

**FINAL BILLING CREDIT PROVISIONS FOR EXHIBIT D OF
REGIONAL DIALOGUE CONTRACT**

01.26.2015

**Exhibit D
ADDITIONAL PRODUCTS AND SPECIAL PROVISIONS**

Reviewer's Note: The following provisions on Conservation Billing Credits are intended to be captured in Exhibit D of a participant's Regional Dialogue contract.

«#». CONSERVATION BILLING CREDITS

BPA is authorized by section 6(h) of the Northwest Power Act to provide billing credits for conservation activities independently undertaken by a customer that result in a reduction of «Customer Name's Net Requirement. Between October 1, 2015 and September 30, 2017 (FY 2016-FY 2017 Rate Period), «Customer Name» elects to participate in BPA's Conservation Billing Credit program as described in BPA's January 2015 Final Conservation Billing Credit Policy Supplement and Record of Decision.

Capitalized terms used in this section «#» that are not defined in this Agreement shall have the meaning stated in «Customer Name's Energy Conservation Agreement.

«#».1 «Customer Name's Independent Conservation Funding Responsibilities and Energy Savings Range

During the FY 2016-FY 2017 Rate Period, «Customer Name» shall be responsible for implementing independent conservation measures consistent with the specifications and requirements outlined in the BPA Energy Efficiency Implementation Manual (Implementation Manual) and BPA's Energy Efficiency reporting system.

«Customer Name» shall, during the FY 2016-FY 2017 Rate Period, spend at least the following amount to fund independent conservation measures, and «Customer Name's undertaking of such independent conservation measures shall achieve, at a minimum, an energy savings amount within the following range:

Reviewer's Note: The ROD explains the methodology for calculating funding amount and energy savings range.

«Customer Name's Minimum Independent Conservation Funding Amount and Energy Savings Range		
Rate Period	Funding Amount (\$)	Energy Savings Range
FY 2016-FY 2017	\$x	X aMW – X aMW

By September 1, 2015, the Parties shall revise this exhibit to include «Customer Name's independent conservation funding amount and the range of energy savings listed in the table above. «Customer Name's required independent conservation funding amount and energy savings range shall be

calculated by BPA based on the Initial Implementation Budget «Customer Name» would have received had it not elected to receive billing credits.

«#».2 **Access to Other BPA Conservation Funding**

«Customer Name»’s commitment to independent conservation spending at the funding amounts in the table in section «#».1 above is not in any way intended to preclude «Customer Name» from being eligible to receive additional funding for conservation from the following, including, but not limited to: Implementation Budget Transfers through bilateral transfers from other customers, unassigned account funds, and other programs and procedures as described in the Implementation Manual.

«#».3 **Billing Credit Amount**

For the period of October 1, 2015 through September 30, 2027, BPA shall apply a billing credit to «Customer Name»’s monthly bill in the following amount:

«Customer Name»’s Monthly Billing Credit Amount (\$/Month)	
FY 2016-FY 2017	\$###

BPA’s monthly billing credit amount to «Customer Name» shall not exceed the amount in the table above. By September 1, 2015, the Parties shall revise this exhibit to include «Customer Name»’s monthly billing credit amount in the table above.

«#».4 **Documentation, Reporting, and the Implementation Manual**

When undertaking independent conservation measures pursuant to this section «#», «Customer Name» shall be subject to the documentation, reporting, approval, and verification processes included in «Customer Name»’s Energy Conservation Agreement and the Implementation Manual, and «Customer Name» shall be subject to all other applicable terms and conditions of the Implementation Manual.

«#».5 **Failure to Perform**

At the conclusion of the FY 2016-FY 2017 Rate Period, BPA shall initiate an oversight review process, consistent with the Implementation Manual, for independent conservation undertaken during such Rate Period. If during such oversight review process BPA determines that: (1) «Customer Name» did not fund independent conservation at or above the minimum funding amount listed in the table in section «#».1 above, or (2) «Customer Name» did not achieve verifiable independent conservation within or above the energy savings range listed in the table in section «#».1 above, then BPA shall conduct a financial true-up.

In conducting the financial true-up, BPA shall reduce «Customer Name»’s billing credit in the following manner: if «Customer Name» fails to perform

as described in the paragraph above, then BPA will multiply «Customer Name»'s billing credit amount by the smaller of the two reduction factors calculated below:

- (1) Minimum funding amount: If «Customer Name» fails to spend the minimum funding amount, then a reduction factor shall be calculated by dividing the amount «Customer Name» did spend by the minimum funding amount.
- (2) Energy savings range: If «Customer Name»'s conservation savings are lower than amounts established as the allowable energy savings range, then a reduction factor shall be calculated by dividing the amount «Customer Name» did save by the lowest allowable energy savings amount.

If BPA calculates a financial true-up, then regardless of (*Drafter's Note: Include Revisions section number*) section «#», BPA shall unilaterally revise this exhibit to reflect the adjusted monthly billing credit amount in the table in section «#».3 above, and «Customer Name» shall receive the adjusted monthly billing credit amount for the remainder of the term of the billing credit. BPA shall also recalculate any billing credit amounts already provided using the same reduction factor and make adjustments to «Customer Name»'s bills to recapture the amounts that were overpaid, with interest. Such interest amounts will be calculated by BPA consistent with section 16.5.3 of this Agreement.

«#».6 BPA's Right to Adjust Billing Credit Amount

To ensure that the rate impact of providing the billing credit to «Customer Name» is no more than if «Customer Name» had received an Initial Implementation Budget, BPA shall have the right to adjust «Customer Name»'s billing credit amount to reflect interest rate savings available to BPA because of interest rate reductions that occur after the original billing credit amount is established. BPA may only adjust «Customer Name»'s billing credit amount if: (1) there are no less than 48 months of billing credits remaining and (2) interest rates have lowered by at least 200 basis points. BPA may only make one such adjustment over the term of the billing credit.

Reviewer's Note: In a future Rate Period, if BPA offers a billing credit vintage under which billing credits would extend past 2028, then BPA will need to develop provisions to address what happens to billing credits when the Regional Dialogue Contract terminates.

«#».7 Other Billing Credit Terms and Conditions

Neither Party shall have the right to terminate participation in BPA's FY 2016-FY 2017 Conservation Billing Credit program. BPA may not accelerate or decelerate the billing credit schedule. All obligations in this section «#» shall be preserved until satisfied.