



## Department of Energy

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

PUBLIC AFFAIRS

March 8, 2010

In reply refer to: DK-7

Mr. Dan Seligman  
Attorney at Law  
Columbia Research Corporation  
P.O. Box 99249

### **FOIA #BPA-2010-00948-F**

Dear Mr. Seligman:

This is the final response to your request for information that you made to the Bonneville Power Administration (BPA), under the Freedom of Information Act (FOIA), 5 U.S.C. § 552.

#### **Request:**

A copy of all confirmation agreements (for power sales) signed pursuant to BPA Contract No. 08PB-11920 with Port Townsend Paper Company.

#### **Response:**

BPA is providing all responsive documents in their entirety.

I appreciate the opportunity to assist you with this matter. If you have any questions regarding this letter, please contact Laura M. Atterbury, Freedom of Information Act/Privacy Act Specialist, at 503-230-7305.

Sincerely,

*/s/ Christina J. Brannon*

Christina J. Brannon  
Freedom of Information Act/Privacy Act Officer

Enclosure: Responsive Documents



Department of Energy  
 Bonneville Power Administration  
 Power Business Line

**CONFIRMATION AGREEMENT**

From: Bonneville Power Administration P O Box 3621 Portland, OR 97208-3621	To: Port Townsend Paper Company Fax: 360-379-2113
BPA Preschedule: 503-230-3813	BPA Contract: 08PB-11921
BPA Real Time: 503-230-3341	Trade Date: 03/18/2008

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

Buyer: PORT	Broker: None
Seller: BPA	Holiday: NERC
BPA Trader: Mark Miller	Product: Surplus Firm
Phone: 503-230-4003	Product Description: Energy
PORT Trader: Bruce McComas	
Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.	

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
04/01/2008	06/30/2008	4	\$44.50	Flat	4	8,736	\$388,752.00
<b>Transaction Total</b>						<b>8,736</b>	<b>\$388,752.00</b>

Additional Provisions:

**Additional Provisions:**  
**Billing**

The parties have agreed to pre-payment, via wire transfer, payable as follows for each month's energy amount specified in this agreement. Wire transfer information will be provided to Port Townsend Paper by separate letter. If pre-payment is not received on the dates specified herein Bonneville may terminate this contract.

Date Payable On or Before	Month - Year of Service	Amount Owed
March 26, 2008	April 2008	\$128,160.00
April 24, 2008	May 2008	\$132,432.00
May 27, 2008	June 2008	\$128,160.00

All energy will be shown in Pacific Prevailing Time.  
 HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).  
 LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.  
 Flat is defined as HE 0100 - HE 2400.

No Scheduling is necessary for this transaction.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement.

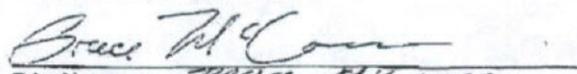
We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7483.

**AGREED AND ACCEPTED**

Bonneville Power Administration

Port Townsend Paper Company





Mark Miller

Print Name: BRUCE M CONNER

Account Executive Date: 3-18-08

Title: VP - General Mgr Date: 3/18/08



Department of Energy  
Bonneville Power Administration  
Power Business Line

CONFIRMATION AGREEMENT

From: Bonneville Power Administration  
P O Box 3821  
Portland, OR 97208-3621

To: Port Townsend Paper Company  
Fax: ~~360-379-2115~~ 360-385-2971

BPA Preschedule: 503-230-3813  
BPA Real Time: 503-230-3341

BPA Contract: 09PB-33005  
Trade Date: 06/03/2009

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

Buyer: PORT  
Seller: BPA  
BPA Trader: Alex Spain  
Phone: 503-230-3183  
PORT Trader: Roger Loney  
Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.

Broker: None  
Holiday: NERC  
Product: Surplus Firm (WSPP Schedule C)  
Product Description: Energy

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
06/05/2009	06/30/2009	12	\$17.80	Flat	12	7,488	\$133,286.40
<b>Transaction Total</b>						<b>7,488</b>	<b>\$133,286.40</b>

Additional Provisions:

The parties have agreed to early-payment, via wire transfer, payable as follows, below. Wire Transfer information will be provided to Port Townsend Paper by separate letter. If the early-payment is not received on the date specified herein Bonneville may terminate this contract.

Date Payable on or Before: June 5, 2009  
Amount Due: Transaction Total \$133,286.40

No Scheduling is necessary for this transaction.

