

RSS Definitions from section 2 of the body of the Agreement (Load Following only)

- 2.17 “Diurnal Flattening Service” or “DFS” means a service that makes a resource that is variable or intermittent, or that portion of such resource that is variable or intermittent, equivalent to a resource that is flat within each of the 24 HLH and LLH periods of a year.
- 2.29 “**Forced Outage Reserve Service**” or “FORS” means a service that provides an agreed-to amount of capacity and energy to load during the forced outages of a resource.
- 2.59 “Resource Support Services” or “RSS” means the Diurnal Flattening Service, Forced Outage Reserve Service, Transmission Curtailment Management Service, and Secondary Crediting Service. BPA may in the future include other related services that are priced in the applicable 7(i) Process.
- 2.61 “**Secondary Crediting Service**” or “SCS” means the optional service offered by BPA that provides a monetary credit for the secondary output from an Existing Resource that has a firm critical energy component and a secondary energy component.
- 2.82 “**Transmission Curtailment Management Service**” or “TCMS” means the service Power Services may provide to back up a qualifying resource when a transmission curtailment occurs between such resource and the customer load.

Exhibit D ADDITIONAL PRODUCTS AND SPECIAL PROVISIONS

1. CF/CT AND NEW LARGE SINGLE LOADS

2. RESOURCE SUPPORT SERVICES

- 2.1 BPA shall develop the RSS products to support applicable Specified Resources listed in section 2 of Exhibit A for the FY 2012-2014 Purchase Period and offer such as a revision to this exhibit by August 1, 2009. Prior to that date, BPA shall provide «Customer Name» a reasonable opportunity to provide input into the development of the products and the related contract provisions. If «Customer Name» requests that BPA provide such service, then the Parties shall execute a revision to this exhibit by the November 1, 2009, Notice Deadline. By each Notice Deadline thereafter, «Customer Name» may purchase RSS from BPA to support applicable Specified Resources listed in section 2 of Exhibit A for the corresponding Purchase Period.
- 2.2 If «Customer Name» adds a new Specified Resource within a Purchase Period to meet its obligations to serve Above-RHWM Load with Dedicated Resources, consistent with section 3.5.1 of the body of this Agreement, «Customer Name» may purchase RSS from BPA to support such resource. Such purchase shall be for the remainder of the Purchase Period and for the following Purchase Period. «Customer Name» shall notify BPA of its decision to purchase RSS for a new Specified Resource by October 31 of a Rate Case Year and the elected RSS will be effective at the start of the upcoming Rate Period.

*Include for **LOAD FOLLOWING** if customer purchases RSS:*

***Option 1:** Include the following version if customer purchases DFS.*

2.3 **Diurnal Flattening Service (DFS)**

From October 1, 20«XX» through September 30, 20«XX», BPA shall support «Customer Name»’s Specified Resources listed in section 2.3.5.1 below with DFS in accordance with section 2.3.2 below. «Customer Name» shall apply such resources and provide BPA with any necessary information concerning such resources in accordance with section 2.3.3 below. BPA shall calculate the charges for DFS in accordance with section 2.3.4 below and shall update the tables in section 2.3.5 below.

2.3.1 Definitions

- 2.3.1.1 “Balancing Authority” or “BA” means the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
- 2.3.1.2 “Balancing Authority Area” means the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area. *Reviewer’s Note: The BA and BA Area definitions are from NERC’s “Glossary of Terms Used in Reliability Standards”.*
- 2.3.1.3 “Operating Minimum” means the lowest level of power generation a resource can sustain over a defined period without damaging generating or other electrical equipment while maintaining electrical system stability. Such levels are determined by BPA using resource specific information including equipment specifications, fuel type, fuel availability, resource location, and age of equipment.

2.3.2 BPA’s Obligations

On an hourly basis BPA shall provide power to serve «Customer Name»’s Total Retail Load to meet variations between the amounts generated by the Specified Resources listed in section 2.3.5.1 below and the planned amounts listed in section 2.3.5.2 below. Generated amounts are the amounts measured by the meters on the resources listed in section 2.3.5.1 below in accordance with section 2.3.3.3 below, unless a resource listed in 2.3.5.1 below is scheduled to «Customer Name»’s Total Retail Load, in which case such generated amounts are the amounts scheduled pursuant to Exhibit F.

