

FINAL (5/15/09) LOAD FOLLOWING RESOURCE SUPPORT SERVICES TEMPLATE

Reviewer's Note: The following provisions in gray are excerpts from the Regional Dialogue Load Following Master Template and are included for reference only.

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

- 2.6 “Balancing Authority” 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.
- 2.7 “Balancing Authority Area” means the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority.
Reviewer's Note: The BA and BA Area definitions are from NERC's "Glossary of Terms Used in Reliability Standards".
- 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 Monthly/Diurnal period, as defined in the TRM.
- 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 qualifying 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 Placeholder: Language under revision in the Clean-Up Amendment process.
 - 2.2 Placeholder: Language under revision in the Clean-Up Amendment process.

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

- Option 1: Include the following version if customer purchases DFS.*
- 2.3 **Diurnal Flattening Service (DFS) (05/15/2009 Version)**
From October 1, 20«XX» through September 30, 20«XX», BPA shall support «Customer Name»'s Specified Resources listed in section 2.3.6.1 below with DFS in accordance with section 2.3.1 below. «Customer Name» shall apply

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such resources to serve «Customer Name»'s Total Retail Load and provide BPA with any necessary information concerning such resources in accordance with sections 2.3.2, 2.3.3, and 2.3.4 below. BPA shall charge for DFS in accordance with section 2.3.5 below and shall update the tables in section 2.3.6 below.

2.3.1 BPA's Obligations

On an hourly basis BPA shall make available power to «Customer Name» to serve «Customer Name»'s Total Retail Load to meet variations between the amounts generated by the Specified Resources listed in section 2.3.6.1 below and the planned amounts listed in section 2.3.6.2 below. Generated amounts are the amounts measured by the meters on the resources listed in section 2.3.6.1 below in accordance with section 2.3.2.3 below, unless a resource listed in section 2.3.6.1 below is scheduled to «Customer Name»'s Total Retail Load, in which case such generated amounts are the amounts scheduled pursuant to Exhibit F. BPA shall provide and «Customer Name» shall purchase Transmission Scheduling Service in accordance with Exhibit F.

2.3.2 Operational Requirements

«Customer Name» shall apply the output from the Specified Resources listed in section 2.3.6.1 below, as such output is generated, to serve «Customer Name»'s Total Retail Load. If «Customer Name» does not provide at least the Operating Minimum amounts in section 2.3.6.2 below for the applicable hour(s) from the Specified Resources listed in section 2.3.6.1, then «Customer Name» shall provide replacement power from another source to serve its Total Retail Load in accordance with section 2.3.2.1 below. If «Customer Name» does not meet the conditions above, then «Customer Name» shall pay an Unauthorized Increase Charge for the difference between the planned ~~amounts~~ amounts from the Specified Resource(s) and the metered or scheduled amounts provided to by BPA in accordance with BPA's Wholesale Power Rate Schedules and GRSPs.

For purposes of this section 2.3.2 ~~of Exhibit D~~, "Operating Minimum" means the lowest level of power generation that is established in section 2.3.6.2 below as the minimum hourly power delivery amount when the resource is operating.

2.3.2.1 Scheduling Replacement Power

«Customer Name» shall provide replacement power for service to its Total Retail Load. Such replacement power amounts shall equal the difference between the amount being generated by the Specified Resource(s) listed below in section 2.3.6.1 and the planned amounts of power listed in section 2.3.6.2 below for the applicable resource(s) and hour(s) rounded down and expressed as the nearest whole megawatt.

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2.3.2.2 Planned Outages

By October 31 of each Rate Case Year, «Customer Name» may notify BPA of daily amounts of planned outages during the upcoming Rate Period for each of the Specified Resources listed in section 2.3.6.1 below. BPA will use such information when establishing the Operating Minimums and planned amounts under section 2.3.6.2 below for the applicable resource(s), with differentiated amounts for days with and without planned outages. In accordance with BPA's Wholesale Power Rate Schedules and GRSPs, during days with planned outages «Customer Name» shall receive no value under the Resource Shaping Charge Adjustment when a resource provides output beyond the planned amounts in section 2.3.6.2 below for such resource ~~in section 2.3.6.2 below~~.

Six weeks prior to the start of a month with a planned outage, «Customer Name» may request that BPA shift the days for the planned outage by changing the outage's start date. BPA is not obligated to make such change but BPA will evaluate «Customer Name»'s request and shall notify «Customer Name» within five Business Days if it is acceptable to BPA for «Customer Name» to make the change requested.

Sub Option: Include the following provision if BPA determines that the customer does not have the means or ability to provide non-federal reserves as replacement power during full or partial outages, or if BPA determines that providing such exception will not create opportunities for arbitrage. BPA may also use the following provision in other circumstances such as if BPA decides that the administrative cost savings outweigh the benefit of requiring replacement power and greater notice for planned outages. This sub option is for small resources (less than 10 MW nameplate capability) that are also located within customer's distribution system. Include the following language if BPA determines that the customer DOES NOT have the means or ability to provide non-federal reserves as replacement power during full or partial outages. BPA may also use the following provision in other circumstances for small resources (under 10 MW) located within customer's distribution system where BPA decides the administrative cost savings outweigh the benefit from requiring replacement power and greater notice for planned outages. The resources listed in the section below must also be listed in section 2.3.6.1 below.

