Agenda
Utility Advisory Committee Meeting
Tuesday, September 9, 2025
Richland City Hall ~ Council Chambers
625 Swift Boulevard

Regular Meeting - 3:00 p.m.

Call to Order/Attendance:

Approval of Agenda: (Approved by Motion)

Approval of Minutes: (Approved by Motion)

1. Approval of the July 8, 2025 Utility Advisory Committee Meeting Minutes

Public Comments: Public comments will be limited to 2 minutes per speaker.

Items of Business:

2. Status of Each Utility (10 minutes each)
   - Randy Aust, Deputy Fire Chief
     Carlo D'Alessandro, Public Works Director
     Clint Whitney, Energy Services Director

3. Recommendation to Revise RMC 3.26.010 Deposit for Utility Services (10 minutes)
   - Irma Bottineau, Customer Experience Manager

4. Richland Fire Department Medical and Ambulance Utility Strategic Plan - Focus on Rate Settings and Financial Sustainability (25 Minutes)
   - Randy Aust, Deputy Fire Chief

5. 2025 Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment Draft Reports (30 Minutes)
   - Lighthouse Consulting

6. Bonnevile Power Administration (BPA) - Provider of Choice - Power Contract (15 minutes)
   - Clint Whitney, Energy Services Director

Unfinished Business:

Other Informational Items:

7. Capital Work Plan Update - July 2025
   - Clint Whitney, Energy Services Director

8. Forward Agenda

Adjournment

Richland City Hall is ADA accessible. Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the meeting by calling the City Clerk's Office at 509-942-7389.

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Approval of Minutes

Prepared By: Arturo Mata, Administrative Assistant II

Subject
Approval of the July 8, 2025 Utility Advisory Committee Meeting Minutes

Department
Energy Services

Recommended Motion
Approve the minutes of the Utility Advisory Committee meeting held on July 8, 2025.

Summary

Fiscal Impact
None.

Attachments
1. July 08, 2025 UAC Meeting Minutes Draft

MINUTES
UTILITY ADVISORY COMMITTEE REGULAR MEETING
Tuesday, July 08, 2025
Richland City Hall ~ Council Chambers
625 Swift Boulevard

Utility Advisory Committee Regular Meeting - 3:00 p.m.

Chair Porter called the meeting to order at 3:00 p.m.

Welcome and Roll Call

Attendance:	Chair Porter	Present
	Vice-Chair Staven	Present
	Member Hofstetter	Present
	Member Hyson	Present
	Member Wallin	Present (arrived at 3:02)
	Member Larkin	Absent
	Member Richmond	Present

Also present were Council Liaison Whitten, Staff Liaison and Energy Services Director Whitney, Deputy Chief Aust, Chief Huntington, Nigel Baummer and Mary Shanks – Herrera Environmental Consultants, Heather Garland – Pacific Financial Consulting Services, LLC, and Administrative Assistant II Mata

Approval of Agenda

VICE-CHAIR STAVEN MOVED AND MEMBER RICHMOND SECONDED THE MOTION TO APPROVE THE AGENDA AS PUBLISHED. THE MOTION CARRIED 5-0.

Minutes

1. Approval of the May 13, 2025 Utility Advisory Committee Regular Meeting Minutes

MEMBER RICHMOND MOVED AND VICE-CHAIR STAVEN SECONDED THE MOTION TO APPROVE THE MAY 13, 2025 MEETING MINUTES. THE MOTION CARRIED 6-0.

Public Comments

None.

Items of Business

2. Status of Each City Utility

Public Works

Public Works Director D'Alessandro provided updates for departments within Public Works. He provided updates for recently completed and current projects in Water, Wastewater, and Landfill. Updates for Public Works included water lines, booster bumps, the flaring, and the landfill expansion project. Member questions were answered.

Fire & EMS

Chief Huntington requested to present status updates for Fire & EMS while presenting 2026 Medical Utility Rate Setting business item.

Energy Services

Energy Service Director Whitney provided status updates for Richland Energy Services (RES) projects. Updates for RES included AMI meter installations and substation rebuilds. Energy Services Director Whitney also mentioned the 2026 budget is in development, and he mentioned a few of the items to be included. He discussed load capacity and the effects of higher temperatures. Members were reminded of upcoming vacancies. Member questions were answered.

3. 2026 Medical Utility Rate Setting

Chief Huntington presented the 2026 Medical Utility Rate Setting. He requested support from UAC members to support the approval of the transportation fee increase from $1,042 (resident) and $1,563 (non-resident) to $1,146 (resident) and $1,719 (non-resident). Member questions were answered.

VICE-CHAIR STAVEN MOTIONED AND MEMBER RICHMOND SECONDED THE MOTION TO SUPPORT THE APPROVAL TO INCREASE THE TRANSPORTATION FEE. THE MOTION CARRIED 6-0.

4. Solid Waste Organics Feasibility Study

Public Works Director D'Alessandro introduced members from Herrera Environmental Consultants (Herrera), and Herrerra presented the Solid Waste Organics Feasibility Study. They went over the need for additions/updates to meet future Washington State Solid Waste Management requirements, and they discussed the potential financial impacts. Member questions were answered, and feedback was provided.

5. Wastewater Treatment Plant Grit Works Public Works Board Loan Application

Public Works Director D'Alessandro went over the status and the improvements needed to the Wastewater Treatment Grit Works. He requested UAC support the recommendation to apply for a low-interest loan through the Public Works Board to finance the design of the Wastewater Treatment Grit Works Rehabilitation project. Members' questions were answered.

VICE-CHAIR STAVEN MOTIONED AND MEMBER HOFSTETTER SECONDED THE MOTION TO SUPPORT OF A LOAN APPLICATION SUBMITTAL FOR THE WASTEWATER TREATMENT GRIT WORKS REHABILITATION PROJECT. THE MOTION CARRIED 6-0.

6. Wastewater Treatment Plant Anaerobic Digestor Public Works Board Loan Application

   Public Works Director D'Alessandro went over the status and the improvements needed to the Wastewater Treatment Plant Anaerobic Digestor. He requested UAC support the recommendation to apply for a low-interest loan through the Public Works Board to finance the design of the Wastewater Treatment Plant Anaerobic Digestor Improvements project. Member questions were answered.

   MEMBER RICHMOND MOTIONED AND MEMBER HOFSTETTER SECONDED THE MOTION TO SUPPORT OF A LOAN APPLICATION SUBMITTAL FOR THE WASTEWATER TREATMENT PLANT ANAEROBIC DIGESTOR IMPROVEMENTS PROJECT. THE MOTION CARRIED 6-0.

7. Bonneville Power Administration (BPA) Tri-City Transmission Reinforcement Projects – 2Q25 Update

   Energy Services Director Whitney provided updates to the BPA Tri-City Transmission Reinforcement Projects through the second quarter of 2025. There were no questions.

8. Trump Administration Cancellation/Withdrawal of Memorandum of Understanding (MOU)

   Energy Services Director Whitney provided a brief description of the MOU that was created by the previous administration. He also went over the reason the MOU was cancelled by current administration. Member questions were answered.

Future Business Items

- Richland Fire Department Ambulance Rate Methodology – September 2025
- Electric Bond Rating, Refund & New Issue Discussion – November 2025
- Electric Rates Review & Rate Design Options with Presentation by FCS – November 2025
- AMI Time of Use (TOU) and Demand Rate Discussion – January 2025
- SMR Update – January 2026

Other Informational Items

The following presentations were presented:

2026 Richland Fire and EMS Rate Setting Presentation
Horn Rapids Landfill Organics Feasibility Study

Adjournment

Chair Porter adjourned the meeting at 5:01 pm.

Prepared by: _____
Arturo Mata, Administrative Assistant II

Approved by: _____
Daniel Porter, Chair

DATE APPROVED:

DATE PUBLISHED:

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Items of Business

Prepared By: Randy Aust, Deputy Fire Chief
Carlo D'Alessandro, Public Works Director
Clint Whitney, Energy Services Director

Subject
Status of Each Utility (10 minutes each)

Department
Energy Services

Recommended Motion
This item is informational only.

Summary
A representative from each of the City's utilities will provide a status update.

Fiscal Impact
None.

Attachments

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Items of Business

Prepared By: Irma Bottineau, Customer Experience Manager

Subject
Recommendation to Revise RMC 3.26.010 Deposit for Utility Services (10 minutes)

Department
Energy Services

Recommended Motion
Utility Advisory Committee support the recommendation to revise RMC 3.26.010 Deposit for Utility Services to a flat-rate deposit model.

Summary
The City of Richland's current utility deposit requirement can be a significant financial burden for many tenants seeking essential utility services. For residential customers, the average deposit required for all utility services totals approximately $400 or more. This deposit amount often creates immediate financial hardship.

Although the current policy allows customers up to 20 days to pay the deposit in full, many residents are only able to make a partial payment at the time of account setup. As a result, customers frequently fall into delinquency within their first billing cycle, placing them at risk of disconnection and further compounding financial stress.

In a review of utility deposit structures for other full-service cities, staff found that many cities have adopted more customer-friendly approaches, including lower or flat-rate deposit models. Based on this comparative analysis (Attachment), staff is recommending a revision to the City's utility deposit policy and Richland Municipal Code (RMC) changes.

Recommendation:

- Implement a flat-rate deposit model for residential customers to replace the current average-based methodology. The new deposit model would be as follows:
  - Residential homes and apartment buildings or duplexes with four (4) or less units: $250.00
  - Apartment buildings with five (5) or more units: $100.00
- Reduce the overall deposit amount to align more closely with what other full-service cities charge and to lessen the upfront financial burden on residents by removing Section RMC 3.26.020(B), Deposit Reinstated.

These changes would simplify the deposit process for City staff and still provide a fair approach for our residents without significant financial risk for unpaid utilities. Lowering and standardizing the deposit requirement would also support broader City strategic goals of financial sustainability, customer satisfaction, and community well-being.

Fiscal Impact
No financial impact is expected.

Attachments
1. Full-Service Cities Deposit Comparison
2. Richland Municipal Code Proposed Changes

City of Richland
UAC Meeting - September 9, 2025
Full-Service Cities
Utility Deposit Comparison

City:	Richland	Tacoma	Ellensburg	Cheney	Seattle	Centralia
2025 Population:	64,930	228,400	21,260	13,180	816,600	18,730
Deposit Required:	**Deposit required from Tenants of leased or rented residential premises**	Deposit required from Tenants for power and water services	Deposit required from Owner or Tenant (with Owner agreement)	Deposit required for rental properties (Tenants)	Electricity: No Deposit required. Water/Sewer/Garbage: No Deposit (Property owner is ultimately responsible for utility bills)	No Deposit Required. The only deposit will be unless an owner's bankruptcy and continuation of utility services is desired. The deposit would be the two highest usage months within a 24-month period.
Deposit Amount:	**Twice the monthly average bill of previous 12 months**	Residential homes: $200; Apartment bldgs 1-4 units:$200; Apartment buildings 5+ units:$100; Water deposit: $75	Deposit Amount: One monthly average bill	Deposit amount will range from $150 to $200 and will be split into two equal payments on the first two bills.	N/A	N/A

All Cities: Deposit is generally waived if the customer can provide 12/24 months of letter of credit from previous utility account.

Chapter 3.26

UTILITY DEPOSIT SYSTEM

Sections:

3.26.010 Deposit for utility service.

Applications for electrical, water, or other utility service, made by the tenant of leased or rented residential premises, shall be accompanied by a utility services deposit; provided, however, that the deposit will not be required for electrical services for those set forth in RMC 14.12.010. The deposit amount shall be based on the following: ~~equal twice the monthly average bill of the previous 12 months for that occupied location without regard to prior discounted rates. If the premises has not been occupied continuously for the last 12 months, then the deposit will be as provided in the city's posted fee schedule.~~

Residential homes and apartment buildings or duplexes with 4 or less units: $250.00
Apartment building with 5 or more units: $100.00

Upon termination of service to the tenant, the amount of the deposit may be applied against any electrical, water or other utility charges then due or to become due from the tenant, including any connection or reconnection charges, and shall be remitted to the appropriate fund or funds. If the amount of the deposit is not sufficient to pay the total of the unpaid charges, remittance shall be made to the appropriate fund or funds on a pro rata basis. If there is a balance remaining after payment of all utility charges then due or to become due from the tenant, such balance shall be refunded. [Ord. 27-81; Ord. 34-83; Ord. 42-01; Ord. 63-19 § 1].

3.26.020 Exemption from deposit – Qualifications.

A. If a new customer presents a letter of credit reference that is for the immediate prior 12 months of continuous service from a comparable utility company and meets the definition of good credit history, then there is an exemption from the requirement to make a deposit for utility services. Good credit history is defined as follows:

1. One or fewer delinquent notices within the previous 12 months; and

2. No disconnects for nonpayment of a bill or deposit within the previous 12 months; and

3. One or fewer checks returned to the city or prior utility for insufficient funds from his/her bank within the previous 12 months; and

4. No outstanding balances for utilities with the city within the last five years.

Existing utility customers who meet the qualifications for good credit, but who applied for services prior to the passage of the amendatory ordinance codified in this section, will automatically have their deposit applied back to their account after the end of the month in which they are determined to qualify for the exemption. Upon completion of a 12-month service period, all customers covered by the deposit will undergo an automatic review. If the above

qualifications are met, the deposit shall be applied to the customer's account after the last day of the month in which they qualify.

~~B. Deposit Reinstated. The deposit requirement will be reinstated when:~~

~~1. After receiving two delinquent notices since the start of the account, another delinquent notice is mailed within 12 months of the last delinquent notice; or~~

~~2. A customer is on the list for disconnects on the day disconnects are started; or~~

~~3. Two payments are returned to the city for nonsufficient funds; or~~

~~4. A customer has an outstanding balance for utilities with the city created within the last five years; or~~

~~5. A customer has a pattern of delinquent notices and one payment is returned to the city for nonsufficient funds.~~

~~The deposit will be retained until the customer reestablishes a good credit history for a period of 12 months from the time the reestablished deposit is fully paid.~~ [Ord. 17-87; Ord. 16-89; Ord. 48-94; Ord. 34-96; Ord. 20-01; Ord. 42-01; Ord. 12-07].

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Items of Business

Prepared By: Randy Aust, Deputy Fire Chief

Subject

Richland Fire Department Medical and Ambulance Utility Strategic Plan - Focus on Rate Settings and Financial Sustainability (25 Minutes)

Department

Fire & Emergency Services

Recommended Motion

This item is informational only.

Summary

Review the revised (2026-2028) Medical and Ambulance Utility's Strategic Plan, with an emphasis on rate-setting methodology.

Fiscal Impact

None.

Attachments

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Items of Business

Prepared By: Lighthouse Consulting

Subject
2025 Clean Energy Implementation Plan, Conservation Potential Assessment, and Demand Response Potential Assessment Draft Reports (30 Minutes)

Department
Energy Services

Recommended Motion
Staff recommends UAC support the revised CEIP, CPA and DRPA reports for the Council's recommended adoption in 4Q25.

Summary
Washington State's Energy Independence Act (EIA) requires electrical utilities to conduct a Conservation Potential Assessment (CPA) every two years to identify the 10-year energy efficiency potential and establish a 2-year target.

Washington State's Clean Energy Transformation Act (CETA) requires electric utilities to prepare a Clean Energy Implementation Plan (CEIP) every four years.

The City has been implementing energy efficiency programs since 2008. The CPA identifies the most cost-effective energy savings potential is fairly balanced between the residential, commercial and industrial sectors, with total energy efficiency targets of 6,530 MWh and 80,417 MWh in the 2-year and 10-year periods, respectively. For CETA compliance, the 4-year energy efficiency target is 17,644 MWh. Smart thermostats can add energy savings and also assist with future demand response programs.

The CEIP requires interim targets, specific targets, and specific actions to meet the state's clean energy requirements. The City's current retail electrical load is served by 92% clean energy, which is above the state's 80% requirement. There are no actions in the 2026-2029 compliance period. As the City load grows, renewable energy resources and renewable energy credits can help to meet upcoming EIA and CETA requirements.

Fiscal Impact
There are no additional impacts beyond what is regulatory required.

Attachments
1. 2025 RES CPA and CEIP UAC Presentation
2. 2025 CEIP Draft Report
3. Lighthouse RES 2025 CPA Draft Report
4. Lighthouse Richland 2025 DRPA Draft Report
5. Richland 2025 CEIP Commerce Form - Excerpts

CITY OF RICHLAND ENERGY SERVICES

Conservation Potential Assessment (CPA)
&
Clean Energy Implementation Plan (CEIP)

Utility Advisory Committee Presentation

September 9, 2025

LIGHTHOUSE ENERGY CONSULTING

PROJECT TEAM

LIGHTHOUSE ENERGY CONSULTING

Ted Light

Rockcress

Angela Long

Nauvoo Solutions

Sophia Spencer

PURPOSE

1) Washington's Energy Independence Act (EIA) requires qualifying electric utilities to conduct a Conservation Potential Assessment (CPA) every two years to identify the 10-year energy efficiency potential and 2-year target.
2) Washington's Clean Energy Transformation Act (CETA) requires all electric utilities to prepare a Clean Energy Implementation Plan (CEIP) every four years.

CPA RESULTS

- 10-Year Potential of 80,417 MWh
- 2-Year Target of 6,530 MWh

Sector	2-Year	4-Year	10-Year	20-Year
Residential	1,937	4,432	17,048	36,864
Commercial	2,529	6,561	27,631	64,383
Industrial	1,903	5,988	28,617	53,112
Utility	161	662	7,121	20,966
Total	**6,530**	**17,644**	**80,417**	**175,326**

**Details are available in the attached CPA Report*

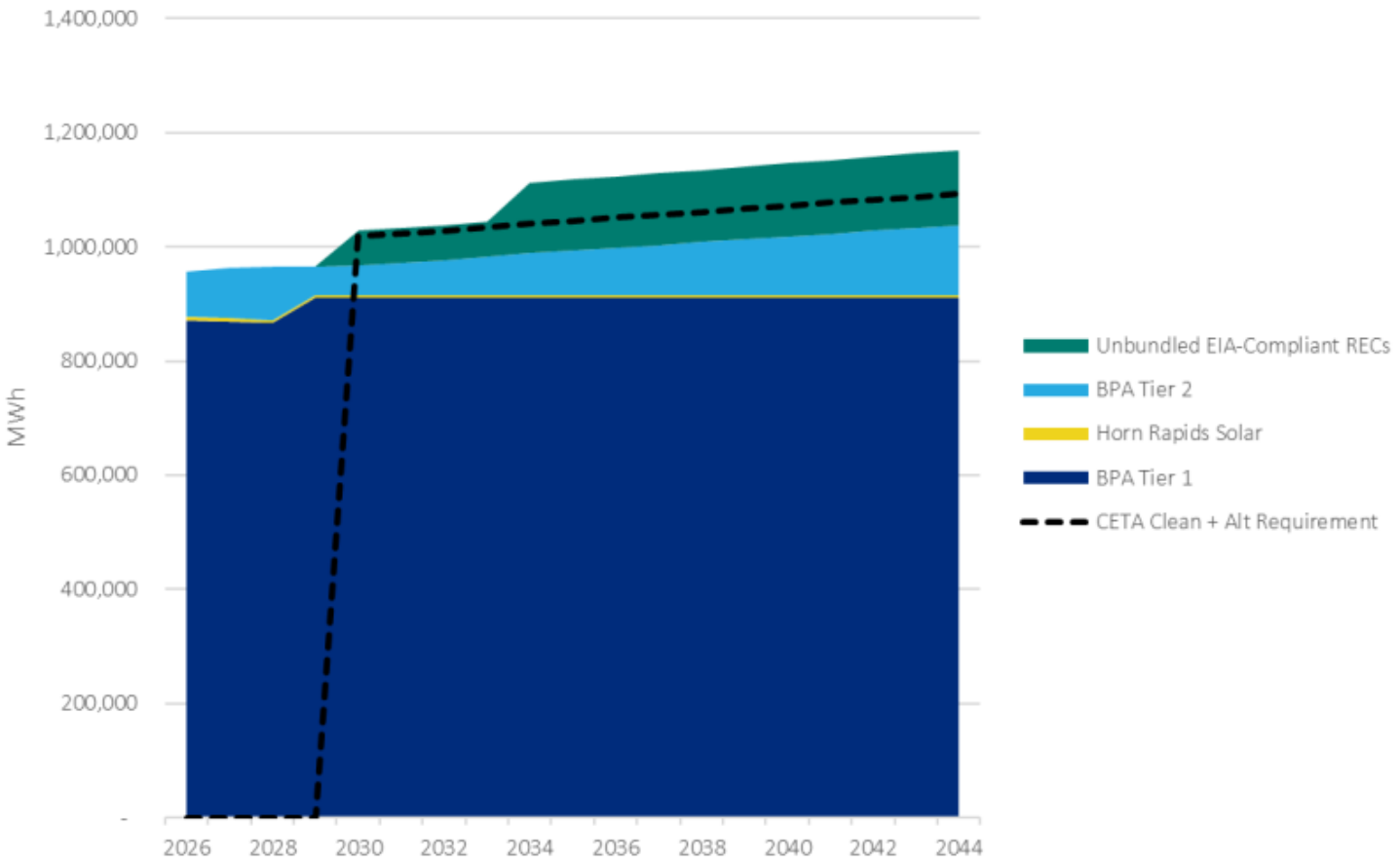
CEIP CONTENTS – RESOURCE PLANNING

- **Interim Targets**: share of retail load (%) served by clean energy
- **Specific Targets**: Targets for 4-year compliance period
  - Energy efficiency acquired (First-year MWh)
  - Renewable energy used (MWh)
  - Demand response acquired (MW)
- **Specific Actions**: Actions the utility will take over 4-year period to achieve above targets
- How the CEIP is consistent with other utility resource planning

CEIP CONTENTS – EQUITY

- Identify **highly impacted communities** (defined by State)
- Identify **vulnerable populations** (defined through public process)
- One or more **indicators** (defined through public process) used to estimate the distribution of costs and benefits from the **utility actions** planned to meet identified targets
- How the utility will **reduce risks** to highly impacted communities and vulnerable populations
- How public input is reflected in the CEIP

INTERIM TARGETS



- Approximately **92% of RES retail load served by clean energy** resources
- Need to acquire RECs or renewable resources in 2030 for EIA compliance
- **No actions needed** in the interim compliance period 2026-2029
- May be economically advantageous to acquire resources before 2030

LIGHTHOUSE ENERGY CONSULTING

SPECIFIC TARGETS – ENERGY EFFICIENCY

- Conservation Potential Assessment identified **17,644 MWh of cost-effective energy efficiency savings** achievable over the 4-year period
  - Historical RES average conservation: 5,900 MWh per year
- Action: **Continue EE programs to meet identified target**

Sector	2-Year	4-Year	10-Year	20-Year
Residential	1,937	4,432	17,048	36,864
Commercial	2,529	6,561	27,631	64,383
Industrial	1,903	5,988	28,617	53,112
Utility	161	662	7,121	20,966
Total	**6,530**	**17,644**	**80,417**	**175,326**

SPECIFIC TARGETS – DEMAND RESPONSE

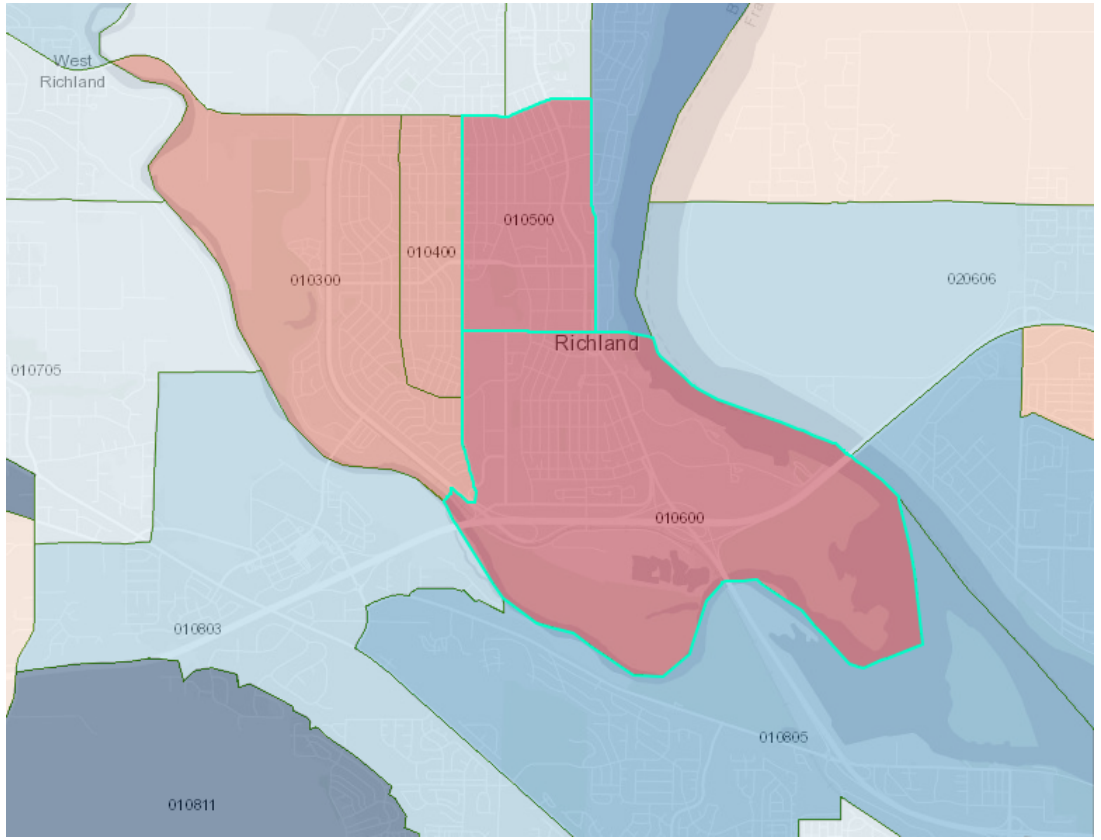
- Demand Response Potential Assessment identified utility demand voltage reduction (DVR) and residential smart thermostat demand response programs identified as cost-effective
- Target is for DR to be *acquired:*
  - Since RES already implemented (acquired) DVR, it is excluded from the DR target.
  - Smart thermostat program requires further investigation to validate participation, cost, and impact assumptions
  - **Target of O MW for this CEIP**
- Actions: **Further investigate smart thermostat DR program to validate cost-effectiveness for RES**

HIGHLY IMPACTED COMMUNITIES

WA Dept of Health analysis lists two census tracts as highly impacted

Driven by a combination of risks from environmental effects and sensitive populations

- Lead risk and proximity to RMP facilities
- Populations experiencing higher rates of low birth weight.
- Elevated ozone levels
- High populations living in poverty



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PUBLIC PROCESS OUTCOMES

Vulnerable Populations Identified

Renters and Housing-Insecure Populations

Seniors and People with Disabilities

People and Families Facing Structural Barriers

ACTIONS TO REDUCE RISKS

Equity-Focused Actions

- Options to eliminate deposit requirements
- Adjust incentive levels

Technology-Focused Actions

- My Meter platform
- Work with community partners to provide program information

Program Accessibility Actions

- Create a community network of trusted organizations
- Customer education through My Meter platform

Targeted Outreach

- Landlords
- Customers with medical equipment

INDICATORS

- Primary utility actions are energy efficiency and demand response
- Indicators identified through public process:
  - **Program participation rates**
  - **Distributions of incentive dollars**
- All customers benefit from acquisition of cost-effective energy efficiency and demand response
  - Keeps rates low over long-term
  - Some benefit more from ability to participate in programs
  - Actions to reduce risk will help everyone access programs and benefit
  - Indicators will be used to forecast and track equity in distribution of these benefits

SUMMARY

EIA Targets	
2-Year Target	6,530 MWh
10-Year Potential	80,417 MWh

CEIP Targets	2026	2027	2028	2029
Interim Clean Energy Targets	92%	92%	92%	92%
4-Year Energy Efficiency Target	17,644 MWh (First-year)			
Renewable Energy Used	3,286,810 MWh			
Demand Response Acquired	0 MW			

Specific Actions:

- Implement EE programs to meet target
- Investigate smart thermostat demand response programs

Consistency with Resource Plan:

- Resources: BPA, HRSST, EE
- Acquire cost-effective energy efficiency & demand response
- Use RECs and renewable resources to meet upcoming EIA & CETA requirements

2025 CLEAN ENERGY IMPLEMENTATION PLAN

City of Richland Energy Services

September 3, 2025

Prepared by:

LIGHTHOUSE ENERGY CONSULTING

Rockcress

Nauvoo Solutions

Introduction

Objectives

This report describes the development and results of a Clean Energy Implementation Plan (CEIP) prepared for and with the close collaboration of the City of Richland Energy Services (RES) by Lighthouse Energy Consulting, Rockcress Consulting, and Nauvoo Solutions (the project team). This is the second CEIP required under Washington's Clean Energy Transformation Act (CETA) and covers the four-year interim compliance period beginning in 2026 and ending in 2029.

Background

CETA requires electric utilities to prepare a CEIP by January 1, 2022, and every four years thereafter. According to Washington RCW 19.405.060, the CEIP must:

- Propose interim targets for meeting CETA's standards for greenhouse gas neutral electricity in 2030 and clean energy in 2045
- Identify specific targets for energy efficiency, demand response, and renewable energy
- Identify specific actions for meeting the interim targets and specific actions described above
- Ensure that all customers benefit from the transition to clean energy

Further requirements for the development of CEIPs are specified in Chapter 194-40 of the Washington Administrative Code. This report summarizes the CEIP prepared based on these requirements.

Uncertainties

This CEIP uses the best available information at the time of its development. Nonetheless, it is still subject to remaining uncertainties and limitations. These uncertainties include, but are not limited to:

- Load Forecasts: This CEIP projects future customer load growth based on forecasts of future growth. These forecasts inherently include a significant level of uncertainty. The forecast is an econometric forecast that "bakes in" future energy efficiency achievements based on historical achievements. Future energy efficiency achievements that vary significantly from past achievements may lead to deviations from the load forecast.

- BPA Contracts: RES's current contract with BPA expires in 2028. While this analysis assumes that RES will have similar products available after 2028, this is not certain.

- Legislative Uncertainties: Uncertainties exist in the interpretation of certain CETA requirements that remain unresolved as of the development of this report.

Due to these uncertainties and the continually changing planning environment, the CETA requires utilities to update their CEIP every four years to reflect the best available data.

Report Organization

The remainder of the report is organized into two sections:

- **Utility Targets & Actions**: Discusses the development of targets and actions for clean and renewable energy, energy efficiency, and demand response
- **Actions to Ensure an Equitable Transition**: Discusses the public process conducted, outcomes, and actions to ensure equity in RES's transition to clean energy

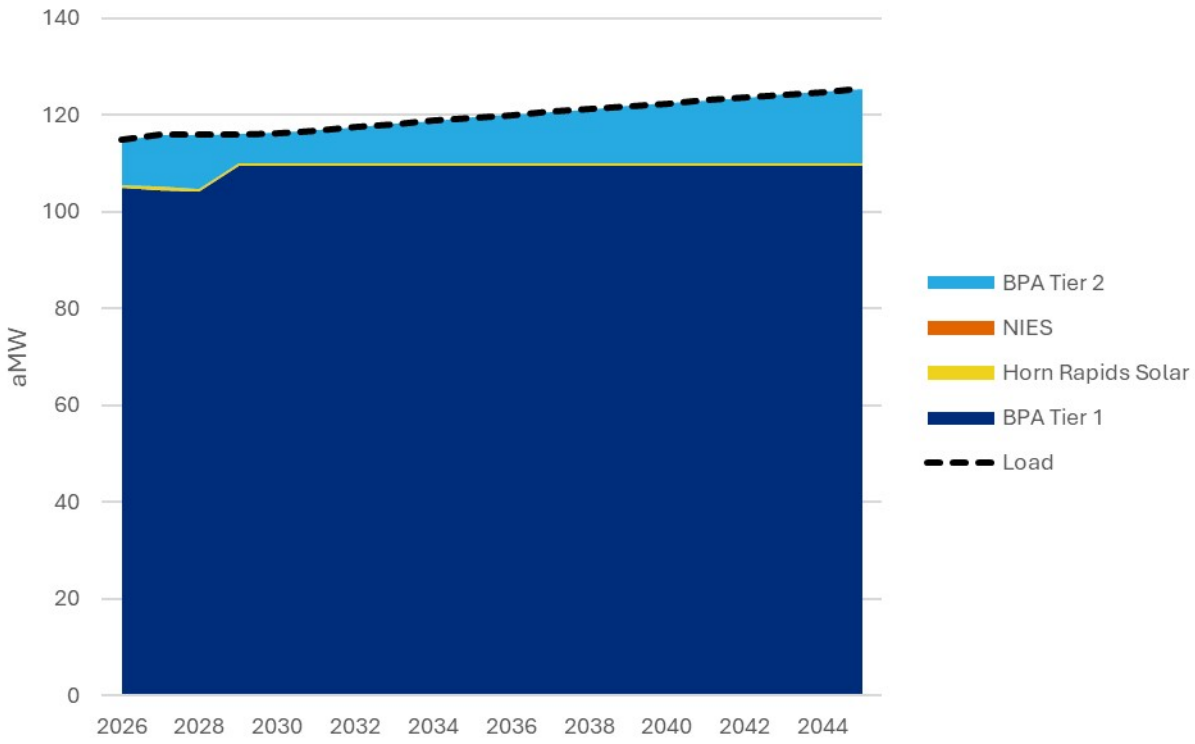
Utility Targets and Actions

While CETA has no targets for clean energy in the four-year interim compliance period covered by this CEIP, Lighthouse worked with RES staff to project future loads and resources and compare them against CETA's 2030 and 2045 requirements. Lighthouse and RES also considered the requirements of Washington's Energy Independence Act (EIA), which RES must comply with, having passed the qualifying threshold of 25,000 customers.

Loads and Resources

Lighthouse worked with RES to estimate its future loads and resources from 2026 through 2045. These are shown in Figure 1. Details on the sources and assumption for each resource follow below.

Figure 1: Projected Loads and Resources



Load Forecast

For the purposes of this CEIP, RES staff provided the official BPA load forecast, which is dated August13, 2024. The forecast covers 2026-2034 and assumes a compound annual growth rate of 0.5 percent. This growth rate was used to extrapolate the forecast through 2045. The forecast is an econometric forecast and includes embedded energy efficiency. If RES continues to pursue energy efficiency at similar levels, no adjustment to this forecast is necessary. Increasing the rate of acquisition, however, could reduce the future load growth below these projections.

BPA Tier 1 and Tier 2 Power

Lighthouse used RES's 2026 rate period high water mark (RHWM) and assumed an annual decline of 0.3 percent to estimate future Tier 1 power purchases from BPA. Beginning in 2029, Lighthouse used RES's current estimated contract high water mark (CHWM) under BPA's forthcoming Provider of

Choice contracts. Based on current information, the CHWM will be maintained through the duration of the contract period. Any remaining load not served by Tier 1 power or RES's Horn Rapids Solar and Storage facility was assumed to be served through Tier 2 purchases from BPA. Based on RES's projected future load growth, as well as the assumed decline in available Tier 1 power, the need for Tier 2 purchases increases over time.

Lighthouse assumed that both Tier 1 and Tier 2 purchases were approximately 96 percent clean per the CETA definition and based on the average of BPA's reported fuel mix from 2016-2023. The environmental attributes of these products may change in the future, but this is the best information available at this time.