2.3.3 «Customer Name»’s Obligations

2.3.3.1 Operational Requirements

«Customer Name» shall apply the output from the Specified Resources listed in section 2.3.5.1 below, as such output is generated, to serve «Customer Name»’s Total Retail Load. Every hour «Customer Name» shall provide at least the amount of power in the Operating Minimums table in section 2.3.5.2 below for the applicable hour from the resources listed in section 2.3.5.1 below to serve «Customer Name»’s Total Retail Load. If «Customer Name» can not provide at least the Operating Minimum amounts to serve «Customer Name»’s Total Retail Load from the resources listed below in section 2.3.5.1, then «Customer Name» shall provide power from another source to serve its Total Retail Load. Such

replacement power shall equal the planned amounts of power listed in section 2.3.5.2 below for the applicable resource and hour. If «Customer Name» does not meet the conditions above, then «Customer Name» shall pay a UAI charge to BPA in accordance with BPA's Wholesale Power Rate Schedules and GRSPs.

Option 1: Include the following language if customer is NOT served by Transfer Service:

2.3.3.2 Delivery Requirements

If any of the Specified Resources listed in section 2.3.5.1 are biogas, biomass, geothermal, small hydro (nameplate capability less than or equal to ten megawatts), landfill gas, ocean, solar, or wind resources, and if they are located outside of BPA's Balancing Authority Area; then «Customer Name» shall schedule such resources to BPA's Balancing Authority Area on non-firm or firm transmission. Other Specified Resources listed in section 2.3.5.1 that are located outside of BPA's Balancing Authority Area shall be scheduled to BPA's Balancing Authority Area on firm transmission. BPA shall have no obligation for any costs or related services attributable to «Customer Name's acquisition of such firm or non-firm transmission.

Option 2: Include the following language if customer is served by Transfer Service:

2.3.3.2 Delivery Requirements

If any of the Specified Resources listed in section 2.3.5.1 are located outside of BPA's Balancing Authority Area; then «Customer Name» shall schedule such resources to BPA's Balancing Authority Area on firm transmission. BPA shall have no obligation for any costs or related services attributable to «Customer Name's acquisition of such firm transmission. On a resource by resource basis, BPA and «Customer Name» may agree to alternative delivery arrangements for the Specified Resources listed below in section 2.3.5.1 that are located outside of BPA's Balancing Authority Area.

2.3.3.3 Information Requirements

«Customer Name» shall provide BPA with hourly meter data from the Specified Resources listed in section 2.3.5.1 below in accordance with section 17.3 of the body of this Agreement. If «Customer Name» installs or upgrades a meter to meet such requirement, then «Customer Name» shall pay for any costs or related services attributable to the new or upgraded meters.

If any of the resources listed below in section 2.3.5.1 are scheduled to «Customer Name»'s Total Retail Load or BPA's Balancing Authority Area, then «Customer Name» shall provide hourly generation forecast data and schedule data to BPA for such resources in accordance with Exhibit F. «Customer Name» shall also provide BPA with any resource information, including historical and forecast resource data, BPA determines is necessary to provide DFS.

2.3.4 DFS Rates and Charges

BPA shall charge «Customer Name» for DFS, on «Customer Name»'s monthly bill sent in accordance with section 16 of this Agreement, as follows:

2.3.4.1 Resource Shaping Charge

For the Specified Resources listed in section 2.3.5.1 below, BPA shall credit or charge «Customer Name» for the difference between the planned monthly average megawatt amounts listed below in section 2.3.5.2 and the sum of the annual average megawatt amounts listed in the Specified Resource Amounts tables in section 2 of Exhibit A for the applicable year. BPA shall calculate «Customer Name»'s Resource Shaping Charge by multiplying such monthly differences (converted to megawatt-hours) for all months of the upcoming Rate Period by the applicable Resource Shaping Rate, as established in BPA's Wholesale Power Rate Schedules and GRSPs. BPA shall then divide the sum of the dollar amounts calculated above by 24 to calculate the fixed monthly Resource Shaping Charge, which shall be listed in section 2.3.5.3 below.

2.3.4.2 Resource Shaping Charge Adjustment

Each month BPA shall credit or charge «Customer Name» for any over- or under-generation using the Resource Shaping Charge Adjustment, as established in BPA's Wholesale Power Rate Schedules and GRSPs. BPA shall calculate «Customer Name»'s monthly Resource Shaping Charge Adjustment by multiplying the Resource Shaping Rate, as established in BPA's Wholesale Power Rate Schedules and GRSPs, by the Resource Shaping Charge Adjustment billing determinant.