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2.3.2.3 **Exceptions for Small Resources**

If any of the Specified Resource(s) listed in section 2.3.6.1 below are located within «Customer Name»'s distribution system and have a nameplate capability less than ten megawatts, then «Customer Name» is not required to provide replacement power in accordance with section 2.3.2.1 above or notify BPA of planned outages in accordance with section 2.3.2.2 above for the following resource(s): «Resource Name». Instead for any such resource, «Customer Name» shall:

- (1) notify BPA of any full or partial planned outages at least one month in advance of such outages, including the start/end dates of the outages, and the expected generation amounts for each daily HLH and LLH period; and
- (2) purchase Forced Outage Reserve Service (FORS) from BPA. Such FORS will include coverage for outages that BPA agrees could not be planned one month in advance.

If «Customer Name» complies with the requirements of this section 2.3.2.3 and applies all power from its Specified Resource(s) listed in section 2.3.6.1 below that are located within «Customer Name»'s distribution system and have a nameplate capability less than ten megawatts «Resource Name» -to «Customer Name»'s Total Retail Load, then the difference between the amounts provided by such resource(s) and the planned amounts in section 2.3.6.2 below for such resource(s) shall not be subject to the Unauthorized Increase Charge in accordance with BPA's Wholesale Power Rate Schedules and GRSPs.

End Sub-Option.

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2.3.3 **Information Requirements**

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«Customer Name» shall provide BPA with hourly meter data from the Specified Resources listed in section 2.3.6.1 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 2.3.6.1 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.

By October 31 of each Rate Case Year, «Customer Name» shall also provide BPA (in a format determined by BPA) with the resource

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information, including historical and forecast resource data, that BPA determines is necessary to provide DFS.

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

2.3.4 Delivery Requirements

«Customer Name» shall deliver power associated with the Specified Resources listed below in section 2.3.6.1 in accordance with sections 2.3.4.1 and 2.3.4.2 below. BPA shall have no obligation for any costs or related services attributable to «Customer Name»'s acquisition of such firm or non-firm transmission. For all subsections under this section, if «Customer Name»'s use of non-firm transmission results in an Unauthorized Increase Charge ~~to BPA~~, then BPA shall assess «Customer Name» on such Unauthorized Increase Charge ~~to «Customer Name»~~.

2.3.4.1 Resources Located Inside BPA's Balancing Authority Area

If any of the Specified Resources listed in section 2.3.6.1 are located inside of BPA's Balancing Authority Area, then «Customer Name» shall deliver power from such resources to «Customer Name»'s Total Retail Load on non-firm or firm transmission.

2.3.4.2 Resources Located Outside BPA's Balancing Authority Area

If any of the Specified Resources listed in section 2.3.6.1 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 deliver power from such resources to «Customer Name»'s Total Retail Load on non-firm or firm transmission. Power from ~~Other~~ Specified Resources listed in section 2.3.6.1 that are located outside of BPA's Balancing Authority Area shall be delivered to «Customer Name»'s Total Retail Load on firm transmission.

End Sub-Option 1.

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

***Reviewer's Note:** An agreed-upon plan of service is a required condition prior to March 31 of the year following the customer's election to purchase DFS. Although this provision will be out-of-date BPA will need to fine tune the following provision because it will be out-of-date by the time the exhibit revision is signed (since by then the plan of service will be in place) but it needs to be included since it is*

~~a term of the agreement the customer will commit to by the previous in November 1. (See section 2.1 and 2.2 of this exhibit for details.) The March 31, 2010 date will be revised for future notice opportunities and purchase periods. This approach to handling delivery requirements for Transfer customers is continuing to undergo revisions.~~

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2.3.4 ~~_____~~ **Delivery Requirements**

For each Specified Resource listed in section 2.3.6.1 below, Power Services and «Customer Name» have agreed to develop ~~(by March 31, 2010)~~ a plan of service to enable delivery of power to load that best fits the challenges of each Specified Resource. Such challenges include but are not limited to the existing circumstances of transmission constraints. If the Parties do not develop a plan by ~~that date~~ March 31, 2010, and cannot mutually agree to a revised deadline for completion of the plan of service, then BPA's obligation to sell and «Customer Name»'s obligation to purchase DFS will expire and «Customer Name» shall meet its Above-RHWM Load with power in both a Flat Annual Shape and Flat Within-Month Shape or an alternative approach mutually agreed to by the Parties. Once established, the Parties may periodically reevaluate what constitutes the best plan of service and revise it accordingly. In any such plan of service, «Customer Name» ~~service, the power from the Specified Resources shall be delivered all Specified Resources~~ on firm transmission.

End Sub-Option 2.

2.3.5 **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:

2.3.5.1 **DFS Capacity Charge**

Each month «Customer Name» shall be assessed a charge for the capacity associated with DFS. BPA shall calculate such monthly charge by: (1) using hourly data from each of the resources listed in section 2.3.6.1 below, and (2) 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 capacity charge shall be listed in section 2.3.6.3 below.

2.3.5.2 **DFS Energy Rate**

Each month «Customer Name» shall be assessed a charge for the energy associated with DFS. BPA shall calculate such monthly charge by multiplying: (1) either the amounts measured by the meters, as listed in Exhibit E, for the resources listed in section 2.3.6.1 below, or if such resources are scheduled then, the scheduled amounts, as provided to BPA in accordance with section 2.3.2.3 above, for the

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resources listed in section 2.3.6.1 below, by (2) the DFS energy rate listed in section 2.3.6.3 below. For such calculations, BPA shall use data from each of the resources listed in section 2.3.6.1 below and the associated methodology for the DFS energy rate that is established in the 7(i) Process.

