CT Loads**

The following loads were determined by the Administrator to be contracted for, or committed to, as of September 1, 1979, as defined in section 3(13)(A) of the Northwest Power Act, and are subject to the applicable rate for the rest (non-NLSL) of «Customer Name's load:

Retail electric power consumer's name:

Amount of firm energy contracted for, or committed to, as of
September 1, 1979:

Facility description:

End of OPTIONS for section 16(c)(4).]

(5) **Annexed Load**

If an Annexed Load is added to «Customer Name»'s distribution system, and such Annexed Load includes an NLSL, then «Customer Name» shall notify PBL that it has acquired an NLSL, pursuant to section 16(c)(1) above. Similarly, if a portion of «Customer Name»'s load becomes an Annexed Load of another utility and such portion of load includes an NLSL, then such NLSL shall become an NLSL of such other utility.

(d) **Priority of Pacific Northwest Customers**

The provisions of sections 9(c) and (d) of the Northwest Power Act and the provisions of P.L. 88-552 as amended by the Northwest Power Act are incorporated into this Agreement by reference. BPA agrees that «Customer Name», together with other customers in the Region shall have priority to BPA power, consistent with such provisions.

(e) **Prohibition on Resale**

«Customer Name» shall not resell NR Firm Power except to serve «Customer Name»'s Total Retail Load or as otherwise permitted by Federal law.

(f) **Use of Regional Resources**

- (1) Within 60 days prior to the start of each Contract Year, «Customer Name» shall notify PBL of any firm power from a generating resource, or a contract resource during its term, that has been used to serve firm consumer load in the Region that «Customer Name» plans to export for sale outside the Region in the next Contract Year. PBL may during such Contract Year request additional information on «Customer Name» resources if PBL has information that «Customer Name» may have made such an export and not notified PBL. PBL may request and «Customer Name» shall provide within 30 days of such request, information on the planned use of any or all of «Customer Name»'s generating and contractual resources.
- (2) «Customer Name» shall be responsible for monitoring any firm power from generating resources and contract resources it sells in the Region to ensure such firm power is delivered to be used to serve firm consumer load in the Region.
- (3) If «Customer Name» fails to report to PBL in accordance with section (1), above, any of its planned exports for sale outside the Region of firm power from a generating resource or a contract resource that has been used to serve firm consumer load in the Region, and PBL makes a finding that an export which was not reported was made, then PBL may terminate this Agreement upon 30 days written notice to «Customer Name». If PBL concludes that the failure to report is inadvertent and unlikely to reoccur PBL shall not terminate this Agreement and may instead elect to decrement the amount of

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Firm Power by up to two times the amount of the export that was not reported. When applicable such decrements shall be established consistent with section 4(c) of Exhibit C.

- (4) For purposes of this section, an export for sale outside the Region means a contract for the sale or disposition of firm power from a generating resource, or a contract resource during its term, that has been used to serve firm consumer load in the Region in a manner that such output is not planned to be used solely to serve firm consumer load in the Region. Delivery of firm power outside the Region under a seasonal exchange agreement that is made consistent with BPA's section 9(c) policy will not be considered an export. Firm power from a generating resource or contract resource used to serve firm consumer load in the Region means the firm generating or load carrying capability of a generating resource or contract resource as established under Pacific Northwest Coordination Agreement resource planning criteria, or other resource planning criteria generally used for such purposes within the Region.

(g) **BPA Appropriations Refinancing Act**

The Parties agree that the BPA Refinancing Section of the Omnibus Consolidated Recissions and Appropriations Act of 1996 (The BPA Refinancing Act), P.L. No. 104-134, 110 Stat. 1321, 1350, as stated in the United States Code on the date this Agreement is signed by the Parties, is incorporated by reference and is a material term of this Agreement. The Parties agree that this provision and the incorporated text shall be included in subsequent agreements between the Parties, as a material term through at least September 30, 2011.

17. STANDARD PROVISIONS

(a) **Amendments**

No oral or written amendment, rescission, waiver, modification, or other change of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.