Reviewer's Note: BPA plans on calculating the Resources Shaping Adjustment Billing Determinant as follows: BPA shall calculate the Resource Shaping Charge Adjustment billing determinant by subtracting (i) either the amounts measured by the meters, as listed in Exhibit E, for the resources listed in section 2.3.5.1 below, or if such resources are scheduled then, the scheduled amounts, as provided to BPA in accordance with section 2.3.3.2 above, for the

resources listed in section 2.3.5.1 below, from (ii) the applicable planned amounts listed in section 2.3.5.2 below.

2.3.4.3 DFS Capacity Charge

Each month «Customer Name» shall be charged for the federal capacity associated with DFS. BPA shall establish such monthly charge using data from each of the resources listed in section 2.3.5.1 below, BPA's Demand Rate as established in BPA's Wholesale Power Rate Schedules and GRSPs, and the associated methodology established in the 7(i) Process. Such monthly fixed Capacity Charge shall be listed in section 2.3.5.3 below.

2.3.4.4 DFS Energy Rate

Each month «Customer Name» shall be charged for the federal energy associated with DFS. BPA shall calculate such monthly charge by multiplying (i) either the amounts measured by the meters, as listed in Exhibit E, for the resources listed in section 2.3.5.1 below, or if such resources are scheduled then, the scheduled amounts, as provided to BPA in accordance with section 2.3.3.2 above, for the resources listed in section 2.3.5.1 below, by (ii) the DFS Energy Rate listed in section 2.3.5.3 below. BPA shall use data from each of the resources listed in section 2.3.5.1 below and the associated methodology for the DFS Energy Rate that is established in the 7(i) Process.

2.3.5 Applicable Resources, Amounts, and Charges

2.3.5.1 List of Specified Resources

«Resource Name»
«Resource Name»

2.3.5.2 Monthly Operating Minimum and Planned Amounts

BPA shall determine the monthly and Diurnal Operating Minimum and planned amounts for the resources listed above in section 2.3.5.1. By September 30 of each Rate Case Year, BPA shall put the sum of such resource amounts in the tables below.

OPERATING MINIMUMS												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Rate Period Year 1												
HLH MW												
LLH MW												
Rate Period Year 2												
HLH MW												
LLH MW												
Note: The amounts in the table above shall be rounded to whole megawatts.												

PLANNING AMOUNTS												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Rate Period Year 1												
HLH aMW												
LLH aMW												
Total aMW												
Rate Period Year 2												
HLH aMW												
LLH aMW												
Total aMW												
Note: The amounts in the table above shall be rounded to whole average megawatts												

2.3.5.3 DFS Charges

By September 30 of each Rate Case Year, BPA shall update the table below with the monthly DFS Charges, as established in each rate case, for the upcoming Rate Period.

MONTHLY RESOURCE CHARGE	
Rate Period	\$
2012 – 2013	
2014 – 2015	
2016 – 2017	
2018 – 2019	
2020 – 2021	
2022 – 2023	
2024 – 2025	
2026 – 2027	
2028	

MONTHLY CAPACITY CHARGE	
Rate Period	\$
2012 – 2013	
2014 – 2015	
2016 – 2017	
2018 – 2019	
2020 – 2021	
2022 – 2023	
2024 – 2025	
2026 – 2027	
2028	

MONTHLY ENERGY RATE	
Rate Period	\$/MWh
2012 – 2013	
2014 – 2015	
2016 – 2017	
2018 – 2019	
2020 – 2021	
2022 – 2023	
2024 – 2025	
2026 – 2027	
2028	

End Option 1.

***Option 2:** Include the following version if customer does NOT purchase DFS but DOES purchase FORS, RRS, or SCS.*

2.3 **«Customer Name» Has Chosen Not To Purchase DFS**

***Option 1:** Include the following version if customer purchases FORS.*

2.4 **Forced Outage Reserve Service (FORS)**

From October 1, 20«XX» through September 30, 20«XX», BPA shall provide power to serve «Customer Name»'s Total Retail Load during a Forced Outage of «Customer Name»'s Specified Resources, listed in section 2.4.5.1 below, in accordance with section 2.4.2 below. «Customer Name» shall pay BPA for FORS in accordance with section 2.4.3. «Customer Name»'s request for FORS shall meet the conditions in section 2.4.4.