RES also receives a share of Renewable Energy Certificates (RECs) as part of its Tier 1 purchases, based on past incremental improvements to the federal hydroelectric system. RES provided recent allocations of RECs and Lighthouse assumed that RES would continue to receive RECs at a similar rate, with the same 0.3 percent annual degradation rate used for Tier 1 power. These RECs are counted towards the renewable energy requirement of the EIA, which does not count existing hydro as a renewable resource.

Horn Rapids Solar, Storage, and Training Project (HRSST)

HRSST is a utility-scale solar and storage facility located with RES's service territory. Consistent with RES's 2020 Integrated Resource Plan (IRP), Lighthouse assumed an annual output of 0.582 aMW. RES provided an annual degradation rate of 0.0043 percent, based on the annual degradation of the solar photovoltaic panels. RES's contract with HRSST ends in 2045, the last year considered in this analysis.

RES receives additional credit for the output of HRSST that can be counted against the EIA requirements because it is distributed generation and was constructed using labor from apprentice programs. Together, these factors result in RECs and additional credit that RES can count at a rate of 2.2 times the actual power production. For compliance with CETA's requirements, the additional credit cannot be applied. Only RECs associated with actual generation can be counted towards CETA's requirements.

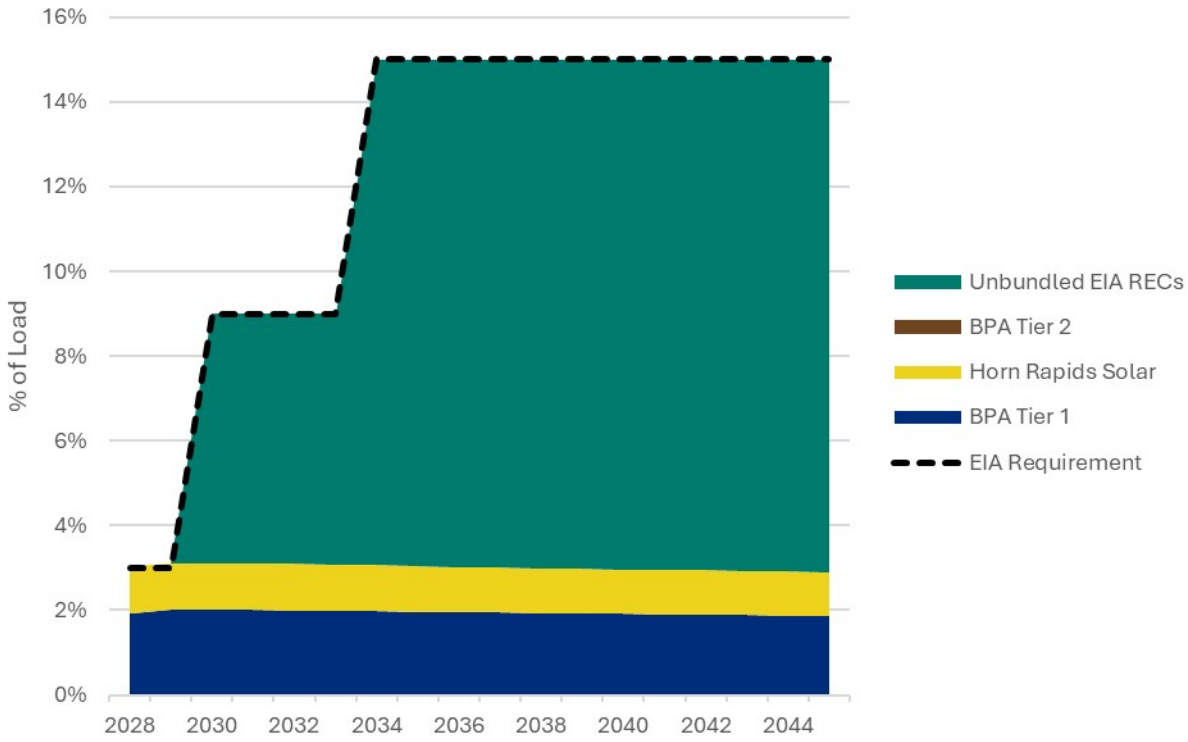
EIA Compliance

The EIA has requirements for renewable energy that are phased in over time. Beginning in 2026, RES must supply three percent of its power from renewable resources. This requirement steps up to nine percent in 2030 and 15 percent in 2034. CETA's requirements for clean and renewable energy may effectively supersede these requirements as it requires 100 percent carbon neutral energy beginning in 2030, but there are some unresolved questions regarding the interaction between the EIA and CETA. To be conservative, Lighthouse has assumed that the requirements for EIA continue. Ultimately RECs or other renewable energy resources purchased for compliance with the EIA can be counted towards compliance with CETA's requirements.

Figure 2 shows the projected compliance with EIA requirements for renewable energy. Based on these projections, RES can comply with RECs received through its Tier 1 purchases and HRSST project through 2029. Beginning in 2030, as the EIA requirement steps up to 9 percent, RES may need to purchase additional RECs or otherwise procure renewable resources. This need grows again in 2034 when the requirement steps to 15 percent. Lighthouse assumed these needs would be met

with unbundled REC purchases. In the 2026-2029 interim compliance period covered by this CEIP, no action is needed to comply with the requirements of the EIA.

Figure 2: Projected EIA Compliance



CETA Compliance

CETA has two primary requirements for clean energy:

1. In 2030, 80 percent of retail sales must be clean or non-emitting, and the remaining 20 percent can be made greenhouse gas neutral through several alternative compliance mechanisms, including the purchase of RECs.
2. Beginning in 2045, all retail sales must come from non-emitting or renewable resources. No alternative compliance mechanisms are allowed.

Lighthouse reframed these requirements as the following:

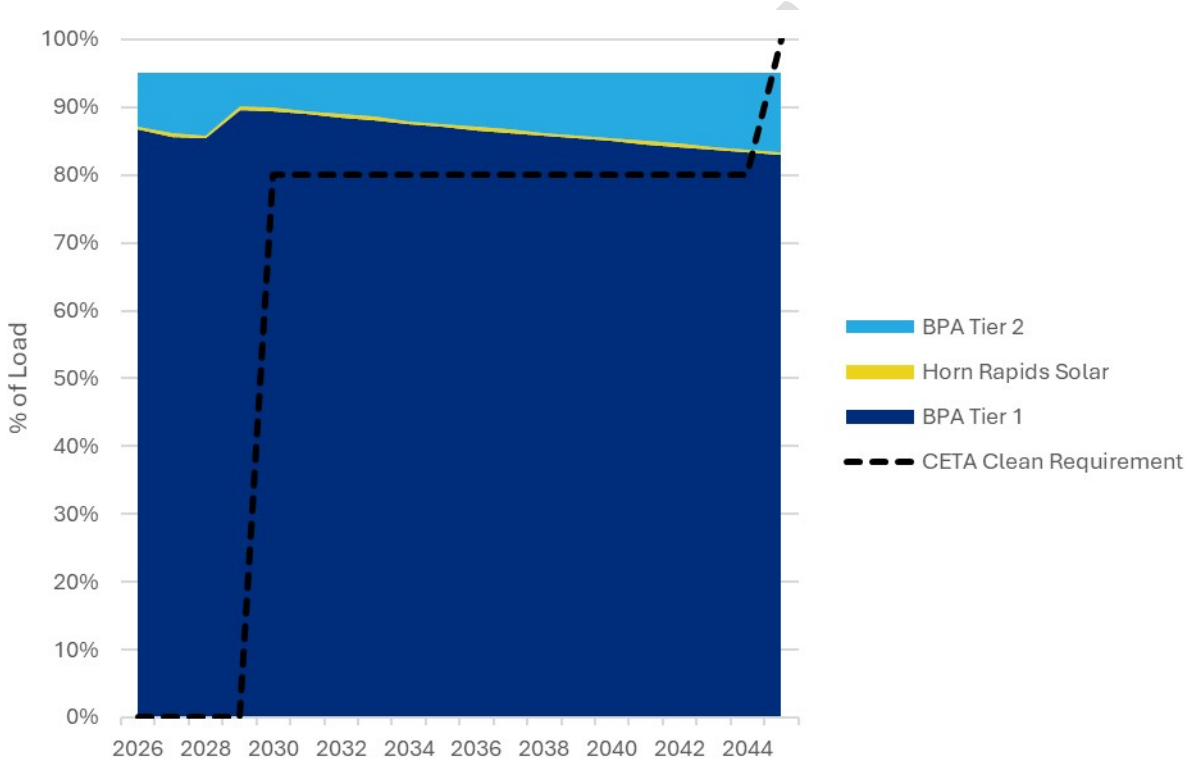
1. A requirement for clean and renewable energy that begins at 80 percent in 2030 and steps up to 100 percent in 2045.
2. A requirement for 100 percent greenhouse gas neutral energy from 2030 to 2044, counting the requirements for clean and renewable energy as well as any alternative compliance mechanisms.

The following discussion uses these reframed requirements to examine RES's future CETA compliance.

Figure 3 shows RES's projected compliance with the requirement for clean energy, beginning at 80% in 2030 and stepping up to 100% in 2045. This figure shows that RES can likely achieve compliance with its existing resources until the 2045 requirement for 100% clean energy.

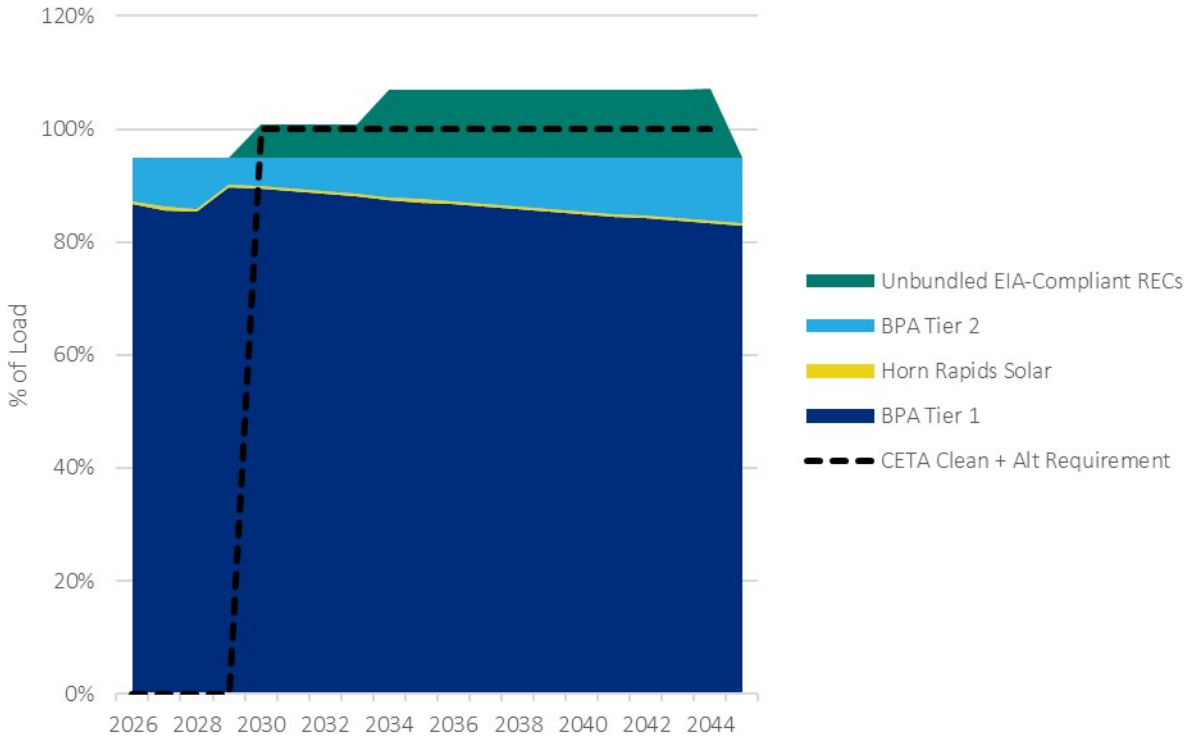
In the interim compliance period covered by this CEIP, there are no requirements for clean energy. Utilities who are not already at the 80% clean threshold are required to set targets that demonstrate progress towards this requirement but because RES is projected to be approximately 95% clean, this requirement does not apply.

Figure 3: CETA Clean Energy Compliance



RES's projected compliance with respect to the 100 percent greenhouse gas neutral requirement is shown in Figure 4. This requirement begins in 2030 and ends after 2044. RECs purchased for EIA compliance are shown in green, similar to Figure 2 above. Based on the combination of clean energy resources and RECs purchased for EIA compliance, RES will likely be in compliance with this requirement throughout the 2030-2044 time period when it is in effect.

Figure 4: CETA Greenhouse Gas Neutral Compliance



Based on these projections, RES has identified a target of serving approximately 92% of its retail load with renewable and non-emitting resources over this four-year interim compliance period of 2026-2029. This reflects average hydro conditions while adding in a small buffer to reflect uncertainty in year-to-year variations of hydro conditions and BPA's fuel mix. As discussed above, since RES is already more than 80% clean, there are no requirements for clean energy, so no further action is needed at this time.

Renewable Energy

Based on the calculations above, RES does not have a need to procure renewable energy for this interim compliance period. **Lighthouse estimates that RES will use approximately 3,286,810 MWh of renewable energy based on the expected output of the federal hydro system and HRSST project.** This is based on the contributions of the renewable energy resources described above while also adding in the small buffer to account for variability in output from the federal hydropower system.

Energy Efficiency

Lighthouse, with support from Nauvoo Solutions, completed a conservation potential assessment (CPA) for RES. Based on the CPA, **a four-year energy efficiency target of 17,644 MWh was identified**. Per CETA's requirements, this target can be updated when RES completes its 2027 CPA.

Demand Response

Lighthouse and Nauvoo Solutions also completed a demand response potential assessment (DRPA) for RES. The assessment identified demand voltage reduction (DVR) and as a cost-effective demand response resource. Lighthouse also identified smart thermostats used for summer peak demand

reductions as cost-effective, and smart thermostats used for winter demand reductions were just below the cost-effectiveness threshold, with an estimated benefit-cost ratio of 0.9.

RES currently implements DVR in its system and used it to reduce demand by approximately 400 kW during a heat wave in June of 2021.

For smart thermostats, Lighthouse recommends that RES further investigate the costs and benefits of a smart thermostat program with its customers. RES does not currently offer a smart thermostat incentive as part of its energy efficiency programs, but some customers are likely to install them without utility incentives. RES could explore the following topics to further evaluate whether smart thermostats were a good fit for the utility:

- Current customer adoption of smart thermostats
- Customer willingness to participate in summer & winter demand response programs at various incentive levels
- Costs to implement a demand response program

In the DRPA, Lighthouse used estimates of these values based on regional assumptions and projected future adoption of smart thermostats. With refined estimates, RES could refine the estimate of cost effectiveness and proceed with a pilot program if warranted.

Recent legislative changes have amended Washington's Energy Independence Act, allowing utilities to count demand response towards the Act's renewable energy requirements. While this change was not included as part of the DRPA, it could provide significant additional value for demand response, adding to the cost effectiveness of the products considered in this assessment.

The CEIP form developed by the Department of Commerce requests the quantity of DR resources *to be acquired* over the interim performance period. **Since RES already has DVR resources in place and will be further exploring whether to implement a smart thermostat DR program, a target of 0 MW is recommended.**

Specific Actions

Based on the targets identified above, the following specific actions are recommended for RES:

1. **Implement EE programs to meet the identified target.** RES should continue to implement EE programs, considering new measures where appropriate, to meet the energy efficiency target identified for this CEIP. Pursuing energy efficiency will help minimize load growth and reduce the need for BPA Tier 2 purchases and new clean energy resources to comply with CETA's future clean energy standards. The CPA provides additional details on the cost-effective measures RES could consider.

2. **Investigate smart thermostat DR program.** Further investigating whether smart thermostat programs can be a cost-effective resource will help RES reduce peak demands which may reduce the need for new resources. Several regional utilities have implemented pilots and programs that can serve as examples.

Consistency With Long-Term Plans

RES is now a full requirements customer of BPA and submitted its most recent resource plan in 2024.[1] The resource plan projects meeting future loads with BPA Tier 1 and Tier 2 power, energy efficiency, and the Horn Rapids solar project. This CEIP is consistent with the 2024 Resource Plan, projecting use of the same resources to meet future demands while updating amounts based on the most recent information available.

[1] See https://www.ci.richland.wa.us/home/showpublisheddocument/16606/638600169457600000

Actions to Ensure an Equitable Transition

Along with the requirements for clean energy discussed above, CETA has provisions to ensure that the transition to clean energy is equitable. CETA's equity provisions require utilities to:

- Identify highly impacted communities and vulnerable populations,
- Establish a public input process in the development of their CEIP,
- Develop indicators to forecast the distribution of costs and benefits,
- Take specific actions to reduce risks to the identified highly impacted communities and vulnerable populations

Each of these requirements is discussed below.

Highly Impacted Communities

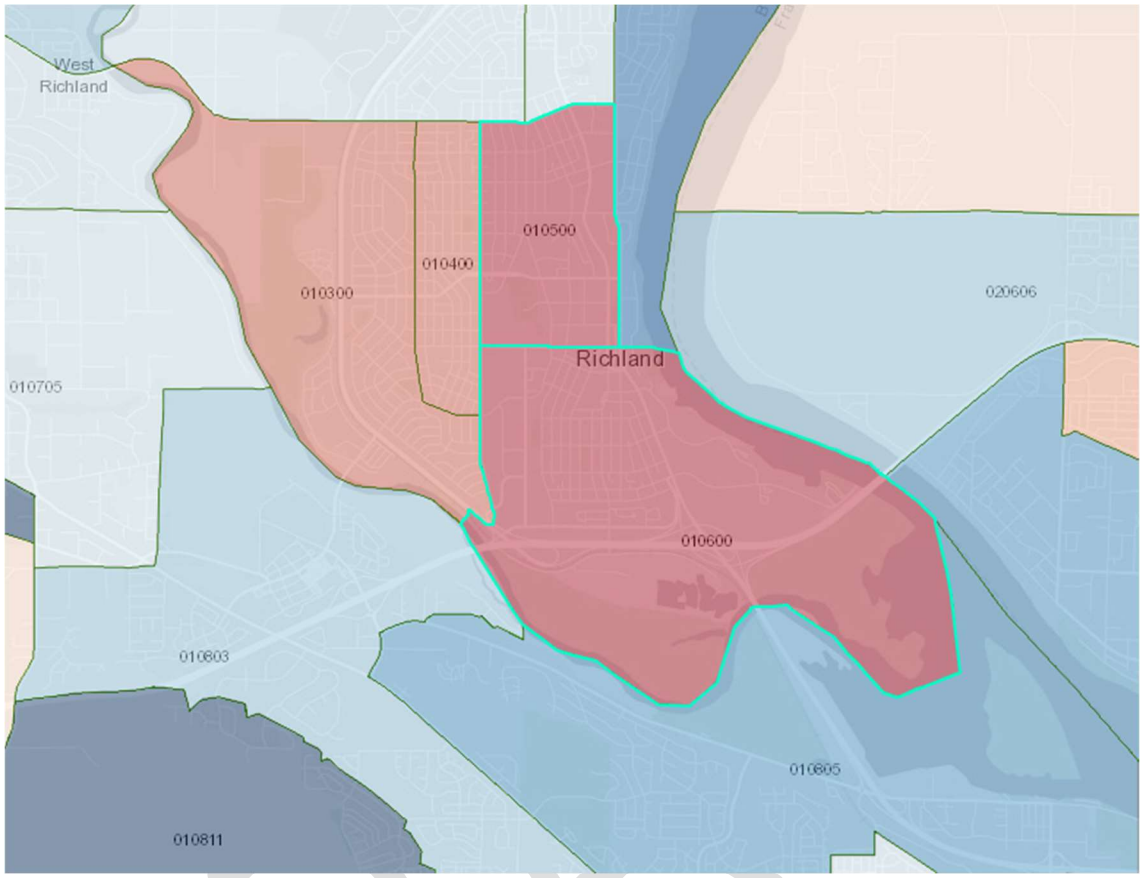
Under CETA, Highly Impacted Communities (HIC) are defined as communities designated by the Department of Health based on cumulative impact analyses or communities located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151.[2]

Using the Washington State Department of Health (DOH) Environmental Health Disparities (EHD) Map, two of the 11 census tracts in RES's service area qualified as highly impacted communities. These are census tracts 5010600 and 5010500, outlined in blue and highlighted red in Figure 5.[3] Both census tracts scored a 9 (high) on the EHD Index, driven by a combination of risks from environmental effects and sensitive populations.

[2] Please refer to RCW 19.405.020(22).

[3] Note that DOH's accompanying HIC Data Table incorrectly lists several additional census tracts as being in RES service territory, due to errors in the mapping of RES service area A request to update this data was sent to BPA who supplies DOH with the utility service area definitions.

Figure 5: RES Highly Impacted Communities



Top Factors for Highly Impacted Communities

Analysis using the EHD map highlights the high-level risks (ranked 9 or 10 on the EHD Index) within Richland's census tracts 5010500 and 5010600. These include:

- Environmental exposures including ozone concentrations
- Environmental effects driven by lead risks in housing and proximity to Risk Management Plan facilities
- Socioeconomic factors with high populations living in poverty
- Sensitive populations experiencing higher rates of low birth weights

Public Process

CETA requires utilities to establish a meaningful public input process that identifies vulnerable populations, develops equity indicators, and incorporates community feedback into CEIP development. In addition, the public input process must consider barriers to participation, such as language, cultural, economic, or technological. RES conducted two public input workshops designed to gather actionable input from community partners and address these requirements.

Rockcress Consulting facilitated the workshops using an approach emphasizing respectful dialogue, equitable participation, and interactive exercises with community input through virtual discussions and in-person input boards. The process provided participants with clear understanding

of CETA requirements while working collaboratively to identify vulnerable populations, develop indicators to forecast the distribution of costs and benefits, and develop specific actions to reduce risks for highly impacted communities and vulnerable populations.

Public Input Workshop 1 (April 22, 2025) introduced RES energy efficiency and customer assistance programs, provided an overview of CETA, and revisited the 2021 definition of vulnerable populations. Participants identified potential updates to the vulnerable population definition, discussed key community risks, and identified actions RES may take to reduce those risks.

Public Input Workshop 2 (August 13, 2025) further refined the input on the vulnerable populations definition from Public Input Workshop 1, examined risks and barriers in more detail, and collaboratively developed specific actions and equity indicators (or metrics) for potential inclusion in RES's 2025 CEIP.

Workshops included community partner representatives from nonprofit service providers, community organizations, and local government (Figure 6), including:

- United Way of Benton and Franklin Counties
- Mid-Columbia Meals on Wheels
- Domestic Violence Services
- Elijah Family Homes
- City of Richland Teams
    - Energy Services
    - Customer Service
    - Community Development

Figure 6. RES Workshop #2 Group Photo

RES utilized a two-phased approach to the public process to maximize accessibility through multiple participation formats (virtual and in-person), allow iterative refinement of the definition of vulnerable populations, provide community partners time to reflect between workshops, ensure comprehensive coverage of CETA requirements, and demonstrate RES's commitment to incorporating community feedback throughout the process.

Workshops were designed with accessibility in mind to address any potential barriers to participation in the public input process. RES implemented multiple strategies to reduce participation barriers through format accessibility, outreach and education, and responsive process design. Figure 7 provides the strategies used to ensure public input was accessible to all those that participated in the CEIP development process.

Figure 7: Ensuring Accessibility

Accessibility of Format – Maximize accessibility by offering multiple participation formats (virtual and in-person), reducing barriers related to transportation, scheduling, and childcare. Virtual access ensured participation for those unable to attend in person, while in-person sessions provided space for those less comfortable with digital platforms. Provided a safe public location for participants at the public library for its in-person workshop.

Inclusive Facilitation – Ground rules emphasized respectful dialogue, shared airtime, and multiple avenues for participation (e.g., speaking, chat, boards), ensuring participants could engage in the format most comfortable to them.

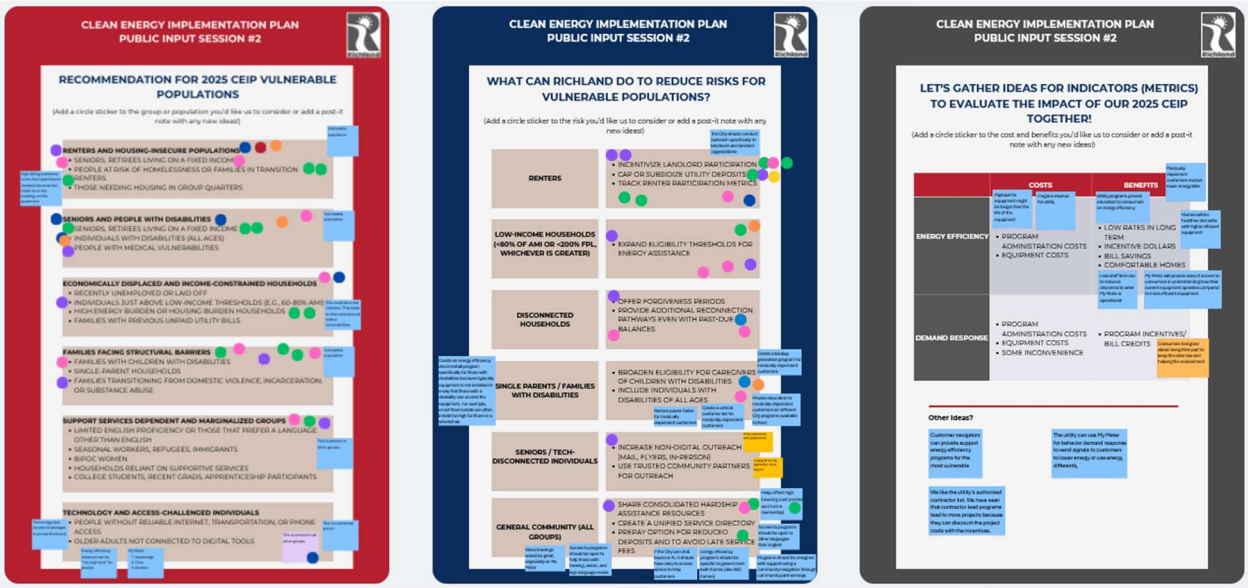
Plain Language & Context – Workshop materials and presentations used clear, non-technical language and provided background on CETA and CEIP, making the process approachable for participants without an energy policy background.

Iterative Design – A two-phased approach allowed participants to reflect between sessions, refine their input, and see their feedback incorporated, which built trust and encouraged continued engagement. Allow for iterative refinement of vulnerable populations definition.

Representation of Vulnerable Groups – RES intentionally engaged nonprofit and community-based organizations that work directly with vulnerable populations (e.g., families in poverty, seniors, survivors of domestic violence). This approach amplified the voices of those most vulnerable, even if they could not attend directly.

Additionally, RES utilized an interactive board exercise to collect feedback from community partners (Figure 8). Themes from the community input were used to identify opportunities where RES could update its definition of vulnerable populations, identify community risks, and consider potential actions RES may take within its 2025 CEIP.

Figure 8. RES Workshop #2 Interactive Board Exercise



Vulnerable Populations

CETA requires utilities to identify vulnerable populations based on adverse socioeconomic and sensitivity factors that may increase risks from utility actions or reduce access to benefits. These populations must be defined through a public input process and guide the development of the CEIP.

Community partners provided insights into the vulnerable populations in RES's service area. Workshop discussions confirmed that renters; seniors and retirees on fixed incomes; households with children with disabilities; people with disabilities of all ages; and families in transition due to domestic violence, incarceration, or substance abuse remain among the most vulnerable populations in Richland. Participants also emphasized low-income households, as well those just above eligibility thresholds, who face high energy burdens without assistance access.

Following the public input workshops, RES considered this input and refined the vulnerable populations definition for the 2025 CEIP into three primary categories while recognizing cross-cutting factors affecting vulnerability across all populations:

Three Primary Vulnerable Populations Categories:

- **Renters and Housing-Insecure Populations**: Seniors and retirees living on fixed income, people at risk of homelessness or families in transition, renters, and those needing housing in group quarters.
- **Seniors and People with Disabilities**: Seniors and retirees living on fixed income, individuals with disabilities (all ages), and people with medical vulnerabilities.
- **People and Families Facing Structural Barriers**: Families with children with disabilities, single-parent households, and families transitioning from domestic violence, incarceration, or substance abuse, those with limited English proficiency, seasonal workers, refugees, immigrants, and BIPOC women.

Multiple cross-cutting factors emerged in the second workshop, where community members emphasized that certain conditions—such as economic displacement, social marginalization, and technology or access barriers—affect individuals across all population categories. Unlike the primary groups, these factors are not limited to one segment of the community but instead overlap multiple groups, shaping vulnerability in broad and intersecting ways. While not part of the vulnerable populations definition, RES considered these cross-cutting factors as part of its 2025 CEIP to both recognize their widespread impact and to guide the development of actions that reduce barriers across all populations.

- **Cross-Cutting Vulnerability Factors**: Economic displacement (recent unemployment, income just above assistance thresholds, high energy burden), social marginalization (limited English proficiency or another language other than English preferred, immigration and refugee status, reliance on support services), and technology and access barriers (lack of internet, transportation, or digital literacy).

How Definition Changed from Prior CEIP

The 2025 CEIP definition of vulnerable populations maintained the core focus from the 2021 CEIP while representing organizational consolidation and expansion. All populations from the 2021 CEIP remain covered in the 2025 CEIP, ensuring continuity while incorporating additional community input on vulnerability patterns. The 2021 CEIP listed seven distinct vulnerable populations. This definition was updated based on the organizational changes, reclassifications, and new additions described below.

- **Organizational Changes**: The 2025 CEIP reorganized four 2021 CEIP populations into three primary categories:
    - "At risk of homelessness" and "Seniors, retirees living on fixed income" were combined into "Renters and Housing-Insecure Populations"
    - "Disabled" was expanded to "Seniors and People with Disabilities" with broader age inclusion
    - "Families in transition due to domestic violence, substance abuse, criminal justice system" was maintained as "People and Families Facing Structural Barriers"
- **Populations Reclassified as Cross-Cutting Factors**: The 2025 CEIP reorganized three 2021 CEIP populations into cross-cutting factors affecting all populations as described above:
    - "Limited English proficiency," "Seasonal workers, refugees, immigrants," and "BIPOC women" were reclassified as cross-cutting vulnerability factors affecting all population categories
- **New Additions Based on Community Input**: Renters were added as a distinct vulnerable population. Technology and access-challenged individuals, economically displaced households, families with children with disabilities and single-parent households, and people with medical vulnerabilities were additional categories incorporated.

Incorporating Community Feedback

RES's definition of vulnerable populations directly reflects community partner input. Workshop 1 emphasized risks faced by renters and led to the creation of "Renters and Housing-Insecure" category, and technology access issues identified by senior-serving organizations became a cross-

cutting factor. Workshop 2 provided community partners an opportunity to review and affirm these categories, resulting in further refinement to the definition of vulnerable populations and the development of cross-cutting factors.

Risks Faced by Vulnerable Populations and Highly Impacted Communities

CETA requires utilities to identify actions within the CEIP to reduce risks faced by vulnerable populations and highly impacted communities. To guide these actions, RES sought input from workshop participants on the risks and challenges affecting the community. The input received was organized into four categories:

- **Rental & Housing Challenges**: Lack of affordable housing (particularly for renters) and inability to qualify for group housing.
- **Economic Barriers:** High utility deposits particularly impacting renters in energy-inefficient buildings and previous unpaid utility bills creating reconnection barriers.
- **Technological & Access Barriers**: Seniors and elderly populations not connected to digital tools, lack of reliable internet, transportation, or phone access, and limited technology literacy affecting program awareness and access.
- **Systemic Barriers**: Energy efficiency programs often require property ownership and exclude renters, documentation requirements creating administrative burdens, and full-time student restriction for programs leave part-time students and recent graduates without support.

The EHD mapping analysis and public input process highlighted how environmental, socioeconomic, and health-related factors intersect to create disproportionate risks for RES's vulnerable populations. Highly impacted communities face environmental effects driven by lead risk and proximity to Risk Management Plan (RMP) facilities; with sensitive populations experiencing higher rates of low birth weight. Additionally, populations within this census tracts face risks from elevated ozone levels and high populations living in poverty.

Community partners emphasized that these risks are not evenly distributed. Children, older adults, individuals with disabilities, renters, and medically dependent households face heightened vulnerability due to existing health disparities, such as low birth weight, lower life expectancy, and premature death. Renters encounter structural barriers preventing full participation in energy efficiency programs, while seniors and digitally disconnected residents often miss information when outreach relies heavily on online tools. Medically dependent individuals also face safety risks during outages and require backup power options and prioritized restoration.

When combined, these factors compound the challenges limit participation in clean energy programs, increase energy burdens, and reduce resilience during emergencies. The feedback gathered through RES workshops makes clear that addressing these risks requires not only technical solutions but also policy, program design, and community partnerships that expand access, affordability, and protection for vulnerable households.

RES Current Actions

As part of the 2025 CEIP, RES reviewed its current programs internally and with community partners to confirm that its current actions provide a strong foundation for supporting vulnerable populations and reducing risks for those with the greatest needs (**Error! Reference source not found.**).

Community partners agreed that RES's programs are meaningful and responsive, while also underscoring the importance of adding new strategies to close remaining gaps The proposed community-identified actions developed through the workshops, where incorporated into the 2025 CEIP, building on RES's existing foundation and directly respond to the four barriers identified by the community—**Renter & Housing Barriers, Economic Barriers, Technology & Access Barriers, and Systemic Barriers**—as outlined in the Risk section of this plan. This feedback became the basis for shaping the 2025 CEIP, with each action designed to target specific barriers and expand equitable access for RES community.

Figure 9. RES Current Actions

Program	Services Provided	Impact on Vulnerable Populations
Residential Energy Efficiency Programs	➢ Incentives for heat pumps, insulation, windows, hybrid water heaters ➢ Low-interest loans and Authorized Contractors ➢ Level 2 Smart Charger rebates	✓ Provides energy-saving upgrades ✓ Improves energy efficiency and home comfort ✓ Reduces utility costs for income-qualified and all-electrically heated homes ✓ Enables access to clean energy technologies
Commercial & Industrial Programs	➢ Financial incentives for: ➢ HVAC & motor upgrades ➢ Lighting retrofits ➢ Custom projects	✓ Helps local businesses cut energy costs, boosting economic resilience and potentially reducing commercial rent burden
Tri-Cities HOME Consortium	➢ First-time homebuyer down payment support ➢ Rental and utility assistance (via CAC) ➢ Support for homeless and at-risk individuals (e.g., domestic violence survivors) ➢ Health & safety home upgrades (lead abatement, ADA)	✓ Stabilizes housing for low/moderate-income families ✓ Reduces homelessness risk ✓ Improves accessibility and safety for vulnerable groups
Community Development Block Grant (CDBG)	➢ Emergency home repairs for low-income homeowners ➢ Nonprofit support for underserved residents ➢ Facility upgrades: ADA access, domestic violence shelters	✓ Prevents displacement ✓ Expands access to critical services ✓ Supports equity-driven infrastructure investments
Utility Bill Payment Options	➢ Tiered income-based discounts (0–150% FPL and up to 80% AMI) ➢ Equalized payment plans ➢ Helping Hands (via CAC) ➢ Referrals to charitable agencies to assist with utility payments	✓ Ensures continued utility access and prevents utility shutoffs ✓ Offers stability in billing ✓ Ensures access to essential services during financial hardship

RES Actions to Reduce Risks

Based on community input, RES will implement a comprehensive set of actions to reduce the risks faced by highly impacted communities and vulnerable populations:

- **Equity-Focused Actions**:
  - RES is exploring alternatives to utility deposit requirements through pre-pay billing options based on workshop feedback that high deposits disproportionately affect vulnerable populations.
  - RES will adjust incentives on January 1, 2026, following the higher credits offered by BPA.
- **Technology-Focused Actions**: Recognizing that some seniors and other populations face digital access challenges, RES is taking a dual approach.
  - RES is implementing My Meter, a digital platform providing video training on RES programs and transparent usage information.
  - Simultaneously, RES will work with community partners to provide program information and education for technology-challenged populations they serve.
- **Program Accessibility and Navigation Actions**:
  - Create a "Community Network" by partnering with trusted community organizations to create multiple entry points to access programs, develop consolidated resource directories, and train community partners to help clients navigate available programs.
  - Ensuring education to community network on My Meter.
- **Targeted Outreach Actions:**
  - Explore targeted outreach to landlords to understand both landlord and renter needs, identify effective financial incentive structures, and prioritize upgrades that deliver the greatest benefit to rental households.
  - RES will explore the development of critical customer lists for medically dependent individuals and consider designing a specific program for this group, such as backup power support and priority restoration services, to protect these customers during outages.