All energy will be shown in Pacific Prevailing Time.  
HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).  
LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.  
Flat is defined as HE 0100 - HE 2400.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement.

We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

*Mark E. Miller*

Mark E. Miller  
Trading Floor Manager Date: 6-3-09

*Ernest A. Connors*

Print Name: ERNEST A. CONNORS  
Title: CORP. TREASURER Date: 6/3/09

2009 JUN 9 2009 JUN 9



Department of Energy  
Bonneville Power Administration  
Power Business Line

CONFIRMATION AGREEMENT

**From:** Bonneville Power Administration  
P O Box 3621  
Portland, OR 97208-3621

**To:** Port Townsend Paper Company  
**Fax:** ~~360-379-2113~~ 360-385-2971

**BPA Preschedule:** 503-230-3813  
**BPA Real Time:** 503-230-3341

**BPA Contract:** 09PB-33005  
**Trade Date:** 06/03/2009

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

**Buyer:** PORT  
**Seller:** BPA  
**BPA Trader:** Alex Spain  
**Phone:** 503-230-3183  
**PORT Trader:** Roger Loney  
**Point of Delivery:** Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.

**Broker:** None  
**Holiday:** NERC  
**Product:** Surplus Firm (WSPP Schedule C)  
**Product Description:** Energy

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
06/05/2009	06/30/2009	12	\$17.80	Flat	12	7,488	\$133,286.40
<b>Transaction Total</b>						7,488	\$133,286.40

**Additional Provisions:**

The parties have agreed to early-payment, via wire transfer, payable as follows, below. Wire Transfer information will be provided to Port Townsend Paper by separate letter. If the early-payment is not received on the date specified herein Bonneville may terminate this contract.  
Date Payable on or Before: June 5, 2009  
Amount Due: Transaction Total \$133,286.40

No Scheduling is necessary for this transaction.

All energy will be shown in Pacific Prevailing Time.

HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.

Flat is defined as HE 0100 - HE 2400.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement.

We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7463.

**AGREED AND ACCEPTED**

Bonneville Power Administration

Mark E. Miller

Trading Floor Manager Date: 6-3-09

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

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



Department of Energy  
Bonneville Power Administration  
Power Business Line

## CONFIRMATION AGREEMENT

From: Bonneville Power Administration  
P O Box 3621  
Portland, OR 97208-3621

To: Port Townsend Paper Company  
Fax: 360-385-2971

BPA Preschedule: 503-230-3813

BPA Contract: 09PB-12443

BPA Real Time: 503-230-3341

Trade Date: 08/20/2009

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

Buyer:	PORT	Broker:	None
Seller:	BPA	Holiday:	NERC
BPA Trader:	Alex Spain	Product:	Surplus Firm (WSPP Schedule C)
Phone:	503-230-3183	Product Description:	Energy
PORT Trader:	Roger Loney	Point of Delivery:	Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
09/01/2009	09/30/2009	17	\$ 37.95	Flat	17	12,240	\$464,508.00
<b>Transaction Total</b>						<b>12,240</b>	<b>\$464,508.00</b>

**Additional Provisions:**

The parties have agreed to early-payment, via wire transfer, payable as follows, below. Wire Transfer information will be provided to Port Townsend Paper by separate letter. If the early-payment is not received on the date specified herein Bonneville may terminate this contract.

Date Payable	Amount due
Sept. 01, 2009	\$464,508.00

BPA shall submit a schedule on PORT's behalf for 17 MW Flat, commencing on the Start Date and ending on the End Date, unless notified otherwise by PORT.

The Energy Price in this confirmation agreement was established using the applicable rate determinants contained in the Industrial Firm (IP) Power rate schedule (IP-07R) for the term.

This confirmation agreement replaces sales BPA would have made to Clallam PUD under Contract No. 06PB-11694, for resale by Clallam to Port Townsend.

All energy will be shown in Pacific Prevailing Time.

HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.

Flat is defined as HE 0100 - HE 2400.

Pursuant to the WSPP, this transaction shall be prescheduled. The preschedule day is defined by the Western Electricity Coordinating Council's Preschedule Calendar. Energy shall be prescheduled, identifying source and sink, by 1100 on the preschedule day or as mutually agreed. Real Time modifications will not be allowed except by mutual agreement or due to an uncontrollable force.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement.

We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7463.