2.3.5.3 Resource Shaping Charge and Adjustment

Each month «Customer Name» shall be charged the Resource Shaping Charge and the Resource Shaping Charge Adjustment as established in BPA's Wholesale Power Rate Schedules and GRSPs.

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Reviewer's Notes: (All Reviewer's Notes are not part of the contract and included for information only.)

(1) DFS CAPACITY CHARGE: BPA plans on calculating the DFS Capacity Charge as follows (subject to each 7(i) Process): BPA shall calculate the DFS Capacity Charge by looking at the monthly capacity needs of each resource. The monthly look involves multiplying the monthly Demand Rates by the calculated difference between planned average HLH energy amounts listed in section 2.3.6.2 below for each month and the HLH Operating Minimum amounts in section 2.3.6.2 below of the resource(s) for that particular month. This is a set charge because it applied regardless of actual generation.

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(2) DFS ENERGY RATE: BPA plans on calculating the DFS Energy Charge as follows (subject to each 7(i) Process): BPA shall calculate the DFS Energy Charge by first calculating a DFS Energy Rate (either as a separate rate for each year of the rate period or a single rate for the rate period). BPA does so by first summing the MWhs of the historical hourly resource generation (historical data from the resource or similar resource hourly data if no history exists) that is above the planned average diurnal energy amounts listed in section 2.3.6.2 below. This would be calculated separately for each Monthly/Diurnal period of the year. Second, BPA would multiply these MWh amounts by 25 percent and then again by the applicable Resource Shaping Rates. Third, BPA would sum the Monthly/Diurnal dollar amounts resulting from the calculation done in step two and divide it by the sum of the monthly total planned aMW energy amounts listed in section 2.3.6.2 below, converted to MWhs by multiplying by the number of hours in the year. The quotient of the calculation done in step three would be the dollar per MWh rate that is applied each month to either the amounts measured by the meters, as listed in Exhibit E, for the resources listed in section 2.3.6.1 below, or if such resources are scheduled then, the scheduled amounts, as provided to BPA in accordance with section 2.3.4.2 above to arrive at the monthly DFS Energy Charge. This is a rate because it is applied to actual scheduled or metered generation to determine the charge.

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(3) **RESOURCE SHAPING CHARGE:** BPA plans on calculating the Resource Shaping Charge as follows (subject to each 7(i) Process): For the Specified Resources listed in section 2.3.6.1 below, BPA shall credit or charge «Customer Name» for the difference between the planned monthly diurnal average megawatt amounts listed below in section 2.3.6.2 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 2.3.6.3 below.

(4) **RESOURCE SHAPING CHARGE ADJUSTMENT:** BPA plans on calculating the Resource Shaping Adjustment Billing Determinant as follows: BPA shall calculate the Resource Shaping Charge Adjustment billing determinant by subtracting (a) either the amounts measured by the meters, as listed in Exhibit E, for the resources listed in section 2.3.6.1 below, or if such resources are scheduled then, the scheduled amounts, as provided to BPA in accordance with section 2.3.4.2 above, for the resources listed in section 2.3.6.1 below, from (b) the applicable planned amounts listed in section 2.3.6.2 below.

2.3.6 Applicable Resources, Amounts, and Charges

2.3.6.1 List of Specified Resources

Drafter's Note: Add a row to the table below for each resource.

Resource Name	Resource Balancing Authority Area Location	Resource Transmission

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2.3.6.2 Monthly Operating Minimums and Planned Amounts by Resource

In consultation with «Customer Name» BPA shall determine the monthly and Diurnal Operating Minimums and planned amounts for each of the resources listed above in section 2.3.6.1, using resource specific information including equipment specifications, fuel type, fuel availability, resource location, and age of equipment. By September 30 of each Rate Case Year, BPA shall ~~put~~ update such resource amounts in the tables below.

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Drafter's Note: Include the Operating Minimum and planned amounts tables below for each resource listed in section 2.3.6.1 above.

«RESOURCE NAME»'S 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												

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Note: For this table only, the amounts in the table above shall be rounded down to the nearest whole megawatt.

«RESOURCE NAME»'S PLANNED AMOUNTS													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Rate Period Year 1													
HLH aMW													
LLH aMW													
Total aMW													
Rate Period Year 2													
HLH aMW													
LLH aMW													
Total aMW													

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Note: The amounts in the table above shall be rounded to three decimal places.

2.3.6.3 DFS Charges and Rates

By September 30 of each Rate Case Year, BPA shall update the tables below with the DFS capacity charge and energy rate, as established in each rate case and in accordance with sections 2.3.5.1 and 2.3.5.2 above, for the upcoming Rate Period.

Drafter's Note: Include one DFS Capacity Charge table and one DFS Energy Rate table if the resources are priced together in a portfolio. Otherwise include a DFS Capacity Charge table and DFS Energy Rate table for each resource listed in section 2.3.6.1 above. If listing tables by resource, then also add the name of the resource to the title of the table (use the tables in section 2.3.6.2 as an example.)

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

DFS 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 or SCS.*

- 2.3 **Diurnal Flattening Service (DFS) (05/15/2009 Version)**
 «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) (05/15/2009 Version)**
 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 amounts in accordance with section 2.4.2 below. «Customer Name» shall deliver such resources in accordance with section 2.4.1 below and 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.