Reducing Disparities Where EHD Risks Are Greatest

RES's proposed actions directly target the environmental health disparity factors where highly impacted communities score highest, addressing root causes that create disproportionate burdens for these populations.

- **Populations in Poverty** (census tracts ranked 9–10): RES actions include exploring alternatives to utility deposit requirements and targeting energy efficiency programs in HIC areas to reduce energy burden for households living in poverty. These strategies help prevent disconnection, lower upfront barriers to participation, and provide more equitable access to RES programs. Targeted outreach to landlords and tracking renter participation metrics ensure that families in high-risk housing are not excluded from program benefits.
- **Populations Facing Lead Exposure** (ranked 9–10): Incentives for energy efficiency improvements in older homes, particularly rental housing, can support health and safety

upgrades such as contractors identifying persistent risks from lead-based building materials.

- **Populations Near RMP Facilities** (ranked 9–10): Community input emphasized the importance of resilience for households located near industrial risk zones. RES actions, such as developing critical customer lists for medically dependent residents and exploring backup power programs or priority restoration, will reduce health and safety risks during outages or emergencies.
- **Populations Facing Elevated Ozone and Health Risks** (ranked 9–10): Households experiencing poor health outcomes, benefit from education on existing utility programs and community navigator partnerships that connect at-risk households with assistance. By lowering energy burdens, these actions can also free household resources for health-related expenses.

Aligning CEIP Actions with Vulnerable Population Risk Factors

The actions identified for RES's 2025 CEIP are intentionally designed to address specific needs of the three primary vulnerable population categories and cross-cutting factors that increase vulnerability across all groups.

- For **renters and housing-insecure populations**, actions such as exploring alternative billing options to eliminate utility deposit requirements, incentivizing landlord participation, and tracking renter participation metrics directly respond to financial and structural barriers this group faces.
- For **seniors and people with disabilities**, RES actions emphasize non-digital outreach methods and use of trusted community partners to bridge technology and access gaps.
- For **people and families facing structural barriers**, RES actions expand program eligibility and ensure accommodations for disability-specific needs.

The actions also directly respond to cross-cutting vulnerability factors. To counter social marginalization, RES will expand access through partnerships with community-based organizations working with immigrants, refugees, and support service-reliant populations. To reduce technology and access barriers, RES is investing in both digital tools like My Meter and non-digital options, ensuring that lack of internet, transportation, or digital literacy does not prevent households from accessing support.

Together, these actions demonstrate how RES CEIP aligns strategies with specific risk factors used to define vulnerable populations, ensuring that program benefits and protections reach households most at risk of exclusion while supporting the broader community's transition to clean energy.

Incorporating Public Input

The proposed actions developed through the workshops directly respond to the four categories of challenges identified by the community: renter and housing challenges, economic challenges, technology and access challenges, and systemic barriers. This feedback served as the foundation for shaping actions included in the 2025 CEIP, with each action strategically designed to address specific barriers identified through the workshop process.

Indicators for Forecasting Distribution of Costs and Benefits

CETA requires utilities to develop indicators through public input and to use those indicators to forecast how the benefits and costs of clean energy actions will be distributed among customers, especially vulnerable populations and highly impacted communities. Based on community input, RES will track the following indicators to ensure equitable distribution of costs and benefits:

- **Participation Equity Indicators**: Participation rates across energy efficiency programs, and participation rates of populations served through community partner outreach.
- **Financial Distribution Indicators**: Distribution of incentive dollars by program, utility deposit assistance utilization rates, and bill payment assistance program usage.

The selection of these indicators directly reflects barriers and risks identified through RES public input workshops. Workshop participants repeatedly emphasized renter access barriers, identified as the most significant equity concern in both workshops, which led to specific tracking of participation rates. Community partners stressed that measuring program success requires understanding not just overall participation numbers, but specifically whether vulnerable populations can access and complete programs.

Workshop feedback regarding technology barriers from community partners serving seniors and disabled populations directly informed indicators tracking engagement with technology-challenged populations. Participants noted that traditional outreach methods may not reach digitally disconnected households, making it essential to measure whether community partner outreach successfully engages these populations.

Community partners also emphasized that equity requires tracking not only who participates, but who receives meaningful financial benefits. This feedback led to indicators measuring both participation rates and dollar distribution across vulnerable categories, ensuring that programs deliver equitable outcomes rather than simply equitable access.

Distribution of Costs and Benefits from RES Actions

Clean Energy

RES power supply portfolio is made up of more than 90% clean resources, requiring no additional action during the 2026-2029 timeframe of this CEIP. The utility will continue providing customers with predominantly renewable and zero-carbon electricity through existing power supply contracts and regional grid resources.

- **Costs**: No additional costs are anticipated, as RES already maintains a greater than 90% clean energy portfolio.
- **Benefits**: All customers benefit from stable, clean energy supply.

Energy Efficiency

Energy efficiency will continue to be a major focus for RES, with programs designed to reduce system demand, lower customer bills, and improve comfort and health outcomes. RES will continue existing rebate and incentive programs for residential, commercial, and industrial customers, alongside income-qualified rebates and low-interest loan offerings. RES will adjust incentives on January 1, 2026, based on updated BPA utility credits.

- **Costs**: All customers pay for program and incentive costs, and program participants pay equipment installation costs.
- **Benefits**: All customers receive economic benefits through lower rates over the long term, and local contractor employment. Program participants receive direct bill savings, improved home comfort and health, and reduced energy burdens. RES actions will help ensure all customers have access to participation and benefits.

Demand Response

RES will evaluate a demand response program, with an initial focus on smart thermostat technology. This program would allow customers to reduce or shift energy use during peak demand periods, providing both system-wide benefits and incentives for participants.

- **Costs**: If RES develops a customer demand response program, all customers will fund program administration and incentives. Program participants may experience slight inconveniences during demand response events.
- **Benefits**: If RES develops a customer demand response program, all customers will receive the benefits of system-wide cost savings through peak demand reduction and enhanced grid reliability during high-demand periods, program participants would receive incentive payments. For highly impacted communities and vulnerable populations, demand response provides a low or no-cost way to participate in utility system and receive incentives without significant capital costs.

2025 CONSERVATION POTENTIAL ASSESSMENT

Richland Energy Services

August 25, 2025

Prepared by:

LIGHTHOUSE ENERGY CONSULTING

Nauvoo Solutions

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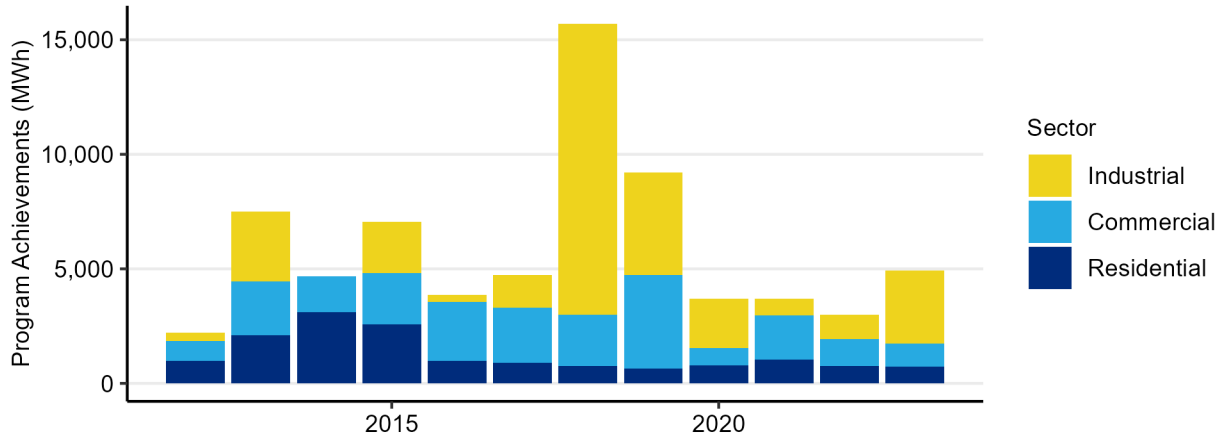
Executive Summary

Overview

This report describes the methodology and results of a conservation potential assessment (CPA) conducted by Lighthouse Energy Consulting and Nauvoo Solutions (the project team) for Richland Energy Services (RES). The CPA estimated the cost-effective energy savings potential for the period of 2026 to 2045. This report describes the results of the full 20-year period, with additional detail on the 2- and 10-year periods that are the focus of Washington's Energy Independence Act (EIA) and the 4-year interim compliance period per the state's Clean Energy Transformation Act (CETA).

RES provides electricity service to over 27,000 customers across a service territory that covers 48 square miles. The EIA requires that utilities with more than 25,000 customers identify and acquire all cost-effective energy efficiency resources and meet targets set every two years through a CPA. While RES only recently surpassed this threshold, it has been implementing energy efficiency programs since at least 2008, when the Regional Technical Forum (RTF) began tracking regional conservation achievements by utility. A summary of RES's program achievements since 2012 is shown in Figure 1, based on the Regional Technical Forum's (RTF) Regional Conservation Progress Report.

Figure 1: Historic Targets and Achievements (MWh)



The EIA specifies the requirements for setting conservation targets in RCW 19.285.040 and WAC 194-37-070 Section (5), parts (a) through (d). The methodology used in this assessment complies with these requirements and is consistent with the methodology used by the Northwest Power and Conservation Council (Council) in the 2021 Power Plan. Appendix III details the requirements of the EIA and how this assessment fulfills those requirements. Washington's CETA includes an additional requirement for CPAs; namely, that the assessment of cost-effectiveness use specific values for the social cost of carbon.

This CPA used much of the 2021 Power Plan materials, with customizations to make the results specific to RES's service territory and customers. Notable changes in this CPA relative to RES's previous assessment include the following:

- Energy Efficiency Measures

- Measure savings, costs, and other characteristics were updated based on new information from the Regional Technical Forum (RTF). Multiple measures were updated across the assessment, generally resulting in decreases in potential.

- Avoided Costs
  - The assessment incorporated an updated market prices forecast that is significantly lower than what was used in the 2023 CPA.
- Customer Characteristics
  - Residential equipment saturations were updated with 2022 Northwest Energy Efficiency Alliance (NEEA) Residential Building Stock Assessment (RBSA) data. This update generally increased the saturation of electric heating, but the increases were primarily in efficient heat pump heating systems while there were fewer zonal and resistance heating equipment relative to the 2023 CPA.
  - RES provided updated customer counts and forecasts for all sectors. Forecasts in the residential and commercial sectors declined relative to the 2023 CPA, while industrial sector forecasts increased.
- Program Impacts
  - RES's recent conservation program achievements were incorporated to account for what was already accomplished and inform near-term potential.

Results

Figure 2 and Table 1 show the cost-effective energy efficiency potential by sector over 2-, 4-, 10-, and 20-year periods. Over the 20-year planning period, RES has more than 175,000 MWh of cost-effective conservation available, which is approximately 17% of its projected 2045 load. The EIA focuses on the 2- and 10-year potential, which are 6,530 MWh and 80,417 MWh, respectively. In the 4-year period covered by RES's 2025 Clean Energy Implementation Plan (CEIP), there are 17,644 MWh of cost-effective conservation potential available.

Figure 2: Cost-Effective Potential by Sector (MWh)

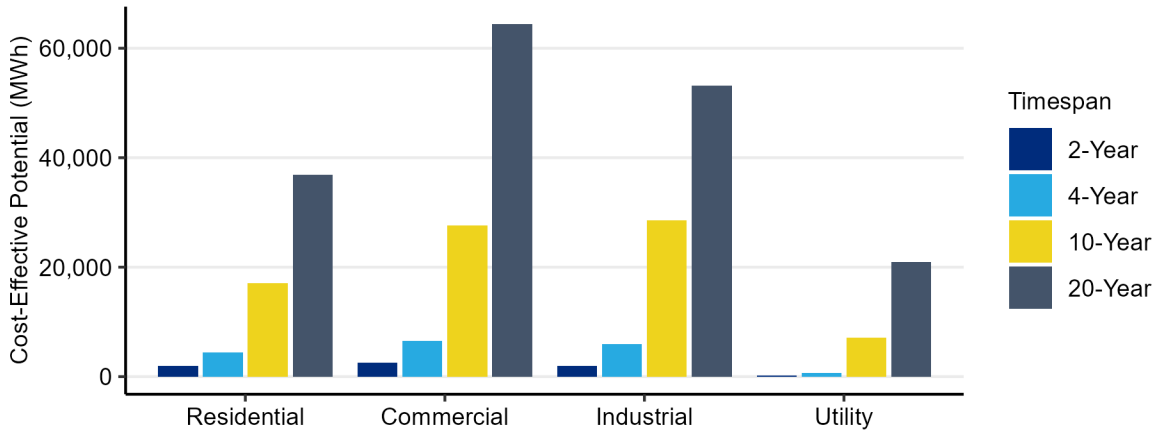


Table 1: Cost-Effective Potential by Sector (MWh)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	1,937	4,432	17,048	36,864
Commercial	2,529	6,561	27,631	64,383
Industrial	1,903	5,988	28,617	53,112
Utility	161	662	7,121	20,966
Total	**6,530**	**17,644**	**80,417**	**175,326**

Note: In this and all subsequent tables, totals may not match due to rounding.

RES's load is distributed relatively evenly across the residential, commercial, and industrial sectors, and not concentrated in a single sector. The potential mirrors this distribution.

This assessment does not specify how the energy efficiency potential will be achieved. Possible mechanisms include RES's own energy efficiency programs, market transformation driven by the NEEA, state building codes, and state or federal product standards. Often, the savings associated with a measure will be achieved through several of these mechanisms over the course of its technological maturity. For example, heat pump water heaters started as one of NEEA's market transformation initiatives. They subsequently became a regular offering in utility programs across the Northwest and have recently become subject to federal product standards taking effect in 2029.

Energy efficiency also contributes to reductions in peak demand. This assessment used hourly load and savings profiles developed by the Council to identify the demand savings from each measure that would occur at the time of RES's system peak. The cost-effective energy savings potential identified in this assessment will result in nearly 33 MW of winter peak demand savings and 32 MW of summer peak demand savings over the 20-year planning period, as shown in Table 2 and Table 3. This represents approximately 15% of RES's projected 2045 peak demand in each season. Energy efficiency savings tend to occur when demand for energy is the greatest, resulting in significant contributions to reductions in peak demand.

Table 2: Winter Peak Demand Savings from Cost-Effective Energy Efficiency Potential by Sector (MW)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	0.6	1.3	5.3	11.1
Commercial	0.5	1.4	5.9	11.5
Industrial	0.3	0.8	3.9	7.5
Utility	0.0	0.1	0.9	2.5
Total	**1.4**	**3.6**	**15.9**	**32.7**

Table 3: Summer Peak Demand Savings from Cost-Effective Energy Efficiency Potential by Sector (MW)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	0.3	0.8	3.5	8.7
Commercial	0.3	0.9	4.5	12.3
Industrial	0.3	0.9	4.2	8.0
Utility	0.0	0.1	0.9	2.7
Total	**1.0**	**2.7**	**13.1**	**31.6**

The estimate of annual cost-effective potential by sector is shown in Figure 3. The available potential starts at approximately 2,800 MWh in 2026 and grows to a maximum of 12,583 MWh in 2036. After that point, the available potential diminishes through the remaining years of the planning period.

Figure 3: Annual Incremental Cost-Effective Energy Efficiency Potential (MWh)

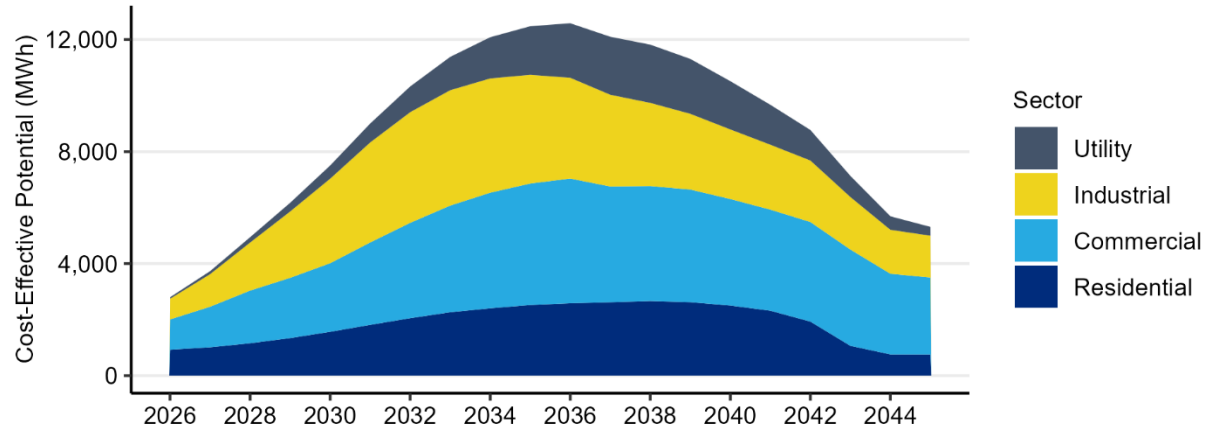
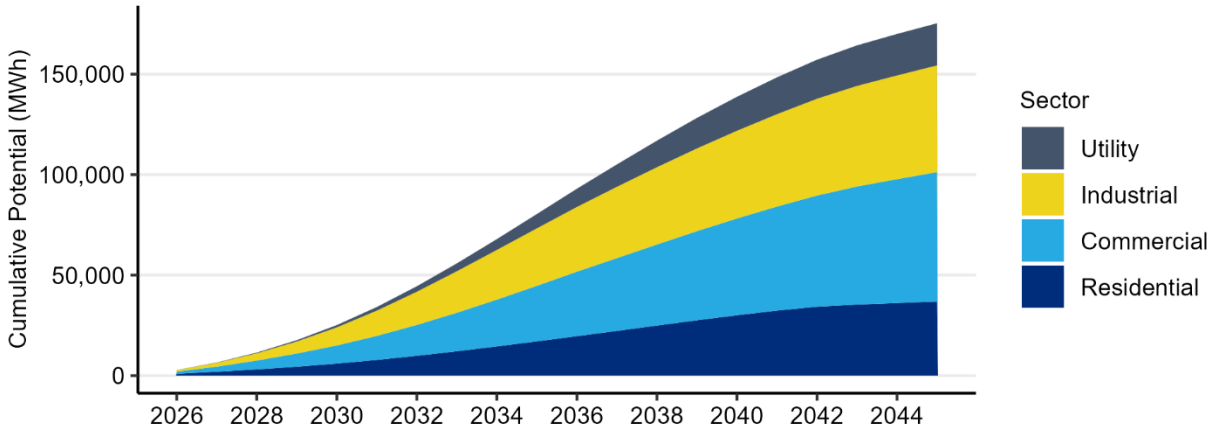


Figure 4 shows how the energy efficiency potential grows on a cumulative basis through the study period, totaling more than 175,000 MWh over the 20-year planning period.

Figure 4: Annual Cumulative Cost-Effective Energy Efficiency Potential (MWh)



The year-by-year estimates of energy efficiency potential are based on ramp rates developed by the Council. Ramp rates identify the share of each measure's available potential that is projected to be acquired in each year based on its market and program maturity. For each measure, the project team applied a ramp rate that would align the near-term potential with RES's recent program achievements and the savings from NEEA's market transformation initiatives that were estimated to occur in RES's service territory. Program achievement data was provided by RES staff and the project team assigned appropriate ramp rates to each measure so that the future acquisition of energy efficiency was aligned with recent program history while ensuring the acquisition of all energy efficiency potential over the 20-year planning period.

Comparison to Previous Assessment

Table 4 shows a comparison of the 2-, 10-, and 20-year cost-effective potential by sector as quantified by the previous 2023 CPA and this 2025 CPA. The 2-year potential declined slightly while there were larger decreases in the 10- and 20-year potential.

Table 4: Comparison of 2023 and 2025 CPA Results (MWh)

Sector	2-Year Potential			10-Year Potential			20-Year Potential		
	2023 CPA	2025 CPA	% Change	2023 CPA	2025 CPA	% Change	2023 CPA	2025 CPA	% Change
Residential	1,961	1,937	-1%	30,121	17,048	-43%	87,415	36,864	-58%
Commercial	2,922	2,529	-13%	37,227	27,631	-26%	100,452	64,383	-36%
Industrial	1,369	1,903	39%	24,508	28,617	17%	47,582	53,112	12%
Utility	285	161	-43%	6,246	7,121	14%	11,839	20,966	77%
Total	**6,538**	**6,530**	**0%**	**98,102**	**80,417**	**-18%**	**247,287**	**175,326**	**-29%**

The near-term changes were driven by RES's recent accomplishments and expectations for future savings. This is the best indicator of what RES's programs can likely accomplish in the early years of the study period. In the mid- to longer term, the decreases are driven by lower market price forecasts, lower forecasts in the residential and commercial sectors, and updated measure assumptions.

Conclusion

This report summarizes the CPA conducted for RES for the 2026 to 2045 timeframe. The CPA identified a smaller amount of cost-effective potential relative to the previous CPA. The cost-effective potential identified in this assessment can reduce RES's annual energy and peak demand by 17% and 15%, respectively.

Introduction

Objectives

This report describes the methodology and results of a CPA conducted for RES by the project team. The CPA estimated the cost-effective potential energy savings for the period of 2026 to 2045. This report describes the results of the full 20-year period, with additional detail on the 2- and 10-year periods that are the focus of Washington's EIA as well as the 4-year period covering 2026-2029 that aligns with RES's 2025 CEIP.

This assessment was conducted in a manner consistent with the requirements of Washington's RCW 19.285, and WAC 194-37. As such, this report is part of the documentation of RES's compliance with these requirements. The state of Washington's CETA includes an additional requirement for CPAs to use specific values for the social cost of carbon. The required values were incorporated into this analysis.

The results of this assessment can be used to assist RES in planning its energy efficiency programs by identifying the amount of cost-effective energy savings available in various sectors, end uses, and measures.

Background

Washington State's EIA defines "qualifying utilities" as those with 25,000 customers or more and requires them to achieve all conservation that is cost-effective, reliable, and feasible. Since RES serves more than 27,000 customers, it is required to comply with the EIA. The requirements of the EIA specify that all qualifying utilities complete the following by January 1st of every even numbered year:[1]

- Identify the achievable cost-effective conservation potential for the upcoming 10 years using methodologies consistent with the Council's latest power plan.
- Establish a biennial acquisition target for cost-effective conservation that is no lower than the utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent 10 years.[2]

Appendix III further details how this assessment complies with each of the requirements specified by Washington's EIA.

Study Uncertainties

There are uncertainties inherent in any long-term planning effort. While this assessment makes use of the latest forecasts of customers and loads, it is still subject to remaining uncertainties and limitations. These uncertainties include, but are not limited to:

- Customer Characteristic Data: This assessment used the best available data to reflect RES's customers. In some cases, however, the assessment relied upon data beyond RES's service

[1] Washington RCW 19.285.040

[2] In CA No. 2011-03, the State Auditor's Office has defined "pro rata" as "a proportion of an exactly calculable factor" and expects utilities to have analysis and documentation to support their identified targets, which could be more or less than 20% of the 10-year potential.

territory due to limitations of adequate sample sizes. There are uncertainties, therefore, related to the extent that this data is reflective of RES's customer base.

- Measure Data: Measure savings and cost estimates are based on values prepared by the Council and RTF. These estimates will vary across the region due to local climate variations and market conditions. Additionally, some measure inputs such as applicability are based on limited data or professional judgement.
- Market Price Forecasts: This assessment uses an updated market price forecast developed in April of 2025. While this is an up-to-date forecast, market prices and forecasts are continually changing.
- Utility System Assumptions: Measures in this CPA receive cost credits based on their ability to free up transmission and distribution system capacity. The actual value of these credits is dependent on local conditions, which vary across RES's service territory.
- Load and Customer Growth Forecasts: This CPA uses projections of future customer and load growth over a 20-year period. Any forecast over a similar time period will include a significant level of uncertainty.
- Policy Changes: The CPA reflects policies currently in effect at the time of its development. Future changes to the policy environment are difficult to predict and could lead to significant changes to loads, cost effectiveness of measures, or other study outcomes.

Due to these uncertainties and the continually changing planning environment, the EIA requires qualifying utilities to update their CPAs every two years to reflect the best available data and latest market conditions.

Report Organization

The remainder of this report is organized into the following sections:

- Methodology
- Customer Characteristics
- Recent Conservation Achievement
- Results
- Sensitivity Results
- Summary
- References & Appendices

Methodology

This section provides an overview of the methodology used to develop the estimate of cost-effective conservation potential for RES.

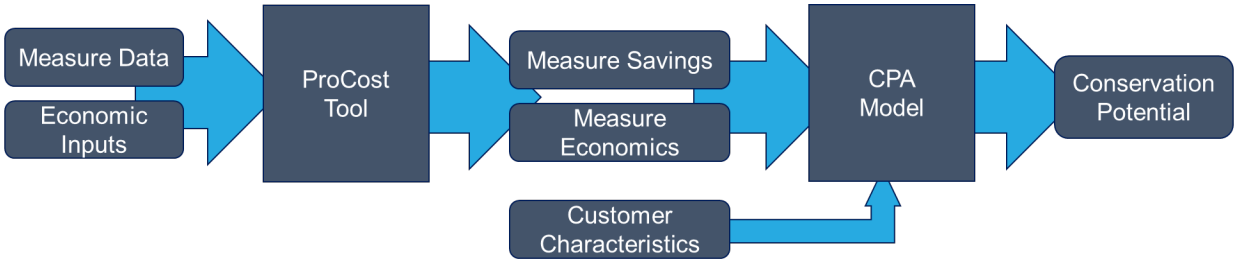
Washington's requirements for CPAs are spelled out in RCW 19.285.040 and WAC 194-37-070, Section 5 parts (a) through (d). Additional requirements are specified in the rules of Washington's CETA. The methodology used to produce this assessment is consistent with these requirements and follows much of the methodology used by the Council in developing its regional power plans, including the 2021 Power Plan.

Appendix III provides a detailed breakdown of the requirements of the EIA and how this assessment complies with those requirements.

High-level Methodology

The methodology used for this assessment is illustrated in Figure 5. At a high level, the process combines data on individual energy efficiency measures and economic assumptions using the Council's ProCost tool. This tool calculates a benefit-cost ratio using the Total Resource Cost (TRC) test, which is used to determine whether a measure is cost-effective. The TRC test considers all of the costs and benefits of energy efficiency measures, regardless of who receives the benefit or pays the cost. The measure savings and economics are then combined with customer data in Lighthouse's CPA model, which quantifies the number of remaining implementation opportunities. The CPA model aggregates the savings associated with each of these opportunities to determine the overall potential.

Figure 5: Conservation Potential Assessment Methodology



Economic Inputs

The project team worked closely with RES staff to define the economic inputs that were used in this CPA, including avoided energy costs, carbon costs, transmission and distribution capacity costs, and generation capacity costs. Each of these are discussed below. A full discussion of the avoided costs is included in Appendix IV.

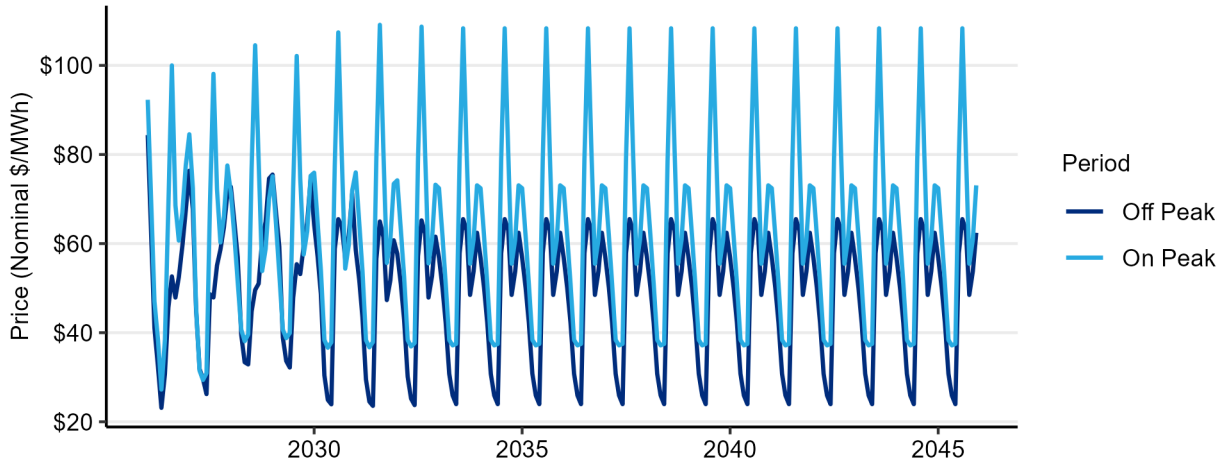
Avoided Energy Costs

Avoided energy costs represent the cost of energy purchases that are avoided through energy efficiency savings. The EIA requires utilities to "set avoided costs equal to a forecast of regional market prices."[3] For this CPA, RES provided a forecast of on- and off-peak market prices at the Mid-

[3] WAC 194-37-070

Columbia trading hub. Figure 6 below shows the market price forecast that was used for the base case of this assessment. High and low sensitivity price forecasts were developed based on this forecast and are discussed in Appendix IV.

Figure 6: Avoided Energy Costs



Social Cost of Carbon

In addition to avoiding purchases of energy, energy efficiency measures can avoid emissions of greenhouse gases like carbon dioxide. The EIA requires that CPAs include a social cost of carbon, which the US EPA defines as "a measure of the long-term damage done by a ton of carbon dioxide emissions in a given year." It includes, among other things, changes in agricultural productivity, human health, property damages from increased flood risk, and changes in energy system costs, including increases in the costs of cooling and decreases in heating costs.[4] In addition to this requirement, Washington's CETA requires that utilities use the social cost of carbon values developed by the federal Interagency workgroup using a 2.5% discount rate.[5]

Renewable Portfolio Standard Compliance Costs

By reducing RES's overall load, energy efficiency reduces the cost of complying with Washington's requirements for renewable and carbon-neutral energy. In 2026, RES is required to source 3% of its sales from renewable energy. This requirement will grow over time, reaching 15% in 2034. With a 15% requirement for renewable energy, RES can avoid the purchase of 15 Renewable Energy Credits (RECs) by saving 100 MWh of energy. In 2030, CETA requires all sales to be greenhouse gas neutral, while allowing up to 20% of the requirement to be met through REC purchases through 2044. Based on this requirement, it is assumed that after 2030 every unit of energy savings results in an equivalent reduction in REC purchases. In 2045, CETA requires 100% clean energy, so the project team assumed that market prices plus REC costs would represent the cost of clean energy.

[4] See https://www.epa.gov/sites/production/files/2016-12/documents/social_cost_of_carbon_fact_sheet.pdf
[5] WAC 194-40-100

Deferred Transmission and Distribution System Costs

Unlike supply-side resources, energy efficiency does not require capacity on transmission and distribution infrastructure. Instead, it frees up capacity by reducing the peak demands on these systems and can help defer future capacity expansions and the associated capital costs.

In the development of the 2021 Power Plan, the Council developed a standard methodology for calculating these values and surveyed Northwest utilities to update the values associated with these cost deferrals. This CPA uses the values developed by the Council through that process. The resulting values are $3.54 and $7.82 per kW-year (in 2016 dollars) for transmission and distribution capacity, respectively.[6] These values are applied to the demand savings coincident with the timing of the respective system peaks.

Program Administration Costs

In its past power plans, the Council has assumed that program administrative costs are equal to 20% of the cost of each measure. This CPA uses that assumption, which is also consistent with RES's previous CPAs.

Risk Mitigation

Investing in energy efficiency can reduce the risks that utilities face by the fact that it is made in small increments over time, rather than the large, singular sums required for generation resources.

This CPA follows the process used in RES's previous CPAs. A sensitivity analysis is used to account for uncertainty, where present, in avoided cost values. The variation in inputs covers a range of possible outcomes and the amount of cost-effective energy efficiency potential is presented under each sensitivity. In selecting its biennial target based on this range of outcomes, RES is selecting its preferred risk strategy and the associated risk credit.

Northwest Power Act Credit

The EIA requires that a 10% cost credit be given to energy efficiency measures. This benefit is specified in the Northwest Electric Power Planning and Conservation Act and is included by the Council in their power planning work.

Other Financial Assumptions

In addition, this assessment makes use of an assumed discount rate to convert future costs and benefits to present values so that values occurring in different years can be compared. This assessment uses a real discount rate of 3.75%. Energy efficiency's benefits accrue over the lifetime of the measure, so a lower discount rate results in higher present values for benefits occurring in future years.

Assumptions about finance costs are applied to measures as well. The cost of each measure is assumed to be split across various entities, including Bonneville Power Administration (BPA), RES, and end use customers. For each of these entities, additional assumptions are made about whether the measure costs are financed, and if so, the cost of that financing. This assessment uses the finance cost assumptions that were used in the 2021 Power Plan.

[6] These values reflect updates from the Council as the 2021 Power Plan was finalized.

Measure Characterization

Measure characterization is the process of defining each individual measure, including the savings at the meter as well as the cost, lifetime, non-energy impacts, and a load or savings shape that defines when the savings occur. The Council's 2021 Power Plan materials are the primary source for this information, although the project team incorporated updated information from the RTF for many measures. Appendix V contains the full list of energy efficiency measures considered the source(s) of information used for each.

Measure savings are typically defined via a "last in" approach. With this methodology, each measure's savings is determined as if it was the last measure installed. For example, savings from home weatherization measures are determined based on the assumption that the home's heating system has already been upgraded. Similarly, the heating system measures are quantified based on the assumption that the home has already been weatherized. This approach is conservative but prevents double counting savings over the long term as homes are likely to install both measures.

Measure savings also consider measure interaction. Interaction occurs when measures in one end use impact the energy use of other end uses. Examples of this include energy efficient lighting and other appliances. The efficiency of these appliances results in less wasted energy released as heat, which impacts the demands on heating and cooling systems.

These measure characteristics, along with the economic assumptions, are used as inputs to the Council's ProCost tool. This tool determines the savings at the generator, factoring in line losses, as well as the demand savings that occur coincident with RES's system peak. The outputs of ProCost are used to calculate each measure's levelized cost and benefit-cost ratio, the latter of which is used to determine whether the measure is cost-effective.