(b) **Assignment**

This Agreement is binding on any successors and assigns of the Parties. BPA may assign this Agreement to another Federal agency to which BPA's statutory duties have been transferred. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld. BPA shall consider any request for assignment consistent with applicable BPA statutes. «Customer Name» may not transfer or assign this Agreement to any of its retail customers.

(c) **Information Exchange and Confidentiality**

The Parties shall provide each other with any information that is reasonably required, and requested by either Party in writing, to operate under and

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administer this Agreement, including load forecasts for planning purposes, information needed to resolve billing disputes, scheduling and metering information reasonably necessary to prepare power bills that is not otherwise available to the requesting Party, including metering data for each load that qualifies as an NLSL. Such information shall be provided in a timely manner. Information may be exchanged by any means agreed to by the Parties. If such information is subject to a privilege of confidentiality, a confidentiality agreement or statutory restriction under state or Federal law on its disclosure by a Party to this Agreement, then that Party shall endeavor to obtain whatever consents, releases, or agreements are necessary from the person holding the privilege to provide such information while asserting the confidentiality over the information. Information provided to BPA which is subject to a privilege of confidentiality or nondisclosure shall be clearly marked as such and BPA shall not disclose such information without obtaining the consent of the person or Party asserting the privilege, consistent with BPA's obligation under the Freedom of Information Act. BPA may use such information as necessary to provide service or timely bill for service under this Agreement. BPA shall only disclose information received under this provision to BPA employees who need the information for purposes of this Agreement.

(d) **Entire Agreement**

This Agreement, including all provisions, exhibits incorporated as part of this Agreement, and documents incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

(e) **Exhibits**

The exhibits listed in the table of contents are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual agreement between the Parties unless otherwise specified in the exhibits. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

(f) **No Third-Party Beneficiaries**

This Agreement is made and entered into for the sole protection and legal benefit of the Parties, and no other person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with this Agreement.

(g) **Waivers**

Any waiver at any time by either Party to this Agreement of its rights with respect to any default or any other matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default or matter.

(h) **BPA Policies**

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Any reference in this Agreement to BPA policies, including without limitation BPA's NLSL Policy and the 5(b)/9(c) Policy, and any revisions thereto, does not constitute agreement by «Customer Name» to such policy, nor shall it be construed to be a waiver of the right of «Customer Name» to seek judicial review of any such policy.

(i) **Severability**

If any term of this Agreement is found to be invalid by a court of competent jurisdiction then such term shall remain in force to the maximum extent permitted by law. All other terms shall remain in force unless that term is determined not to be severable from all other provisions of this Agreement by such court.

(j) **Rate Covenant**

«Customer Name» agrees that it will establish, maintain, and collect rates or charges for power and energy and other services, facilities and commodities sold, furnished or supplied by it through any of its electric utility properties which, in the judgment of «Customer Name», shall be adequate to provide revenues sufficient to enable «Customer Name» to make the payments required under this Agreement.

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18. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the party for whom they sign.

«FULL NAME OF CUSTOMER»

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By _____

By _____

Account Executive

Name _____
(Print/Type)

Name _____
(Print/Type)

Date _____

Date _____

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Exhibit A RATE COMMITMENTS

1. PURCHASE DURATION

«Customer Name» shall purchase all of the Firm Power as established in section 5 of the body of this Agreement for the term specified in such section 5.

2. SPECIAL NR LOAD TREATMENT

(a) Annexed Loads

«Customer Name» agrees to serve any Annexed Loads with resource amounts added consistent with section 4 of Exhibit C, Net Requirement except as follows: Annexed Load amounts that were served by PBL under section 5(b) of the Northwest Power Act immediately prior to becoming an Annexed Load will be provided service under rates, terms, and conditions that, within the constraints of BPA's applicable policies, are as comparable as possible to what such Annexed Load would have received if the load had not become an Annexed Load. When «Customer Name» has an Annexed Load this exhibit shall be revised to include estimated monthly HLH and LLH MWs in a table below.

