

AUTHENTICATED
CONFIDENTIAL

POWER SALES AGREEMENT
between the
UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
acting by and through the
BONNEVILLE POWER ADMINISTRATION
and
COLUMBIA FALLS ALUMINUM COMPANY

Index to Sections

Section		Page
1.	Effective Date and Term	3
2.	Deliveries of Firm Power Between the Effective Date and Commencement Date	3
3.	Commencement of Deliveries of Firm Power	4
4.	Termination of Prior Contract and Other Contracts	4
5.	Termination of This Agreement	5
6.	Definitions	9
7.	Exhibits; Interpretation	16
8.	Contract Revisions and Waivers	17
9.	Purchase and Sale of Annual Take-or-Pay Firm Energy	18
10.	Monthly, Weekly, Daily, and Hourly Amounts of Firm Power	19
11.	Rate Test Compliance	22
12.	Rates and Charges	23
13.	Billing and Payment	23
14.	Relief from Take-or-Pay Obligation	27
15.	Unauthorized Increase Charges	28
16.	Changes in Firm Power Amounts	29
17.	Reserves	29
18.	Curtailed or Remarketing	35
19.	Load Regulation, Unbundled Products, and Other Transmission Products	42
20.	Provisions Relating to Delivery of Firm Power	44
21.	Assignment of Agreement	44
22.	Dispute Resolution	45
23.	Force Majeure	48

Index to Sections

Section		Page
24.	Notices	50
25.	Hold Harmless	50
26.	Damages for Failure by BPA to Deliver	51
27.	Obligations During Performance of This Agreement	51
28.	Third Parties	52
29.	Severability	52
30.	Entire Agreement	52
31.	Signature Clause	53
Exhibit A	(General Contract Provisions)	16
Exhibit B	(Fees for Remarketing)	16
Exhibit C	(Rate Schedule)	16
Exhibit D	(Monthly Amounts of Firm Power)	16
Exhibit E	(Points of Delivery)	16
Exhibit F	(Unrecoverable Costs and Transfer Costs)	16
Exhibit G	(Stability Reserve Scheme(s))	16
Exhibit H	(Arbitration Procedures)	16
Exhibit I	(Use-of-Facilities Charge)	16

This POWER SALES AGREEMENT, executed October 12, 1995, by the UNITED STATES OF AMERICA (Government), Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA or Bonneville), and COLUMBIA FALLS ALUMINUM COMPANY (Company), a corporation incorporated under the laws of the State of Montana. BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

W I T N E S S E T H :

WHEREAS pursuant to section 5(d) of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), BPA is authorized to sell power to the Company; and

WHEREAS on August 31, 1981, BPA and the Company entered into Contract No. DE-MS79-81BP-90345, hereinafter referred to as "Prior Contract"; and

WHEREAS this Agreement provides for the termination of the Prior Contract; and

WHEREAS BPA desires to sell, and the Company desires to purchase, Firm Power pursuant to the terms and conditions of this Agreement; and

WHEREAS the Company and BPA have entered into an Integration of Resources transmission agreement, Contract No. 95MS-94763 (IR Transmission Agreement), which provides for transmission of non-Federal power; and

WHEREAS BPA is authorized pursuant to law to market electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the Parties hereto agree as follows:

1. EFFECTIVE DATE AND TERM

(a) Effective Date

This Agreement shall become effective on the date that it is executed by BPA.

(b) Term

This Agreement shall continue in effect until 2400 hours on September 30, 2001, unless terminated earlier as provided herein. All obligations incurred hereunder shall be preserved until satisfied.

2. DELIVERIES OF FIRM POWER BETWEEN THE EFFECTIVE DATE AND COMMENCEMENT DATE

During the period between the Effective Date and the Commencement Date, the Prior Contract shall govern the sale of Firm Power by BPA to the Company; provided, however, that, as of the Effective Date, the Company shall have no obligation under section 2(b)(1) of the Prior Contract to reimburse BPA for any costs, unrecoverable or otherwise; and provided further, that section 2(b)(2) limitations on



Department of Energy

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

POWER BUSINESS LINE

February 06, 2002

In reply refer to: PTS-5

Mr. Bryan B. Norcross
Norcross Law Office
2450 Hwy 93 South
Kalispell, MT 59903

Dear Mr. Norcross:

On January 11, 2002, you submitted a Freedom of Information Act (FOIA) request, designated as our log #02-011, in which you requested "...any and all information relating to Columbia Falls Aluminum Company Re-marketing Agreements with the Bonneville Power Administration (BPA)." In a telephone call on January 31, 2002, you clarified your request by confirming that you were most interested in three particular contracts, press releases, and other material regarding those contracts. You also expressed interest in the FOIA address on BPA's website, www.bap.gov/eb/foia/foiamain.htm. The "Index of FOIA Requests" link will display requests and responses for the past several years.

In fulfillment of your request, enclosed are following contracts between Columbia Falls Aluminum Company (CFAC) and BPA for re-marketing of aluminum smelter power, as well as other documents relating to the re-marketing agreements between BPA and CFAC:

Contract Number 95MS-94855 DSI 5-Year Block Sale (Power Amounts Redacted)
Contract Number 00PB-12198 Block Power Sales Agreement
(Price and Optionality Redacted)
Contract Number 01PB-10772 Remarketing Addendum to the 1996 Agreement
(Use of Net Proceeds and Power Amounts Redacted)
Several new releases, Newsbreakers, and other announcements (Not Redacted)

Power amounts have been withheld from contract number 95MS-94855. Price and optionality information is withheld from Amendment No. 1 (Load Reduction Deal) to contract number 00PB-12198. Contract number 01PB-10772, the Remarketing Addendum to the 1996 Agreement, has certain power and debt amounts redacted. CFAC considers this information to be business-sensitive. BPA has withheld this information pursuant to 5 U.S.C. § 552(b)(4) (Exemption 4 of the FOIA). This commercial information is confidential and CFAC has requested BPA to redact and withhold from public disclosure such information. The release of this information would provide CFAC competitors with information that is not otherwise publicly available concerning CFAC's operating plans. This information is commercially

sensitive and if released, could cause significant competitive harm to CFAC. In addition, this information has been traditionally protected from disclosure under the FOIA by BPA.

If you are dissatisfied with this determination, you may appeal within thirty (30) days of receipt of this letter to Director, Office of Hearings and Appeals, Department of Energy, 1000 Independence Avenue SW, Washington, D.C. 20585. Both the envelope and the letter must be clearly marked "Freedom of Information Act Appeal".

If you have any questions regarding this response, you may contact me at 503-230-4444.

Sincerely,



Gene Tollefson
Gene Tollefson
Freedom of Information Act Officer

cc: (w/o attachments)

J. Bennet – LC-7

C. Jacobson. – LL-7

K. Runzler – LP-7

T. DeKlyen – PL-6

S. Wilson – PT-5

G. Insley – PTS-5

H. Clark – PTS-5

Official File – PT (EX 13-13, 02-011)

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