**AGREED AND ACCEPTED**

Bonneville Power Administration

Port Townsend Paper Company

*Mark E. Miller*

*Roger Lowry*

Mark E. Miller  
Trading Floor Manager

Print Name: ROGER LOWRY  
Title: Sr. V.P. OPERATIONS Date: 8/28/09  
& GENERAL MANAGER

Date: 8-27-09



Department of Energy  
 Bonneville Power Administration  
 Power Business Line

**CONFIRMATION AGREEMENT**

**From:** Bonneville Power Administration  
 P O Box 3621  
 Portland, OR 97208-3621

**To:** Port Townsend Paper Company  
**Fax:** 360-385-2971

**BPA Preschedule:** 503-230-3813  
**BPA Real Time:** 503-230-3341

**BPA Contract:** 09PB-12149  
**Trade Date:** 09/23/2009

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

<b>Buyer:</b>	PORT	<b>Broker:</b>	None
<b>Seller:</b>	BPA	<b>Holiday:</b>	NERC
<b>BPA Trader:</b>	Alex Spain	<b>Product:</b>	Surplus Firm (WSPP Schedule C)
<b>Phone:</b>	503-230-3183	<b>Product Description:</b>	Energy
<b>PORT Trader:</b>	Roger Loney	<b>Point of Delivery:</b> Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.	

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
10/01/2009	10/31/2009	20	\$32.62	Flat	20	14,880	\$485,385.60
<b>Transaction Total</b>						14,880	\$485,385.60

**Additional Provisions:**

The parties have agreed to early-payment, via wire transfer, payable as follows, below. Wire Transfer information will be provided to PORT by separate letter. If the early-payment is not received on the date specified herein Bonneville may terminate this contract.

Date Payable	Amount due
Oct. 1, 2009	\$485,385.60

BPA shall submit a schedule on PORT's behalf for 20 MW Flat, commencing on the Start Date and ending on the End Date, unless notified otherwise by PORT.

The Energy Price in this confirmation agreement was established using the applicable rate determinants contained in the Industrial Firm (IP) Power rate schedule (IP-10) for the term.

PORT shall provide reserves pursuant to the Reserve Provisions of this contract.

This confirmation agreement replaces sales BPA would have made to Clallam PUD under Contract No. 06PB-11694, for resale by Clallam to PORT.

All energy will be shown in Pacific Prevailing Time.  
 HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).  
 LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.  
 Flat is defined as HE 0100 - HE 2400.

SEP 29 2009

Pursuant to the WSPP, this transaction shall be prescheduled. The preschedule day is defined by the Western Electricity Coordinating Council's Preschedule Calendar. Energy shall be prescheduled, identifying source and sink, by 1100 on the preschedule day or as mutually agreed. Real Time modifications will not be allowed except by mutual agreement or due to an uncontrollable force.

**Reserve Provisions:**

**1. DEFINITIONS**

- (a) "Event" is a system condition under which PS needs additional power to meet its obligations during a system disturbance. The beginning of an Event shall be identified by alarm notice to the PS Loads Scheduler/Hydro Duty Schedule of a system disturbance, and the Loads Scheduler will notify PORT that Restricted Energy is required. The end of the Event shall occur the earlier of when; a) initially established; b) PORT's scheduling agent has notified PORT that full service has been restored; or c) 105 minutes from the beginning of the Event. An Event shall not include BPA electing not to purchase power for economic reasons, nor shall an Event include circumstances in which BPA elects not to purchase available transmission capacity to avoid the need to impose a restriction.
- (b) "Event Duration" shall be the total cumulative Event Minutes of the Event.
- (c) "Event Minute" shall be the minutes of restriction (or any portion thereof) during an Event.
- (d) "Contingency Reserves" are those reserves provided by PORT under this Agreement for purposes of providing reserves for BPA's firm power loads within the region, as provided for in the Northwest Power Act.
- (e) "Reserve Amount" shall be the kilowatt (kW) amount of Contingency Reserves available to BPA by PORT specified in Section 2 of the Reserve Provisions.
- (f) "Restricted Energy" means the requested megawatt-hour (MWh) amount of energy not made available to PORT hereunder because of an Event pursuant to section 2 below.

**2. AMOUNT AND TYPES RESERVES**

When necessary to provide Contingency Reserves, BPA may restrict the Reserve Amount, or the requested portion thereof, for a period of time (Restricted Energy). The Reserve Amount shall equal 2,000 kilowatts, or 10% of the Amount, consistent with the amount of Minimum DSI Operating Reserve – Supplemental specified in the 2010 GRSP, or its successor.