(b) Returned Retail Load

«Customer Name» may request service from PBL to serve Returned Retail Load in time periods where the amount of Firm Power as established in section 5 of the body of this Agreement has been reduced due to load loss. The Returned Retail Load Amount served by PBL under this Agreement may not exceed the difference between the original amount and the amount established in section 5 of Exhibit C. The Parties shall revise this exhibit to establish monthly HLH and LLH MWs for such service in a table below. The table shall identify whether the amounts in the table are deemed to be actual for billing purposes or whether the table is an estimate with bills based on metered amounts. PBL shall provide service within 180 days of the request at rates BPA has established or establishes as applicable to such loads. The rate treatment for such loads shall continue through Contract Year 2006. Rate treatment after Contract Year 2006 shall be determined in a future rate case.

(d) Load Previously Served By «Customer Name» Northwest Power Act Sections 5(b)(1)(A) and/or 5(b)(1)(B) Resources

«Customer Name» may request service from PBL to serve load that would otherwise be served by «Customer Name»'s Northwest Power Act sections 5(b)(1)(A) resources and 5(b)(1)(B) generating resources and long-term contract resources that are removed consistent with section 4(d) of Exhibit C, Net Requirements. The Parties shall revise this exhibit to establish monthly HLH and LLH MWs for such service in a table below. The amounts are deemed to be actual for billing purposes. PBL shall provide service within 180 days of the request at rates BPA has established or establishes as applicable to such loads. Rate treatment for such loads shall be determined in each rate case.

3. NEW LARGE SINGLE LOADS

(Drafter's Note: For each NLSL in this section include the following: the retail electric power consumer name, the facility location, the date the load became a NLSL, a description of the NLSL, and how the NLSL shall be served. If BPA serves the NLSL, Contracted Power will be provided under the NR rate schedule unless the Parties agree to service under a surplus rate schedule, and establishes rates and billing factors in Exhibit D, Additional Products and Special Provisions.)

[OPTIONS for section 3(a).

Option 1-Include the following if customer has no existing NLSL.

- (a) «Customer Name» has no existing NLSL.

Option 2-Include the following if customer has an existing NLSL. The load listed may no longer be considered to be a NLSL if BPA establishes a new NLSL policy (i.e., Klickitat, Goldendale). This should be noted and the right to change the determination should be established.

- (a) «Customer Name» has an existing NLSL. The NLSL is listed below.

End of OPTIONS for section 3(a).]

- (b) «Customer Name» shall serve any NLSLs with resource amounts added consistent with section 4 of Exhibit C, Net Requirements. When «Customer Name» has a NLSL this exhibit shall be revised to include estimated monthly HLH and LLH MWs in a table below.

4. REVISIONS

The Parties may update this exhibit by mutual agreement.

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Exhibit B BILLING

1. NEW RESOURCE FIRM POWER ENTITLEMENTS

- (a) The HLH and LLH amounts shown in section 5(b) of the body of this Agreement multiplied by the number of hours in an applicable daily Diurnal period establishes «Customer Name»'s daily NR HLH and LLH Energy Entitlements.
- (b) The HLH amount shown in section 5(b) of the body of this Agreement establishes «Customer Name»'s NR Demand Entitlement.

2. DEFINITIONS

“Deemed Schedule” means the greater of the scheduled amount or the minimum hourly purchase amount established in section 5 of the body of this Agreement.

3. HOURLY ENERGY TEST

- (a) The Unauthorized Increase Charge for energy shall be applied to the portion of the Deemed Schedule that exceeds the NR Demand Entitlement.
- (b) For LLH, the Unauthorized Increase Charge for energy shall be applied to the portion of the Deemed Schedule that exceeds the amounts shown, for LLH in section 5(b) of the body of this Agreement. The minimum hourly LLH purchase obligation is the amount shown in section 5(b) of the body of this Agreement.
- (c) Amounts Taken in excess of the Deemed Schedules are subject to the Unauthorized Increase Charge.

4. DAILY ENERGY TEST

The Unauthorized Increase Charge for energy shall be applied to the portion of the total daily HLH Deemed Schedules from PBL that exceeds the daily NR HLH Energy Entitlement, less any energy that is subject to the Unauthorized Increase Charge as determined under section 3(a) of this exhibit. «Customer Name»'s minimum daily HLH energy purchase obligation is the «Customer Name»'s NR HLH Energy Entitlement.

5. MONTHLY DEMAND TEST

The Unauthorized Increase Charge for demand shall be applied to the amount by which the largest Amounts Taken or Deemed Schedule on any HLH during the month exceeds the NR Demand Entitlement.