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Reviewer's Note: *Customers may have further refinements to their Forced Outage definition below based on their resources particular characteristics, the transmission arrangements to their points of integration, potential non-transmission assets, and whether the resource is within the customer's distribution system or scheduled to load.*

For purposes of this section 2.4 of Exhibit D, "Forced Outage" means loss of generation as a result of: (1) unit tripping, due to a failure to start or unplanned tripping; (2) failure on the generation integration facilities between the generator and the transmission system into which the generator is integrated; or (3) internal plant equipment problems.

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

2.4.1 Delivery Requirements

«Customer Name» shall deliver power from the Specified Resources listed below in section 2.4.5.1 in accordance with sections 2.4.1.1 and 2.4.1.2 below. BPA shall have no obligation for any costs or related services attributable to «Customer Name»'s acquisition of such firm or non-firm transmission. For all subsections under this section, if «Customer Name»'s use of non-firm transmission results in an Unauthorized Increase Charge ~~to~~, then BPA shall assess «Customer Name» such Unauthorized Increase Charge ~~then BPA shall pass on Unauthorized Increase Charges to «Customer Name».~~

2.4.1.1 Resources Located Inside BPA's Balancing Authority Area

If any of the Specified Resources listed in section 2.4.5.1 are located inside of BPA's Balancing Authority Area, then «Customer Name» shall power from deliver such resources to «Customer Name»'s Total Retail Load on non-firm or firm transmission.

2.4.1.2 Resources Located Outside BPA's Balancing Authority Area

If any of the Specified Resources listed in section 2.4.5.1 below 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 deliver power from such resources to «Customer Name»'s Total Retail Load on non-firm or firm transmission. Other Specified Resources listed in section 2.4.5.1 that are located outside of BPA's Balancing Authority Area shall be delivered to «Customer Name»'s Total Retail Load on firm transmission.

End Sub-Option 1.

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

Reviewer's Note: *An agreed-upon plan of service is a required condition prior to March 31 of the year following the customer's election to purchase ~~DFS~~FORS. Although this provision will be out-of-date by the time the exhibit revision is signed (since by then the plan of service will be in place) it needs to be included since it is a term of the agreement the customer will commit to in November 1. See section 2.1 and 2.2 of this exhibit for details. The March 31, 2010 date will be revised for future notice opportunities and purchase periods.*

Reviewer's Note: *An agreed-upon plan of service is a required condition prior to March 31 of the year following the customer's election to purchase FORS. BPA will need to fine tune the following provision because it will be out-of-date by the time the exhibit revision is signed (since by then the plan of service will be in place) but needs to be included since it is a term of the agreement the customer will commit to in November. This approach to handling delivery requirements for Transfer customers is continuing to undergo revisions.*

2.4.1 Delivery Requirements

For each Specified Resource listed in section 2.4.5.1 below, Power Services and «Customer Name» have agreed to develop (by March 31, 2010) a plan of service to enable delivery of power to load that best fits the challenges of each Specified Resource. Such challenges include but are not limited to the existing circumstances of transmission constraints. If the Parties do not develop a plan by ~~that date~~ March 31, 2010, and cannot mutually agree to a revised deadline for completion of the plan of service, then BPA's obligation to sell and «Customer Name»'s obligation to purchase FORS will expire and «Customer Name» shall meet its Above-RHWM Load with power in both a Flat Annual Shape and Flat Within-Month Shape or an alternative approach mutually agreed to by the Parties. Once established, the Parties may periodically reevaluate what constitutes the best plan of service and revise it accordingly. In any such plan of service, the «Customer Name» shall power from the Specified Resource shall be delivered all Specified Resources on firm transmission.

End Sub-Option 2.

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: (1) the megawatt amounts «Customer Name» requests from BPA in accordance

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with section 2.4.4 below, or (2) the megawatt amounts listed in either: (a) section 2 of Exhibit A for the applicable resource and the applicable Diurnal period if the resource is not being supported with DFS from BPA, or (b) the planned amounts listed in section 2.3.6.2 of this Exhibit for the applicable resource and the applicable Diurnal period if the resource is being supported with DFS from BPA.

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 is not obligated to increase such amounts but shall evaluate «Customer Name»'s request and propose an adjustment to the fees in 2.4.5.3 for the request. If the proposed request is acceptable to BPA, and «Customer Name» agrees to the proposed fees, then the Parties shall revise the megawatt-hour limits and fees in section 2.4.5.2 within 15 Business Days of «Customer Name»'s request.

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2.4.3 FORS Charges

«Customer Name» shall pay a capacity charge each month to BPA as 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 calculate the applicable FORS charges and update the table in section 2.4.5.3 below with the monthly capacity 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 Notes:

(1) FORS CAPACITY CHARGE: BPA plans on pricing the capacity provided under FORS as follows (subject to a 7(i) process): The FORS capacity charge will be based on the capacity needed to back up a resource. BPA will calculate a forced outage rate for each resource (based on past generation, if available, and expected outage data). To calculate the amount of capacity to reserve for a resource (a future 7(i) process will determine whether this will be a monthly average or an annual average), BPA will multiply such forced outage rate by either:

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(1) the average energy amounts in Exhibit A for resources not getting DFS, or (2) the operating minimum of the for resources getting DFS. BPA will then charge the customer for such reserved capacity at the computed rate for capacity, which is equivalent to the Tier 1 Demand Charge and determined in each 7(i).