PORT shall provide the Restricted Energy to BPA by an interruption of its loads or increased generation in an amount equal to or greater than the amount of such specified Restricted Energy, and in each case shall continue such load interruption for the duration of the Event.

**3. QUALITY AND CHARACTER OF RESERVES**

Contingency Reserves provided by PORT shall be consistent with North American Electric Reliability Council (NERC), Western Electricity Coordinating Council (WECC), and Northwest Power Pool (NWPP) standards and criteria:

- (a) the Reserve Amount, or the requested portion thereof, must be offline within ten (10) minutes of an Event and pursuant to the Notification section below;
- (b) the Reserve Amount, or the requested portion thereof, must be available to be offline for up to one-hundred five (105) minutes.

**4. NOTIFICATION**

PORT shall provide a contact at the Facility at the following phone number:

Port Townsend  
Phone: 360-379-2197

PORT shall maintain such contact for every hour in the Term of the Agreement in which the Minimum DSI Operating Reserve – Supplemental amount is greater than zero megawatts.

The Loads Scheduler will notify PORT of each contingency event by means of a pre-programmed phone call or other electronic means. Within eight (8) minutes following the first such notice by the Loads Scheduler of an Event, PORT shall

commence providing the Restricted Energy to BPA. PORT shall not restore its use of the Restricted Energy until the lesser of: (a) one-hundred five (105) minutes; or (b) immediately following notice from the Loads Scheduler terminating an Event.

5. VERIFICATION

PS retains the right to verify PORT's provision of Restricted Energy by comparing the metered amounts before an Event, during an Event, and after an Event is terminated. If such verification fails to demonstrate that the Restricted Energy was made available to BPA by PORT for the Event Duration, then PS, in its sole discretion, may: (a) terminate the compensation specified in Section 6 of the Reserve Provision of this contract for the undemonstrated portion of the Reserve Amount for the remaining Term of the Agreement; and, (b) notify TS of the undemonstrated portion of the Reserve Amount. PORT acknowledges that any undemonstrated portion of the Reserve Amount may cause its transmission supplier to take additional actions subject to the provisions of transmission service agreements PORT maintains with its transmission supplier, that may include an assessment of the monetary penalty described in the Failure to Comply provision of the prevailing TS tariff for transmission service.

6. COMPENSATION FOR CONTINGENCY RESERVES

PORT will be compensated by PS for Minimum DSI Operating Reserve - Supplemental provided in this Agreement through an adjustment to the IP rate determinants, as provided for in the Northwest Power Act.

BPA will bill and PORT shall pay for the Restricted Energy as though actually delivered to PORT.

7. RETURNED ENERGY

BPA must make any Restricted Energy during an Event available to PORT within 24 hours ("Returned Energy") in mutually agreed flat hourly amounts and hours. Parties agree Returned Energy does not need to be scheduled during hours immediately following an Event and that the Returned Energy will likely be made available during Light Load Hours.

Returned Energy amounts scheduled will be in addition to federal power purchased pursuant to this contract.

8. TESTING OF RESERVES

BPA shall have the right to conduct tests of the procedure specified in this contract.

We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Port Townsend Paper Company

Mark E. Miller

Print Name:

Powell A. Loney

Trading Floor Manager

Date: 9/25/09

Title: Sr VP OPERATIONS

Date: 9/25/09





Department of Energy  
Bonneville Power Administration  
Power Business Line

CONFIRMATION AGREEMENT

From: Bonneville Power Administration  
P O Box 3621  
Portland, OR 97208-3621

To: Port Townsend Paper Company  
Fax: 360-379-2213

BPA Preschedule: 503-230-3813  
BPA Real Time: 503-230-3341

BPA Contract: 10PB-33045  
Trade Date: 10/28/2009

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

Buyer:	PORT	Broker:	None
Seller:	BPA	Holiday:	NERC
BPA Trader:	Dan Le	Product:	Firm
Phone:	503-230-3144	Product Description:	Energy
PORT Trader:	Roger Loney	Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.	

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
11/01/2009	11/07/2009	20	\$42.00	Flat	20	3,380	\$141,960.00
<b>Transaction Total</b>						<b>3,380</b>	<b>\$141,960.00</b>

Additional Provisions:

The parties have agreed to early-payment, via wire transfer, payable as follows, below. Wire Transfer information will be provided to PORT by separate letter. If the early-payment is not received on the date specified herein Bonneville may terminate this contract.

<u>Date Payable</u>	<u>Amount Due</u>
Nov. 2, 2009	\$141,960.00

BPA shall submit a schedule on PORT's behalf for 20 MW Flat, commencing on the Start Date and ending on the End Date, unless notified otherwise by PORT.