6. NLSL POWER ENTITLEMENTS

- (a) The amount of energy served by PBL under section 3 of Exhibit A during each applicable Diurnal period establishes «Customer Name»'s Monthly NR HLH and LLH Energy Entitlements for NLSLs.

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- (b) The amount of demand served by PBL under section 3 of Exhibit A that is made available on Generation System Peak is «Customer Name»'s Measured Demand for NLSLs.

7. **UNAUTHORIZED INCREASE CHARGE**

Amounts Taken from PBL in excess of Firm Power shall be subject to the Unauthorized Increase Charge for demand and energy consistent with the applicable BPA Wholesale Power Rate Schedules and GRSPs, unless such power is provided under another contract with PBL. Power that has been provided for energy imbalance service pursuant to an agreement between TBL and «Customer Name» will not be subject to an Unauthorized Increase Charge for Demand and Energy under this Agreement.

8. **REVISIONS**

This exhibit may be revised upon mutual agreement by the Parties.

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Exhibit C
NET REQUIREMENTS

1. ESTABLISHING NET REQUIREMENT

(a) Initial Net Requirement

(1) Total Retail Load Forecast

The tables below shows the PBL approved forecast of «Customer Name»’s Total Retail Load. The Parties agree that this forecast shall not be subject to arbitration under section 15 of the body of this Agreement.

Total Retail Load												
Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MWh												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

(2) Initial Net Requirement

«Customer Name»’s net requirement amounts are derived by taking the forecast of «Customer Name»’s Total Retail Load and subtracting from it the resource amounts that are committed to serve «Customer Name»’s Total Retail Load under section 2(c) of this exhibit and the amount of load served by known non-«Customer Name» resources, if any, as established in section 3 of this exhibit.

NET REQUIREMENTS												
Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MWh												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

(b) Annual Update of Net Requirement

(1) Updated Forecast of Total Retail Load

At least 60 days prior to the start of each Contract Year, «Customer Name» shall provide PBL an updated monthly forecast of «Customer Name»’s Total Retail Load in sufficient detail to fill in the table below. Up to 30 days before the start of the Contract Year PBL may notify «Customer Name» that PBL has determined that the forecast submitted when considered as a whole is not reasonable and that PBL will substitute a forecast of Total Retail Load that it considers reasonable to fill in the table below. The only issue arising under this

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section 1(b)(1) that is subject to arbitration under section 15 of body of this Agreement is whether PBL's forecast when considered as a whole was reasonable. Such arbitration shall not include the interpretation or application of BPA's policies to such load forecast. However the Parties may mutually agree to mediate disputes regarding PBL's forecast. Prior to the start of the Contract Year this exhibit shall be revised to update the forecast in the table below.

Total Retail Load												
Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MWh												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

(2) **Review of Net Requirements Amounts**

«Customer Name»'s updated net requirement amounts are derived by taking the «Customer Name» forecast of Total Retail Load established in section 1(b)(1) above and subtracting from it the resource amounts that are committed to serve «Customer Name»'s Total Retail Load under section 2(c) and the amount of load served by known non-«Customer Name» resources, if any, as established in section 3 of this exhibit. The updated net requirement amounts shall be shown in the table below.

NET REQUIREMENTS												
Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MWh												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

2. CUSTOMER RESOURCES

The amounts listed in the tables in this section are only for determining «Customer Name»'s net requirement under this Agreement and do not imply any specific resource operation, nor are the amounts intended to interfere with «Customer Name»'s decisions on how to operate its specific resources.

(a) **Declared Output of Specific «Customer Name» Resources**

«Customer Name» commits the firm output from the following resources (or an equivalent amount from another source) to serve its Total Retail Load.

(1) **Resource Name**

«Customer Name»'s resources and the characteristics of the resources are identified in the chart below. Power amounts associated with resources are listed in the attachment to this exhibit. The column

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labeled "Table" in the chart below corresponds to the tables listed in the attachment.