(2) **FORS ENERGY RATES:** BPA plans on pricing the energy provided under FORS as follows (subject to a 7(i) process): Except for the first 24 hours of energy provided during a Forced Outage, energy provided by BPA shall be charged at the applicable Monthly/Diurnal Dow Jones Mid-C Prices. Energy provided during the first 24 hours of a Forced Outage shall be charged at the Daily Dow Jones Mid-C Prices in effect during the first 24 hours of the Forced Outage (unless prices in a given hour are markedly greater than that day's average daily prices, in which case BPA may use the applicable hourly prices from BPA's Trading Floor).

2.4.4 Additional «Customer Name» Obligations

Sub-Option 1: Include the following language if Customer is NOT purchasing Transmission Scheduling Service (TSS).

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2.4.4.1 Requesting FORS

Except for the application of section 2.4.4.2 below, to request FORS «Customer Name» shall:

- (1) call the PS duty scheduler at 503-230-3341 (or such other number or method BPA provides to «Customer Name» in writing) to notify the duty 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, no later than 30 minutes prior to the hour of delivery;
- (2) call the PS duty scheduler at 503-230-3341 (or such other number or method BPA provides to «Customer Name» in writing) to notify the duty scheduler of any changes to the information provided to the PS duty scheduler pursuant to section 2.4.4.1(1) above no later than 30 minutes prior to the hour of delivery; and

End Sub-Option 1.

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

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

2.4.4.1 Requesting FORS

Except for the application of section 2.4.4.2 below, to request FORS «Customer Name» shall:

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- (1) call the PS duty scheduler at 503-230-3341 (or such other number or method BPA provides to «Customer Name» in writing) to notify the duty 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, no later than 45 minutes prior to the hour of delivery;
- (2) call the PS duty scheduler at 503-230-3341 (or such other number or method BPA provides to «Customer Name» in writing) to notify the duty scheduler of any changes to the information provided to the PS duty scheduler pursuant to section 2.4.4.1(1) above no later than 45 minutes prior to the hour of delivery; and

End Sub-Option 2.

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- (3) notify and report the following information to BPA within four Business Days after the end 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.

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

2.4.4.2 Exception to Requesting FORS

If any of the Specified Resources listed in section 2.4.5.1 below have all of the following attributes: (1) a nameplate capability less than ten megawatts, (2) is not required to have schedules with e-tags, (3) is located inside BPA's Balancing Authority Area, and (4) is located within «Customer Name»'s distribution system; then «Customer Name» is not required to immediately notify the PS duty scheduler of «Customer Name»'s request to take FORS for such resources in accordance with section 2.4.4.1 above. Instead for any such resource, «Customer Name» shall:

- (a) call the PS after-the-fact scheduler at 503-230-3949 (or such other number or method BPA provides to «Customer Name» in writing) to notify the after-the fact scheduler that a Forced Outage has occurred, state the day and hour the Forced Outage began and ended (or the expected duration of such outage if it has not yet ended), and state the amounts of FORS taken during such outage, prior to the end of the first full Business Day that follows the start of such Forced Outage;

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- (b) call the PS after-the-fact scheduler at 503-230-3949 (or such other number or method BPA provides to «Customer Name» in writing) to notify the after-the-fact scheduler of any changes to the information provided to the PS ~~after-the-fact duty~~ scheduler pursuant to section 2.4.4.2(a) prior to the end of the first full Business Day that follows the start of any such changes; and
- (c) notify and report Forced Outages to BPA in accordance with section 2.4.4.1(3) above.

End Sub-Option 1.

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

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Reviewer's Note: Only the highlighted language below differs from Sub-Option 1.

2.4.4.2 **Exception to Requesting FORS**

If «Customer Name» chooses to follow the after-the-fact notification procedures in this section, then BPA shall bill «Customer Name» for any incurred energy imbalance charges or costs that result from «Customer Name»'s Forced Outage.

If any of the Specified Resources listed in section 2.4.5.1 below have all of the following attributes: (1) a nameplate capability less than ten megawatts, (2) is not required to have schedules with e-tags, and (3) is located within «Customer Name»'s distribution system; then «Customer Name» may either immediately notify the PS duty scheduler of «Customer Name»'s request to take FORS for such resource in accordance with section 2.4.4.1 above or «Customer Name» may meet the following after-the-fact notification procedures:

- (a) call the PS after-the-fact scheduler at 503-230-3949 (or such other number or method BPA provides to «Customer Name» in writing) to notify the after-the-fact scheduler that a Forced Outage has occurred, state the day and hour the Forced Outage began and ended (or the expected duration of such outage if it has not yet ended), and state the amounts of FORS taken during such outage, prior to the end of the first full Business Day that follows the start of such Forced Outage;
- (b) call the PS after-the-fact scheduler at 503-230-3949 (or such other number or method BPA provides to «Customer Name» in writing) to notify the after-the-fact scheduler of any changes to the information provided to the PS ~~after-the-fact duty~~ scheduler pursuant to

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section 2.4.4.2(a) prior to the end of the first full Business Day that follows the start of any such changes; and

- (c) notify and report Forced Outages to BPA in accordance with section 2.4.4.1(3) above.

End Sub-Option 2.

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2.4.4.3 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.

By October 31 of each Rate Case Year, «Customer Name» shall also provide BPA (in a format determined by BPA) with the resource information, including historical and forecast resource data, that BPA determines is necessary to provide FORS.