2.4.1 **Definitions**

2.4.1.1 “Forced Outage” means loss of generation as a result of: (i) unit tripping, due to a failure to start or unplanned tripping; (ii) loss of transmission path between generator and the network point of interconnection; or (iii) internal plant equipment problems.

Reviewer’s Note: The Forced Outage definition above is from the Northwest Power Pool reserve sharing group agreement. Individual resources may have further refinements to their definitions.

2.4.2 Limits of Power Provided Under FORS

2.4.2.1 Hourly Limits

Subject to the limits in section 2.4.2.2, BPA shall provide power to «Customer Name»’s Total Retail Load during a Forced Outage of a Specified Resource listed below in section 2.4.5.1 equal to the lesser of (i) the megawatt amounts «Customer Name» requests from BPA in accordance with section 2.4.4 below, or (ii) the average of the megawatt-hour amounts listed in section 2 of Exhibit A for the applicable resource and the applicable hour.

2.4.2.2 Annual and Purchase Period Limits

During any Fiscal Year, «Customer Name» shall be limited to a maximum of the megawatt-hour amounts of FORS listed in section 2.4.5.2 below for the applicable resource and Fiscal Year. During any Purchase Period, «Customer Name» shall be limited to the megawatt-hour amounts of FORS listed in section 2.4.5.2 for the applicable resource and Purchase Period.

2.4.2.3 Increasing Annual and Purchase Period Limits

«Customer Name» may request that BPA increase the amount of megawatt-hours of FORS provided during any given Fiscal Year or Purchase Period. BPA shall evaluate «Customer Name»’s request but BPA is not obligated to increase the amount. If BPA accepts «Customer Name»’s request, BPA shall make adjustments to the megawatt-hour limits in section 2.4.5.2 within 15 business days of «Customer Name»’s request; provided, however, BPA shall have the right to also evaluate and adjust the fees in section 2.4.5.3 accordingly.

2.4.3 FORS Charges

«Customer Name» shall pay a charge each month to BPA for FORS in accordance with the charge established in BPA’s Wholesale Power Rate Schedules and GRSPs for each Rate Period for such service. By September 30 of each Rate Case Year, BPA shall update the table in section 2.4.5.3 below with such monthly charge. «Customer Name»

shall also pay for any energy provided under FORS in accordance with BPA's Wholesale Power Rate Schedules and GRSPs.

Reviewer's Note: BPA plans on pricing the energy provided under FORS as follows: Except for the first 24 hours of energy provided during a Forced Outage, energy provided by BPA shall be charged at the applicable Diurnal Dow Jones Mid-C Prices. Energy provided during the first 24 hours of a Forced Outage shall be charged at the greater of (i) the hourly prices as seen on BPA's Trading Floor, as determined by BPA; or (ii) the Daily Dow Jones Mid-C Prices. BPA shall bill «Customer Name» for the charges described above on «Customer Name»'s monthly bill issued pursuant to section 16 of this Agreement.

2.4.4 Additional «Customer Name» Obligations

Sub-Option 1: Include if Customer is NOT purchasing TSS.

2.4.4.1 Requesting FORS

To request FORS «Customer Name» shall:

- (i) call the PS duty scheduler at 503-230-3341 to notify the scheduler of «Customer Name»'s request to take FORS, the amounts of FORS «Customer Name» is requesting, and the expected duration of the Forced Outage, prior to 30 minutes past the hour for delivery at the start of the following hour;
- (ii) call the PS duty scheduler at 503-230-3341 to notify the scheduler of any changes to the information provided to the PS duty scheduler pursuant to section 2.4.4.1 prior to 30 minutes past the hour for delivery at the start of the following hour; and

End Sub-Option 1.

Sub-Option 2: Include if Customer is purchasing TSS.

Reviewer's Note: Only the highlighted portions of Sub-Option 2 are different from Sub-Option 1.

2.4.4.1 Requesting FORS

To request FORS «Customer Name» shall:

- (i) call the PS duty scheduler at 503-230-3341 to notify the scheduler of «Customer Name»'s request to take FORS, the amounts of FORS «Customer Name» is requesting, and the expected duration of the Forced Outage, prior to **15** minutes past the hour for delivery at the start of the following hour;
- (ii) call the PS duty scheduler at 503-230-3341 to notify the scheduler of any changes to the information provided to

the PS duty scheduler pursuant to section 2.4.4.1 prior to 15 minutes past the hour for delivery at the start of the following hour; and

End Sub-Option 2.