Table	Resource Name	Resource Type	5b1A/ 5b1B	Number of Units	Peak Cap MW	Customer % Share	% Ded to TRL	Resource Addition

(b) **Unspecified Resource Amounts Committed To Serve Total Retail Load**

«Customer Name» shall use its best efforts to meet the obligations to provide unspecified resources established in the provisions below. «Customer Name» agrees that if such power is acquired from PBL as anything other than a separately negotiated purchase of Surplus Firm Power, the power provided will be subject to the Unauthorized Increase Charge.

(1) **Unspecified Resources for Balancing Net Requirements**

«Customer Name» agrees to provide power from unspecified resources to serve Total Retail Load in amounts, and in periods, equal to its Total Retail Load not served through «Customer Name»'s power purchases committed to load under this Agreement, through resource amounts committed in section 2(a) above, through unspecified resource amounts established in sections 2(b)(2) and 2(b)(3) below, or through amounts in section 3 below. The amount in the table below shall be updated annually to show the amount, if any that the forecast established in section 1(b)(1) of this exhibit exceeds the sum of the following: the power amount established in section 4 of the body of this exhibit(as updated consistent with section 5 of this exhibit); and resource amounts committed for the upcoming Contract Year in sections 2(a), 2(b)(2), 2(b)(3), and 3 of this exhibit.

Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MWh												
HLH (MWh)												
LLH (MWh)												

(2) **Specific Amounts Committed for Contract Term**

In addition to the resource amounts established in section 2(a) above «Customer Name» agrees to serve its Total Retail Load with unspecified resources in the amounts listed in the table below.

None at this time.

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(3) **Amounts Committed for 9(c) Decrements**

Below are the amounts of unspecified resources added consistent with BPA's 9(c) Policy and the requirements of section 4(c) of this exhibit.

None at this time.

(c) **Total Resource Amounts Committed to Serve Total Retail Load**

«Customer Name» commits the resources listed in sections 2(a) and 2(b) above to serve Total Retail Load amounts served by «Customer Name» and not served with Firm Power through this Agreement. The total amount of «Customer Name»'s resources are shown in the table below. These amounts shall be updated whenever sections 2(a) or 2(b) above are modified, consistent with section 4 of this exhibit.

Sum of Resources												
Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total MWh												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

(d) **«Customer Name» Resource Not Used to Serve Total Retail Load**

Generating Resource Name	Resource Type	5b1A/5b1B	Number of Units	Peak Cap MW	Customer % Share	% Ded to TRL	Resource Addition

Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total (MWh)												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

3. **NON-«CUSTOMER NAME» GENERATING RESOURCES**

Known non-«Customer Name» resources greater, if any, than 1 MW that provide power to serve «Customer Name»'s Total Retail Load or such resources that otherwise connect to «Customer Name»'s distribution system are listed below.

Generating Resource Name	Resource Type	Nameplate Capability

The amounts in the table below establish the total amount of non-«Customer Name» resources that the Parties agree are to be applied to serve «Customer Name»'s Total Retail Load to calculate «Customer Name»'s net requirement. These amounts may only be modified consistent with section 4 of this exhibit.

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Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total (MWh)	0	0	0	0	0	0	0	0	0	0	0	0
HLH (MWh)	0	0	0	0	0	0	0	0	0	0	0	0
LLH (MWh)	0	0	0	0	0	0	0	0	0	0	0	0
Peak (MW)	0	0	0	0	0	0	0	0	0	0	0	0

4. CHANGES TO RESOURCE AMOUNTS

(a) Annual Right to Add New Renewable Resources

«Customer Name» may add new renewable resources to section 2(a) of this exhibit according to the terms of this provision. «Customer Name» shall request the addition of such resources at least 60 days before the start of the Contract Year the resources will be added. The request shall identify the resources, the length of time that the resources shall be applied to «Customer Name»'s Total Retail Load and power amounts from the resources for each month of the request. PBL will revise section 2 of this exhibit prior to the start of the Contract Year if PBL agrees that the resource meets BPA's standards to qualify for BPA's Conservation and Renewables Discount, subject to any applicable limits established in BPA's policy on net requirements under section 5(b) of the Northwest Power Act. «Customer Name» shall resume purchasing Firm Power under this Agreement when its commitment to apply the renewable resource ends. The rate treatment for such power shall be the same «Customer Name» would have received for such power if «Customer Name» had not chosen to apply a resource under this provision.