2.4.5 Applicable Resources, Limits, and Charges

2.4.5.1 List of Specified Resources

Drafter's Note: Add a row to the table below for each resource.

<u>Resource Name</u>	<u>Resource Balancing Authority Area Location</u>	<u>Resource Transmission</u>

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«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 the 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 the first Rate Period in a Purchase Period, BPA shall update the tables

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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 Annual MWh Limit and Purchase Period Limit 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.

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

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

End Option 1.

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

2.4 **Forced Outage Reserve Service (FORS) (05/15/2009 Version)**
 «Customer Name» has chosen not to purchase FORS.

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). If such customers purchase SCS option 1, then SCS option 1 must support both Priest Rapids and Wanapum resources.

2.5 **Secondary Crediting Service (SCS) (05/15/2009 Version)**
 From October 1, 20«XX» through September 30, 20«XX», «Customer Name» shall ~~exchange and~~ assign its shares of Priest Rapids and Wanapum to BPA as provided in accordance with section 2.5.2 below. ~~In exchange for such assignment, BPA shall manage actual scheduled output from «Customer Name»'s shares of Priest Rapids and Wanapum and 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. In return, 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 generation amounts that differ from the planned amounts listed in section 2 of Exhibit A for such resources. Such credits and charges shall be provided managing such resources~~ in accordance with section 2.5.3 below. BPA shall provide and «Customer Name» shall purchase Transmission Scheduling Service in accordance with Exhibit F.

2.5.1 Definitions

2.5.1.1 “Priest Rapids Project” (PRP) means «Customer Name»'s share of the Priest Rapids and the Wanapum hydro

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resources. Both are Specified Resources listed in section 2 of «Customer Name»'s Exhibit A.

2.5.1.2 “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.

2.5.1.3 “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. Planned firm energy amounts are the amounts listed in section 2 of Exhibit A for Specified Resources.

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2.5.1.4 “Shortfall Energy” means an amount of energy calculated as the difference between the planned firm energy amounts from a resource in an identified period and a smaller amount of energy actually produced by that resource in the same identified period, amount by which the amount of energy a resource actually produced in an identified period was less than the planned firm energy generation from that resource in the same identified period. Planned firm energy amounts are the amounts listed in section 2 of Exhibit A for Specified Resources.

2.5.2 **Assignment of Priest Rapids Project to BPA**
«Customer Name» assigns PRP to BPA as follows:

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2.5.2.1 ~~In «Customer Name» assigns in consideration of the exchange credits and charges provided to «Customer Name» pursuant to section 2.5.3 below, «Customer Name» assigns to BPA its rights and, benefits, and obligations to (1) schedule the energy power from PRP by hour, and (2) transmit such energy power from PRP to the PRP Point of Receipt.~~

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2.5.2.2 «Customer Name» shall retain its right to participate in any committees associated with PRP. «Customer Name» agrees that BPA may participate on any committees associated with PRP regarding matters of scheduling, operation, and planning of 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.

2.5.2.3 No obligations other than those pertaining to the scheduling of energy by «Customer Name» under its PRP contracts are

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delegated to BPA under section 2.5.2.1 of this Agreement Exhibit. BPA shall have no obligation for any costs or related services attributable to PRP. As such, «Customer Name» shall be responsible for payment of (1) all costs attributable to PRP, and (2) all costs of transmission and ancillary services required for delivery of the power from PRP to the PRP Points of Receipt, unless BPA and «Customer Name» otherwise agree.

2.5.3 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:

2.5.3.1 Secondary Energy Credit and Shortfall Energy Charge

BPA shall include a credit to «Customer Name» for Secondary Energy from PRP delivered to BPA from Grant PUD during Diurnal periods of each month that Secondary Energy is available. BPA shall charge «Customer Name» for any Shortfall Energy that occurs during Diurnal periods of each month. BPA shall use the rates (including power market indices) published in BPA's Wholesale Power Rate Schedules and GRSPs to calculate such credits and charges.

***Reviewer's Note:** BPA plans on calculating the Secondary Energy credit as follows (subject to each 7(i) process): by multiplying the Secondary Energy amounts, if any, for each Diurnal period by 90 percent of the applicable Monthly/Diurnal Dow Jones Mid-C Prices. BPA plans on calculating the Shortfall Energy charge as follows (subject to each 7(i) process): By multiplying the Shortfall Energy amounts, if any, for each Diurnal period by 110 percent of the applicable monthly average Monthly/Diurnal Dow Jones Mid-C Prices.*

2.5.3.2 SCS Administrative 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.

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SCS ADMINISTRATIVE CHARGE	
Rate Period	\$/month
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 the PNCA Update shape.

2.5.4 Reshaping Dedicated Resource Amounts

Notwithstanding the restriction in section 3.4.2 of the body of this Agreement to reshape resource amounts for ~~those «Customer Name»’s~~ resources being supported by SCS from BPA, BPA shall reshape the PRP Dedicated Resource amounts listed in section 2 of Exhibit A using the PNCA Update Shape. BPA shall not reshape 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.

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End Sub-Option.

End Option 1.

Option 2: Include the following if customer purchases SCS option 2. If customer purchases SCS option 2 to support the Priest Rapids or Wanapum resources, then SCS option 2 must support both Priest Rapids and Wanapum.

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2.5 Secondary Crediting Service (SCS) (05/15/2009 Version)

«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)».