- (iii) notify and report the following information to BPA within four Business Days after the close of the month in which «Customer Name» requested FORS for one or more Forced Outages: the monthly amounts of FORS taken; the duration of each Forced Outage; and the cause of each Forced Outage.

2.4.4.2 Information Requirements

«Customer Name» shall provide BPA with hourly meter data from the Specified Resources listed in section 2.4.5.1 below in accordance with section 17.3 of the body of this Agreement. If «Customer Name» installs or upgrades a meter to meet such requirement, then «Customer Name» shall pay for any costs or related services attributable to the new or upgraded meters.

If any of the Specified Resources listed below in section 2.4.5.1 are scheduled to «Customer Name»'s Total Retail Load, then «Customer Name» shall provide hourly generation forecast data and schedule data to BPA for such resources in accordance with Exhibit F. «Customer Name» shall also provide BPA with any resource information, including historical and forecast resource data, BPA determines is necessary to provide FORS.

2.4.5 Applicable Resources, Limits, and Charges

2.4.5.1 List of Resources

«Resource Name»
«Resource Name»

2.4.5.2 Annual and Purchase Period Limits by Resource

By September 30 of each Rate Case Year, BPA shall update tables below with the annual limits for each resource listed above in section 2.4.5.1 for the upcoming Rate Period. By September 30 prior to the beginning of a Rate Period, BPA shall update the tables below with the Purchase Period limits for each resource listed above in section 2.4.5.1 for the upcoming Purchase Period.

Drafter's Note: Include the tables below for each resource listed in section 2.4.5.1 above.

«RESOURCE NAME»'s ANNUAL MWH LIMITS			
FY	MWh	FY	MWh
2012		2021	
2013		2022	
2014		2023	
2015		2024	
2016		2025	
2017		2026	
2018		2027	
2019		2028	
2020			

Note: The amounts in the table above should be rounded to whole megawatt-hours.

«RESOURCE NAME»'s PURCHASE PERIOD MWH LIMITS	
Purchase Period	MWh
FY 2012 - FY 2014	
FY 2015 - FY 2019	
FY 2020 - FY 2024	
FY 2025 - FY 2028	

Note: The amounts in the table above should be rounded to whole megawatt-hours.

2.4.5.3 FORS Charge

BPA shall update the table below pursuant to section 2.4.3 above.

MONTHLY FORS CHARGE	
Rate Period	\$
2012 – 2013	
2014 – 2015	
2016 – 2017	
2018 – 2019	
2020 – 2021	
2022 – 2023	
2024 – 2025	
2026 – 2027	
2028	

End Option 1.

Option 2: Include the following version if customer does NOT purchase FORS but DOES purchase RRS or SCS.

2.4 **«Customer Name» Has Chosen Not To Purchase FORS**

Option 1: Include the following version if customer purchases RRS.

***Reviewer’s Note:** RRS is a service that will be offered through the Firm Power Products and Services (FPS) rate schedule and will be considered and negotiated on a case-by-case basis. Additionally, BPA will limit the availability of RRS to an amount of Specified Resource that is less than or equal to the amount of forecast above-RHWM load the customer is expected to have by the end of the purchase period that is not already planned to be served by BPA at a Tier 2 rate or by another non-federal resource.*

2.5 **Resource Remarketing Service (RRS)**

From October 1, 20«XX» through September 30, 20«XX», BPA shall credit «Customer Name» for energy generated by the Specified Resources listed below in section 2.5.4 that is greater than the amounts listed in section 2 of Exhibit A for such resources. BPA shall determine such credits in accordance with section 2.5.2 below. «Customer Name» shall purchase DFS from BPA for the Specified Resources, including the remarketed portions of such resources, listed below in section 2.5.4.