(b) Resource Additions for a BPA Insufficiency Notice

In lieu of the unspecified resource amounts established in 2(b)(1), «Customer Name» shall add resources to sections 2(a) or 2(b)(2) to replace amounts of Firm Power BPA notifies «Customer Name» will not be provided due to a notice under section 16(b) of the body of this Agreement.

(c) Decrements for 9(c) Export

PBL may determine consistent with BPA's policy implementing section 9(c) of the Northwest Power Act and section 3(d) of P.L. 88-552 (9(c) Policy) that an export of a «Customer Name» resource requires a reduction in the amount of Federal power that PBL sells under this Agreement. If PBL determines such a reduction is required it will notify «Customer Name» of the amount and duration of the reduction. PBL shall revise this exhibit to include such amounts as unspecified resources for the duration of the export requiring such reduction under section 2(b)(3). Determinations by PBL to reduce the amount of Federal power sold are not subject to arbitration under section 15 of the body of this Agreement. When a decrement under the BPA 9(c) Policy occurs within the Contract Year, (1) the monthly amounts in 1(b)(2) shall be reduced by how much the monthly amounts added to 2(b)(3) exceed the corresponding monthly amounts in 2(b)(1), and (2) the Firm Power provided

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by PBL shall also be reduced within the Contract Year consistent with such changes to 1(b)(2), through the terms of section 5 below.

(d) **Permanent Resource Removal**

The resource amounts established in section 2 of this exhibit may be removed permanently by «Customer Name» consistent with statutory discontinuance for permanent removal in BPA's policy on net requirements under section 5(b) of the Northwest Power Act. If PBL determines «Customer Name» has met PBL's standards for a permanent removal, the exhibit will be revised to show the agreed resource changes. Additional power purchases under this Agreement as a result of such a resource removal are subject to the terms established in section 4(d) of Exhibit A, Rate Commitments. Determinations by PBL on the permanent removal of a resource are not subject to arbitration under section 15 of the body of this Agreement.

(e) **Changes to Non-«Customer Name» Resources**

«Customer Name» shall annually update the information established for non-«Customer Name» resources in section 3 at least 60 days before the start of each Contract Year, if circumstances reasonably warrant such a change. Subject to agreement of the Parties, the exhibit shall be revised to show the updated information prior to the start of the applicable Contract Year.

(f) **Resource Additions for NLSL and Annexed Loads**

In lieu of the unspecified resource amounts established in section 2(b)(1), «Customer Name» may add an amount of resources to sections 2(a) or 2(b)(2) above to serve the full amount of Annexed Loads established in Exhibit A, Rate Commitments and NLSLs added after this Agreement is executed.

(g) **Annual Retail Load Loss and Resource Removal**

«Customer Name» may reduce the resource amounts established in sections 2(a) and 2(b) above by up to the amount of load loss «Customer Name» reasonably expects in the upcoming Contract Year consistent with the requirements of this section. «Customer Name» shall notify PBL at least 60 days prior to the applicable Contract Year, identifying the total monthly Diurnal MWh amounts of load loss. Reductions in resource amounts shall apply first to unspecified resources established in sections 2(b)(1) and 2(b)(2) of this exhibit. Additional reductions shall apply to specific resources in section 2(a) of this exhibit identified by «Customer Name» in the notice. The Parties shall revise this exhibit prior to the start of the Contract Year to make the changes in the resources and shall establish those changes in tables below which shall identify the specific changes that were made to the resources. The resource changes shall only apply for one Contract Year. Prior to the start of the subsequent Contract Year this exhibit shall be revised to add back the resources shown in tables below to the applicable provisions in section 2 of this exhibit, except for amounts «Customer Name» requests to remove under this provision for the following Contract Year. Resources removed under this provision continue to be subject to the 9(c) Policy.

(h) **Revisions for Changes in Resource Output**

Up to 60 days prior to the start of a Contract Year «Customer Name» may request changes to the monthly distribution of the capabilities of specific resources listed in section 2 of this exhibit. «Customer Name» must demonstrate to PBL's satisfaction that an adjustment is appropriate. PBL will only consider such adjustments within like diurnal periods. When PBL decides to grant a request to revise resource amounts PBL shall revise section 2 of this exhibit to show the changes to the resource.