Power sold under this agreement is being supplied by BPA through a purchase from a third party at the request of and for resale to Port Townsend, pursuant to BPA's authority under section 9(i) of the Northwest Power Act.

All energy will be shown in Pacific Prevailing Time.  
HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).  
LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.  
Flat is defined as HE 0100 - HE 2400.

Pursuant to the WSPP, this transaction shall be prescheduled. The preschedule day is defined by the Western Electricity Coordinating Council's Preschedule Calendar. Energy shall be prescheduled, identifying source and sink, by 1100 on the preschedule day or as mutually agreed. Real Time modifications will not be allowed except by mutual agreement or due to an uncontrollable force.

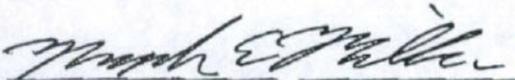
This confirmation agreement replaces sales BPA would have made to Clallam PUD under Contract No. 08PB-11694, for resale by Clallam to PORT.

We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7463.

**AGREED AND ACCEPTED**

Bonneville Power Administration

Port Townsend Paper Company



Mark E. Miller

Trading Floor Manager

Date: 10-28-09



Print Name: ROGER HONEY

Title: VP & GM PTPC

Date: 10/29/09



Department of Energy  
Bonneville Power Administration  
Power Business Line

CONFIRMATION AGREEMENT

From: Bonneville Power Administration  
P O Box 3621  
Portland, OR 97208-3621

To: Port Townsend Paper Company  
Fax: 360-379-2213

BPA Preschedule: 503-230-3813  
BPA Real Time: 503-230-3341

BPA Contract: 10PB-33047  
Trade Date: 11/05/2009

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Port Townsend Paper Company (PORT). Transactions hereunder are in accordance with Agreement 08PB-11920.

Buyer:	PORT	Broker:	None
Seller:	BPA	Holiday:	NERC
BPA Trader:	Nga (Dan) Le	Product:	Surplus Firm (WSPP Schedule C)
Phone:	503-230-3144	Product Description:	Energy
PORT Trader:	Roger Loney	Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system.	

Start Date	End Date	Demand Limit	Energy Price \$/MWh	Hours	Amount (MWh / hr)	Total MWh	Revenue / Cost
11/08/2009	11/14/2009	20	\$ 35.70	Flat	20	3,360	\$119,952.00
<b>Transaction Total</b>						<b>3,360</b>	<b>\$119,952.00</b>

Additional Provisions:

The parties have agreed to early-payment, via wire transfer, payable as follows, below. Wire Transfer information will be provided to PORT by separate letter. If the early-payment is not received on the date specified herein Bonneville may terminate this contract.

Date Payable	Amount Due
Nov. 9, 2009	\$119,952.00

BPA shall submit a schedule on PORT's behalf for 20 MW Flat, commencing on the Start Date and ending on the End Date, unless notified otherwise by PORT

Power sold under this agreement is being supplied by BPA through a purchase from a third party at the request of and for resale to Port Townsend, pursuant to BPA's authority under section 9(l) of the Northwest Power Act. This confirmation agreement replaces sales BPA would have made to Clallam PUD under Contract No. 06PB-11694, for resale by Clallam to PORT.

All energy will be shown in Pacific Prevailing Time.

HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sunday and NERC holidays.

Flat is defined as HE 0100 - HE 2400.

Pursuant to the WSPP, this transaction shall be prescheduled. The preschedule day is defined by the Western Electricity Coordinating Council's Preschedule Calendar. Energy shall be prescheduled, identifying source and sink, by 1100 on the preschedule day or as mutually agreed. Real Time modifications will not be allowed except by mutual agreement or due to an uncontrollable force.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement.

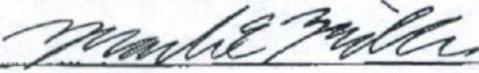
NOV 9 2009

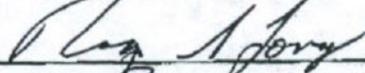
We are pleased to have this agreed upon transaction. Please confirm the terms by signing and returning an executed copy of this Confirmation via fax to BPA 503-230-7463.

**AGREED AND ACCEPTED**

Bonneville Power Administration

Port Townsend Paper Company





Mark E. Miller

Print Name: Roger Lowrey

Trading Floor Manager

Date: 11-05-09

Title: Sr VP OPERATIONS Date: 11/5/09