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2.5.1 Definitions

2.5.1.1 “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

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resource could produce if a very low streamflow condition identified as a critical period were to reoccur. Planned firm energy amounts are the amounts listed in section 2 of Exhibit A for Specified Resources.

2.5.1.2 “Shortfall Energy” means an amount calculated as the difference between the planned firm energy amounts from a resource in an identified period and a smaller amount of energy actually produced by that resource in the same identified period. Planned firm energy amounts are the amounts listed in section 2 of Exhibit A for Specified Resources.

~~means an amount of energy calculated as the amount by which the amount of energy a resource actually produced in an identified period was less than the planned firm energy generation from that resource in the same identified period. Planned firm energy amounts are the amounts listed in section 2 of Exhibit A for Specified Resources.~~

2.5.2 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)» «is or 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 resource«s» in accordance with Exhibit F.

By October 31 of each Rate Case Year, «Customer Name» shall also provide BPA (in a format determined by BPA) with the resource information, including historical and forecast resource data, that BPA determines is necessary to provide SCS.

2.5.3 Charges and Credits

If on a monthly basis «Resource Name(s)» generate«s» more or less energy than is listed in section 2 of Exhibit A for such resource«s», then BPA shall provide «Customer Name» with a credit for any Secondary Energy or a charge for any Shortfall Energy, in accordance with section 2.5.3.1 below. «Customer Name» shall pay a charge to BPA on a monthly basis in accordance with section 2.5.3.2 below.

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

2.5.3.1 **Secondary Energy Credit and Shortfall Energy Charge**
BPA shall credit «Customer Name» for any Secondary Energy from «Resource Name(s)» that occurs during Diurnal periods of each month. BPA shall charge «Customer Name» for any

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Shortfall Energy attributable to «Resource Name(s)» that occurs during Diurnal periods of each month. BPA shall use the rates (including power market indices) established in BPA's Wholesale Power Rate Schedules and GRSPs applicable to SCS to calculate such credits and charges. BPA shall use amounts measured by the meters, as listed in Exhibit E, for «Resource Name(s)» to determine Secondary Energy and Shortfall Energy amounts.
END Sub-Option 1.

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

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

- 2.5.3.1 **Secondary Energy Credit and Shortfall Energy Charge**
BPA shall credit «Customer Name» for any Secondary Energy from «Resource Name(s)» that occurs during Diurnal periods of each month. BPA shall charge «Customer Name» for any Shortfall Energy attributable to «Resource Name(s)» that occurs during Diurnal periods of each month. BPA shall use the rates (including power market indices) established in BPA's Wholesale Power Rate Schedules and GRSPs applicable to SCS to calculate such credits and charges. BPA shall use amounts scheduled for «Resource Name(s)», pursuant to section 1 of Exhibit F, to calculate such credits or charges.
END Sub-Option 2.

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Reviewer's Note: BPA plans on using the Load Shaping Charge/Resource Shaping Charge to calculate the Secondary Energy credit and Shortfall Energy charge, such determination is subject to a 7(i) process.

- 2.5.3.2 **SCS Administrative 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.

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

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

2.5.4 Delivery Requirements

«Customer Name» shall deliver the power associated with «Resource Name(s)» in accordance with section 2.5.4.1 and 2.5.4.2 below. BPA shall have no obligation for any costs or related services attributable to «Customer Name»’s acquisition of such firm or non-firm transmission. For all subsections under this section, if «Customer Name»’s use of non-firm transmission results in an Unauthorized Increase Charge ~~to BPA, then BPA shall assess «Customer Name» such Unauthorized Increase Charge then BPA shall pass on Unauthorized Increase Charges to «Customer Name».~~

2.5.4.1 Resources Located Inside BPA’s Balancing Authority Area

If «Resource Name(s)» «is or are» located inside of BPA’s Balancing Authority Area, then «Customer Name» shall deliver the power associated with such resource(s) to «Customer Name»’s Total Retail Load on non-firm or firm transmission.

2.5.4.2 Resources Located Outside BPA’s Balancing Authority Area

If «Resource Name(s)» «is or are», small hydro (nameplate capability less than or equal to ~~ten~~ 10 megawatts), and if they «is or are» located outside of BPA’s Balancing Authority Area, then «Customer Name» shall deliver such resource(s) to «Customer Name»’s Total Retail Load on non-firm or firm transmission. If «Resource Name(s)» is located outside of BPA’s Balancing Authority Area, then «Customer Name» shall deliver the power associated with such resource(s) to «Customer Name»’s Total Retail Load on firm transmission.

End Sub-Option 1.

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

Reviewer's Note: *An agreed-upon plan of service is a required condition prior to March 31 of the year following the customer's election to purchase DFSSCS. Although this provision will be out-of-date by the time the exhibit revision is signed (since by then the plan of service will be in place) it needs to be included since it is a term of the agreement the customer will commit to in November 1. See section 2.1 and 2.2 of this exhibit for details. The March 31, 2010 date will be revised for future notice opportunities and purchase periods.*

~~**Reviewer's Note:** *An agreed-upon plan of service is a required condition prior to March 31 of the year following the customer's election to purchase SCS. BPA will need to fine tune the following provision because it will be out of date by the time the exhibit revision is signed (since by then the plan of service will be in place) but needs to be included since it is a term of the agreement the customer will commit to in November. This approach to handling delivery requirements for Transfer customers is continuing to undergo revisions.*~~