5. REDUCTION OF BLOCK PURCHASE AMOUNTS

The monthly amounts of Firm Power provided under this Agreement shall be reduced in any month when the monthly net requirement amount established in section 1(b)(2) above is less than the corresponding monthly amount established in section 5 of the body of this Agreement. The reduction shall equal the difference between those monthly values. The monthly amounts shall also be reduced when resource amounts not already used to calculate the monthly values in section 1(b)(2) are added pursuant to section 4(c) above during the Contract Year. Reduced amounts are subject to payments as established in section 5 of the body of this Agreement. If such a reduction occurs this exhibit will be revised to include a table below with the updated values. When a table is included below it shall supersede the table in section 5 of the body of this Agreement.

6. RESOURCE DECLARATIONS

The resource capabilities set forth in sections 2(a) and (b) of this exhibit are dedicated to serving «Customer Name»'s firm load pursuant to section 5(b) of the Northwest Power Act. In addition to the resource capabilities set forth in such sections that may be removed pursuant to other sections of this Agreement, BPA consents that the resource capabilities set forth in section 2(b)(1) and (2) above may be discontinued from use in serving «Customer Name»'s firm load upon the termination or expiration of this Agreement. The resources established in sections 2(d) and 3 above are not used to serve «Customer Name»'s firm load under section 5(b) of the Northwest Power Act and will not be required to be so used after the termination or expiration of this Agreement.

7. REVISIONS

When required «Customer Name» shall submit a revised Exhibit C, Net Requirements, to PBL at least 60 days prior to each Contract Year. As long as «Customer Name»'s submittal is consistent with the requirements of this exhibit PBL shall accept it as submitted. If «Customer Name» fails to submit revisions when necessary, or if the information provided is inconsistent with the requirements of this exhibit, PBL shall update this exhibit prior to the beginning of the Contract Year with the information PBL believes is required.

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ATTACHMENT

Table 1:												
Contract Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Total (MWh)												
HLH (MWh)												
LLH (MWh)												
Peak (MW)												

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Exhibit D
ADDITIONAL PRODUCTS AND SPECIAL PROVISIONS

1. (NO SPECIAL PROVISIONS AT THIS TIME.)

2. REVISIONS

This exhibit shall be revised by mutual agreement of the Parties to reflect additional products and/or special provisions during the term of this Agreement.

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Exhibit E SCHEDULING

1. PURPOSE OF THIS EXHIBIT

The purpose of this exhibit is to identify power scheduling requirements and coordination procedures necessary for the delivery of electric power and energy sold under this Agreement. All provisions apply to Purchasing-Selling Entities (PSEs), including their authorized scheduling agent. Transmission scheduling arrangements are handled under separate agreements/provisions with the designated transmission provider. Nothing in this exhibit is intended to relieve the Parties of any obligation they may have under North American Electric Reliability Council (NERC) or Western Systems Coordinating Council (WSCC) policy, procedure, or guideline.

2. COORDINATION: GENERAL, PRESCHEDULE, REAL-TIME, AND AFTER-THE-FACT REQUIREMENTS

(a) General Requirements

- (1) The Parties may revise and replace this exhibit by mutual agreement. BPA shall also have the right to revise and replace this exhibit under the following circumstances after providing an opportunity for all affected Parties to discuss and comment on any proposed changes: (1) to comply with rules or orders issued by FERC, NERC, or WSCC; or (2) to implement changes reasonably consistent with standard industry practice, but necessary for BPA to administer its power scheduling function.
- (2) PSEs shall have staff available 24 hours a day for each day an active transaction or preschedule is in effect. PSE's must be prepared to verify transactions on an hourly basis if necessary.
- (3) PSEs shall complete the prescheduling and check out processes, and to verify Transactions and associated totals, per NERC tag, and BPA contract.
- (4) Inability to verify Transactions may result in schedule rejection or curtailment.
- (5) PSEs shall verify Transactions and totals after-the-fact (ATF) per both parties' ATF processes.
- (6) BPA is not obligated to accept Transactions that do not comply with the scheduling requirements in this exhibit or the contract.
- (7) Should a PSE attempt to preschedule a Transaction for power for which that PSE has an obligation to provide transmission and fails to properly reserve the transmission necessary to complete the

Transaction, the PSE will not be excused from its payment obligation, if any, under this Agreement.