2.5.1 **Definitions**

***Reviewer’s Note:** The following definition is a work-in-progress and needs updated.*

2.5.1.1 “Diurnal Dow Jones Mid-C Prices” means volume-weighted monthly HLH and LLH dollar per megawatt-hour values calculated for a calendar month from the “Firm On Peak”, “Firm Off Peak”, and “Sun and NERC 24 hour” “Mid-Columbia Electricity Price Index” published daily by Dow Jones & Company. Volume-weighted HLH values are calculated as daily On Peak prices times daily On Peak volume megawatt-hours, divided by the monthly total of all such megawatt-hours. Volume-weighted LLH values are calculated as the sum of daily Off Peak prices for days not Sundays or NERC Holidays times the corresponding daily megawatt-hours, plus Sun and NERC 24 hour prices times the corresponding megawatt-hours, divided by the total of all such megawatt-hours.

2.5.2 **Remarketing Credits**

Except for wind resources, BPA shall include a credit on «Customer Name»’s monthly bill equal to the applicable Diurnal Dow Jones Mid-C Prices multiplied by the actual generation produced by the resources listed below in section 2.5.4 that is greater than the amounts listed in section 2 of Exhibit A for such resources. If the resources listed below in section 2.5.4 are scheduled to «Customer Name»’s Total Retail Load, then such actual generation shall equal

the amounts scheduled for the resources, with such schedules submitted to BPA pursuant to section 2.5.3 below. If the resources listed below in section 2.5.4 are not scheduled, then such actual generation shall equal the amounts metered for the resources, with such meter data submitted to BPA pursuant to section 2.5.3 below.

BPA shall use the same method described above to calculate credits for any wind resources listed below in section 2.5.4, except BPA shall only use the LLH Diurnal Dow Jones Mid-C Prices. Additionally, BPA may reduce all remarketing credits by a percentage developed in the applicable 7(i) Process to account for any transaction and transmission costs applicable to such remarketing.

2.5.3 Information Requirements

«Customer Name» shall provide BPA with hourly meter data from the Specified Resources listed in section 2.5.4 below in accordance with section 17.3 of the body of this Agreement. If «Customer Name» installs or upgrades a meter to meet such requirement, then «Customer Name» shall pay for any costs or related services attributable to the new or upgraded meters.

If any of the resources listed below in section 2.5.4 are scheduled to «Customer Name»'s Total Retail Load, then «Customer Name» shall provide hourly generation forecast data and schedule data to BPA for such resources in accordance with Exhibit F. «Customer Name» shall also provide BPA with any resource information, including historical and forecast resource data, BPA determines is necessary to provide RRS.

2.5.4 Specified Resources

«Resource Name»

«Resource Name»

End Option 1.

***Option 2:** Include the following version if customer does NOT purchase RRS but does purchase SCS.*

2.5 «Customer Name» Has Chosen Not To Purchase RRS

***Option 1:** Include the following if customer purchases SCS for its shares of Priest Rapids and Wanapum (only eligible customers are McMinnville, Forest Grove, Milton-Freewater, and Kittitas).*

2.6 Secondary Crediting Service (SCS)

From October 1, 20«XX» through September 30, 20«XX», «Customer Name» shall assign its shares of Priest Rapids and Wanapum to BPA in accordance with section 2.6.2 below. BPA shall provide federal energy to «Customer Name»'s Total Retail Load to meet any variations between the amounts generated by Priest Rapids and Wanapum and the amounts listed in section 2 of Exhibit A for such resources. BPA shall manage actual scheduled output

from «Customer Name»'s shares of Priest Rapids and Wanapum for «Customer Name» and shall provide «Customer Name» credits and charges for managing such resources in accordance with section 2.6.3 below.