Customer Characteristics

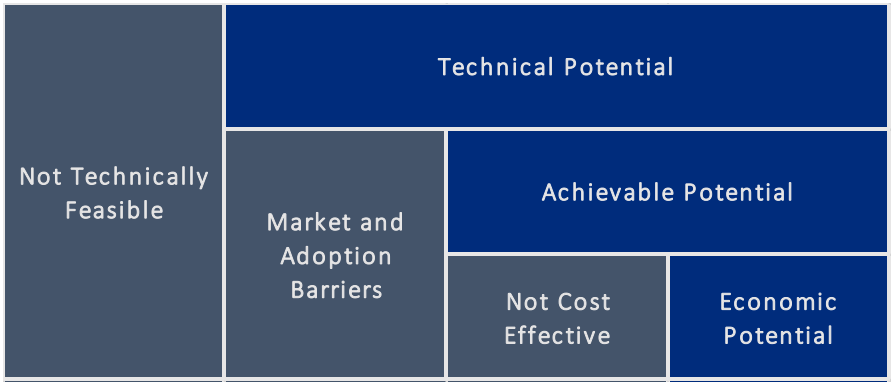
The assessment of customer characteristics is used to determine the number of remaining measure installation opportunities for each measure. This requires identifying the number of opportunities overall as well as the share that has already been completed. The characterization of RES's customer base was completed primarily using data provided by RES, NEEA's commercial and residential building stock assessments, and US Census data. Additional data sources and further details by sector are described subsequently in this report.

This CPA used baseline measure saturation data from the Council's 2021 Power Plan. This data was developed from NEEA's stock assessments, market research, and other studies. This data was supplemented with RES's conservation achievements, where applicable. This achievement is discussed in the next section.

Energy Efficiency Potential

The energy efficiency measure data and customer characteristics are combined in Lighthouse's CPA model. The model estimates the economic (or cost-effective) energy efficiency savings potential as a subset of the technical and achievable potential based on the process shown in Figure 7. Each type of potential is discussed in further detail below.

Figure 7: Types of Energy Efficiency Potential



First, technical potential is the theoretical maximum of energy efficiency available, regardless of cost or market constraints. It is determined by multiplying the measure savings by the number of remaining feasible installation opportunities.

The model then applies several filters that incorporate market and adoption barriers to estimate the achievable potential. These filters include assumptions about the maximum potential adoption and the pace of annual achievements. Energy efficiency planners generally assume that not all measure opportunities will be installed; some portion of the technically possible measure opportunities will remain unavailable due to unsurmountable barriers. In the Northwest, energy efficiency planners typically assume that 85% of all measure opportunities can be achieved. This assumption comes from a pilot study conducted in Hood River, Oregon, where home weatherization measures were offered at no cost. The pilot was able to reach over 90% of homes and complete 85% of identified measure opportunities.[7] In the 2021 Power Plan, the Council has taken a more nuanced approach to this assumption. Measures that are likely to be subject to future codes or product standards have higher maximum achievability assumptions. This CPA follows the Council's new approach.

In addition, ramp rates are used to identify the portion of the available potential that can be acquired each year. The selection of ramp rates incorporates the different levels of program and market maturity as well as the practical constraints of what utility programs can accomplish in a given year.

Finally, economic potential is determined by limiting the achievable potential to those measures that pass an economic screen. Per the EIA, this assessment uses the TRC test to determine economic potential. The TRC test considers all measure costs and benefits, regardless of who pays the cost or receives the benefit. The costs and benefits include the full incremental capital cost of the measure, any operations and maintenance costs, program administrative costs, avoided energy and carbon costs, deferred capacity costs, and quantifiable non-energy impacts. Because the TRC test considers the full cost of energy efficiency measures, RES could pay up to the full cost of measures with its incentives without impacting the cost effectiveness. However, practical constraints such as annual program budgets and rate impacts may limit this.

[7] See https://eta-publications.lbl.gov/sites/default/files/lbnl-3960e-hrcp.pdf

Customer Characteristics

This section describes the characterization of RES's customers, which is an essential component of a CPA. It includes defining the makeup and characteristics of each sector, which determines the type and quantity of opportunities to implement energy efficiency measures. Additional information about the local climate and population of the service territory is used to characterize some measures. This information is summarized in Table 5.

Table 5: Service Territory Characteristics

Heating Zone	Cooling Zone	Total Homes (2024)	Total Population (2024)
1	3	25,473	64,372

The number of homes in 2024 was based on data provided by RES and reflects a 3% increase over RES's 2023 CPA. The number of homes was projected to grow at 1%, based on the long-term trend of customer growth. This is a notable decrease from the growth rate assumption used in the 2023 CPA, 1.93%. Therefore, though the near-term residential housing forecast is higher in this CPA, the long-term forecast is lower.

Additionally, a demolition rate, based on assumptions for Washington State from the Council's 2021 Power Plan, was also used. The demolition rate quantifies the number of existing homes that are converted to new homes through demolition or major renovations, where building codes for new homes apply.

The population is based on census estimates for the City of Richland.

Residential

Within the residential sector, the key characteristics are the number and type of homes as well as the saturation of end use appliances such as space and water heating equipment. Table 6 and Table 7 summarize the characteristics that were used for this assessment for existing and new homes, respectively.

Table 6: Residential Existing Home Characteristics

	Single Family	Low Rise Multifamily	Manufactured
Share of Homes	76%	21%	2%
HVAC Equipment			
Electric Forced Air Furnace	6%	0%	51%
Air Source Heat Pump	54%	0%	21%
Ductless Heat Pump	4%	4%	15%
Electric Zonal/Baseboard	7%	84%	9%
Central Air Conditioning	28%	2%	18%
Room Air Conditioning	7%	31%	21%
Other Appliances			
Electric Water Heater	54%	90%	95%
Refrigerator	138%	99%	104%
Freezer	44%	6%	51%
Clothes Washer	100%	35%	98%
Electric Clothes Dryer	91%	34%	85%

Dishwasher	98%	68%	85%
Electric Oven	91%	71%	98%
Desktop	79%	21%	31%
Laptop	82%	75%	66%
Monitor	141%	50%	34%

Table 7: Residential New Home Characteristics

	Single Family	Low Rise Multifamily	Manufactured
Growth Rate	0.97%	2.31%	0.33%
HVAC Equipment			
Electric Forced Air Furnace	0%	0%	1%
Air Source Heat Pump	60%	0%	12%
Ductless Heat Pump	11%	4%	4%
Electric Zonal/Baseboard	0%	84%	58%
Central Air Conditioning	28%	2%	0%
Room Air Conditioning	7%	31%	15%
Other Appliances			
Electric Water Heater	54%	90%	100%
Refrigerator	138%	99%	100%
Freezer	44%	6%	4%
Clothes Washer	100%	35%	40%
Electric Clothes Dryer	91%	34%	40%
Dishwasher	98%	68%	47%
Electric Oven	91%	71%	77%
Desktop	79%	21%	19%
Laptop	82%	75%	70%
Monitor	141%	50%	52%

In these tables, numbers greater than 100% imply an average of more than one appliance per home. For example, the single family refrigerator saturation of 138% means that single family homes average 1.38 refrigerators per home.

For this assessment, the project team used the latest information from the American Community Survey to identify the type of home and heating fuel. HVAC and other appliance saturations were based on data from NEEA's 2022 Residential Building Stock Assessment (RBSA), which was not available at the time the 2023 CPA was developed. The updated data sources resulted in mixed changes in electric equipment but generally a lower overall prevalence of electric resistance heating.

Commercial

In the commercial sector, the building floor area is the primary variable in determining the number of conservation opportunities, as many of the commercial measures are quantified based on the applicable amount of floor area. To estimate the commercial floor area in RES's service territory, the project team allocated RES's 2024 commercial sales based on the distribution of sales by building type developed as part of RES's 2023 CPA. The project team then converted the sales to estimates of floor area using average energy use intensities from the 2019 Commercial Building Stock Assessment.

Table 8 summarizes the resulting floor area estimates for each of the 18 commercial building segments. The total commercial floor area was estimated to be approximately 23.7 million square feet, a 3% decrease over the baseline floor area used in the 2023 CPA. This is a notable decline from the 2023 CPA's estimate of nearly 31 million square feet but is more accurate as it excludes sales to customer categories such as irrigation, outdoor lighting, and communications infrastructure that are not modeled in the CPA.

Table 8: Commercial Floor Area by Segment

Building Type	2024 Floor Area (square feet)
Large Office	5,456,356
Medium Office	3,603,402
Small Office	3,691,539
Extra Large Retail	475,518
Large Retail	246,462
Medium Retail	946,622
Small Retail	811,536
School (K-12)	2,237,036
University	672,686
Warehouse	544,800
Supermarket	284,021
Mini Mart	42,673
Restaurant	369,674
Lodging	513,531
Hospital	402,167
Residential Care	173,936
Assembly	1,977,320
Other Commercial	1,233,345
Total	**23,682,624**

The project team applied a growth rate of 0.7% to the commercial sector, which is based on RES's historic growth in commercial and industrial sales. This is a decrease from the 2023 CPA's assumed growth rate of 1.2%.

Industrial

The methodology used to estimate potential in the industrial sector is different from the residential and commercial sectors. Instead of building a bottom-up estimate of the savings associated with individual measures, potential in the industrial sector is quantified using a top-down approach that uses the annual energy consumption within individual industrial segments, which is then further disaggregated into end uses. Savings for individual measures are calculated by applying an assumed savings percentage to the applicable end use consumption within each industrial segment.

RES provided 2024 consumption for customers in the industrial sector. The total 2024 industrial consumption totaled more than 280,000 MWh, as summarized in Table 9.

RES projects that industrial loads will grow at a rate of 0.7%, similar to the commercial sector. This is a slight decrease from the growth rate of 1.2% assumed in the 2023 CPA.

Table 9: Industrial Sector Sales by Segment

Segment	2024 Sales (MWh)
Water Supply	26,819
Sewage Treatment	4,440
Frozen Food	92,383
Other Food	9,344
Wood - Lumber	-
Wood - Panel	-
Wood - Other	-
Pulp and Paper Mills (TMP)	-
Pulp and Paper Mills (Kraft)	-
Recycled Fibers	6,808
Refinery	-
Chemical Manufacturing	151
Silicon Growing/Manufacturing	-
Cement/Concrete Products	2,108
Primary Metal Manufacturing	25,675
Fabricated Metal Manufacturing	38,303
Semiconductor Manufacturing	-
Transportation Equipment	-
Misc. Manufacturing	74,031
Refrigerated Warehouse	-
Fruit Storage	-
Indoor Agriculture	-
Total	**280,060**

Utility Distribution System

The 2021 Power Plan used a new approach for quantifying the potential energy savings in measures that improve the efficiency of utility distribution systems. The Council's new approach estimated savings potential from the 2018 sales within each sector as reported to the US Energy Information Administration and based costs on the number of distribution substations and feeders for each utility. Table 10 summarizes the assumptions used for this sector.

Table 10: Utility Distribution System Efficiency Assumptions

Characteristic	Count
Distribution Substations	14
Residential/Commercial Substations	12
Urban Feeders	10
Rural Feeders	10
2018 Residential Sales (MWh)	338,631
2018 Commercial Sales (MWh)	435,831
2018 Industrial/Other Sales (MWh)	157,422

**Note that these are estimates from the Council and may not reflect RES's actual system*

Recent Conservation Achievement

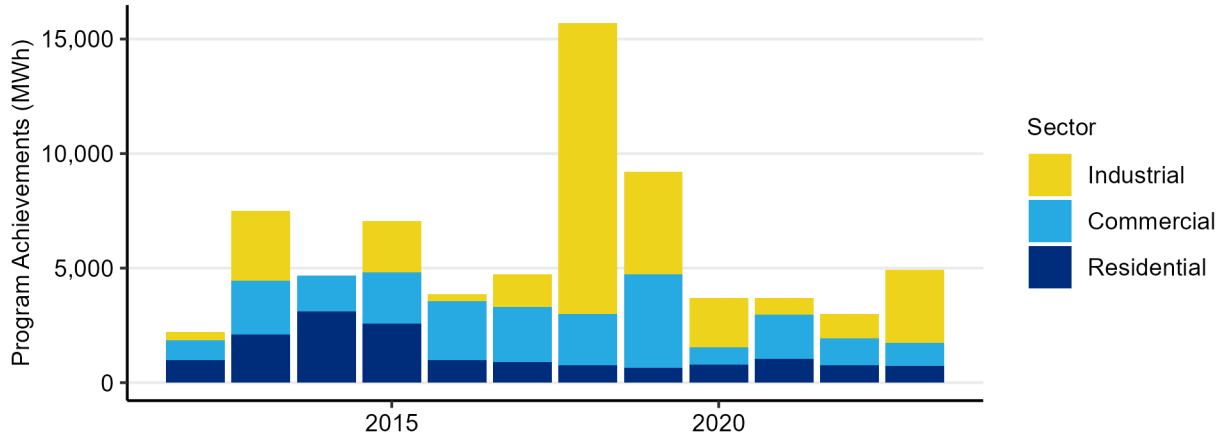
RES has a long history of energy efficiency achievement and, according to the RTF's Regional Conservation Progress Report, has achieved annual savings equal to 0.7% of its retail sales on average over the 2016-2023 timeframe.

RES currently offers programs for its residential, commercial, and industrial customers. In addition to these programs, RES receives credit for the market transformation initiatives of NEEA that accrue within its service territory. NEEA's work has helped to bring energy efficient emerging technologies, like ductless heat pumps and heat pump water heaters, to the Northwest.

Overall

Figure 8 summarizes RES's 2012-2023 conservation achievement by sector as well as the savings attributed to NEEA, as reported by the RTF's 2023 Regional Conservation Progress Report.

Figure 8: Past Conservation Achievements by Sector (MWh)



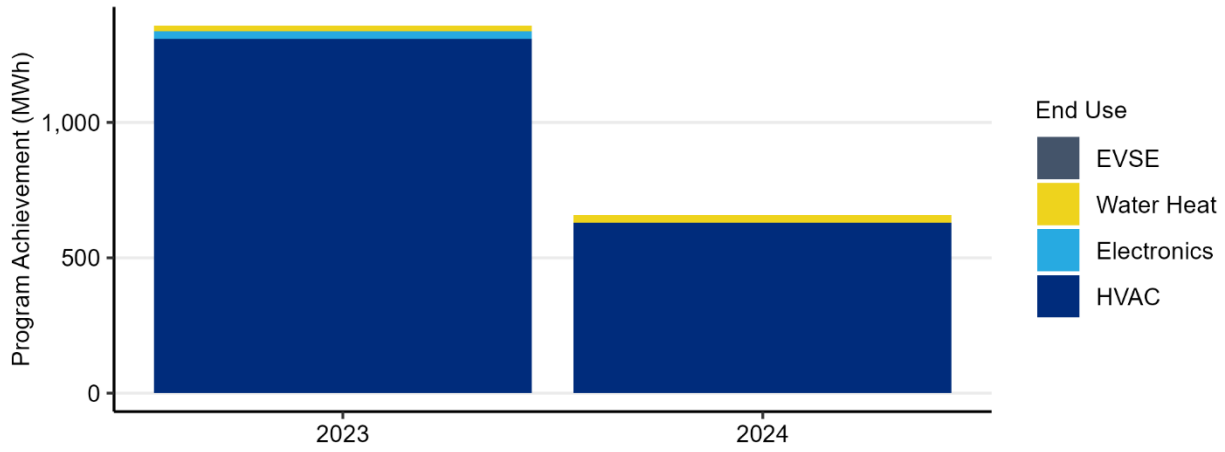
The average annual savings over this 12-year period is nearly 5,900 MWh per year. Savings from the residential and commercial sectors are relatively stable over time while industrial sector savings are more varied. Savings from NEEA's market transformation initiatives contribute additional savings that are not shown in this figure. In recent years, these savings have been approximately 800 MWh per year.

RES provided detailed program achievement data for 2023 and 2024. The sections below summarize these recent achievements.

Residential

The recent residential program achievements by end use are shown in Figure 9. The savings total nearly more than 2,000 MWh over the two years. The HVAC end use is the largest end use, at 96% of the total. This end use includes both weatherization measures as well as heating system equipment. Outside of HVAC, RES has achieved savings in the water heating, electronics, and electric vehicle supply equipment (EVSE) end uses.

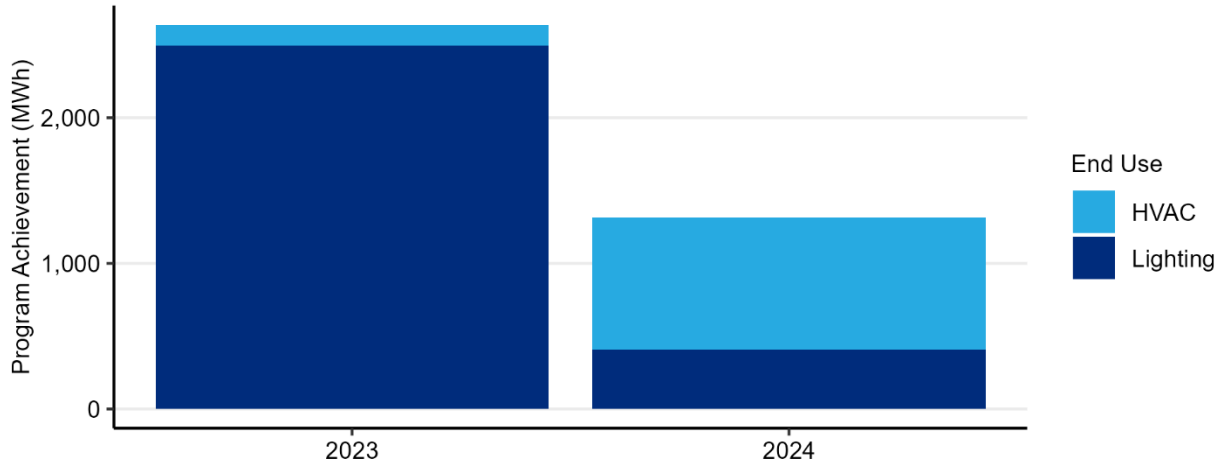
Figure 9: Recent Residential Program Achievements by End Use (MWh)



Commercial

RES's commercial savings are from the lighting and HVAC end uses, the largest end uses in the commercial sector, as shown in Figure 10. In total, commercial savings were nearly 4,000 MWh over the two-year period.

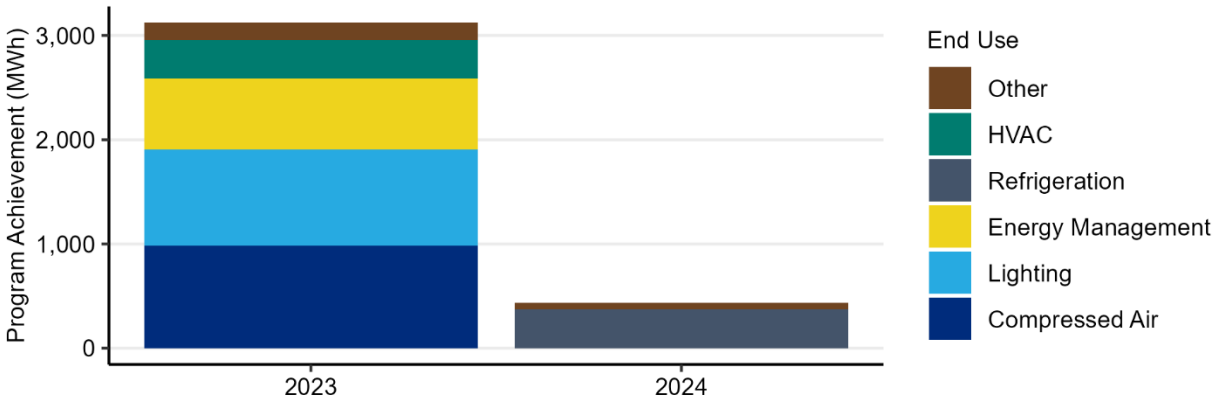
Figure 10: Recent Commercial Program Achievements by End Use



Industrial

Savings in the industrial sector are often uneven, subject to the nature of the small number of projects that are completed in a given year. This is apparent in Figure 11, where the amount and makeup of the savings varies greatly between the two years. The industrial savings total nearly 3,557 MWh over this two-year period.

Figure 11: Recent Industrial Program Achievements by End Use



Results

This section discusses the results of the 2025 CPA. It begins with a discussion of the high-level achievable conservation potential and then covers additional detail on the cost-effective potential within the individual sectors and end uses.

Achievable Conservation Potential

The achievable technical conservation potential is the amount of energy efficiency that can be saved without considering the cost-effectiveness of measures. It considers market barriers and the practical limits of acquiring energy savings by efficiency programs.

Figure 12 shows the supply curve of achievable potential over the 20-year study period. A supply curve depicts the cumulative potential against the levelized cost of energy savings, with the measures sorted in order of ascending cost. No economic screening is applied. Levelized costs are used to make the costs comparable between measures with different lifetimes as well as with supply-side resources. The costs include credits for deferred transmission and distribution system costs, avoided periodic replacements, and non-energy impacts to make them comparable with other resources. With these credits, some of the lowest cost measures have a net levelized cost that is negative, meaning the credits exceed the measure costs.

Figure 12: 20-Year Supply Curve

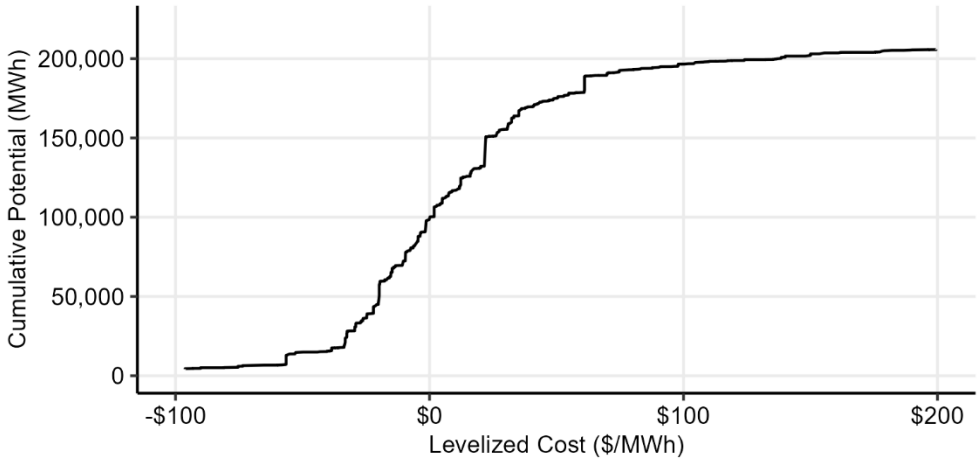


Figure 12 shows that approximately 100,000 MWh of potential are available at a cost at or below $0/MWh. Approximately 175,000 MWh of achievable potential is available for costs below $50/MWh. After approximately $60/MWh, the cost of additional potential comes at increasing costs. In total, there is more than 222,000 MWh of achievable technical potential available in RES's service territory over the 20-year study period, but only potential below $200/MWh is shown.

Supply curves based on levelized cost are limited in that not all energy savings are equally valued. For example, two measures could have the same levelized cost but provide different reductions in peak demand or deliver energy savings when energy costs are more or less valuable. An alternative to the supply curve based on levelized cost is one based on the benefit cost ratio. This is shown below in Figure 13.

Figure 13: 20-Year Benefit-Cost Ratio Supply Curve

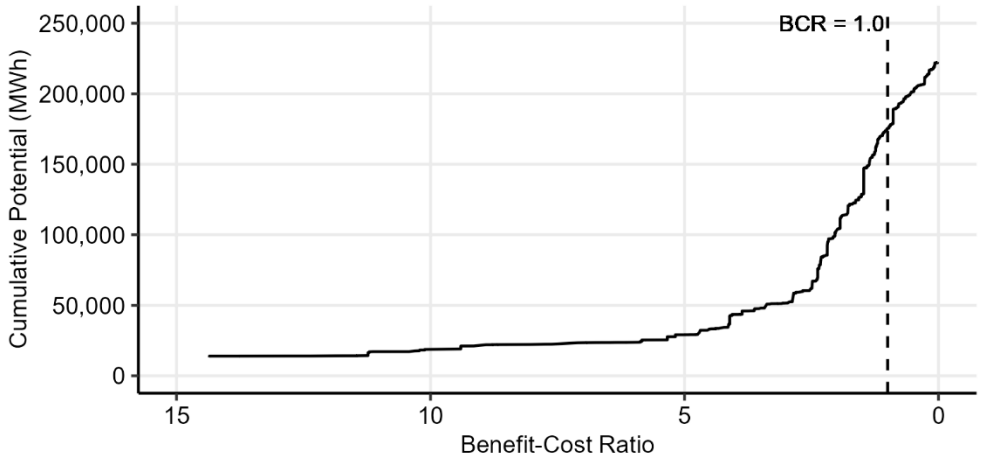


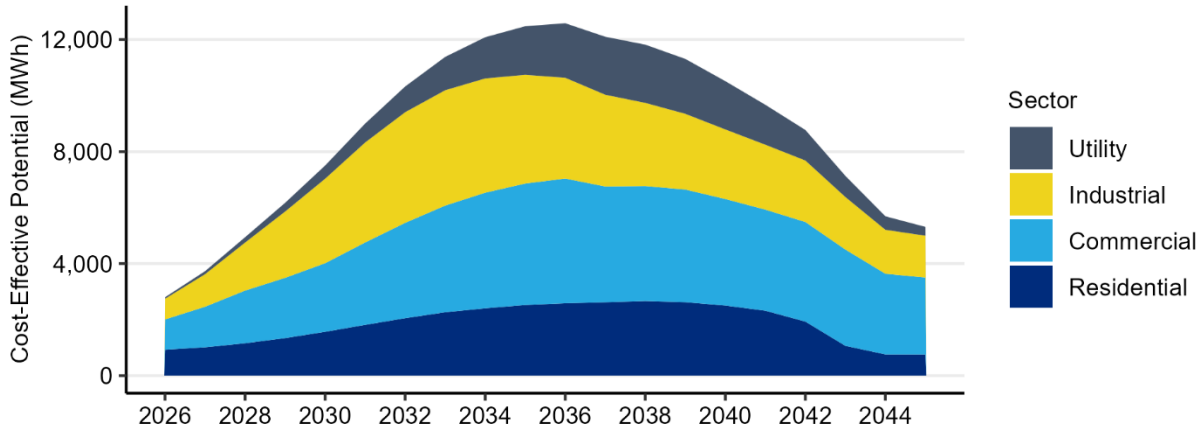
Figure 13 shows that approximately 30,000 MWh of savings are available with a benefit-cost ratio of 5 or more. These measures deliver benefits that are 5 times their cost over their lifetime. The figure includes a dashed line where the benefit-cost ratio is equal to one. There is over 175,000 MWh of cost-effective savings potential to the left of this line, reflecting the 20-year cost-effective potential. Just to the right of this line, there is a short vertical step and then the line continues up and right, with a slightly less steep slope than the to the left of the line. This suggests that RES may have approximately 10,000 MWh more cost-effective potential with a small increase in avoided costs, but less significant changes with further increases in avoided costs.

The economic or cost-effective potential is described below.

Cost-Effective Conservation Potential

Figure 14 shows the cost-effective potential by sector on an annual basis. Over the 20-year period, most of the potential is in RES's commercial and industrial sectors.

Figure 14: Annual Cost-Effective Potential by Sector



The project team used the ramp rates from the 2021 Power Plan to establish reasonable rates of acquisition for all measures and sectors. The project team assigned ramp rates to individual

measures in order to align the near-term potential with recent and expected savings in each sector. Appendix VII has more detail on the alignment of ramp rates with program expectations.

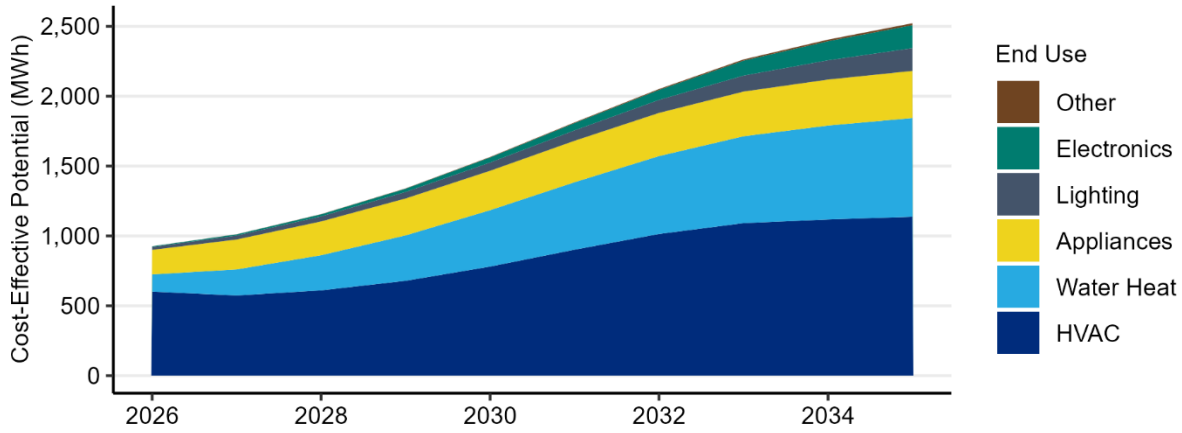
The sections below describe the achievable potential within each sector.

Residential

Relative to the 2023 CPA, the cost-effective potential in the residential sector has decreased. These decreases are driven by a variety of factors, including lower forecasts of new homes, changes in equipment saturations, lower avoided costs, and updated measure assumptions.

Figure 15 shows the cost-effective potential by end use for the first 10 years of the study period. HVAC measures (including weatherization) make up 50% of potential in the sector, followed by water heating (25%), appliances (16%), lighting (5%), and electronics (4%). In Figure 15, the other end use category primarily includes cooking measures.

Figure 15: Annual Residential Potential by End Use



The potential grows during the initial years of the study as the expected market share of efficient equipment increases along with increases in the rate of the acquisition of retrofit measures, like attic insulation, which can be achieved at any time. By 2033, the rate of savings achievement begins to level off as the market shares of efficient equipment reach maximum values and the remaining available retrofit measures begin to diminish.

Note that some residential measures, such as smart thermostats and heat pump water heaters can provide benefits as both energy efficiency and demand response resources. Demand response benefits were not included in this CPA. The decision to use them as demand response resources was treated as an incremental decision and included in RES's Demand Response Potential Assessment, although energy efficiency programs can help build a stock of flexible equipment that could be called upon in the future through demand response programs.

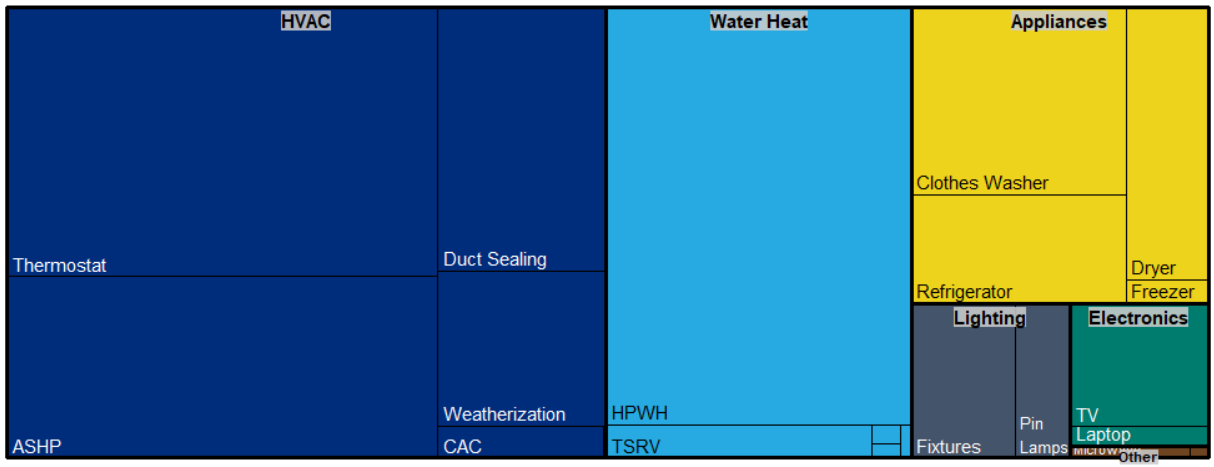
Figure 16 shows how the 10-year potential breaks down into end uses and measure categories. The area of each block represents the share of the total 10-year residential potential. Air source heat pumps (ASHP), smart thermostats, duct sealing, and weatherization make up most of the potential in the HVAC end use, while heat pump water heaters (HPWH) are the key measure in the water

heating end use. The appliance category includes clothes washers, dryers, refrigerators, and freezers.

The project team included incentives from IRA programs in the ASHP costs, improving the cost-effectiveness of this measure, especially relative to prior CPAs. Ductless heat pumps were not cost-effective after updating the measure with the latest RTF assumptions.

Beginning in 2029, heat pump water heaters are subject to a federal standard that will require the technology for many common tank sizes. As there are questions on possible loopholes that leave the future role of utility programs in question, the project team kept the savings potential for these measures after 2029 to show the savings that are possible and will be seen on RES's system, whether they are achieved through RES's programs or the federal standard. The state of this market can be re-evaluated in RES's 2027 CPA.

Figure 16: Residential Potential by End Use and Measure Category



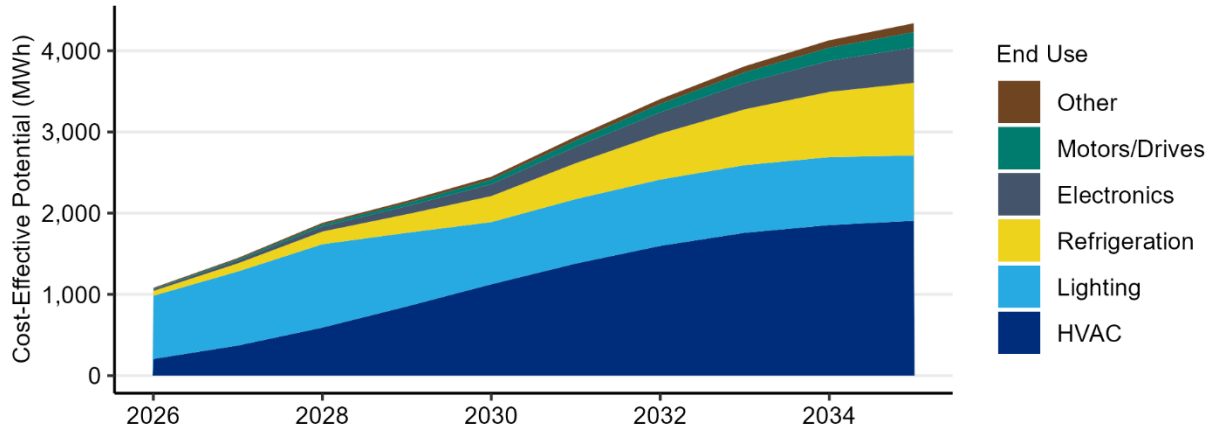
Commercial

In commercial sector, HVAC and lighting measures are the end uses with the highest potential. These two end uses comprise 42% and 31% of the 10-year potential, respectively. The lighting end use includes measures applicable to both interior and exterior lighting.

Like the residential sector, the potential in the commercial sector has declined relative to the 2023 CPA. This is primarily driven by the change in estimated commercial floor area. In addition, the savings potential in the lighting end use is subject to a state law banning mercury in lighting beginning in 2029. In effect, this will raise the baseline for commercial lighting programs to LED products. The project team reduced the lighting savings beginning in 2029 to reflect this change.