- (8) All Transactions shall be stated in the time zone specified by WSCC and shall be in “hour-ending” format.
- (9) All Schedules, except Dynamic Schedules, will be implemented on an hourly basis using the standard ramp as specified by WSCC procedures.
- (10) Any power that is allowed to be resold at wholesale under this Agreement may only be resold if all characteristics of the product (e.g., Points of Receipt, shape, hours) are maintained in the resale.
- (11) Changes to telephone or fax numbers of key personnel (for Prescheduling, Real-Time, Control Area, or Scheduling Agents, etc.) must be submitted to BPA.

(b) **Prescheduling Requirements**

(1) **Information Required for Any Preschedule**

- (A) Unless otherwise mutually agreed, all Transactions will be submitted according to NERC instructions for E-tagging, as modified by WSCC.
- (B) When completing the NERC E-Tag insert the applicable BPA Contract number(s) in the “reference” column of the miscellaneous section of the tag.
- (C) Transactions going to or from California-Oregon Border (COB) must be identified as using Malin or Captain Jack, or COB Hub.

(2) **Preschedule Coordination**

- (A) Final hourly preschedules (verbal submission of E-tag information) must be submitted for the next day(s) by 1000 of each Workday, unless otherwise agreed.
- (B) Typically, preschedules are for one to three days. By mutual agreement of the parties, final preschedules may be requested for longer time periods to accommodate special scheduling requirements.
- (C) Under certain operating conditions, either party may require submission of estimated daily preschedules for an ensuing period up to ten days in length, prior to the final preschedule.

(c) **Real-Time Requirements**

- (1) PSEs may not make Real-Time changes to the scheduled amounts, including transmission arrangements unless such changes are allowed under individual contract provisions or by mutual agreement.
- (2) If Real-Time changes to the Schedule become necessary, and are allowable as described in section 2(c)(1) above, PSEs must submit such request no later than 30 minutes prior to the hour for which the Schedule change becomes effective.
- (3) Multihour changes to the Schedule shall specify each hour to be changed and shall not be stated as “until further notice.”
- (4) Emergency scheduling and notification procedures (including mid-hour changes) will be handled in accordance with NERC and WSCC procedures.

(d) **After-the-Fact Reconciliation Requirements**

PSEs agree to reconcile all Transactions, Schedules and accounts at the end of each month (as early as possible within the first 10 calendar days of the next month). The parties will verify all Transactions per BPA contract, as to product or type of service, hourly amounts, daily and monthly totals, and related charges.

3. DEFINITIONS AND ACRONYMS

Capitalized terms in this Exhibit shall have the meanings defined below, in context, or as used elsewhere in this Agreement.

- (a) **Control Area:** An electrical system bounded by interconnection (tie-line) metering and telemetry. It controls generation directly to maintain its interchange schedule with other control areas and contributes to frequency regulation of the interconnection.
- (b) **Hour Ending:** Designation for one hour periods of time based upon the time which the period ends. For example: the one hour period between 1300 and 1400 is referred to as Hour Ending 1400.
- (c) **Prescheduling:** The process (electronic, oral, and written) of establishing and verifying with all scheduling parties, advance hourly Transactions through the following Workday(s). Preschedules apply to the following day or days (if the following day or days are not Workday(s)).
- (d) **Purchasing-Selling Entity (PSE):** (NERC defined term). An entity that is eligible to purchase or sell energy or capacity and reserve transmission services.

- (e) **Real-Time:** The hourly or minute-to-minute operation and scheduling of a power system as opposed to those operations which are prescheduled a day or more in advance.
- (f) **Schedule:** The planned Transaction approved and accepted by all PSEs and Control Areas involved in the Transaction.
- (g) **Transaction:** An agreement arranged by a PSE to transfer energy from a seller to a buyer.
- (h) **Workday:** Any day BPA, other regional utilities, and PSEs observe as a working day.

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