2.6.1 Definitions

***Reviewer's Note:** The following definition is a work-in-progress and needs updated.*

- 2.6.1.1 “Diurnal Dow Jones Mid-C Prices” means volume-weighted monthly HLH and LLH dollar per megawatt-hour values calculated for a calendar month from the “Firm On Peak”, “Firm Off Peak”, and “Sun and NERC 24 hour” “Mid-Columbia Electricity Price Index” published daily by Dow Jones & Company. Volume-weighted HLH values are calculated as daily On Peak prices times daily On Peak volume megawatt-hours, divided by the monthly total of all such megawatt-hours. Volume-weighted LLH values are calculated as the sum of daily Off Peak prices for days not Sundays or NERC Holidays times the corresponding daily megawatt-hours, plus Sun and NERC 24 hour prices times the corresponding megawatt-hours, divided by the total of all such megawatt-hours.
- 2.6.1.2 “Priest Rapids Project” (PRP) means the Priest Rapids and the Wanapum hydro resources. Both are Dedicated Resources listed in section 2 of «Customer Name»'s Exhibit A.
- 2.6.1.3 “PRP Points of Receipt” means the points where the 230 kV facilities of Grant PUD and BPA interconnect: BPA's Midway Substation for Priest Rapids and BPA's Vantage Substation for Wanapum.
- 2.6.1.4 “Secondary Energy” means energy generated by a hydro resource in excess of the amount of planned firm energy generation from that resource. For Pacific Northwest hydro resources, planned firm energy generation is the amount a resource could produce if a very low streamflow condition identified as a critical period were to reoccur.
- 2.6.1.5 “Shortfall Energy” means an amount of energy calculated as the difference between the amount of planned firm energy generation from a resource in an identified period and a lesser amount of energy that resource actually produced in the same identified period.

2.6.2 Assignment of Priest Rapids Project to BPA

«Customer Name» shall assign to BPA its shares of PRP as follows:

- 2.6.2.1 «Customer Name» shall assign to BPA its rights and benefits to (i) schedule the energy from its shares of PRP by hour and (ii) transmit such energy from PRP to the PRP Point of Receipt.
- 2.6.2.2 «Customer Name» shall retain its right to participate in any committees associated with its shares of PRP. «Customer Name» agrees that BPA may participate on any committees associated with «Customer Name»'s shares of PRP regarding matters of scheduling, operation, and maintenance of the PRP. «Customer Name» shall notify BPA in advance of any committee meetings when such issues are being discussed so as to permit BPA's attendance and participation.
- 2.6.2.3 No obligations other than those pertaining to the scheduling of energy by «Customer Name» under its PRP contracts are delegated to BPA under 2.6.2.1 of this Agreement. BPA shall have no obligation for any costs or related services attributable to «Customer Name»'s shares of PRP. As such, «Customer Name» shall be responsible for payment of (1) all costs attributable to «Customer Name»'s shares of PRP, and (2) all costs of transmission and ancillary services required for delivery of the power from «Customer Name»'s shares of PRP to the PRP Points of Receipt, unless BPA and «Customer Name» otherwise agree.

2.6.3 Credits and Charges

In exchange for the assignment of the energy from PRP to BPA, BPA shall credit or charge «Customer Name», on «Customer Name»'s monthly bill provided pursuant to section 16 of this Agreement, for SCS as follows:

2.6.3.1 Secondary Energy Credit

BPA shall include a credit to «Customer Name» for Secondary Energy from «Customer Name»'s shares of PRP delivered to BPA from Grant PUD during Diurnal periods of each month that Secondary Energy is available. BPA shall calculate such credits by multiplying the Secondary Energy amounts, if any, for each Diurnal period by 90 percent of the applicable Diurnal Dow Jones Mid-C Prices.

2.6.3.2 Shortfall Energy Charge

BPA shall charge «Customer Name» for any Shortfall Energy that occurs during Diurnal periods of each month. BPA shall calculate such charges by multiplying the Shortfall Energy amounts, if any, for each Diurnal period by the greater of (1) the applicable Diurnal PF Tier One energy rates established in BPA's Whole Power Rate Schedule, or its successor; or (2)

100 percent of the applicable monthly average Diurnal Dow Jones Mid-C Prices.

2.6.3.2 SCS Charge

«Customer Name» shall pay an administrative charge each month to BPA for SCS in accordance with BPA’s Wholesale Power Rate Schedules and GRSPs. By September 30 of each Rate Case Year, BPA shall update the table below with such charge.

MONTHLY SCS CHARGE	
Rate Period	\$
2012 – 2013	
2014 – 2015	
2016 – 2017	
2018 – 2019	
2020 – 2021	
2022 – 2023	
2024 – 2025	
2026 – 2027	
2028	

Sub-Option: Add the following language ONLY if Customer decides to use PNCA Update.

2.6.4 Reshaping Dedicated Resource Amounts

Notwithstanding the restriction in section 3.4.2 of the body of this Agreement to reshape resource amounts for those resources being supported by SCS from BPA, BPA shall reshape «Customer Name»’s PRP Dedicated Resource amounts listed in section 2 of Exhibit A using the PNCA Update Shape. BPA shall not reshape «Customer Name»’s PRP Dedicated Resource amounts listed in section 2 of Exhibit A using any other monthly shape listed in section 3.4.3 of the body of this Agreement or any Diurnal shape listed in section 3.4.3 of the body of this Agreement. BPA shall update the PRP Dedicated Resource Amounts in section 2 of Exhibit A annually, to be completed no later than September 15 preceding the start of the applicable Fiscal Year.