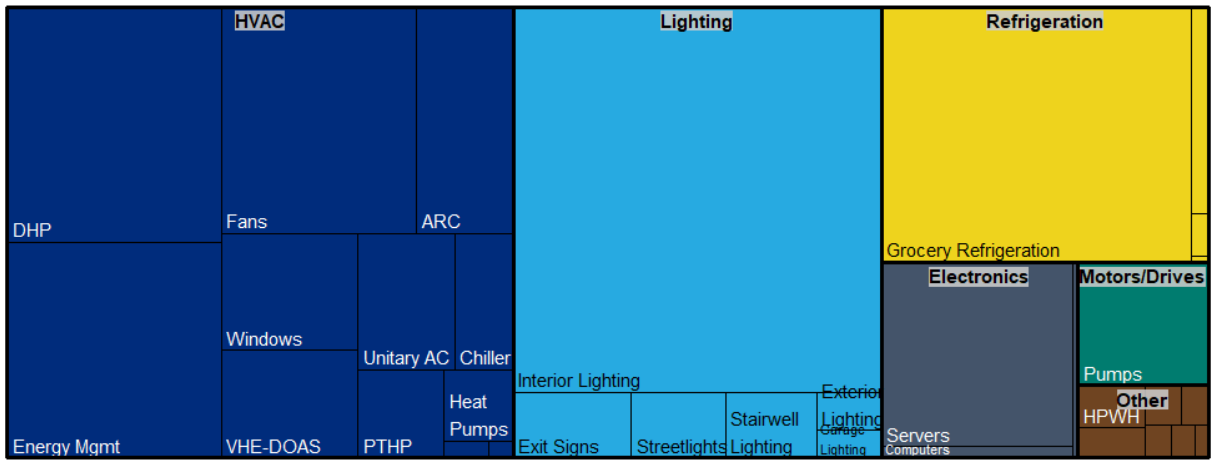
In Figure 17, the other end use category includes measures in the compressed air, food preparation, and water heating end uses.

Figure 17: Annual Commercial Potential by End Use



Key end uses and measure categories within the commercial sector are shown in Figure 18. The area of each block is proportional to its share of the 10-year commercial potential. The commercial sector includes a variety of building types with different end uses. This is apparent in the range of measures included in Figure 18, especially the different types of HVAC equipment.

Figure 18: Commercial Potential by End Use and Measure Category

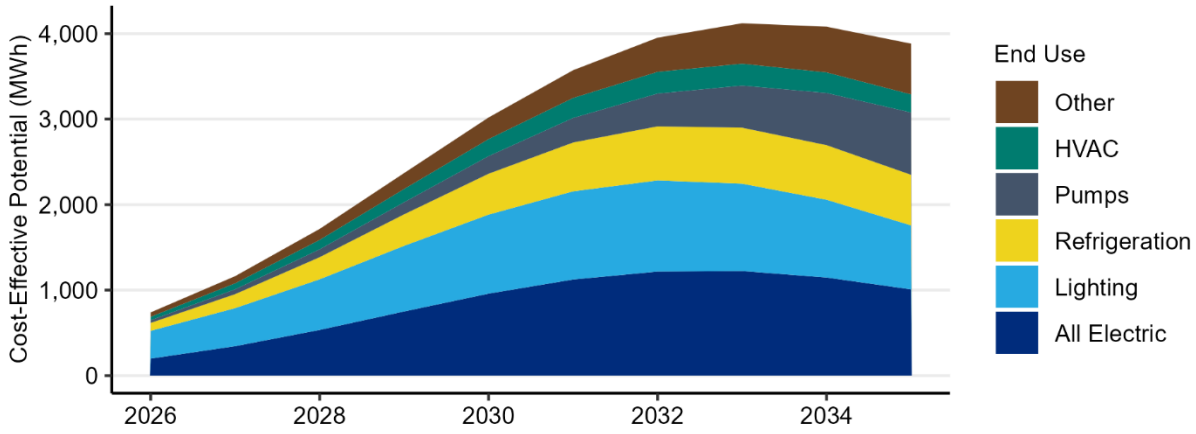


Industrial

The annual industrial sector potential is shown in Figure 19. The "all electric" and lighting end uses are the largest areas of potential, comprising 30% and 27% of the 10-year potential, respectively. The all electric end use category includes measures applicable to all end uses, such as strategic energy management programs and measures applicable to the water and wastewater segments. After these end uses, the key end uses include refrigeration (16%), pumps (11%), and HVAC (6%). The other category in Figure 19 includes a variety of end uses, including compressed air, fans and blowers, material handling and processing, motors, and several other smaller end uses.

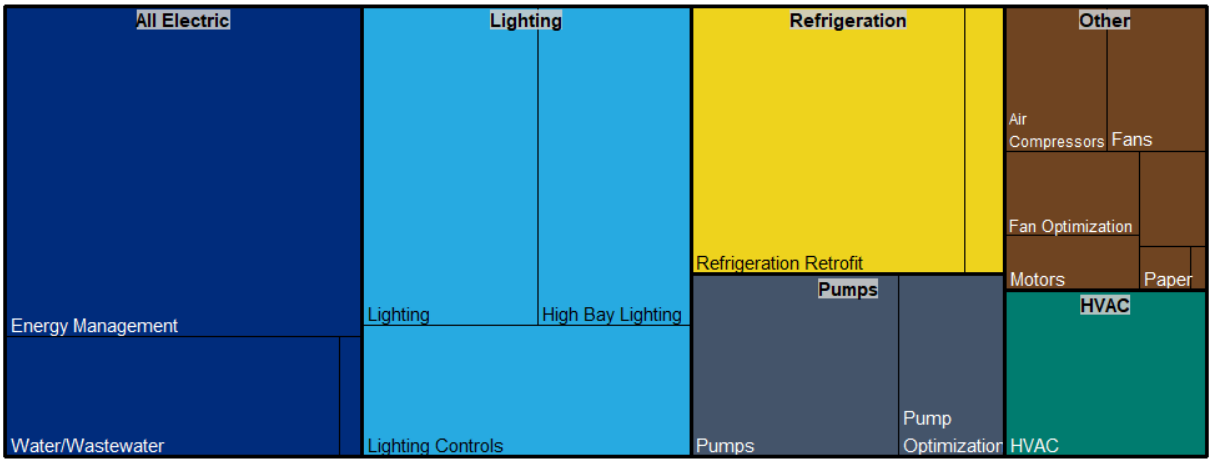
The industrial potential increased relative to RES's 2023 CPA, due to higher forecasts of future industrial load over the study period.

Figure 19: Annual Industrial Potential by End Use



The breakdown of 10-year industrial potential into end uses and measure categories is shown in Figure 20.

Figure 20: Industrial Potential by End Use and Measure Category

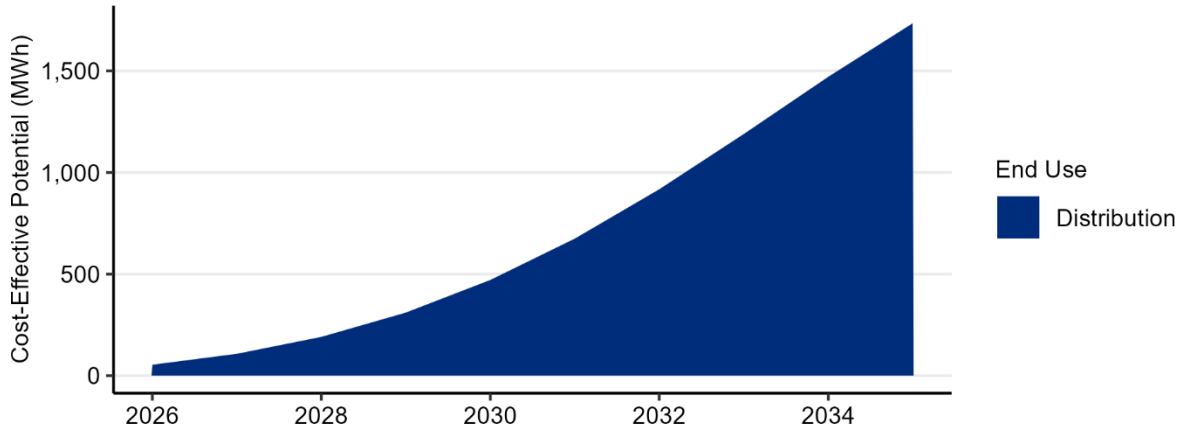


Utility Distribution System

The measures in the distribution efficiency sector involve the regulation of voltage to improve the efficiency of utility distribution systems. This analysis includes the measures characterized in the 2021 Power Plan, which includes several levels that use increasingly sophisticated control systems. While RES already regulates voltage during periods of peak demand, additional savings are possible if the voltage regulation was done on a constant basis.

The annual distribution system potential is shown in Figure 21.

Figure 21: Annual Distribution System Potential



Sensitivity Results

This section discusses the results of two sensitivity analyses that were evaluated in addition to the base case results described in the preceding sections. These sensitivities examined low and high variations of the avoided costs values to provide a range of possible outcomes given the uncertainty inherent in estimating these costs over a 20-year period. This allows RES to understand how the cost-effective potential varies with changes in the avoided cost. All other inputs were held constant.

Table 11 summarizes the avoided cost assumptions used in each sensitivity, which are discussed further in Appendix IV.

Table 11: Avoided Cost Assumptions by Sensitivity

		Low Sensitivity	Base Case	High Sensitivity
Energy Values	**Avoided Energy Costs (20-Year Levelized Price, 2016$/MWh)**	Market Forecast minus 20%-80% ($16)	Market Forecast ($29)	Market Forecast plus 20%-80% ($42)
	Social Cost CO_2	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values
	RPS Compliance	WA EIA & CETA Requirements	WA EIA & CETA Requirements	WA EIA & CETA Requirements
Capacity Values	**Distribution Capacity (2016$)**	$7.82/kW-year	$7.82/kW-year	$7.82/kW-year
	Transmission Capacity (2016$)	$3.54/kW-year	$3.54/kW-year	$3.54/kW-year
	Generation Capacity (2016$)	$56/kW-year	$64/kW-year	$123/kW-year
	Implied Risk Adder (2016$)	-$13/MWh -$8/kW-year	N/A	$13/MWh $59/kW-year
	NW Power Act Credit	10%	10%	10%

Instead of using a single risk adder applied to each unit of energy, these two sensitivities consider potential futures with higher and lower values for the avoided cost inputs with larger degrees of uncertainty: the value of avoided energy and generation capacity.

Table 12 summarizes the variation in cost-effective potential across each avoided cost sensitivity. The changes in avoided cost produce roughly equal variation in cost-effective potential relative to the base case.

Table 12: Cost Effective Potential (MWh) by Avoided Cost Sensitivity

Sensitivity	2-Year	4-Year	10-Year	20-Year
Low Sensitivity	5,638	15,636	72,089	156,155
Base Case	6,530	17,644	80,417	175,326
High Sensitivity	7,441	19,697	88,468	193,008

Summary

This report summarized the results of the 2025 CPA conducted for RES. The assessment provided estimates of the cost-effective energy savings potential for the 20-year period beginning in 2026, with detail on the first two and ten years per the requirements of Washington State's EIA. The assessment considered a wide range of measures that are reliable and available during the study period.

Compared to RES's 2023 CPA, the long-term cost-effective potential has decreased. While aligning the near-term potential with RES's recent and expected achievements resulted in roughly equivalent amounts of cost-effective potential over the initial two-year period, there were decreases in the long-term potential driven by updated customer forecasts, lower avoided costs, updated measure assumptions, incorporation of the state's mercury lighting ban, and adjustments to account for RES's recent achievements.

Compliance with State Requirements

The methodology used to estimate the cost-effective energy efficiency potential described in this report is consistent with the methodology used by the Council in determining the potential and cost-effectiveness of conservation resources in the 2021 Power Plan. Appendix III provides a list of Washington's EIA requirements and a description of how each was implemented. In addition to using a methodology consistent with the Council's 2021 Power Plan, the assessment used assumptions from the 2021 Power Plan where utility-specific inputs were not used. Utility-specific inputs covering customer characteristics, previous conservation achievements, and some economic inputs were used. The assessment included the measures considered in the 2021 Power Plan materials, updated with new information from the RTF made available since its publication.

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Appendix I: Acronyms

aMW	Average Megawatt
BPA	Bonneville Power Administration
CETA	Clean Energy Transformation Act
CPA	Conservation Potential Assessment
EIA	Energy Independence Act
EUI	Energy Use Intensity
HPWH	Heat Pump Water Heater
HVAC	Heating, Ventilation, and Air Conditioning
kW	kilowatt
kWh	kilowatt-hour
LED	Light-Emitting Diode
MW	Megawatt
MWh	Megawatt-hour
NEEA	Northwest Energy Efficiency Alliance
O&M	Operations and Maintenance
RPS	Renewable Portfolio Standard
RTF	Regional Technical Forum
SEM	Strategic Energy Management
TRC	Total Resource Cost

Appendix II: Glossary

Achievable Technical Potential	Conservation potential that includes considerations of market barriers and programmatic constraints but not cost effectiveness. This is a subset of technical potential.
Average Megawatt (aMW)	An average hourly usage of electricity, measured in megawatts, across the hours of a day, month, or year
Avoided Cost	The costs avoided through the acquisition of energy efficiency
Cost Effective	A measure is described as cost effective when the present value of its benefits exceeds the present value of its costs
Economic Potential	Conservation potential that passes a cost-effectiveness test. This is a subset of achievable potential. Per the EIA, a Total Resource Cost (TRC) test is used.
Levelized Cost	A measure of costs when they are spread over the life of the measure, similar to a car payment. Levelized costs enable the comparison of resources with different useful lifetimes.
Megawatt (MW)	A unity of demand equal to 1,000 kilowatts (kW)
Renewable Portfolio Standard	A requirement that a certain percentage of a utility's portfolio come from renewable resources. In 2020, Washington utilities with more than 25,000 customers are required to source 15% of their energy from renewable resources
Technical Potential	The set of possible conservation savings that includes all possible measures, regardless of market or cost barriers
Total Resource Cost (TRC) Test	A test for cost-effectiveness that considers all costs and benefits, regardless of who they accrue to. A measure passes this test if the present value of all benefits exceeds the present value of all costs. The TRC test is required by Washington's Energy Independence act and is the predominant cost effectiveness test used throughout the Northwest and US.

Appendix III: Compliance with State Requirements

This Appendix details the specific requirements for Conservation Potential Assessments listed in WAC 194-37-070. The table below lists the specific section and corresponding requirement along with a description of how the requirement is implemented in the model and where the implementation can be found.

Table 13: CPA Compliance

WAC 194-37-070 Section	Requirement	Implementation
(5)(a)	**Technical potential.** Determine the amount of conservation that is technically feasible, considering measures and the number of these measures that could physically be installed or implemented, without regard to achievability or cost.	The model calculates technical potential by multiplying the quantity of stock (number of homes, building floor area, industrial load) by the measure savings that could be installed per each unit of stock. The model further constrains the potential by the share of measures that have already been completed. See calculations in the "Units" tabs within each of the sector model files.
(5)(b)	**Achievable technical potential**. Determine the amount of the conservation technical potential that is available within the planning period, considering barriers to market penetration and the rate at which savings could be acquired.	The model applies maximum achievability factors based on the Council's 2021 Power Plan assumptions and ramp rates to identify how the potential can be acquired over the study period. See calculations in the "Units" tabs within each of the sector model files. The complete set of the ramp rates used is on the "Ramp Rates" tab.
(5)(c)	**Economic achievable potential**. Establish the economic achievable potential, which is the conservation potential that is cost-effective, reliable, and feasible, by comparing the total resource cost of conservation measures to the cost of other resources available to meet expected demand for electricity and capacity.	The project team used the benefit-cost ratio approach described in (5)(c)(ii), using the Council's ProCost model to calculate TRC benefit-cost ratios for each measure after updating ProCost with utility-specific inputs. The ProCost results are collected through an Excel macro in the "ProCost Measure Results-[sensitivity name].xlsx" files and brought into the CPA models through Excel's Power Query. See Appendix IV for further discussion of the avoided cost assumptions.
(5)(d)	**Total resource cost**. In determining economic achievable potential as provided in (c) of this subsection, perform a life-cycle cost analysis of measures or	A life-cycle cost analysis was performed using the Council's ProCost tool, which the project team configured with utility-specific inputs. Costs and benefits were included consistent with the TRC test.

WAC 194-37-070 Section	Requirement	Implementation
	programs to determine the net levelized cost, as described in this subsection:	The measure files within each sector contain the ProCost results. These results are then rolled up into the ProCost Measure Results file, which is linked to each sector model file.
(5)(d)(i)	Conduct a total resource cost analysis that assesses all costs and all benefits of conservation measures regardless of who pays the costs or receives the benefits;	The costs considered in the levelized cost include measure capital costs, O&M costs, periodic replacement costs, and any non-energy costs. Benefits included avoided energy, T&D capacity costs, avoided generation capacity costs, non-energy benefits, O&M savings, periodic replacement costs. Measure costs and benefits can be found in the individual measure files as well as the "ProCost Measure Results" file.
(5)(d)(ii)	Include the incremental savings and incremental costs of measures and replacement measures where resources or measures have different measure lifetimes;	Assumed savings, cost, and measure lifetimes are based on 2021 Power Plan and subsequent RTF updates, where applicable. Measure costs and benefits can be found in the individual measure files as well as the "ProCost Measure Results" files.
(5)(d)(iii)	Calculate the value of the energy saved based on when it is saved. In performing this calculation, use time differentiated avoided costs to conduct the analysis that determines the financial value of energy saved through conservation	The project team used a 20-year forecast of monthly on- and off-peak market prices and the load shapes developed for the 2021 Power Plan as part of the economic analysis conducted in ProCost. "MC and Loadshape" files contain both the market price forecast and the library of load shapes. Individual measure files contain the load profile assignments.
(5)(d)(iv)	Include the increase or decrease in annual or periodic operations and maintenance costs due to conservation measures	Measure analyses include changes to O&M costs as well as periodic replacement costs, where applicable. Measure assumptions can be found in the individual measure files.
(5)(d)(v)	Include avoided energy costs equal to a forecast of regional market prices, which represents the cost of the next increment of available and reliable power supply	The project team incorporated a 20-year forecast of on- and off-peak market prices at the mid-Columbia trading hub based on

WAC 194-37-070 Section	Requirement	Implementation
	available to the utility for the life of the energy efficiency measures to which it is compared	available forward prices. Further discussion of this forecast can be found in Appendix IV. See the "MC and Loadshape" file for the market prices. These prices include the value of avoided REC purchases as applicable.
(5)(d)(vi)	Include deferred capacity expansion benefits for transmission and distribution systems	Deferred transmission and distribution system benefits are based on the values developed by the Council for the 2021 Power Plan. These values can be found on the "ProData" tab of the ProCost files, cells C50 and C54.
(5)(d)(vii)	Include deferred generation benefits consistent with the contribution to system peak capacity of the conservation measure	Deferred generation capacity expansion benefits are based on monthly demand costs, which represents the utility cost of capacity. The development of these values is discussed in Appendix IV. These values can be found on the "ProData" tab of the ProCost files, cells C60.
(5)(d)(viii)	Include the social cost of carbon emissions from avoided non-conservation resources	This assessment uses the social cost of carbon values determined by the federal Interagency Workgroup using a 2.5% discount rate, as required by the Clean Energy Transformation Act. The carbon costs can be found in the MC and Loadshape file.
(5)(d)(ix)	Include a risk mitigation credit to reflect the additional value of conservation, not otherwise accounted for in other inputs, in reducing risk associated with costs of avoided non-conservation resources	This analysis uses a sensitivity analysis to consider risk. Avoided cost values with uncertain future values were varied across three different sensitivity and the resulting variation and risk were analyzed. The Sensitivity Results section of this report discusses the inputs used and the implicit risk adders used in the analysis.
(5)(d)(x)	Include all non-energy impacts that a resource or measure may provide that can be quantified and monetized	All quantifiable non-energy benefits were included where appropriate, based on values from the Council's 2021 Power Plan materials and updates from the RTF. Measure assumptions can be found in the individual measure files.

WAC 194-37-070 Section	Requirement	Implementation
(5)(d)(xi)	Include an estimate of program administrative costs	This assessment uses the Council's assumption of administrative costs equal to 20% of measure capital costs. Program admin costs can be found in the "ProData" tab of the ProCost file, cell C29.
(5)(d)(xii)	Include the cost of financing measures using the capital costs of the entity that is expected to pay for the measure	This assessment utilizes the financing cost assumptions from the 2021 Power Plan materials, including the sector-specific cost shares and cost of capital assumptions. Financing assumptions can be found in the ProData tab of the ProCost batch runner files, cells C37:F46.
(5)(d)(xiii)	Discount future costs and benefits at a discount rate equal to the discount rate used by the utility in evaluating non-conservation resources	This assessment uses a real discount rate of 3.75% to determine the present value of all costs and benefits. This represents the utility's long-term cost of capital. The discount rate used in this analysis can be found in the ProCost file, on cell C27 of the ProData tab.
(5)(d)(xiv)	Include a ten percent bonus for the energy and capacity benefits of conservation measures as defined in 16 U.S.C. § 839a of the Pacific Northwest Electric Power Planning and Conservation Act	A 10% bonus is applied consistent with the NW Power Act. The 10% credit used in the measure analyses can be found in the ProCost files, on cell C29 of the ProData tab.

Appendix IV: Avoided Costs

The methodology used to conduct conservation potential assessments for electric utilities in the State of Washington is dictated by the requirements of the Energy Independence Act (EIA) and the Clean Energy Transformation Act (CETA). Specifically, WAC 194-37-070 requires utilities to determine the economic, or cost-effective, potential by "comparing the total resource cost of conservation measures to the total cost of other resources available to meet expected demand for electricity and capacity."[8] The CPA will determine the cost-effectiveness of conservation measures through a benefit-cost ratio approach, which uses the avoided costs of energy efficiency to represent the costs avoided by acquiring efficiency instead of other resources. The EIA specifies that these avoided costs applied to energy efficiency measures include the following components:

- Time-differentiated energy costs equal to a forecast of regional market prices
- Deferred capacity expansion costs for the transmission and distribution system
- Deferred generation capacity costs consistent with each measure's contribution to system peak capacity savings
- The social cost of carbon emissions from avoided non-conservation resources
- A risk mitigation credit to reflect the additional value of conservation not accounted for in other inputs
- A 10% bonus for energy and capacity benefits of conservation measures, as defined by the Pacific Northwest Electric Power Planning and Conservation Act

In addition to these requirements, Washington's CETA requires the use of specific values for the social cost of carbon.[9] The project team has also included the value of avoided renewable portfolio standard compliance costs as energy efficiency can reduce these costs.

The CETA requirements for demand response potential assessments are less specific but do clarify that utilities must assess potential for demand response that is "cost-effective, reliable, and feasible,"[10] and targets should be consistent with the utility's resource plan for distributed resources (such as energy efficiency). Therefore, the project team relied on the same avoided cost inputs for the DRPA as the CPA when the values were applicable.

This memo discusses each of these inputs in detail in the following sections.

Avoided Energy Costs

Avoided energy costs are the energy costs avoided by RES through the acquisition of energy efficiency instead of supply-side resources. For every megawatt-hour of conservation achieved, RES avoids the purchase of one megawatt-hour of energy.

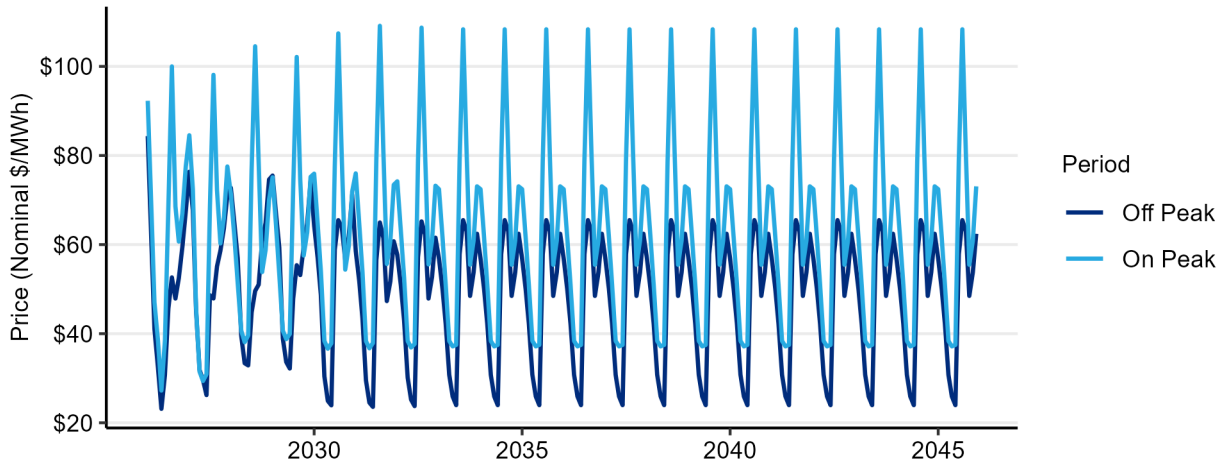
For this CPA, the project team has developed a forecast of avoided on- and off-peak energy prices at the Mid-Columbia trading hub. The forecast is based on monthly on- and off-peak price futures

[8] WAC 194-37-070. Accessed January 20, 2021. https://app.leg.wa.gov/wac/default.aspx?cite=194-37-070
[9] WAC 194-40-100. Accessed March 7, 2023. https://app.leg.wa.gov/WAC/default.aspx?cite=194-40-100
[10] WAC 194-40-330. Accessed May 7, 2025. https://app.leg.wa.gov/wac/default.aspx?cite=194-40-330

reported by the Intercontinental Exchange on April 4, 2025. These prices cover approximately an eight-year period, from April 2025 through December 2033.

To develop a forecast that covers the full 20-year study period of this CPA, the project team extended this forecast through 2045. After reviewing market price forecasts from other utilities, including Puget Sound Energy[11], Pacific Power[12], and the market prices used for energy efficiency in Oregon[13], the project team extended the forecast by extending the values from 2033. Figure 22 shows the resulting on- and off-peak prices resulting from this process.

Figure 22: On- and Off-Peak Price Forecast



These values will ultimately be converted to 2016 dollars for consistency with the measure cost assumptions used in the 2021 Power Plan, which are also expressed in 2016 dollars. The levelized value of the 20-year price forecast is $29/MWh (2016$), a decrease from the $47/MWh levelized value from RES's 2023 CPA.

The project team also created high and low variations of this forecast to be used in a sensitivity analysis, since the actual future values of these prices are uncertain. To develop the forecast, the project team assumed that the high and low prices would vary by approximately 20% in the near term and 80% in the long term, relative to the base case price forecast. A similar approach was used in RES's prior CPA, which was based on the variation observed in price forecasts in the 2021 Power Plan. The project team applied this variation to the forecast described above to create high and low forecasts. The resulting forecasts for on- and off-peak prices are shown in Figure 23 and Figure 24 below.

[11] https://www.pse.com/-/media/PDFs/IRP/2023/electric/chapters/05_EPR23_Ch5_Final.pdf
[12] https://www.pacificorp.com/energy/integrated-resource-plan/support.html
[13] https://edocs.puc.state.or.us/efdocs/HAU/um1893hau334281025.pdf

Figure 23: Comparison of On-Peak Price Sensitivities

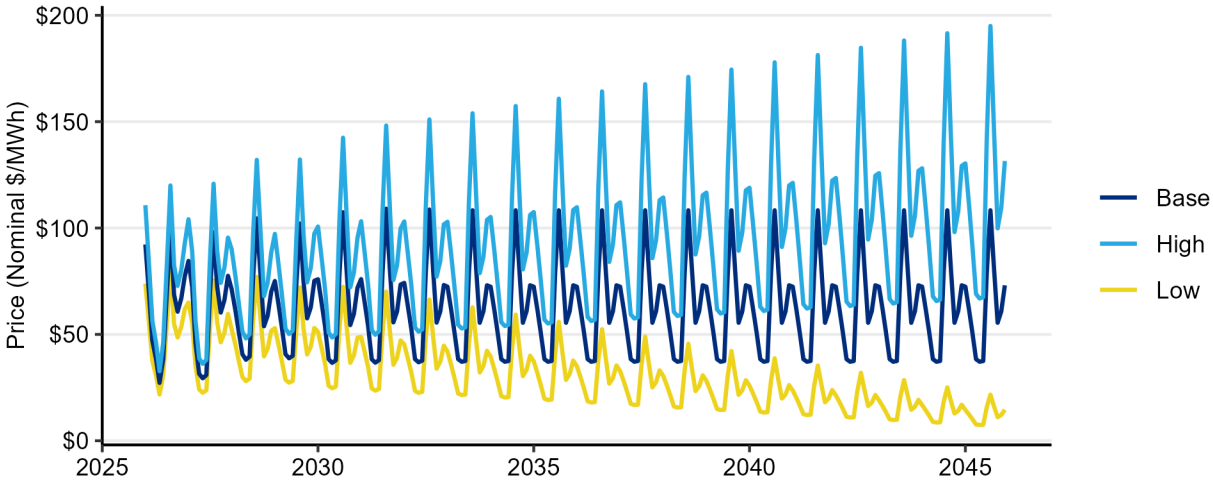
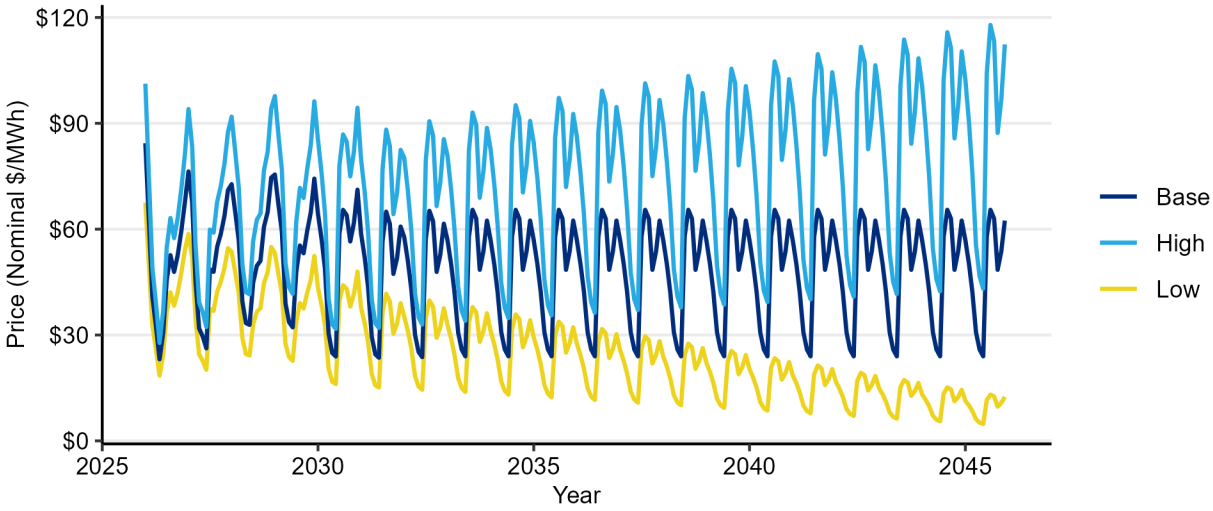


Figure 24: Comparison of Off-Peak Price Sensitivities



Deferred Transmission and Distribution Capacity Costs

Unlike supply-side resources, energy efficiency and demand response do not require transmission and distribution infrastructure. Instead, these resources free up capacity in the transmission and distributions systems by reducing the peak demands and, over time, can help defer or avoid future capacity expansions and the associated capital costs.

In the development of the 2021 Power Plan, the Council developed a standardized methodology and surveyed the region to calculate these values. This CPA and DRPA use the values developed by the Council through that process: $3.54 and $7.82 per kW-year (2016$) for transmission and distribution capacity, respectively. These values were used in RES's 2023 CPA. While the Council has prepared draft updates to these values as part of the 9th Power Plan, the draft values are based on utility

provided data that is heavily weighted by several larger utilities with transmission and distribution infrastructure needs that may not be representative of RES. Given this, RES is electing to continue using the 2021 Plan values until the 9th plan values are finalized, or additional RES specific data can be used to inform this assumption.

These values are applied to energy efficiency and demand response measures based on each measure's reduction in demand that is coincident with the timing of the transmission and distribution system peaks.

Deferred Generation Capacity Costs

Similar to the transmission and distribution systems discussed above, acquiring energy efficiency can also defer or eliminate the costs of new generation resources needed to meet peak demands for electricity. While there is currently no organized capacity market in the Northwest, RES does pay a demand charge to BPA based on its monthly peak demand. These charges effectively function as a generation capacity value for RES.

The project team followed a similar methodology to what was used in RES's previous CPAs, converting BPA's monthly demand charges to an annual generation capacity value using assumptions about energy efficiency's capacity contributions by month. Based on recent billing, RES does not typically pay a demand charge in November and only some of the time in October. Accordingly, BPA's demand charges were not included in November and only half of their value was included in October.

In the base case, the project team assumed that these demand charges would increase by 1.6% each year, consistent with the growth rate observed in recent years, and calculated a 20-year series of annual generation capacity values which were then levelized to calculate the single value that is required for the Council's ProCost model. This resulted in a base case value of $64/kW-year (2016$), a decrease from the $79/kW-year used in the 2023 CPA.

For the low case, no price escalation was assumed, resulting in a value of $56/kW-year. In the high case, the project team used Council's 2021 Power Plan value, which is $123/kW-year. This value reflects the levelized cost of capacity for a battery storage system and includes expected future cost decreases.

Social Cost of Carbon

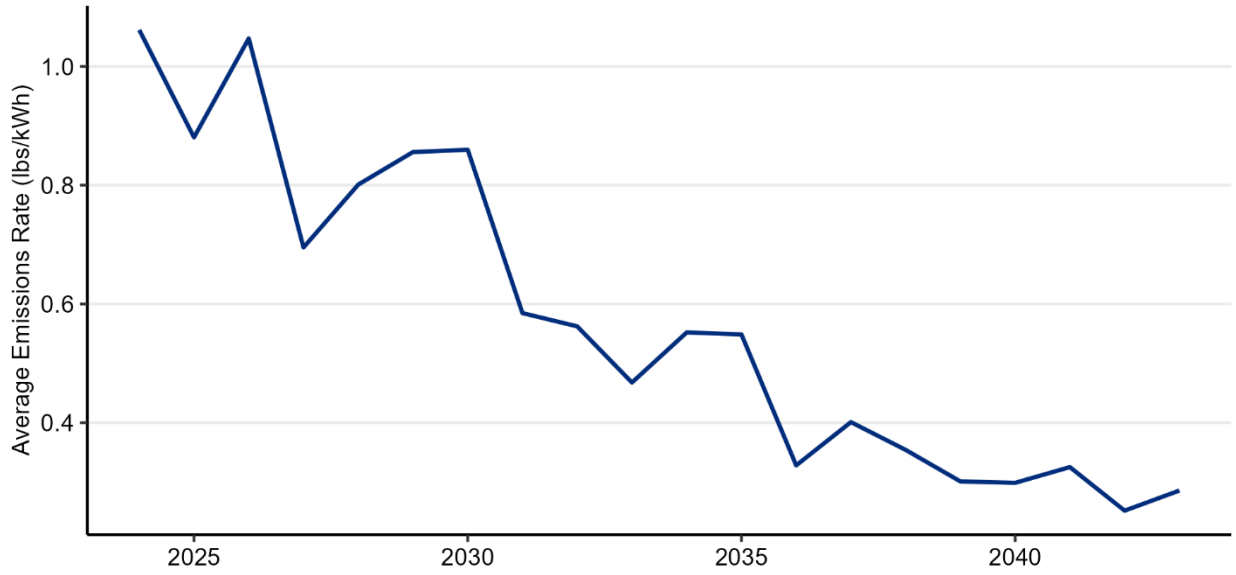
In addition to avoiding purchases of energy and capacity, energy efficiency measures can avoid emissions of greenhouse gases like carbon dioxide. Washington's EIA requires that CPAs include the social cost of carbon, which the US EPA defines as a measure of the long-term damage done by a ton of carbon dioxide emissions in a given year. The EPA describes it as including, among other things, changes in agricultural productivity, human health, property damage from increased flood risk, and changes in energy system costs, including increases in the costs of cooling and decreases in heating costs.[14] In addition to this requirement, Washington's CETA requires that utilities use the

[14] https://www.epa.gov/sites/production/files/2016-12/documents/social_cost_of_carbon_fact_sheet.pdf. Accessed January 21, 2021.

social cost of carbon values developed by the federal Interagency workgroup using a 2.5% discount rate. These values were used in all avoided cost sensitivities of the CPA.