2.5.4 Delivery Requirements

Power Services and «Customer Name» have agreed to develop ~~(by March 31, 2010)~~ a plan of service to enable delivery of power to load that best fits the challenges «Resource Name(s)». Such challenges include but are not limited to the existing circumstances of transmission constraints. If the Parties do not develop a plan ~~by that by March 31, 2010 date~~, and cannot mutually agree to a revised deadline for completion of the plan of service, then BPA's obligation to sell and «Customer Name»'s obligation to purchase SCS will expire and «Customer Name» shall meet its Above-RHWM Load with power in both a Flat Annual Shape and Flat Within-Month Shape or an alternative approach mutually agreed to by the Parties. Once established, the Parties may periodically reevaluate what constitutes the best plan of service and revise it accordingly. In any such plan of service, ~~the «Customer Name» shall deliver power from-~~ «Resource Name(s)» shall be delivered on firm transmission.

End Sub-Option 2.

End Option 2.

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. In rare circumstances BPA may consider a longer time period of load growth for small resources located within a customer's distribution system.*

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Since, Resource Remarketing Service is being offered through the FPS rate schedule RRS is NOT considered a Resource Support Service. However, BPA encourages customers to request RRS using the same Notice Deadlines and Purchase Periods applicable to Tier 2 and RSS. Customers may request RRS on a different timeline and BPA will consider such requests on a case-by-case basis. Customer may not purchase RRS without also purchasing DFS.

Drafter's Note: Customer may not purchase RRS without also purchasing DFS; ensure both provisions are included in Exhibit D. Note that RRS is a special provision in Exhibit D and is not included in section 2, Resource Support Services.

«X». **Resource Remarketing Service (RRS) (05/15/2009 Version)**

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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 «X».3 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 «X».1 below. As a condition of taking RSS «Customer Name» has shall also purchased Diurnal Flattening Service from BPA for the Specified Resource, including the BPA remarketed portions of such resource(s), listed below in section «X».3.

«X».1 **Remarketing Credits**

BPA shall include a credit on «Customer Name»'s monthly bill for actual generation produced by the resources listed below in section «X».3 that is greater than the amounts listed in section 2 of Exhibit A for such resources. If the resources listed below in section «X».3 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 «X».2 below. If the resources listed below in section «X».3 are not scheduled, then such actual generation shall equal the amounts metered for the resources, and such meter data shall be submitted to BPA pursuant to section «X».2 below.

BPA shall use the rates (which may include power market indices) established in BPA's Wholesale Power Rate Schedules and GRSPs to calculate any remarketing credits. BPA may establish separate rates for remarketing credits for wind resources and non-wind resources.

Reviewer's Notes: BPA plans on calculating remarketing credits as follows (subject to each 7(i) process): Except for wind resources, BPA shall calculate the remarketing credit equal to the applicable Monthly/Diurnal Dow Jones Mid-C Prices multiplied by the actual generation produced by the resources listed below in section X.3 that is greater than the amounts listed in section 2 of Exhibit A for such resources. Wind resources shall be priced using only the LLH ~~Diurnal~~ Monthly Dow Jones Mid-C Price.

Additionally, BPA may reduce all remarketing credits for all resources by a percentage or fixed cost developed in the applicable 7(i) Process to account for any transaction and transmission costs applicable to such remarketing.

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«X».2 **Information Requirements**

«Customer Name» shall provide BPA with hourly meter data from the Specified Resources listed in section «X».3 below in accordance with section 17.3 of the body of this Agreement. If «Customer Name» installs or upgrades a meter to meet this 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 «X».3 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.

By October 31 of each Rate Case Year, «Customer Name» shall also provide BPA (in a format determined by BPA) with the resource information, including historical and forecast resource data, that BPA determines is necessary to provide RRS.

«X».3 **Specified Resources**

«Resource Name»
«Resource Name»

Drafter's Note: If customer purchases DFS, FORS, SCS, and/or RRS, then replace the Revisions section in Exhibit D with the following revisions section.

«X». **Revisions (05/15/2009 Version)**

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«X».1 **General Exhibit Revisions**

Except for those provisions in this exhibit for Diurnal Flattening Service (DFS), Forced Outage Reserve Service (FORS), Secondary Crediting Service (SCS), and Resource Remarketing Service (RRS), if any, this exhibit shall be revised by mutual agreement of the Parties to ~~add reflect additional~~ products «Customer Name» purchases during the term of this Agreement.

Reviewer's Notes: The revisions section below is based on the revisions section in Exhibit F, Scheduling.

«X».2 **Revisions to DFS, FORS, SCS, and RRS**

If «Customer Name» purchases DFS, FORS, SCS, or RRS, then BPA may unilaterally revise the provisions in this exhibit related to such products as follows:

- (1) to implement changes that BPA determines are necessary to allow it to meet its power and scheduling obligations under this Agreement, or
- (2) to comply with requirements of WECC, NAESB, or NERC, or their successors or assigns.

BPA shall provide a draft of any material unilateral revisions of this exhibit to «Customer Name», with a reasonable time for comment, prior to BPA providing written notice of the revision. Unilateral revisions are effective 45 days after BPA provides written notice of the revisions to «Customer

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Name» unless, in BPA's sole judgment, less notice is necessary to comply with an emergency change to the requirements of WECC, NAESB, NERC, or their successors or assigns. In this case, BPA shall specify the effective date of such revisions.

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