End Sub-Option.

End Option 1.

Option 2: Include the following if customer purchases SCS for any resource other than its shares of Priest Rapids and Wanapum.

2.6 Secondary Crediting Service (SCS)

«Customer Name» shall apply all of the output as it is generated from «Resource Name(s)» to «Customer Name»’s Total Retail Load. BPA shall

provide energy to «Customer Name»'s Total Retail Load to meet any variations between the amounts generated and the amounts listed in section 2 of Exhibit A for «Resource Name(s)».

2.6.1 Definitions

2.6.1.1 “Secondary Energy” means energy generated by a hydro resource in excess of the amount of planned firm energy generation from that resource. For Pacific Northwest hydro resources, planned firm energy generation is the amount a resource could produce if a very low streamflow condition identified as a critical period were to reoccur.

2.6.1.1 “Shortfall Energy” means an amount of energy calculated as the difference between the amount of planned firm energy generation from a resource in an identified period and a lesser amount of energy that resource actually produced in the same identified period.

2.6.2 Information Requirements

«Customer Name» shall provide BPA with hourly meter data from «Resource Name(s)» in accordance with section 17.3 of the body of this Agreement. If «Customer Name» installs or upgrades a meter to meet such requirement, then «Customer Name» shall pay for any costs or related services attributable to the new or upgraded meters.

If «Resource Name(s)» are scheduled to «Customer Name»'s Total Retail Load, then «Customer Name» shall provide hourly generation forecast data and schedule data to BPA for such resources in accordance with Exhibit F. «Customer Name» shall also provide BPA with any resource information, including historical and forecast resource data, BPA determines is necessary to provide SCS.

2.6.3 Charges and Credits

If on a monthly basis «Resource Name(s)» generate more or less energy than is listed in section 2 of Exhibit A for such resources, then BPA shall provide «Customer Name» with a credit for any Secondary Energy or a charge for any Shortfall Energy, in accordance with section 2.6.3.1 below. «Customer Name» shall pay a charge to BPA on a monthly basis in accordance with section 2.6.3.2 below.

Sub-Option 1: Include the following Load Shaping Charge provision if the resource is NOT scheduled to load.

2.6.3.1 Load Shaping Charge

BPA shall credit or charge «Customer Name» for any monthly Secondary Energy or Shortfall Energy using the Load Shaping Charge as defined in the TRM and as established in a 7(i) Process. When BPA calculates «Customer Name»'s Actual Tier 1 Load as defined in the TRM (which BPA will

use to calculate «Customer Name»'s Load Shaping Billing Determinant), BPA shall subtract (1) the amounts measured by the meters, as listed in Exhibit E, for «Resource Name(s)», from (2) «Customer Name»'s Total Retail Load.

END Sub-Option 1.

Sub-Option 2: Include the following Load Shaping Charge provision if the resource is scheduled to load.

Reviewer's Note: Only the shaded portions below differ from Sub-Option 1.

2.6.3.1 Load Shaping Charge

BPA shall credit or charge «Customer Name» for any monthly Secondary Energy or Shortfall Energy using the Load Shaping Charge, as established in a 7(i) Process. When BPA calculates «Customer Name»'s Actual Tier 1 Load as defined in the TRM (which BPA will use to calculate «Customer Name»'s Load Shaping Billing Determinant), BPA shall subtract (1) the amounts scheduled for «Resource Name(s)», pursuant to section 1 of Exhibit F, from (2) «Customer Name»'s Total Retail Load.

END Sub-Option 2.

2.6.3.2 SCS Charge

«Customer Name» shall pay an administrative charge each month to BPA for SCS in accordance with BPA's Wholesale Power Rate Schedules and GRSPs. By September 30 of each Rate Case Year, BPA shall update the table below with such charge.

MONTHLY SCS CHARGE	
Rate Period	\$
2012 – 2013	
2014 – 2015	
2016 – 2017	
2018 – 2019	
2020 – 2021	
2022 – 2023	
2024 – 2025	
2026 – 2027	
2028	

End Option 2.