To implement the cost of carbon emissions, additional assumptions must be made about the intensity of carbon emissions per unit of energy. This assessment uses an updated forecast of marginal emissions rates developed by the Council in 2024.[15] The average annual values from this analysis are shown in Figure 25 below. The forecast starts near 1 pound per kWh, which is approximately the emissions rate from natural gas turbines, and then declines over time as the generation resource pool shifts to clean resources over time.

Figure 25: Council Marginal Emissions Rate Forecast



Renewable Portfolio Standard Compliance Costs

The renewable portfolio standard established under Washington's EIA requires that RES source 15% of retail sales from renewable resources. The subsequently passed CETA furthers these requirements, mandating that 100% of sales be greenhouse gas neutral in 2030, with an allowance that up to 20% of the requirement can be achieved through other options, such as the purchase of Renewable Energy Credits (RECs).

Energy efficiency can reduce the cost of complying with these requirements by reducing RES's overall load. In 2026, a reduction in load of 100 MWh through energy efficiency would reduce the number of RECs required for compliance by 15. This equates to a value of 15% of the cost of a REC for every megawatt-hour of energy savings. In 2030, it was assumed that marginal energy purchases would also include the purchase of a REC, thus the full price of a REC was added to the energy price after 2030. In 2045, the last year of the study period, CETA's requirements change, and unbundled RECs are no longer allowed for compliance. However, the combination of market prices and RECs represents a reasonable proxy for clean energy resources.

[15] https://nwcouncil.app.box.com/s/m2877jpsigx2m3mv0u401wtfle0t5z8y

The project team developed a forecast of REC prices based on input from several Washington utility clients.

Risk Mitigation Credit

Any purchase of a resource involves risk. The decision to invest is based on uncertain forecasts of loads and market conditions. Investing in energy efficiency can reduce the risks that utilities face by the fact that it is made in small increments over time, rather than the large, singular sums required for generation resources. A decision not to invest in energy efficiency could result in exposure to higher market prices than forecast, an unneeded infrastructure investment, or one that cannot economically dispatch due to low market prices. While over-investments in energy efficiency are possible, the small and discrete amounts invested in energy efficiency limit the scale of any exposure to this risk.

In its power planning work, the Council develops a risk mitigation credit to account for this risk. This credit accounts for the value of energy efficiency not explicitly included in the other avoided cost values, ensuring that the level of cost-effective energy efficiency is consistent with the outcomes of the power planning process. The credit is determined by identifying the value that results in a level of cost-effective energy efficiency potential that is equivalent to the regional targets set by the Council.

In the 2021 Power Plan, the Council determined that no risk credit was necessary after including carbon costs and a generation capacity value in its avoided cost.

This CPA follows the process used in RES's previous CPAs and is similar to the process followed by the Council. A sensitivity analysis is used to account for uncertainty in the avoided cost values applied to energy efficiency measures, where present. The variation in energy and capacity values covers a range of possible outcomes and the sensitivity of the cost-effective energy efficiency potential is identified by comparing the outcomes of each sensitivity. In selecting its biennial target based on this range of outcomes, RES is selecting its preferred risk strategy and the associated risk credit.

Northwest Power Act Credit

Finally, this CPA includes a 10% cost credit for energy efficiency. This credit is specified in the Pacific Northwest Electric Power Planning and Conservation Act for regional power planning work completed by the Council and by Washington's EIA for CPAs completed for Washington utilities. This credit is applied as a 10% bonus to the energy and capacity benefits described above.

Summary

Table 14 summarizes the avoided cost assumptions used in each of the sensitivities in this CPA update.

Table 14: Energy Efficiency Avoided Cost Assumptions by Sensitivity

		Low Sensitivity	Base Case	High Sensitivity
Energy Values	**Avoided Energy Costs (20-Year Levelized Price, 2016$/MWh)**	Market Forecast minus 20%-80% ($16)	Market Forecast ($29)	Market Forecast plus 20%-80% ($42)
	Social Cost CO_2	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values	Federal 2.5% Discount Rate Values
	RPS Compliance	WA EIA & CETA Requirements	WA EIA & CETA Requirements	WA EIA & CETA Requirements
Capacity Values	**Distribution Capacity (2016$)**	$7.82/kW-year	$7.82/kW-year	$7.82/kW-year
	Transmission Capacity (2016$)	$3.54/kW-year	$3.54/kW-year	$3.54/kW-year
	Generation Capacity (2016$)	$56/kW-year	$64/kW-year	$123/kW-year
	Implied Risk Adder (2016$)	-$13/MWh -$8/kW-year	N/A	$13/MWh $59/kW-year
	NW Power Act Credit	10%	10%	10%

Appendix V: Measure List

This appendix provides a list of the measures that were included in this assessment and the data sources that were used for any measure characteristics. The assessment used all measures from the 2021 Power Plan that were applicable to RES. The project team customized these measures to make them specific to RES's service territory and updated many with new information available from the Regional Technical Forum. The RTF continually updates estimates of measure savings and cost. This assessment used the most up to date information available when the CPA was developed.

This list is high-level and does not reflect the thousands of variations for each individual measure. Instead, it summarizes measures by category. Many measures include variations specific to different home or building types, efficiency level, or other characterization. For example, attic insulation measures are differentiated by home type (e.g., single family, multifamily, manufactured home), heating system (e.g., heat pump or furnace), baseline insulation level (e.g., R0, R11, etc.) and maximum insulation possible (e.g., R22, R30, R38, R49). This differentiation allows for savings and cost estimates to be more precise.

The measure list is grouped by sector and end use. Note that all measures may not be applicable to an individual utility service territory based on the characteristics of individual utilities and their customer sectors.

Table 15: Residential End Uses and Measures

End Use	Measure Category	Data Source(s)
Appliances	Air Cleaner	2021 Power Plan, RTF
	Clothes Washer	2021 Power Plan, RTF
	Clothes Dryer	2021 Power Plan, RTF
	Freezer	2021 Power Plan, RTF
	Refrigerator	2021 Power Plan, RTF
Cooking	Electric Oven	2021 Power Plan
	Microwave	2021 Power Plan
Electronics	Advanced Power Strips	2021 Power Plan, RTF
	Desktop	2021 Power Plan
	Laptop	2021 Power Plan
	Monitor	2021 Power Plan
	TV	2021 Power Plan
EVSE	EVSE	2021 Power Plan
HVAC	Air Source Heat Pump	2021 Power Plan, RTF
	Central Air Conditioner	2021 Power Plan, RTF
	Cellular Shades	2021 Power Plan
	Circulator	2021 Power Plan
	Circulator Controls	2021 Power Plan
	Ductless Heat Pump	2021 Power Plan, RTF
	Duct Sealing	2021 Power Plan, RTF
	Ground Source Heat Pump	2021 Power Plan
	Heat Recovery Ventilator	2021 Power Plan
	Room Air Conditioner	2021 Power Plan
	Smart Thermostats	2021 Power Plan, RTF
	Weatherization	2021 Power Plan, RTF
	Whole House Fan	2021 Power Plan
Lighting	Fixtures	2021 Power Plan, RTF
	Lamps	2021 Power Plan, RTF
	Pin Lamps	2021 Power Plan, RTF
Motors	Well Pump	2021 Power Plan
Water Heat	Aerators	2021 Power Plan, RTF
	Circulator	2021 Power Plan
	Circulator Controls	2021 Power Plan
	Dishwasher	2021 Power Plan
	Gravity Film Heat Exchanger	2021 Power Plan
	Heat Pump Water Heater	2021 Power Plan, RTF
	Pipe Insulation	2021 Power Plan
	Showerhead	2021 Power Plan
	Thermostatic Restrictor Valve	2021 Power Plan, RTF
Whole Home	Behavior	2021 Power Plan

Table 16: Commercial End Uses and Measures

End Use	Measure Category	Data Source(s)
Compressed Air	Air Compressor	2021 Power Plan
Electronics	Computers	2021 Power Plan
	Power Supplies	2021 Power Plan
	Smart Power Strips	2021 Power Plan, RTF
	Servers	2021 Power Plan
Food Preparation	Combination Ovens	2021 Power Plan, RTF
	Convection Ovens	2021 Power Plan, RTF
	Fryers	2021 Power Plan, RTF
	Griddle	2021 Power Plan, RTF
	Hot Food Holding Cabinet	2021 Power Plan, RTF
	Overwrapper	2021 Power Plan, RTF
	Steamer	2021 Power Plan, RTF
HVAC	Advanced Rooftop Controller	2021 Power Plan, RTF
	Chiller	2021 Power Plan
	Circulation Pumps	2021 Power Plan, RTF
	Ductless Heat Pump	2021 Power Plan, DHP
	Energy Management	2021 Power Plan
	Fans	2021 Power Plan
	Heat Pumps	2021 Power Plan
	Package Terminal Heat Pumps	2021 Power Plan, RTF
	Pumps	2021 Power Plan, RTF
	Smart Thermostats	2021 Power Plan
	Unitary Air Conditioners	2021 Power Plan
	Very High Efficiency Dedicated Outside Air System	2021 Power Plan
	Variable Refrigerant Flow Dedicated Outside Air System	2021 Power Plan
	Windows	2021 Power Plan, RTF
Lighting	Exit Signs	2021 Power Plan
	Exterior Lighting	2021 Power Plan
	Garage Lighting	2021 Power Plan
	Interior Lighting	2021 Power Plan
	Stairwell Lighting	2021 Power Plan
	Streetlights	2021 Power Plan
Motors & Drives	Pumps	2021 Power Plan, RTF
Process Loads	Elevators	2021 Power Plan
	Engine Block Heater	2021 Power Plan, RTF
Refrigeration	Freezer	2021 Power Plan
	Grocery Refrigeration	2021 Power Plan, RTF
	Ice Maker	2021 Power Plan, RTF
	Refrigerator	2021 Power Plan, RTF
	Vending Machine	2021 Power Plan, RTF
	Water Cooler Controls	2021 Power Plan
Water Heating	Commercial Clothes Washer	2021 Power Plan, RTF
	Heat Pump Water Heater	2021 Power Plan, RTF
	Pre-Rinse Spray Valve	2021 Power Plan, RTF
	Pumps	2021 Power Plan, RTF
	Showerheads	2021 Power Plan

Table 17: Industrial End Uses and Measures

End Use	Measure Category	Data Source(s)
All Electric	Energy Management	2021 Power Plan
	Forklift Charger	2021 Power Plan
	Water/Wastewater	2021 Power Plan
Compressed Air	Air Compressor	2021 Power Plan
	Air Compressors	2021 Power Plan
	Compressed Air Demand Reduction	2021 Power Plan
Fans and Blowers	Fan Optimization	2021 Power Plan
	Fans	2021 Power Plan, RTF
HVAC	HVAC	2021 Power Plan
Lighting	High Bay Lighting	2021 Power Plan
	Lighting	2021 Power Plan
	Lighting Controls	2021 Power Plan
Low Temp Refer	Motors	2021 Power Plan
	Refrigeration Retrofit	2021 Power Plan
Material Handling	Motors	2021 Power Plan
	Paper	2021 Power Plan
	Wood Products	2021 Power Plan
Material Processing	Hi-Tech	2021 Power Plan
	Motors	2021 Power Plan
	Paper	2021 Power Plan
	Pulp	2021 Power Plan
	Wood Products	2021 Power Plan
Med Temp Refer	Food Storage	2021 Power Plan
	Motors	2021 Power Plan
	Refrigeration Retrofit	2021 Power Plan
Melting and Casting	Metals	2021 Power Plan
Other	Pulp	2021 Power Plan
Other Motors	Motors	2021 Power Plan
Pollution Control	Motors	2021 Power Plan
Pumps	Pulp	2021 Power Plan
	Pump Optimization	2021 Power Plan
	Pumps	2021 Power Plan, RTF

Table 18: Utility Distribution End Uses and Measures

End Use	Measure Category	Data Source
Distribution	Line Drop Control with no Voltage/VAR Optimization	2021 Power Plan
	Line Drop Control with Voltage Optimization & AMI	2021 Power Plan

Appendix VI: Cost-Effective Energy Efficiency Potential by End Use

Table 19: Cost-Effective Residential Potential by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
Appliances	390	896	2,770	5,033
Cooking	1	5	53	296
Electronics	13	51	618	1,976
EVSE	0	0	0	0
HVAC	1,175	2,463	8,504	16,578
Lighting	49	132	773	3,132
Motors	0	0	0	0
Water Heat	309	886	4,330	9,849
Whole Home	0	0	0	0
Total	**1,937**	**4,432**	**17,048**	**36,864**

Table 20: Cost-Effective Commercial Potential by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
Compressed Air	2	9	105	500
Electronics	53	212	1,963	2,822
Food Preparation	18	41	138	279
HVAC	576	2,019	11,639	29,375
Lighting	1,689	3,622	8,470	15,335
Motors/Drives	25	90	815	3,221
Process Loads	0	0	0	0
Refrigeration	160	546	4,260	11,620
Water Heat	6	22	242	1,230
Total	**2,529**	**6,561**	**27,631**	**64,383**

Table 21: Cost-Effective Industrial Potential by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
All Electric	543	1,828	8,508	11,345
Compressed Air	56	197	1,118	2,382
Fans and Blowers	43	154	1,366	5,506
HVAC	110	376	1,771	2,370
Lighting	770	2,130	7,832	9,655
Low Temp Refrigeration	198	681	3,422	5,680
Material Handling	5	14	77	309
Material Processing	20	58	320	992
Med Temp Refrigeration	59	202	1,028	1,763
Melting and Casting	7	14	35	64
Other	0	1	2	2
Other Motors	2	10	96	376
Pollution Control	0	1	13	52
Pumps	89	322	3,030	12,615
Total	**1,903**	**5,988**	**28,617**	**53,112**

Table 22: Cost-Effective Utility Distribution Efficiency by End Use (MWh)

End Use	2-Year	4-Year	10-Year	20-Year
LDC with no VVO	21	86	924	2,721
LDC with VVO & AMI	140	576	6,197	18,245
Total	**161**	**662**	**7,121**	**20,966**

Appendix VII: Ramp Rate Alignment Documentation

This appendix documents the application of ramp rates in Richland Energy Service's (RES) 2025 Conservation Potential Assessment (CPA), developed by Lighthouse Energy Consulting and Nauvoo Solutions (the study team). Ramp rates are annual values that approximate the portion of technical potential that can be realistically achieved in each year. For example, all unweatherized homes in RES's service territory could theoretically be weatherized in a single year. However, program budgets, workforce availability, and other dynamics make this impractical. As a result, only a percentage of homes could realistically be weatherized in a single year.

For equipment measures like clothes washers, upgrading to more efficient equipment is most likely to occur when the equipment reaches the end of its life and needs to be replaced. Therefore, ramp rates for equipment measures reflect the share of equipment turning over in a given year that is replaced with a more efficient model.

The ramp rates used in this study are based on those used in the 2021 Power Plan but were updated to reflect the fact that some time has elapsed since the 2021 Power Plan. The study team assigned ramp rates that align the near-term cost-effective potential quantified in the CPA with the recent and expected achievements of RES's energy efficiency programs. Under both CETA and EIA, utilities are required to pursue all conservation that is cost-effective, reliable, and achievable. Therefore, the ramp rates in this study are designed to ensure that the near-term potential is feasible and achievable for RES's programs and the measures considered for adoption meet regulatory cost-effectiveness criteria.

Ramp Rate Alignment Process

RES staff provided recent program achievement data, which the study team summarized by sector and end use. For the residential sector, the study team further classified program achievements by high-level measure categories.

Additionally, RES benefits from the regional market transformation work of the Northwest Energy Efficiency Alliance (NEEA). To reflect this, the study team incorporated estimated energy efficiency savings from NEEA market transformation activity occurring in RES's service territory. These savings were allocated across sectors, end uses, and measure categories based on recent reporting of NEEA's regional savings.

The study team compared the recent savings from RES's programs and NEEA's market transformation initiatives with the initial estimates of the cost-effective energy efficiency potential identified in the CPA. The study team made changes to the assigned ramp rates to accelerate or decelerate the forecasted pace of savings acquisition to align future savings potential with recent programmatic achievements. Areas where there were little to no recent program achievements typically have a slow ramp rate applied to account for the fact that a program may need to build momentum over several years.

The following tables show how RES's recent programmatic achievements and allocated NEEA market transformation savings compare to the potential estimated to be cost-effective after adjusting the ramp rates. Color scaling has been applied to highlight the larger values. Discussion follows each table with additional detail.

Residential

Table 23 shows how residential potential was aligned with recent achievements by measure category.

Note that ramp rate choices are discrete and may not provide exact alignment. The overall goal is to achieve a general alignment across end uses and measures.

Table 23: Alignment of Residential Program History and Potential by Measure Category (MWh)

		Program History			CPA Cost-Effective Potential			
End Use	**Category**	**2022**	**2023**	**2024**	**2026**	**2027**	**2028**	**2029**
Appliances	Clothes Washer	116	139	131	83	101	112	122
Appliances	Dryer	49	59	55	32	44	55	65
Appliances	Freezer	-	-	-	0	1	2	3
Appliances	Refrigerator	69	83	78	60	68	73	75
Cooking	Microwave	-	-	-	0	1	1	2
Cooking	Oven	-	-	-	0	0	0	0
Electronics	Advanced Power Strips	0	29	0	-	-	-	-
Electronics	Desktop	9	11	11	-	-	-	-
Electronics	Laptop	-	-	-	1	1	2	3
Electronics	Monitor	-	-	-	-	-	-	-
Electronics	TV	-	-	-	4	8	13	20
EVSE	EVSE	0	1	1	-	-	-	-
HVAC	ASHP	554	259	260	187	218	249	290
HVAC	CAC	-	-	-	1	3	4	7
HVAC	Circulator	-	-	-	0	0	0	0
HVAC	Circulator Controls	-	-	-	0	0	0	0
HVAC	DHP	141	161	140	-	-	-	-
HVAC	Duct Sealing	-	-	-	23	38	58	82
HVAC	Room AC	0	1	1	-	-	-	-
HVAC	Thermostat	-	577	26	56	98	155	229
HVAC	Weatherization	202	565	444	333	216	144	70
Lighting	Fixtures	-	-	-	21	28	36	46
Water Heat	Circulator	-	-	-	0	0	0	0
Water Heat	Circulator Controls	-	-	-	0	0	0	1
Water Heat	Dishwasher	-	-	-	0	0	0	1
Water Heat	HPWH	134	140	139	118	179	239	306
Water Heat	TSRV	-	2	1	4	7	12	17
	Total	**1,275**	**2,025**	**1,287**	**926**	**1,012**	**1,156**	**1,340**

Note: For clarity, in the table above, measure categories with no program achievements and no cost-effective potential have been removed. In addition, note that some measures have savings values that are small and cannot be shown at this level of resolution. These values show as 0 in this and following tables while a true zero value is shown as a dash.

The following sections discuss the alignment within each residential end use.

Appliances

In this end use, the savings are from NEEA's market transformation initiatives. NEEA's work includes an initiative for retail products and appliances that contributes savings. The savings from this work typically grow over time as markets transform. Ramp rates were adjusted to align with the NEEA savings.

Cooking

Neither RES nor NEEA have savings in this end use, so the measures—microwaves and ovens—were given slow ramp rates.

Electronics

Most of the historical savings in this end use come from NEEA's work advancing efficient desktop computers. The more efficient Energy Star desktop computer is not cost-effective and therefore not incorporated in the future potential. The Regional Technical Forum (RTF) has recently deactivated advanced power strips due to a lack of data and confidence in the savings, so the measure was removed from this CPA. Going forward, the cost-effective potential is associated with TVs and laptops. The study team slowed the ramp rate for these categories since there are no current RES programs or NEEA initiatives that would address these measures.

HVAC

The HVAC category is RES's largest source of program savings in the past three years, and the top program measures include air source heat pumps (ASHP), ductless heat pumps (DHP), smart thermostats, and weatherization measures.

Measures in the HVAC end use are often expensive. Although ASHPs typically struggle to be cost-effective, the study team included the tax credits and incentives provided for heat pumps through the federal Inflation Reduction Act (IRA). While much of IRA has recently been repealed, program funding has already been distributed to the states. Including these federal credits and incentives improves the cost-effectiveness of ASHPs, particularly for income-qualified households, who are eligible for more substantial benefits.

None of the DHP measures were identified as cost effective after updating measure assumptions with recent RTF updates.

Additional cost-effective potential is available through smart thermostats, duct sealing, efficient central air conditioning systems, and weatherization, which were assigned ramp rates to align with RES's recent program history.

Lighting

The lighting end use is now subject to product standards that cover many screw-in lamps. The potential that remains is in fixtures with integrated LEDs and less common bulb types. There is not currently a program to incentivize LED fixtures, so these measures were given a slower ramp rate.

Water Heat

The past savings in the water heating category are from heat pump water heaters, both from RES's programs and NEEA's market transformation efforts.

Washington has state product standards for showerheads and aerators, so there is no potential in these categories. The study team applied slower ramp rates to the remaining measure categories with cost-effective potential, which includes circulator pumps and controls, dishwashers, and thermostatic restrictor valves (TSRV).

Table 24 below summarizes the residential measure category results in Table 23 by end use. This table also incorporates savings from whole home measures that do not align with categories included in the CPA but could be grouped in the end uses listed below. Savings in the HVAC end use could not be aligned as the program history includes significant savings from ductless heat pumps, which were not found to be cost-effective in this CPA.

Table 24: Alignment of Residential Program History and Potential by End Use (MWh)

	Program History			CPA Cost-Effective Potential			
End Use	**2022**	**2023**	**2024**	**2026**	**2027**	**2028**	**2029**
Appliances	234	280	264	176	214	242	264
Cooking	-	-	-	0	1	1	2
Electronics	10	40	11	4	8	15	23
EVSE	0	1	1	-	-	-	-
HVAC	897	1,563	871	601	573	610	679
Lighting	-	-	-	21	28	36	46
Motors	-	-	-	-	-	-	-
Water Heat	134	141	141	123	187	251	325
Whole Home	-	-	-	-	-	-	-
Total	**1,275**	**2,025**	**1,287**	**926**	**1,012**	**1,156**	**1,340**

Commercial

In the commercial sector, the greatest potential lies within lighting and HVAC end uses, which are also the areas where RES's programs achievements are the greatest. NEEA also contributes additional savings in these end uses. The ramp rates associated with these end uses were aligned as best as possible. The end uses outside of the lighting and HVAC end uses were generally given slower ramp rates to reflect the lower program activity in these areas.

Note that lighting in the commercial sector is impacted by Washington House Bill 1185's[16] ban on the sale of lighting products containing mercury, which includes fluorescent lighting. The ban takes effect in the second half of 2029. After this, much of the remaining lighting potential is associated with lighting controls and lighting technologies where fluorescent lighting is not the baseline technology.

Table 25 below shows the alignment of program history and potential in the commercial sector.

[16]Accessed July 11, 2025. https://lawfilesext.leg.wa.gov/biennium/2023-24/Pdf/Bills/Session%20Laws/House/1185-S2.SL.pdf?q=20250714075226

Table 25: Alignment of Commercial Program History and Potential by End Use (MWh)

	Program History			CPA Cost-Effective Potential			
End Use	**2022**	**2023**	**2024**	**2026**	**2027**	**2028**	**2029**
Compressed Air	-	-	-	1	2	3	4
Electronics	25	29	28	18	35	61	98
Food Preparation	9	11	10	8	10	11	12
HVAC	199	171	933	205	371	592	852
Lighting	88	2,500	414	778	911	1,026	906
Motors/Drives	21	26	24	9	16	26	39
Process Loads	1	1	1	-	-	-	-
Refrigeration	-	-	-	60	100	156	229
Water Heat	-	-	-	2	4	6	10
Total	**343**	**2,738**	**1,410**	**1,081**	**1,448**	**1,881**	**2,152**

Industrial

Savings in the industrial sector are often irregular and uneven, subject to the projects that are completed in a given year. Table 26 shows the alignment of industrial potential and recent program history by end use. Since the savings in any particular end use may not be known in advance, the study team sought to align the overall level of potential with recent program history.

Table 26: Alignment of Industrial Program History and Potential by End Use (MWh)

	Program History			CPA Cost-Effective Potential			
End Use	**2022**	**2023**	**2024**	**2026**	**2027**	**2028**	**2029**
Energy Management	833	684	-	199	344	534	750
Compressed Air	-	983	-	20	36	58	83
Fans and Blowers	-	-	58	16	27	44	66
HVAC	-	367	-	40	70	110	155
Lighting	-	922	-	325	445	592	768
Motors	-	-	1	1	2	3	5
Refrigeration	-	-	374	92	164	259	368
Process	-	168	-	14	18	23	30
Pumps	-	-	-	32	56	92	141
Other	-	-	-	0	0	1	1
Total	**833**	**3,123**	**434**	**739**	**1,164**	**1,716**	**2,369**

Utility Distribution System

The potential in the utility distribution system is from conservation voltage reduction, where system voltages are lowered while remaining within required ranges. RES currently controls its system voltages at times of peak demand as a way to reduce its monthly demand charges. The energy savings shown here represent the energy savings if the voltage was controlled on a continuous basis. The potential in this sector is limited compared to other sectors.

Table 27: Alignment of Distribution System Program History and Potential by End Use (MWh)

	Program History		CPA Cost-Effective Potential			
End Use	**2023**	**2024**	**2026**	**2027**	**2028**	**2029**
Distribution System	-	-	54	107	191	310

2025 DEMAND RESPONSE POTENTIAL ASSESSMENT

Richland Energy Services

August 25, 2025

Prepared by:

LIGHTHOUSE ENERGY CONSULTING

Nauvoo Solutions

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Introduction

This report summarizes the 2025 Demand Response Potential Assessment (DRPA) conducted by Lighthouse Energy Consulting and Nauvoo Solutions (the project team) for Richland Energy Services (RES). The DRPA estimated the cost-effective demand response potential for 2026 to 2045.

The DRPA generally followed the methodology used by the Northwest Power and Conservation Council (Council) in the 2021 Power Plan and included many of the same demand response (DR) products. The DR products included in this DRPA are applicable to the commercial, industrial, and residential sectors, impact both the summer and winter seasons, and utilize a range of strategies, including direct load control, customer-initiated demand curtailment, and time-varying prices in order to effect reductions in peak demand.

Background

The 2021 Power Plan defines DR as "a non-persistent intentional change in net electricity usage by end-use customers from normal consumptive patterns in response to a request on behalf of, or by, a power and/or distribution/transmission system operator. This change is driven by an agreement, potentially financial, or tariff between two or more participating parties."[1]

DR has not been widely used in the Northwest but has received increased interest in recent years. Growing capacity constraints associated with the closure of regional coal-fired power plants, increases in policies requiring the use of carbon-neutral or renewable energy such as Washington's Clean Energy Transformation Act (CETA), and operational limitations placed on the region's hydropower system are all driving a need for cost-effective generation capacity. DR offers a solution to reduce system demands, help integrate renewable resources, and alleviate congestion on transmission and distribution systems.

In addition, the CETA requires utilities to assess the amount of DR resource potential that is cost-effective, reliable, and feasible, and use that assessment to identify a target for DR in each Clean Energy Implementation Plan (CEIP). The first CEIP was due January 1, 2022, and updates are due every subsequent four years.

Like many utilities in the Northwest, RES does not currently have active customer-facing DR programs. RES does, however, currently make use of voltage reduction during times of peak demand. This is known as demand voltage regulation, or DVR. Regional utilities have been conducting pilots of different DR program types to learn what types of programs would work well in the Northwest. RES has participated in past pilots offered by Bonneville Power Administration (BPA), including a regional pilot conducted from 2013 to 2017. RES also offers an incentive for electric vehicle charging equipment and requires that customers document that the chargers have been set to charge during off-peak hours.

[1] Northwest Power and Conservation Council, *2021 Power Plan.* March 10, 2022. https://www.nwcouncil.org/fs/17680/2021powerplan_2022-3.pdf

Methodology

The project team developed this DRPA by identifying the DR products to be included in the assessment, quantifying their costs and benefits, and then quantifying RES's customer base that could adopt them.

Like a conservation potential assessment, the DR potential calculation process began with the quantification of technical potential, which is the maximum amount of DR possible without regard to cost or market barriers to limit participation. The assessment then considered market barriers, program participation rates, and other factors to quantify the achievable potential. Finally, the economic potential is quantified by applying a total resource cost (TRC) perspective cost-benefit test to the achievable potential. This methodology is discussed further below.

Demand Response Products

This DRPA included the same products that were included in RES's 2023 DRPA. These included products that cover a range of sectors, end uses, and product types. While RES is not currently considered a summer peaking utility, they experience high demand in the summer that continues to grow, so the project team included DR products impacting the summer and winter seasons. Furthermore, RES is a load following customer of Bonneville Power Administration (BPA) and is subject to demand charges throughout the year.

The high-level categories of DR products included in this assessment are summarized in Table 1 below, which organizes the products by sector and implementation strategy.

Table 1: Demand Response Products

	Residential	Commercial	Industrial	Utility
Direct Load Control	• EV Charging • Grid-Enabled Water Heater • Water Heater Switch • Space Heating Switch • Space Cooling Switch • Smart Thermostat	• Space Heating Switch • Space Cooling Switch • Smart Thermostat		• Demand Voltage Reduction (DVR)
Demand Curtailment		• Demand Curtailment	• Demand Curtailment	
Time-Varying Prices	• Time of Use (TOU) Pricing • Critical Peak Pricing	• Critical Peak Pricing	• Critical Peak Pricing • Real Time Pricing	

Direct load control (DLC) products are those in which the utility has direct control of the operation of applicable equipment. This could be achieved by adding switch controls to existing equipment or controlling equipment with integrated controls such as smart thermostats and grid-enabled hot water heaters. DLC products typically achieve high event participation rates as participation in an

event is only limited by the success of the controlled equipment receiving and implementing any instructions to change its operation or customer intervention to opt out of a demand response event. Demand curtailment is like DLC but requires the intervention of customers to implement reductions in load. These products usually involve contracts between the customer and utility that detail the amount, duration, and frequency of load reductions. Time-varying price products rely on a variety of tariff-based strategies to encourage customers to respond to higher energy or demand prices. Participation in curtailment and price-based programs depends on customer willingness to shift energy usage, the expectations from the utility of how often and long events would occur, and the incentives for participating.

The project team customized the assumptions for these products to better reflect RES's service territory and projections of equipment saturations based on RES's 2025 Conservation Potential Assessment (2025 CPA). For example, the project team used the projections of future adoption of heat pump water heaters and smart thermostats from the 2025 CPA to estimate the number of homes with these technologies that could participate in related demand response programs.

Appendix I of this report includes a complete list of the products used in this assessment.

Customer and Sales Forecasts

Once the products were identified, the project team then quantified the customer base that could adopt the products. RES provided 2024 customer sales and counts for each sector and the project team used historical sales and customer data to estimate growth over the study period. Summaries of these forecasts are shown in Figure 1 and Figure 2. Over 40% of RES's sales and by far the majority of RES's customers are in the residential sector.

In the residential sector, customer counts and saturations of eligible equipment are the primary determinants of DR potential. Relative to the prior DRPA, the projected 20-year residential customer counts decreased by 15% due to slower growth rate assumptions based on more recent housing data. Updated customer data resulted in higher saturations of electric space heating equipment as well.

In the commercial and industrial sectors, the potential is largely determined by forecasted sales. For the 2025 DRPA, the project team updated the allocation of sales between the commercial and industrial sectors based on improved data that allowed for better alignment of customers to these segments. This shift resulted in the 20-year industrial sales increasing by 13% relative to the previous DRPA and the commercial sales decreasing by 30% relative to the previous DRPA. The project team also used more recent data to estimate future growth over the study period in the nonresidential sectors and this led to a slower growth rate.

Figure 1: Sales Forecast by Sector

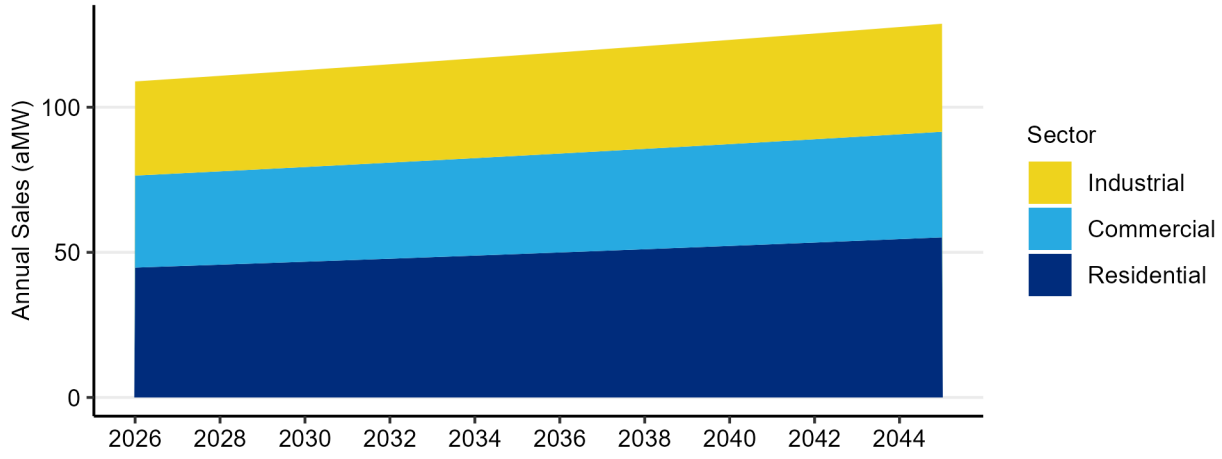
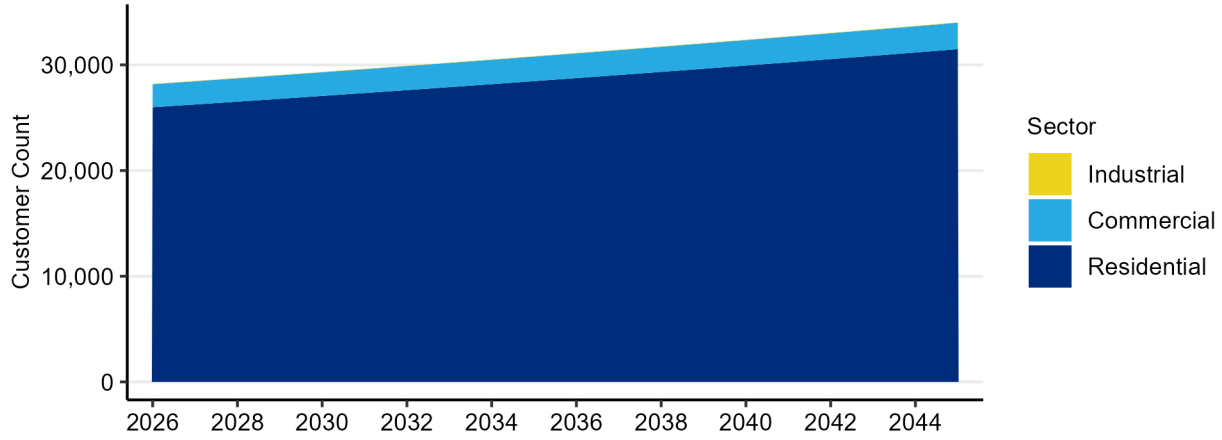


Figure 2: Customer Count Forecast by Sector



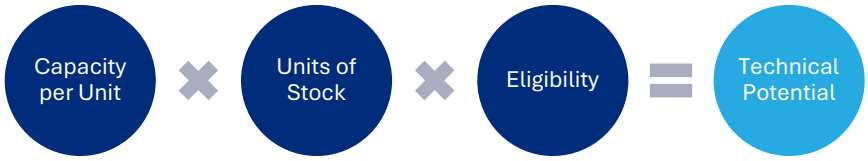
Technical Potential

The project team quantified the technical DR potential by a combination of bottom-up and top-down methodologies, depending on how the impact of a given product was quantified. In products where the impacts are quantified in terms of an assumed demand impact per unit, the bottom-up methodology is used. For example, smart thermostats have an assumed demand impact of approximately 1 kilowatt per thermostat in the winter. Products with percentage-based impacts use the top-down method. Residential time of use rates are modeled on a top-down basis using an assumed demand reduction of approximately 3% during winter on-peak periods. These methodologies are described further below.

