

Good Corporate Citizenship Clause

(1) (a) Customer, and its affiliate(s) (“Customer”), shall, from the effective date of this Agreement, comply with all standards of commercial integrity and business ethics as are embodied in all applicable federal, state, and local laws, regulations, orders, decrees, or settlements, whether civil or criminal, including but not limited to all such requirements pertaining to equal employment opportunity, the environment, labor, occupational safety and health, securities, antitrust, banking, and public integrity (hereinafter “Requirements”) as a condition of Customer’s right to receive Power under this Agreement.

(b) If and when a Customer commits or continues to countenance persistent violations or a single egregious violation of the Requirements, a breach of this Good Corporate Citizenship Clause (“a Breach”) shall have occurred.

(c) At such time as a Breach becomes subject to a final, non-appealable determination entered by a court, board, administrative agency, or other entity having jurisdiction over the Customer, the BPA shall: (i) restrict delivery of power to the Customer; and (ii) seek damages for the period of the Breach. Such damages shall be calculated as the difference between the power rates under this contract and applicable market rate(s). Such actions shall only be taken after BPA has provided Customer with written notice and reasonable opportunity to guarantee its good faith compliance with this section.

(2) Any person, organization or business entity doing business within the BPA service area (“Complainant”) may file a complaint with BPA if they believe the Requirements of this Good Corporate Citizenship Clause have been violated. Complainant shall provide evidence of such alleged violation to BPA. BPA shall base its decision solely on the information provided by the Complainant. Upon the filing of a complaint alleging Customer’s non-compliance with this section, BPA shall issue an opinion addressing the merits of the complaint.

If it is determined by the BPA Administrator that there is reasonable cause to believe that a violation has occurred the BPA Administrator would then refer the matter for adjudication by a Public Review Board appointed by the Secretary of Energy. A Board Chairman would be appointed by the Secretary. The Chairman would be responsible for establishing hearing procedures, conducting public hearings, presiding over the hearings process preparing a record of the proceedings and providing findings, conclusions and recommendations to the Secretary.

(3) Upon review of the findings and recommendations of the Public Review Board the Secretary may dismiss the complaint or direct the BPA Administrator, to the extent permitted by law, to restrict or cease power deliveries to the Customer and seek damages for the period of the Breach as provided for in this contract.