In the bottom-up method, illustrated in Figure 3, the per-unit demand reduction estimate for each DR product was multiplied by the number of technically possible opportunities. The number of opportunities was determined by multiplying the units of stock, such as the number of homes, by an eligibility factor. This factor quantifies the share of units that are eligible to install the DR product or participate in a program, typically by having the appropriate equipment installed. For example, in

quantifying the potential associated with a smart thermostat demand response program, the eligibility factor would be the share of homes in RES's service territory with a smart thermostat installed.

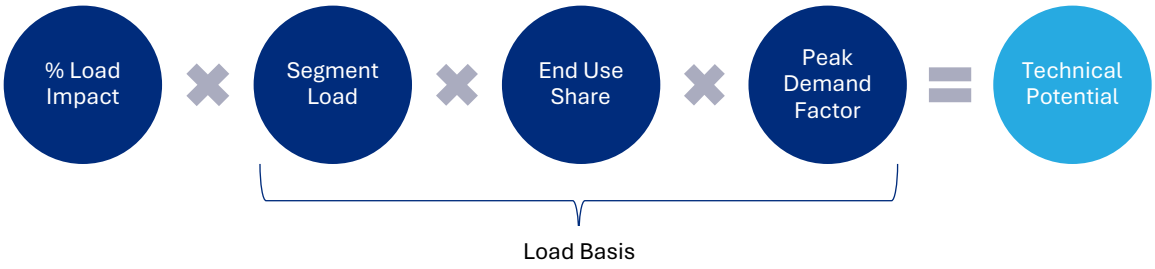
Figure 3: Bottom-Up Technical Potential Calculation



This analysis used the capacity values determined by Council in the 2021 Power Plan or through additional research and analysis conducted by the project team. Stock unit counts were developed from data provided by RES, Census data, and regional stock assessments. Finally, the eligibility factors were determined by a combination of data from RES's 2025 CPA and the 2021 Power Plan. The project team used projections of the future adoption of technologies such as smart thermostats and heat pump water heaters from RES's 2025 CPA to inform the future potential identified in this DRPA.

In the top-down method, the technical potential was determined by multiplying each DR product's assumed load impact by an applicable load basis. The impact is the estimated demand reduction, expressed as a percentage, and the load basis is measured in units of demand. The load basis was determined by multiplying the load of a given customer segment by the share of load within the impacted end use. For example, with products controlling HVAC equipment, the load basis is calculated by multiplying the overall load of the customer segment and the share of energy used by HVAC equipment. Finally, a peak demand factor converts annual energy consumption values into an average demand, based on the expected number and duration of DR events, and their coincidence with RES's expected system peaks. This calculation is shown in Figure 4.

Figure 4: Top-Down Technical Potential Calculation



The load impact assumptions and end use shares were taken from the 2021 Power Plan or developed from research conducted by the project team. The segment loads within each sector were developed from sector-level forecasts from RES. The project team calculated the peak demand factors based on 2021 Power Plan load shapes and their coincidence with RES's system peaks.

Achievable Potential

The project team quantified the achievable potential for each product by adjusting the technical potential to include considerations for program and event participation rates and program ramp up.

Program participation is the proportion of eligible customers who participate in a DR program while event participation quantifies the share of program participants that engage in any given DR event. For DR products enabled through DLC, the event participation rate depends on the success of the controlled equipment responding to the control signal and reducing demand as well as participant opt-outs, while for other types of programs this factor considers the likelihood of human intervention.

The annual rate of DR program adoption was based on ramp rates. Ramp rates consider whether a program is starting from scratch or already has traction in the market and how long it will take to reach its maximum participation levels. This assessment generally used the ramp rates used in the 2021 Power Plan, where most products were given a ramp rate that reflects a 5- or 10-year ramp up period.

The calculation of achievable potential is the same for both bottom-up and top-down methods and is shown in Figure 5.

Figure 5: Achievable Potential Calculation

Economic Potential

The economic potential was determined by applying a TRC-based cost-effectiveness screening to the achievable potential described above. To perform this screening, the project team estimated the costs of capacity avoided through demand response for RES and compared those to the estimated program costs for each product. Table 2 summarizes the costs and benefits included in the cost effectiveness calculation.

Table 2: Demand Response Costs and Benefits

Costs	Benefits
• Program setup costs • Operation and maintenance costs • Equipment costs • Marking costs • Program incentives[2]	• Avoided monthly demand charges from BPA • Avoided capital costs related to the deferral or avoidance of capacity expansions on the transmission and distribution systems

These costs and benefits are projected over 20 years, based on the projected participation and associated demand reductions.

[2] While program incentives are not typically included in the Total Resource Cost perspective typically used in utility planning, for demand response, some portion of the incentive is assumed to represent the cost of a DR program participant's burden or inconvenience in participating in a program. For example, in the residential sector, 25-35% of the incentives are included.

This assessment assumes that DR events can be called with perfect anticipation of peak demands. In implementing a DR program, utilities typically specify a maximum number of events per season that will be called. This gives participants an upper limit of what may be asked of them but also provides utilities with a number of events to call when forecasted demands are high. However, challenges still exist in deciding the dates and hours to call DR events, and any peak events occurring when DR events were not planned may result in reductions in the ultimate cost-effectiveness of a DR program.

Results

This section documents the results of the DRPA. It begins with the winter and summer achievable potential, followed by a comparison to the results of RES's previous DRPA. Finally, the costs and economic potential are discussed.

Winter Achievable Potential

The estimated achievable winter DR potential is summarized by sector and year in Figure 6. The total 20-year winter potential is 11.9 MW, which is approximately 6% of RES's estimated 2045 winter peak demand.

Most of the potential is in the residential sector, which totals 9.5 MW in the last year of the study period. DVR offers the second greatest opportunity equating to 1.0 MW of peak reduction in the final year of the study. The remaining potential in the commercial and industrial sectors is approximately 1.4 MW in total.

Residential loads are highly correlated with winter peak demand periods, while commercial loads tend to peak in the summer and industrial loads are often fairly flat throughout the year. In addition, many commercial and industrial facilities have less ability to reduce or shift their loads and participation in demand response programs is limited.

Figure 6: Annual Achievable Winter DR Potential by Sector

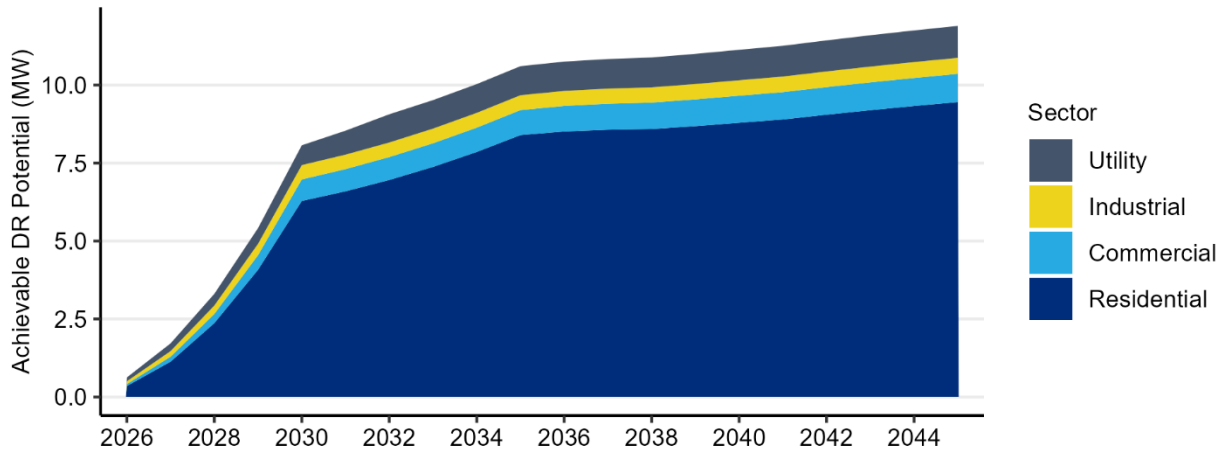


Figure 7 shows how this potential breaks down by end use. The potential is spread across the categories of space heating, water heating, EV charging, and the "all" end use. The "all" end use includes pricing products and curtailment strategies whose impacts are not specific to a single end use. This includes DVR. The growth rates for each end use reflect different rates of eligibility for different types of equipment. The growth in potential from EV charging is driven by the forecasted adoption of electric vehicles. The DR potential in water heating is impacted by the adoption of heat pump water heaters, which provide energy savings throughout the year but less callable load reductions for demand response. Growth in the "all" end use is based on the assumed rollout of curtailment and DVR programs.

Figure 7: Annual Achievable Winter DR Potential by End Use

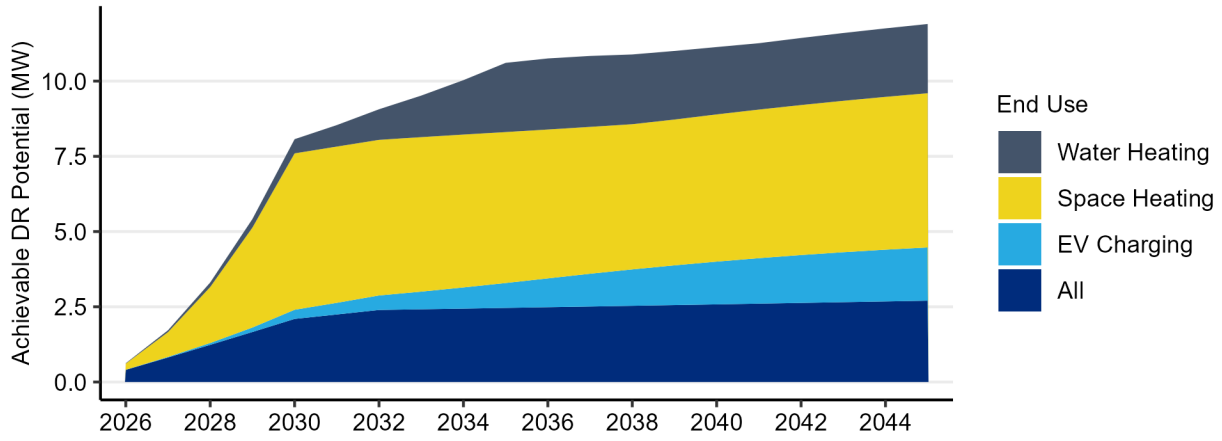
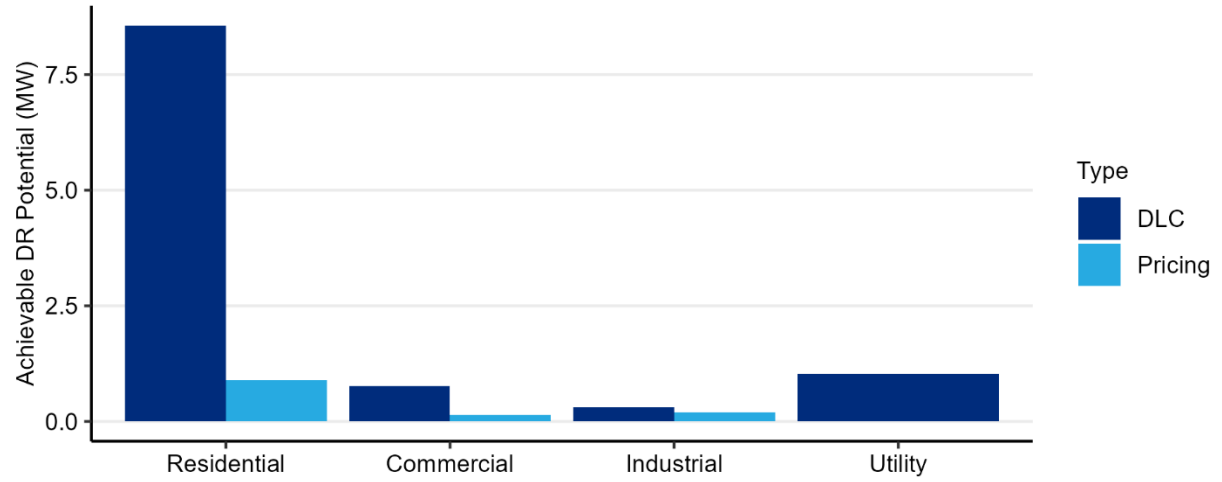


Figure 8 shows how this potential breaks down across the various product types within each sector. The commercial and industrial curtailment products are classified as DLC products in this figure. By far, most of the potential is from residential DLC products, with smaller amounts coming from the pricing and demand curtailment strategies.

Figure 8: Achievable Winter DR Potential by Sector and Type



Summer Achievable Potential

In the summer, RES has approximately 14.2 MW of achievable demand response available by 2045, which is 7% of RES's estimated 2045 summer peak demand. The distribution of summer potential across sectors is similar that of winter with residential potential being slightly lower and commercial and industrial being slightly higher than in the winter. The increase in nonresidential potential in summer relative to winter is due to the coincidence of commercial and industrial sector loads with peak summer demands. Figure 9 shows the annual achievable summer potential by sector.

Figure 9: Annual Achievable Summer DR Potential by Sector

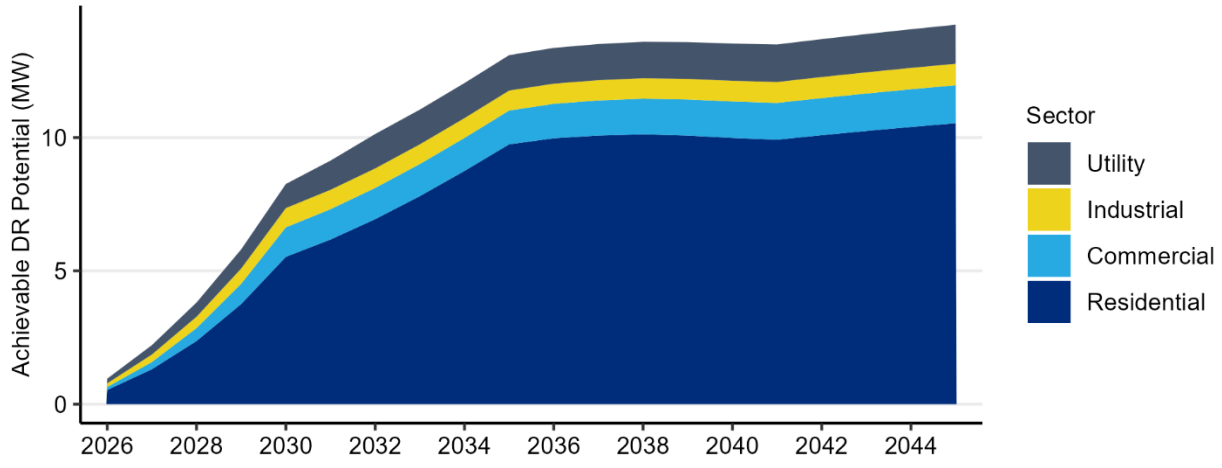


Figure 10 shows the breakdown of summer DR potential by end use. The "all" end use has nearly double the potential identified in the winter. This is a result of greater summer potential in the nonresidential pricing products, and the coincidence of nonresidential loads with RES's summer system peaks.

Figure 10: Annual Achievable Summer DR Potential by End Use

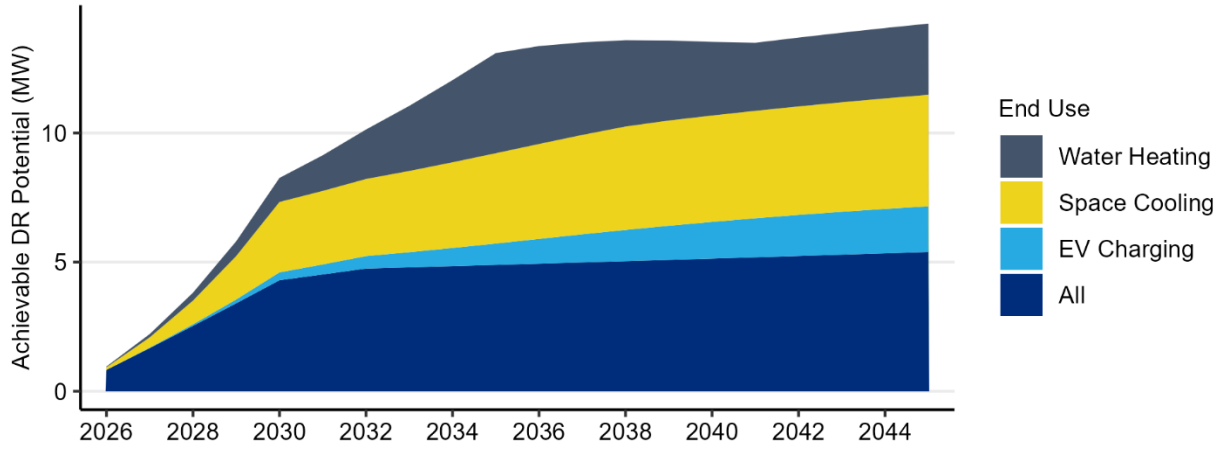
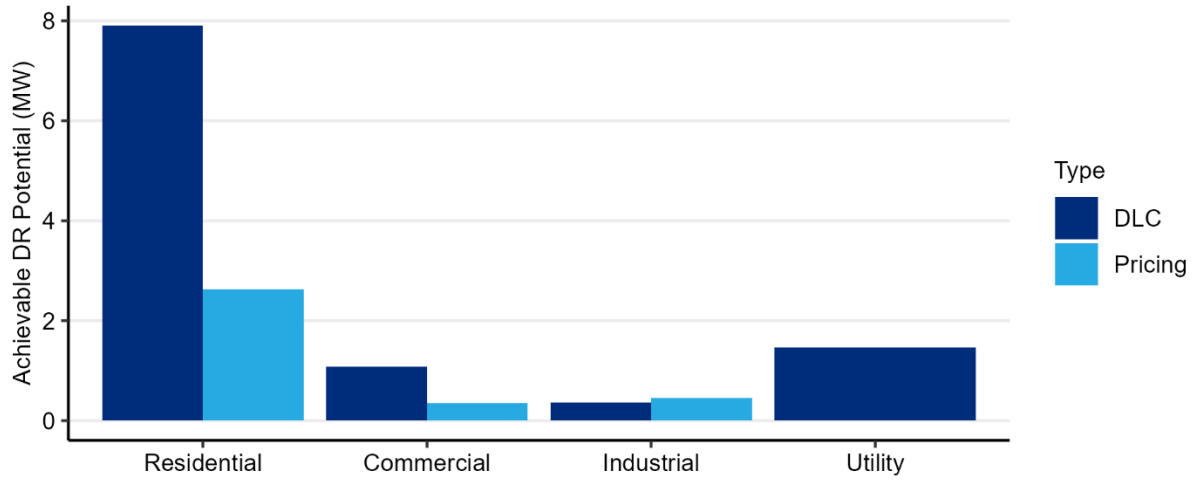


Figure 11 shows how the summer potential splits across sectors and program types. While most of the potential is associated with residential DLC products, pricing products across all three sectors provide a greater contribution to the summer potential compared to the winter.

Figure 11: Achievable Summer DR Potential by Sector and Type



Comparison to the 2023 DRPA

Table 3 compares the total cumulative 20-year achievable DR potential identified in this study with RES's previous DRPA, conducted in 2023. Lower customer counts and electric heating saturations resulted in lower winter potential in the residential sector while updates to the RES system shape led to greater savings in the summer for this sector. The lower commercial and industrial loads resulted in lower potential in both winter and summer. The 2025 DRPA identified more savings in the summer season compared to the previous DRPA because the more recently provided RES system shape showed more alignment between peak summer demands and commercial and industrial loads.

Table 3: Comparison of 2023 and 2025 DR Potential

Season/Sector	2023 DRPA	2025 DRPA
Winter	**16.2**	**11.9**
Residential	12.9	9.5
Commercial and Industrial	1.9	1.4
Utility	1.4	1.0
Summer	**13.8**	**14.2**
Residential	10.3	10.5
Commercial and Industrial	2.5	2.2
Utility	1.0	1.5

Costs

A demand response supply curve details the quantity of DR potential available at different cost thresholds. The supply curves for winter and summer DR are shown in Figure 12 and Figure 13, respectively. The products are ranked by levelized cost ($/kW-year), with the lowest cost product at the bottom. Moving up the supply curve, the incremental DR potential for each product is shown in dark blue and the cumulative potential from all previous products shown in light blue.

The horizontal axis reflects the DR capacity and the value at the end of each bar is the levelized cost of each product. As discussed above, the levelized cost calculations for winter products include credits for deferred distribution and transmission system capacity costs.

Figure 12 shows the residential smart thermostats, EV charging, and grid-ready heat pump water heater products have higher amounts of potential. There are 3.3 MW available through the residential smart thermostats and another 3.0 MW available through the combination of EV charging and grid-ready HPWH.

In addition to having the highest potential, residential smart thermostats also have the second lowest cost, at $15/kW-year. DVR was identified as the least cost product with a negative levelized cost that indicates the benefits outweigh the costs. Commercial and industrial products are generally more expensive.

Figure 12: Winter DR Supply Curve (MW and $/kW-year)

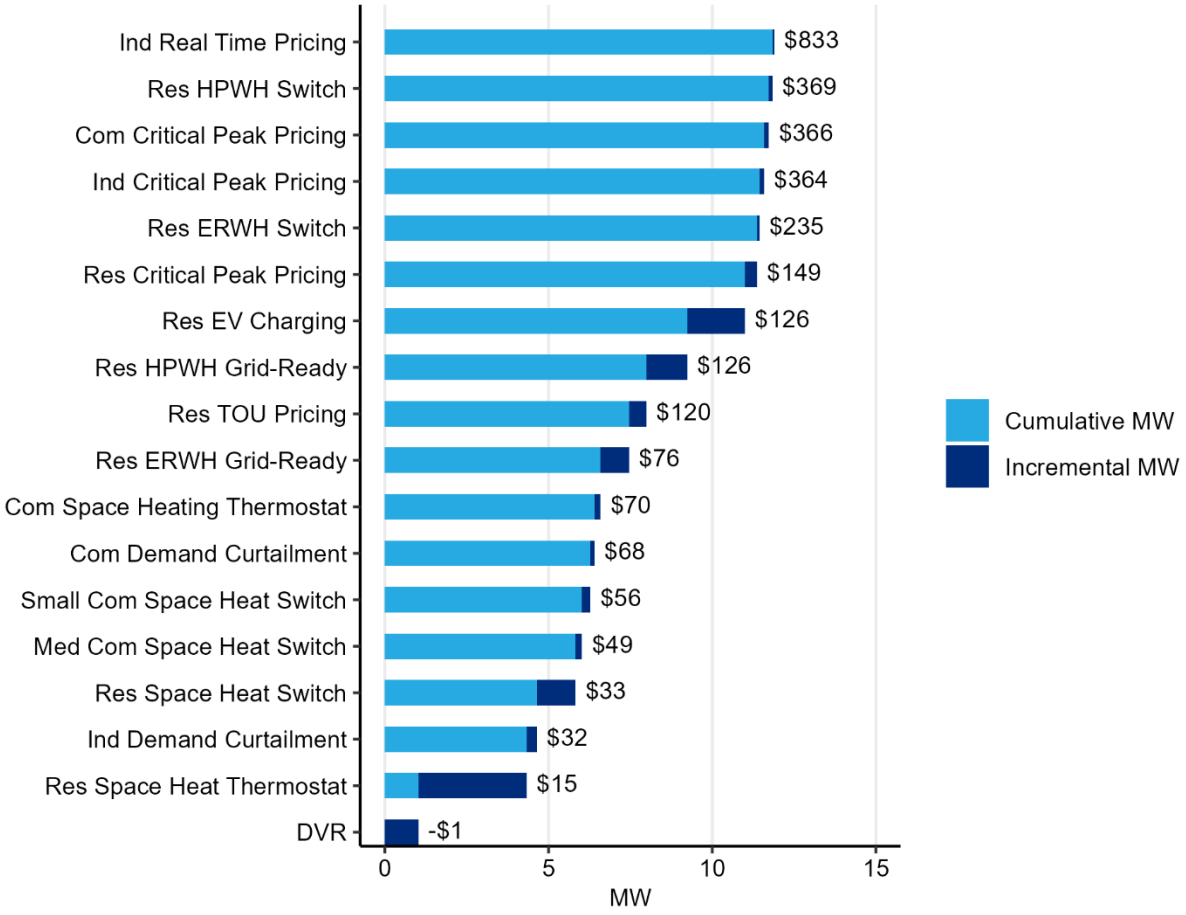
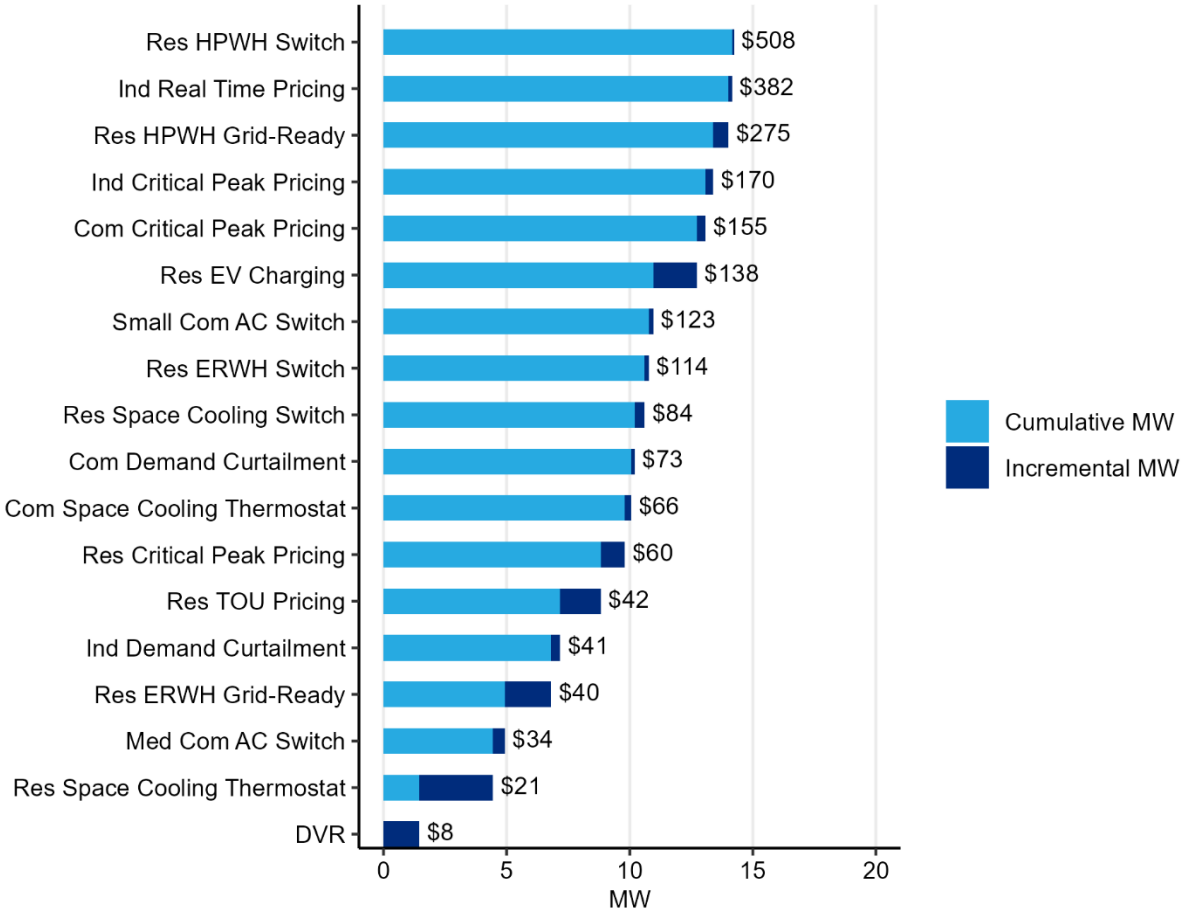


Figure 13 shows the supply curve for summer capacity. Like the winter, most of the low-cost potential is in the residential sector, since this is the sector with the largest load and includes DR capable technologies like smart thermostats and grid-enabled water heaters. In the summer, commercial and industrial loads are higher, resulting in lower levelized costs for DR products in these sectors. Once again DVR is the least cost product.

Figure 13: Summer DR Supply Curve (MW and $/kW-year)



Cost Effectiveness

Table 4 shows the result of the cost-effectiveness screening for each winter DR product. Products are ranked in descending order by benefit-cost ratio. The 20-year DR potential for each product is also shown. Residential DVR was the only product identified with a cost-effectiveness ratio greater than 1.0. Residential smart thermostats were the second most cost-effective, but the benefit cost ratio for this product fell below the threshold for cost-effectiveness, with a benefit-cost ratio of 0.88. The remaining products fell well below the cost-effectiveness threshold of 1.0.

The current saturations of grid-enabled heat pump water heaters and electric vehicles are low, leaving few participants to cover the fixed costs of starting a program in the near term. However, since growth is expected in both areas, these programs may be more cost-effective in the future.

Table 4: Winter Benefit-Cost Ratio Results by Product

Product Name	Benefit-Cost Ratio	Cumulative MW
DVR	2.3	1.0
Res Space Heat Thermostat	0.9	3.3
Res ERWH Grid-Ready	0.6	0.9
Ind Demand Curtailment	0.5	0.3
Res Space Heat Switch	0.5	1.2
Medium Com Space Heating Switch	0.4	0.2
Res HPWH Grid-Ready	0.4	1.2
Small Com Space Heating Switch	0.3	0.3
Com Demand Curtailment	0.3	0.1
Com Space Heating Thermostat	0.3	0.2
Res ERWH Switch	0.2	0.1
Res TOU Pricing	0.2	0.5
Res EV Charging	0.2	1.8
Res Critical Peak Pricing	0.1	0.4
Res HPWH Switch	0.1	0.1
Ind Critical Peak Pricing	0.1	0.1
Com Critical Peak Pricing	0.1	0.1

In the summer season, both DVR and residential smart thermostats were identified as cost-effective. This can be seen in Table 5. Therefore, when considered across both summer and winter seasons, the smart thermostat product may be a cost-effective resource for RES as some of the same participants could participate across both seasons.

Table 5: Summer Benefit-Cost Ratio Results by Product

Product Name	Benefit-Cost Ratio	Cumulative MW
DVR	3.5	1.5
Res Space Cooling Thermostat	1.4	3.0
Medium Com Space Cooling Switch	0.8	0.5
Res ERWH Grid-Ready	0.7	1.9
Ind Demand Curtailment	0.7	0.4
Res TOU Pricing	0.7	1.7
Res Critical Peak Pricing	0.5	1.0
Com Space Cooling Thermostat	0.4	0.3
Com Demand Curtailment	0.4	0.1
Res Space Cooling Switch	0.3	0.4
Res ERWH Switch	0.3	0.2
Small Com Space Cooling Switch	0.2	0.2
Res EV Charging	0.2	1.8
Com Critical Peak Pricing	0.2	0.3
Ind Critical Peak Pricing	0.2	0.3
Res HPWH Grid-Ready	0.1	0.6
Ind Real Time Pricing	0.1	0.1

Summary

This report summarizes the results of the 2025 DRPA conducted for RES. The assessment included many of the products and used the same calculation methodology as those used by the Council in the 2021 Power Plan. The project team customized the products and modified other assumptions to better reflect RES's service territory and aligned inputs with the projections of RES's 2025 CPA. It included products applicable to the residential, commercial, industrial, and utility sectors that use a variety of DLC, demand curtailment, and price-based strategies to target multiple end uses.

Overall, the assessment quantified 11.9 MW of achievable winter DR capacity and 14.2 MW of achievable summer DR capacity. Most of the DR potential identified is in the residential sector, which is consistent with the makeup of RES's loads and customer base. Residential smart thermostats and DVR were identified as cost-effective in the summer, but only DVR was identified as cost-effective in the winter.

Note that recent legislative changes have amended Washington's Energy Independence Act, allowing utilities to count demand response towards the Act's renewable energy requirements. While this change was not included as part of this assessment, it may provide additional value for demand response, adding to the cost effectiveness of the products considered in this assessment.

Appendix I: DR Product List

DR Product Info					
Sector	**End Use**	**Product**	**Type**	**Impact**	**Methodology**
Residential	EV Charging	Res EV Charging - Winter	DLC	Winter	Bottom Up
Residential	EV Charging	Res EV Charging - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res ERWH Switch - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res ERWH Switch - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res ERWH Grid-Ready - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res ERWH Grid-Ready - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res HPWH Switch - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res HPWH Switch - Summer	DLC	Summer	Bottom Up
Residential	Water Heating	Res HPWH Grid-Ready - Winter	DLC	Winter	Bottom Up
Residential	Water Heating	Res HPWH Grid-Ready - Summer	DLC	Summer	Bottom Up
Residential	Space Heating	Res Space Heat Switch - East	DLC	Winter	Bottom Up
Residential	Space Cooling	Res Space Cooling Switch - East	DLC	Summer	Bottom Up
Residential	Space Heating	Res Space Heat Thermostat - East	DLC	Winter	Bottom Up
Residential	Space Cooling	Res Space Cooling Thermostat - East	DLC	Summer	Bottom Up
Commercial	Space Heating	Com Space Heating Switch - Small/East	DLC	Winter	Bottom Up
Commercial	Space Cooling	Com Space Cooling Switch - Small/East	DLC	Summer	Bottom Up
Commercial	Space Heating	Com Space Heating Thermostat - East	DLC	Winter	Bottom Up
Commercial	Space Cooling	Com Space Cooling Thermostat - East	DLC	Summer	Bottom Up
Commercial	Space Heating	Com Space Heating Switch - Medium/East	DLC	Winter	Bottom Up
Commercial	Space Cooling	Com Space Cooling Switch - Medium/East	DLC	Summer	Bottom Up
Commercial	All	Com Demand Curtailment - Winter	DLC	Winter	Top Down
Commercial	All	Com Demand Curtailment - Summer	DLC	Summer	Top Down
Industrial	All	Ind Demand Curtailment - Winter	DLC	Winter	Top Down
Industrial	All	Ind Demand Curtailment - Summer	DLC	Summer	Top Down
Residential	All	Res TOU Pricing - Winter	Pricing	Winter	Top Down
Residential	All	Res TOU Pricing - Summer	Pricing	Summer	Top Down
Residential	All	Res Critical Peak Pricing - Winter	Pricing	Winter	Top Down
Residential	All	Res Critical Peak Pricing - Summer	Pricing	Summer	Top Down
Commercial	All	Com Critical Peak Pricing - Winter	Pricing	Winter	Top Down
Commercial	All	Com Critical Peak Pricing - Summer	Pricing	Summer	Top Down
Industrial	All	Ind Critical Peak Pricing - Winter	Pricing	Winter	Top Down
Industrial	All	Ind Critical Peak Pricing - Summer	Pricing	Summer	Top Down
Industrial	All	Ind Real Time Pricing - Winter	Pricing	Winter	Top Down
Industrial	All	Ind Real Time Pricing - Summer	Pricing	Summer	Top Down
Utility	All	DVR - Winter	DLC	Winter	Top Down
Utility	All	DVR - Summer	DLC	Summer	Top Down

Appendix II: Acronyms

AC	Air Conditioning
AMI	Advanced Metering Infrastructure
aMW	Average Megawatt
CEIP	Clean Energy Implementation Plan
CETA	Clean Energy Transformation Act
CPA	Conservation Potential Assessment
CPP	Critical Peak Pricing
CVR	Conservation Voltage Reduction
DLC	Direct Load Control
DR	Demand Response
DRPA	Demand Response Potential Assessment
ERWH	Electric Resistance Water Heater
EV	Electric Vehicle
HPWH	Heat Pump Water Heater
HVAC	Heating, Ventilation, and Air Conditioning
kW	Kilowatt
MW	Megawatt
TOU	Time of Use

Appendix III: Detailed Results

Product	End Use	Levelized Cost ($/kW-year)	Benefit-Cost Ratio	4-Year Achievable Potential (MW)	10-Year Achievable Potential (MW)	20-Year Achievable Potential (MW)
Res EV Charging - Winter	EV Charging	$126	0.17	0.1	0.8	1.8
Res EV Charging - Summer	EV Charging	$138	0.21	0.1	0.8	1.8
Res ERWH Switch - Winter	Water Heating	$235	0.20	0.1	0.2	0.1
Res ERWH Switch - Summer	Water Heating	$114	0.25	0.3	0.5	0.2
Res ERWH Grid-Ready - Winter	Water Heating	$76	0.55	0.1	1.4	0.9
Res ERWH Grid-Ready - Summer	Water Heating	$40	0.71	0.2	3.0	1.9
Res HPWH Switch - Winter	Water Heating	$369	0.13	0.0	0.1	0.1
Res HPWH Switch - Summer	Water Heating	$508	0.06	0.0	0.1	0.1
Res HPWH Grid-Ready - Winter	Water Heating	$126	0.35	0.0	0.6	1.2
Res HPWH Grid-Ready - Summer	Water Heating	$275	0.10	0.0	0.3	0.6
Res Space Heat Switch - East	Space Heating	$33	0.53	2.6	2.4	1.2
Res Space Cooling Switch - East	Space Cooling	$84	0.34	0.9	0.8	0.4
Res Space Heat Thermostat - East	Space Heating	$15	0.88	0.5	2.1	3.3
Res Space Cooling Thermostat - East	Space Cooling	$21	1.38	0.4	1.9	3.0
Com Space Heating Switch - Small/East	Space Heating	$56	0.34	0.1	0.2	0.3
Com Space Cooling Switch - Small/East	Space Cooling	$123	0.23	0.1	0.2	0.2
Com Space Heating Thermostat - East	Space Heating	$70	0.28	0.0	0.1	0.2
Com Space Cooling Thermostat - East	Space Cooling	$66	0.44	0.0	0.2	0.3
Com Space Heating Switch - Medium/East	Space Heating	$49	0.38	0.1	0.2	0.2
Com Space Cooling Switch - Medium/East	Space Cooling	$34	0.83	0.3	0.4	0.5
Com Demand Curtailment - Winter	All	$68	0.29	0.1	0.1	0.1
Com Demand Curtailment - Summer	All	$73	0.39	0.1	0.1	0.1
Ind Demand Curtailment - Winter	All	$32	0.53	0.2	0.3	0.3
Ind Demand Curtailment - Summer	All	$41	0.70	0.3	0.3	0.4
DVR - Winter	All	-$1	2.28	0.5	0.9	1.0
DVR - Summer	All	$8	3.54	0.7	1.3	1.5
Res TOU Pricing - Winter	All	$120	0.18	0.4	0.5	0.5
Res TOU Pricing - Summer	All	$42	0.68	1.1	1.5	1.7
Res Critical Peak Pricing - Winter	All	$149	0.14	0.2	0.3	0.4
Res Critical Peak Pricing - Summer	All	$60	0.47	0.7	0.9	1.0
Com Critical Peak Pricing - Winter	All	$366	0.06	0.1	0.1	0.1
Com Critical Peak Pricing - Summer	All	$155	0.18	0.2	0.3	0.3
Ind Critical Peak Pricing - Winter	All	$364	0.06	0.1	0.1	0.1
Ind Critical Peak Pricing - Summer	All	$170	0.17	0.2	0.3	0.3

Utility Name & Contact Information

Note: if you list multiple contacts, please separate their information by a comma and a space.

Report Year	**2026**
Compliance Period	**2026-2029**
Utility Name	Richland Energy Services
Report Date	9/5/2025
Contact Name	Clint Whitney
Phone Number	(509) 942-7403
Email	CWhitney@CI.RICHLAND.WA.US
Web address of published CEIP	https://www.ci.richland.wa.us/departments/energy-services/community-news/news-reports-and-publications
Are you a "qualifying utility" under the EIA?	Yes
Are you a BPA "full requirements" customer?	Yes

Targets

Interim targets: percentage of retail load to be served using renewable and nonemitting resources (WAC 194-40-200(2))

Utilities with less than 25,000 customers only need to complete cells H8 and H9 in the interim targets table below.

Clean Energy Type	Units	2026	2027	2028	2029	4-year Period
Renewable	%	81%	81%	81%	81%	81%
Nonemitting	%	11%	11%	11%	11%	11%
Total		**92%**	**92%**	**92%**	**92%**	**92%**

Describe how the target demonstrates progress toward meeting the 2030 and 2045 CETA standards (WAC 194-40-200(2)).	Not applicable.

Specific targets (WAC 194-40-200(3))

Utilities with less than 25,000 customers only need to complete cells H17-19 in the specific targets table below.

Resource Category	Units	2026	2027	2028	2029	4-year Period
Renewable Energy	MWh to be used over the interim performance period	816,053	823,161	823,538	824,059	3,286,810
Energy Efficiency	MWh to be acquired over the interim performance period	2,799	3,730	4,943	6,171	17,644
Demand Response	MW to be acquired over the interim performance period	-	-	-	-	-

Energy efficiency assessment methodology details

Conservation Assessment Method	Conservation Potential Assessment
Hyperlink to Relevant Assessment	https://www.ci.richland.wa.us/departments/energy-services/community-news/news-reports-a
Notes	Conservation Potential Assessment conducted by Lighthouse Energy Consulting and Nauvoo Solutions

Demand response assessment methodology details

Did your utility conduct a demand response assessment?	Yes
Please briefly describe your demand response assessment findings. Please describe if there are DR opportunities for particular customer classes or barriers to utilizing DR in your service territory. Please describe which DR technologies were found to be cost-effective, reliable, and feasible.	The demand response potential assessment, conducted by Lighthouse Energy Consulting and Nauvoo Solutions, identified demand voltage reduction (DVR) as cost-effective, and smart thermostat demand response in the summer. RES already implements DVR, and further analysis is necessary to identify if smart thermostats can be a cost-effective solution. Accordingly, no target was identified for demand response to be acquired at this time.
Hyperlink to Relevant Assessment	https://www.ci.richland.wa.us/departments/energy-services/community-news/news-reports-a
Notes	

Indicators & Forecast

Specific actions to ensure equitable transition (WAC 194-40-200(1)(4))

Enter information in the yellow fields below. Each indicator should correspond with the information entered in the same row. See the Menu of Ideas for examples. You can leave any unused fields blank or delete any unused rows. If you need to expand the table, you can drag the boundary of the data

Index	Ind_ID	Indicator	CETA Category	Specific Action 1	Outcome Metric 1	Outcome Metric 2	How will the indicator and its associated metrics look different across the service territory in four years after taking the specific actions?
1	2026_91_1	Energy efficiency achievements	Reduction of Burdens to Vulnerable Populations and Highly Impacted Communities	Implement EE programs to achieve the identified target	Participation rates across energy efficiency programs	Distribution of incentive dollars by energy effiicency program	While all customers benefit from energy efficiency through lower rates over time, participating customers receive benefits in the form of lower utility bills and more comfortable homes. RES's actions will facilitate participation in programs, increasing participation and incentives for underserved customer groups.
2	2026_91_2	Evaluate potential demand response program	Reduction of Burdens to Vulnerable Populations and Highly Impacted Communities	Investigate smart thermostat DR program	If implemented, participation rates across energy efficiency programs	If implemented, distribution of incentive dollars by energy effiicency program	All customers can benefit from utility demand response programs through increased reliability and low-cost demand-side resources. If implemented, a demand response program can allow a broad range of customers to participate in utility programs since the programs typically require little to no capital investment. If implemented, the metrics can show the range of customers benefiting from participation.
3	2026_91_3	Reduce risks faced by highly impaced communities and vulnerable populations	Reduction of Burdens to Vulnerable Populations and Highly Impacted Communities	Explore alternatives to utility deposit requirements	Customers have options to eliminate utility deposit requirements		Customers will have payment options that eliminate requirements for up front deposits, reducing energy burdens and other costs.
4	2026_91_4	Reduce risks faced by highly impaced communities and vulnerable populations	Reduction of Burdens to Vulnerable Populations and Highly Impacted Communities	Adjust incentive levels on Jan 1, 2026	RES provides higher incentives for some measures		The higher incentive levels will encourage more and broader participation in efficiency programs, reducing energy burdens and allowing a greater share of customers to benefit from energy efficiency programs.
5	2026_91_5	Reduce risks faced by highly impaced communities and vulnerable populations	Reduction of Costs and Risks	Implement My Meter Platform	My Meter platform provides usage and program information to customers		Customers will have greater awareness and access to information on their energy usage and available programs, increasing participation in programs and better managing their energy usage, reducing energy costs and burdens.
6	2026_91_6	Reduce risks faced by highly impaced communities and vulnerable populations	Reduction of Burdens to Vulnerable Populations and Highly Impacted Communities	Work with community partners	Trusted community partners provide program information and avenues to participation		Working with community partners will support program participation that will more closely mirror community demographics, demonstrating improved equity in access to efficiency benefits. This can result in lower energy burdens.
7	2026_91_7	Reduce risks faced by highly impaced communities and vulnerable populations	Reduction of Burdens to Vulnerable Populations and Highly Impacted Communities	Explore targeted outreach to landlords	If possible, increased participation of landlords		If successfully implemented, this will result in increased efficiency of rental properties, decreasing energy burdens, making homes more comfortable and safe, and decreasing other costs.
8	2026_91_8	Reduce risks faced by highly impaced communities and vulnerable populations	Energy Security and Resiliency	Explore the development of critical customer lists	If possible, critical customer lists inform resiliency efforts, such as outage restoration		If implemented, this action has the potential to reduce outage times for vulnerable customers who rely on electrically powered medical equipment.

Specific Actions & Equity

Specific actions to ensure equitable transition (WAC 194-40-200(1)(4))

Click "Data">"Refresh All" to auto-populate the specific actions list below with the specific actions from the previous

!	Specific Action	Long Description	Resource Category	Program Type	Program Name	Input Metric 1
1	**Implement EE programs to achieve the identified target**	RES will continue implementation of its energy efficiency programs to meet the identified target.	Energy Efficiency	Energy Efficiency and Weatherization	Energy Efficiency	
2	**Investigate smart thermostat DR program**	RES will further evaluate the cost effectiveness of a smart thermostat demand response program.	Demand Response	Demand Response	Demand Response	
2	**Explore alternatives to utility deposit requirements**	RES is exploring alternatives to utility deposit requirements through pre-pay billing options based on workshop feedback that high deposits disproportionately affect vulnerable populations	Energy Efficiency	Energy Efficiency and Weatherization	n/a	RES implementation of pre-pay program
2	**Adjust incentive levels on Jan 1, 2026**	RES will adjust incentives on January 1, 2026, following the higher credits offered by BPA.	Demand Response	Demand Response	Energy Efficiency	Adoption of higher incentive levels
2	**Implement My Meter Platform**	RES is implementing My Meter, a digital platform providing video training on RES programs and transparent usage information.	Other	Public Outreach and Engagement	n/a	Implementation of My Meter platform
2	**Work with community partners**	RES will work with community partners to provide program information and education for technology-challenged populations they serve.	Energy Efficiency	Public Outreach and Engagement	Energy Efficiency	RES engagments with community partners
2	**Explore targeted outreach to landlords**	RES will continue to explore targeted outreach to landlords to understand both landlord and renter needs, identify effective financial incentive structures, and prioritize upgrades that deliver the greatest benefit to rental households.	Energy Efficiency	Public Outreach and Engagement	Energy Efficiency	RES engagements with landlords
2	**Explore the development of critical customer lists**	RES will explore the development of critical customer lists for medically dependent individuals and consider designing a specific program for this group, such as backup power support and priority restoration services, to protect these customers during outages.	Other	Resilience	n/a	RES development of critical customer list

Please enter "N/A" where the question is not applicable to the specific action.

Output Metric 1	Output Metric 2	What is the expected effect of this specific action on highly impacted communities and vulnerable populations?	How will the specific action and its resources be governed by (if applicable), serve, or benefit highly impacted communities or vulnerable populations, if at all?	What are the risks to highly impacted communities and vulnerable population associated with the clean energy transition? How does the utility intend to reduce these risks through this specific action (if applicable)?
Participation rates across energy efficiency programs	Distribution of incentive dollars by energy effiicency program	Keeps utility rates lower over time. Lowers energy burdens, reduces monthly utility bills, and improves comfort and health outcomes for households in highly impacted communities and vulnerable populations.	RES's energy efficiency programs will serve HIC/VP customers through income-qualified incentives, conducting outreach to landlords on energy efficiency measures, and partnering with community-based organizations to ensure equitable participation.	HICs and VPs face risks associated with energy burdens and other financial hardships. RES will mitigate these risks this by providing incentives for income-qualified households, targeting outreach in highly impacted communitiesacts, and partnering with landlords and community organizations to expand access.
If implemented, participation rates across energy efficiency programs	If implemented, distribution of incentive dollars by energy effiicency program	Provides opportunities for incentives and empowers customers to participate in grid reliability without large upfront costs, creating new ways for vulnerable households to benefit.	RES will explore demand response programs that can benefit HICs and VPs by providing incentives and targeted outreach through trusted community partners to ensure inclusive participation.	HICs and VPs are at risk of not being able to fully participate in the clean energy transition due to the large expenditures often required for energy efficiency and renewable energy. Demand response programs provide an option that often requires little to no capital expense.
Number of customers enrolled in pre-pay program		Pre-pay billing options eliminate the need for up front deposits on utility accounts as well as costs for arrearages and shut-off and reconnection fees. These add to energy burdens faced by HICs and VPs.	Action will reduce energy burdens for HICs and VPs.	HICs and VPs face risks associated with energy burdens and other financial hardships. This action will mitigate those risks.
		This action will reduce the up front cost of energy efficiency measures, making programs more accessible to HICs and VPs.	This action will reduce the up front cost of energy efficiency measures, making programs more accessible to HICs and VPs.	HICs and VPs face risks associated with energy burdens and other financial hardships. They face barriers to participation in energy efficiency programs through the up front costs. This action will mitigate those risks.
Number of customers accessing usage information	Numbers of customers accessing program information through the platform	The My Meter platform will provide customers with access to their usage information as well as serve as a source of program information.	The My Meter platform will provide customers with access to their usage information as well as serve as a source of program information.	HICs and VPs face risks from limited energy literacy and lack of awareness of energy programs. The My Meter platform will provide information on energy usage and available programs.
Number of customers accessing RES programs based on referrals from community partners		Higher participation rates from HICs and VPs	This action will improve awareness of RES programs by providing additional outreach through trusted community partners.	HICs and VPs are often not aware of the resources that are available or face barriers of trust. This action will improve awareness through trusted community partners.
Energy efficiency improvements at multifamily buildings and other rental properties		Lower energy burden for renters	Lower energy burdens for renters	Renters often face barriers to reducing their energy burden since they are unable to make capital improvements and landlords are often unwilling. Programs that can address this split incentive can reduce energy burdens for renters.
If possible, use of critical customer list in outage restoration efforts.		If implemented, vulnerable customers may experience reduced outage times. Additionally, a backup power program could provide power for medical equipment during an outage.	If implemented, vulnerable customers may experience reduced outage times. Additionally, a backup power program could provide power for medical equipment during an outage.	Medically vulnerable customers often face risks from power outages that can disrupt essential medical equipment. If RES is able to develop lists of critical customers it can help minimize outage times or use the list as a resource for other planning such as backup resources.

Will resources be located in highly impacted communities or vulnerable populations? (Y/N/Not Applicable)	What is the general location of this specific action and its resources (if applicable)?	What is the timing of this specific action?	What is the estimated cost of this specific action?	What other benefits does the specific action bring that isn't covered by the listed metrics? (optional)
Yes	Throughout RES service territory	2026-2029	This action is supported by RES's existing program funding.	Improves indoor air quality, reduces arrearages and shutoff risk, and creates local job opportunities in weatherization and construction trades.
Yes	Throughout RES service territory	If implemented, 2026-2029	Cost will be determined based on whether program is implemented and its overall scope.	Enhances customer engagement, builds awareness of energy use, and improves overall grid reliability during peak demand events.
N/A	N/A	TBD	TBD	Pre-pay billing programs can improve awareness of energy use and result in energy savings.
Yes	Throughout RES service territory	2026-2029	This action is supported by RES's existing program funding.	N/A
N/A	N/A	TBD	Cost is covered by RES's existing budget.	Awareness of energy usage can result in energy savings.
N/A	N/A	2026-2029	Cost will be covered by RES's existing budget.	By engaging with customers through trusted community partners, RES will gain trust amongst its customers.
Yes	Throughout RES service territory	2026-2029	Cost will be covered by RES's existing budget.	Renters with reduced energy burdens can utilize saving to pay rent and stay in the property.
N/A	N/A	Uncertain	Uncertain	N/A

Highly Impacted Communities & Vulnerable Populations

Highly impacted communities (WAC 194-40-200(4))

Highly Impacted Community is defined in RCW 19.405.020(23) as:
(23) "Highly impacted community" means a community designated by the department of health based on cumulative impact analyses in RCW 19.405.140 or a community located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151.

Department of Health has designated Highly Impacted Communities as those ranking 9 or 10 on the Environmental Health Disparities (EHD) map.

Link to Instructions to Identify Highly Impacted Communities (HIC)
Link to the Environmental Health Disparities (EHD) Map

Which methodology did you use to identify highly impacted communities (HIC)?	Highly Impacted Communities Data Table
# of census tracts that are HIC (Rank 9 or 10 under EHD v2.0 or at least partially on "Indian Country")	2
# of census tracts that are at least partially on "Indian Country"	0
Average EHD v2.0 rank for service territory	7.3
What are the top 1-3 EHD factors in your highly impacted communities? What are the rankings for these EHD factors and the associated metrics?	• Environmental exposures including ozone concentrations • Environmental effects driven by lead risks in housing and proximity to Risk Management Plan facilities • Socioeconomic factors with high populations living in poverty • Sensitive populations experiencing higher rates of low birth weights
How do your planned specific actions address the EHD factors for HICs (if applicable)?	• Populations in Poverty (census tracts ranked 9–10): RES actions include exploring alternatives to utility deposit requirements and targeting energy efficiency programs in HIC areas to reduce energy burden for households living in poverty. These strategies help prevent disconnection, lower upfront barriers to participation, and provide more equitable access to RES programs. Targeted outreach to landlords and tracking renter participation metrics ensure that families in high-risk housing are not excluded from program benefits. • Populations Facing Lead Exposure (ranked 9–10): Incentives for energy efficiency improvements in older homes, particularly rental housing, can support health and safety upgrades such as contractors identifying persistent risks from lead-based building materials. • Populations Near RMP Facilities (ranked 9–10): Community input emphasized the importance of resilience for households located near industrial risk zones. RES actions, such as developing critical customer lists for medically dependent residents and exploring backup power programs or priority restoration, will reduce health and safety risks during outages or emergencies. • Populations Facing Elevated Ozone and Health Risks (ranked 9–10): Households experiencing poor health outcomes, benefit from education on existing utility programs and community navigator partnerships that connect at-risk households with assistance. By lowering energy burdens, these actions can also free household resources for health-related expenses.

Vulnerable populations (WAC 194-40-200(4))

Please list all socioeconomic factors and sensitivity factors developed through a public process and used to identify Vulnerable Populations based on the definition in RCW 19.405.020(40):
(40) "Vulnerable populations" means communities that experience a disproportionate cumulative risk from environmental burdens due to:
(a) Adverse socioeconomic factors, including unemployment, high housing and transportation costs relative to income, access to food and health care, and linguistic isolation; and
(b) Sensitivity factors, such as low birth weight and higher rates of hospitalization.

Please describe how your utility identified vulnerable populations through a public process (e.g., surveys, focus groups, public forums, etc.)	RES solicited community input in two public workshops. One was conducted in person at the public library, while another was done virtually.
How does your utility's planned specific actions address the vulnerable population factors (if applicable)?	The actions identified for RES's 2025 CEIP are intentionally designed to address specific needs of the three primary vulnerable population categories and cross-cutting factors that increase vulnerability across all groups. Unlike the primary groups, these factors are not limited to one segment of the community but instead overlap multiple groups, shaping vulnerability in broad and intersecting ways. While not part of the vulnerable populations definition, RES considered these cross-cutting factors as part of its 2025 CEIP to both recognize their widespread impact and to guide the development of actions that reduce barriers across all populations. Below are specific actions for vulnerable populations within the 2025 CEIP. • For renters and housing-insecure populations, actions such as exploring alternative billing options to eliminate utility deposit requirements, incentivizing landlord participation, and tracking renter participation metrics directly respond to financial and structural barriers this group faces. • For seniors and people with disabilities, RES actions emphasize non-digital outreach methods and use of trusted community partners to bridge technology and access gaps. • For people and families facing structural barriers, RES actions expand program participation and ensure accommodations for disability-specific needs.

Factor Category	Factor	Details	Source	Date Last Updated
E.g., Employment	Unemployment	% unemployed over 16 years old	American Community Survey	12/15/2019
Housing	Renters and housing-insecture populations	Renters of single-family and multifamily buildings	RES Customer Information System + multifamily buildings already qualified as low-income properties by community partners	9/4/2025
Age	Seniors and people with disabilities	Population of seniors and people with disabilities	American Community Survey	9/4/2025
Energy burden	People and families facing structural barriers	Customers with a history of late payments, arrearages, or receiving shut-off notices	RES customer information system	9/4/2025

Describe and explain any changes to the factors from your utility's previous Clean Energy Implementation Plan (CEIP), if any:

The 2025 CEIP definition of vulnerable populations maintained the core focus from the 2021 CEIP while representing organizational consolidation and expansion. All populations from the 2021 CEIP remain covered in the 2025 CEIP, ensuring continuity while incorporating additional community input on vulnerability patterns. The 2021 CEIP listed seven distinct vulnerable populations. This definition was updated based on the organizational changes, reclassifications, and new additions described below.

- Organizational Changes: The 2025 CEIP reorganized four 2021 CEIP populations into three primary categories:
  - "At risk of homelessness" and "Seniors, retirees living on fixed income" were combined into "Renters and Housing-Insecure Populations"
  - "Disabled" was expanded to "Seniors and People with Disabilities" with broader age inclusion
  - "Families in transition due to domestic violence, substance abuse, criminal justice system" was maintained as "People and Families Facing Structural Barriers"

- Populations Reclassified as Cross-Cutting Factors: The 2025 CEIP reorganized three 2021 CEIP populations into cross-cutting factors affecting all populations as described above:
  - "Limited English proficiency," "Seasonal workers, refugees, immigrants," and "BIPOC women" were reclassified as cross-cutting vulnerability factors affecting all population categories

- New Additions Based on Community Input: Renters were added as a distinct vulnerable population. Technology and access-challenged individuals, economically displaced households, families with children with disabilities and single-parent households, and people with medical vulnerabilities were additional categories incorporated.

Public Participation

Public participation (WAC 194-40-200(4), -220(1))

Provide a summary of the public input process conducted in compliance with WAC 194-40-220.	RES conducted two public input workshops designed to gather actionable input from community partners and address these requirements. The workshops used an approach emphasizing respectful dialogue, equitable participation, and interactive exercises with community input through virtual discussions and in-person input boards. The process provided participants with clear understanding of CETA requirements while working collaboratively to identify vulnerable populations, develop indicators to forecast the distribution of costs and benefits, and develop specific actions to reduce risks for highly impacted communities and vulnerable populations. **Public Input Workshop 1 (April 22, 2025)** introduced RES energy efficiency and customer assistance programs, provided an overview of CETA, and revisited the 2021 definition of vulnerable populations. Participants identified potential updates to the vulnerable population definition, discussed community risks, and identified potential actions RES may take to reduce those risks. **Public Input Workshop 2 (August 13, 2025)** further refined the vulnerable populations definition from Public Input Workshop 1, examined risks and barriers in more detail, and collaboratively developed specific actions and equity indicators (or metrics) for potential inclusion in RES's 2025 CEIP.
What barriers to public participation does your utility's community face due to language, cultural, economic, technology, or other factors?	The barriers considered included: transportation, scheduling, childcare, technological, confidence/willingness to speak in public, and lack of familiarity with new and technical concepts.
What reasonable accommodations has your utility provided to reduce barriers to public participation?	**Accessibility of Format** – Maximize accessibility by offering multiple participation formats (virtual and in-person), reducing barriers related to transportation, scheduling, and childcare. Virtual access ensured participation for those unable to attend in person, while in-person sessions provided space for those less comfortable with digital platforms. Provided a safe public location for participants at the public library for its in-person workshop. **Inclusive Facilitation** – Ground rules emphasized respectful dialogue, shared airtime, and multiple avenues for participation (e.g., speaking, chat, boards), ensuring participants could engage in the format most comfortable to them. **Plain Language & Context** – Workshop materials and presentations used clear, non-technical language and provided background on CETA and CEIP, making the process approachable for participants without an energy policy background. **Iterative Design** – A two-phased approach allowed participants to reflect between sessions, refine their input, and see their feedback incorporated, which built trust and encouraged continued engagement. Allow for iterative refinement of vulnerable populations definition. **Representation of Vulnerable Groups** – RES intentionally engaged nonprofit and community-based organizations that work directly with vulnerable populations (e.g., families in poverty, seniors, survivors of domestic violence). This approach amplified the voices of those most vulnerable, even if they could not attend directly.
Describe how public comments were reflected in the specific actions under WAC 194-40-200(4), including the development of one or more indicators and other elements of the CEIP and your utility's supporting integrated resource plan or resource plans, as applicable.	The actions developed through the workshops directly respond to four categories of challenges identified by the community: renter and housing challenges, economic challenges, technology and access challenges, and systemic barriers. This feedback served as the foundation for shaping actions included in the 2025 CEIP, with each action strategically designed to address specific barriers identified through the workshop process. The selection of these indicators directly reflects barriers and risks identified through RES public input workshops. Workshop participants repeatedly emphasized renter access barriers, identified as the most significant equity concern in both workshops, which led to specific tracking of participation rates. Community partners stressed that measuring program success requires understanding not just overall participation numbers, but specifically whether vulnerable populations can access and complete programs. Workshop feedback regarding technology barriers from community partners serving seniors and disabled populations directly informed indicators tracking engagement with technology-challenged populations. Participants noted that traditional outreach methods may not reach digitally disconnected households, making it essential to measure whether community partner outreach successfully engages these populations. Community partners also emphasized that equity requires tracking not only who participates, but who receives meaningful financial benefits. This feedback led to indicators measuring both participation rates and dollar distribution across vulnerable categories, ensuring that programs deliver equitable outcomes rather than simply equitable access.

Long-term Plans

Integrated resource plan & clean energy action plan compliance (WAC 194-40-200(6-7), WAC 194-40-200(4)(c)(iii))

Is your clean energy implementation plan (CEIP) consistent with the most recent integrated resource plan or resource plan, as applicable, prepared by your utility under RCW 19.280.030?	Yes
Is your CEIP consistent with your utility's clean energy action plan developed under RCW 19.280.030(1) or other 10-year plan developed under RCW 19.280.030(5)?	Yes
How are the specific actions consistent with your utility's resource plan and clean energy action plan?	The resource plan identifies BPA Tier 1 and Tier 2 power, energy efficiency, and RES's Horn Rapids Solar & Storage project as the resources to meet RES's load. This CEIP and the identified actions are consistent with that resource strategy.
Hyperlink to Relevant Assessment/Resource Plan	https://www.ci.richland.wa.us/home/showpublisheddocument/16606/638600169457600000

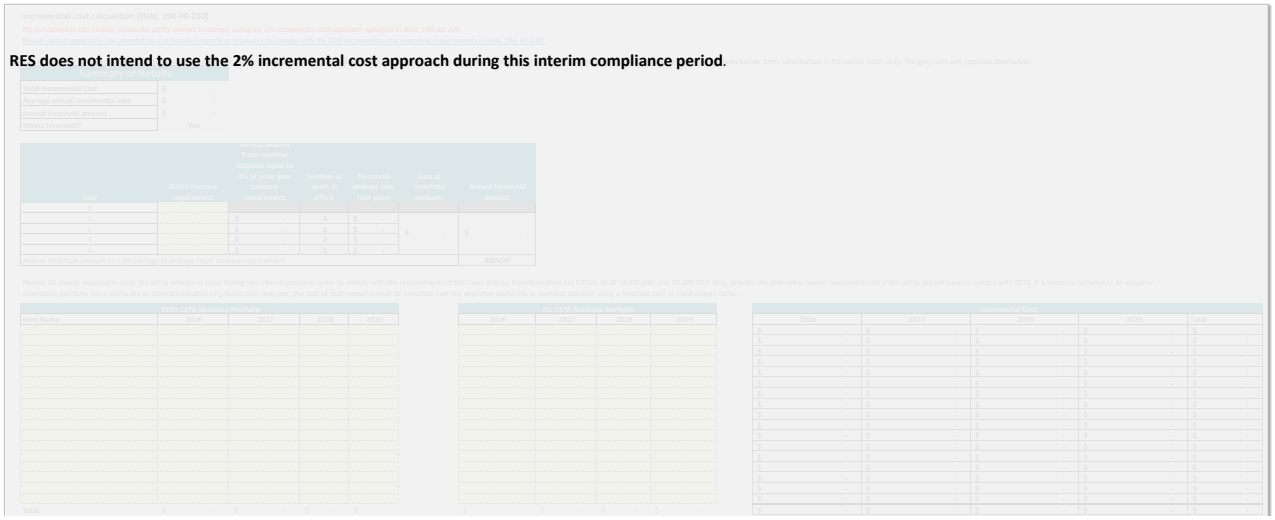
Resource Adequacy Standard

Resource adequacy standard (WAC 194-40-200(8))

Identify the resource adequacy standard and measurement metrics adopted by the utility under WAC 194-40-210 and used in establishing the targets in the CEIP. Identify and explain any changes to your resource adequacy standard.

Resource adequacy standard (e.g., peak load standards, loss of load probability or loss of load expectation)	BPA assures its power supply is available to meet its firm power supply obligation on a long term planning, forecast, basis. As directed by the Pacific Northwest Electric Power Planning and Conservation Act, a fundamental statutory purpose for BPA is to assure it has an adequate supply of power, which BPA meets through its power planning function as guided by the Northwest Power and Conservation Council Power Plan. BPA's firm power supply obligation under the Northwest power Act means BPA supplies all the power a customer needs to serve its retail consumer demands on a continuous basis except for reasons of force majeure. This obligation takes into account and is adjusted by the amount of non-federal power/resources Richland Energy Services (RES) uses to serve its load and by the type of product RES selects to purchase from BPA. BPA's currently effective Regional Dialogue Load Following Contracts obligates BPA to supply all the electricity required to meet the second-to-second variation in RES load net of RES non-federal resources.
Methods of measurement (e.g., probabilistic assessments of resource adequacy)	BPA uses its Resource Program, which includes a Needs Assessment that examines on a 10-year forecast basis the uncertainty in customer loads, expected water conditions affecting federal hydro production including Biological Opinion requirements, resource availability, natural gas prices, and electricity market prices to develop a least-cost portfolio of resources that meet BPA's obligations. The goal of the Needs Assessment, which is one of the early steps in the Resource Program, is to measure BPA's existing system, in relative isolation, against BPA's obligations to supply power to show whether any long-term energy and/or capacity shortfalls may occur over the 10-year study horizon. The Needs Assessment forecasts BPA's needs for long-term energy and capacity based on resource capabilities and projected obligations to serve power. The Needs Assessment informs later steps of the Resource Program, where resource optimization techniques are used to evaluate and select potential solutions for meeting BPA's long-term needs based on cost and risk. The Needs Assessment uses the following four metrics to assess BPA's long-term energy and capacity needs: • Annual Energy: Evaluates the annual energy surplus/deficit under 1937 critical water conditions, using forecasted load obligations and expected Columbia Generating Station output. • P10 Heavy Load Hour: Evaluates the 10th percentile (P10) surplus/deficit over heavy load hours by month given variability in hydropower generation, load obligations, and Columbia Generating Station output amounts. • P10 Superpeak: Evaluates the P10 surplus/deficit over the six peak load hours per weekday by month, given variability in hydropower generation, load obligations, and Columbia Generating Station output.

Incremental Cost



RES does not intend to use the 2% incremental cost approach during this interim compliance period.

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Items of Business

Prepared By: Clint Whitney, Energy Services Director

Subject
Bonnevile Power Administration (BPA) - Provider of Choice - Power Contract (15 minutes)

Department
Energy Services

Recommended Motion
This item is informational only.

Summary
The City's power contract with Bonneville Power Administration (BPA), originally signed as the Regional Dialog Contract (RDC) in 2008 is planned to be replaced with a new Provider of Choice power contract beginning in 2028.

The Provider of Choice contract template for load following utilities has been released. However, the final contract specific to the City is expected between September and December with final contracts expected to be signed by December 2025.

While terminology has been updated in the new the power contract with an emphasis on capacity factor for generation resources provided by some utilities, the new Provider of Choice power contract billing components are similar in principle to the existing RDC power contract. The new power contract has an emphasis on demand charges and no longer includes a utility allowed Contract Demand Quantity (CDQ).

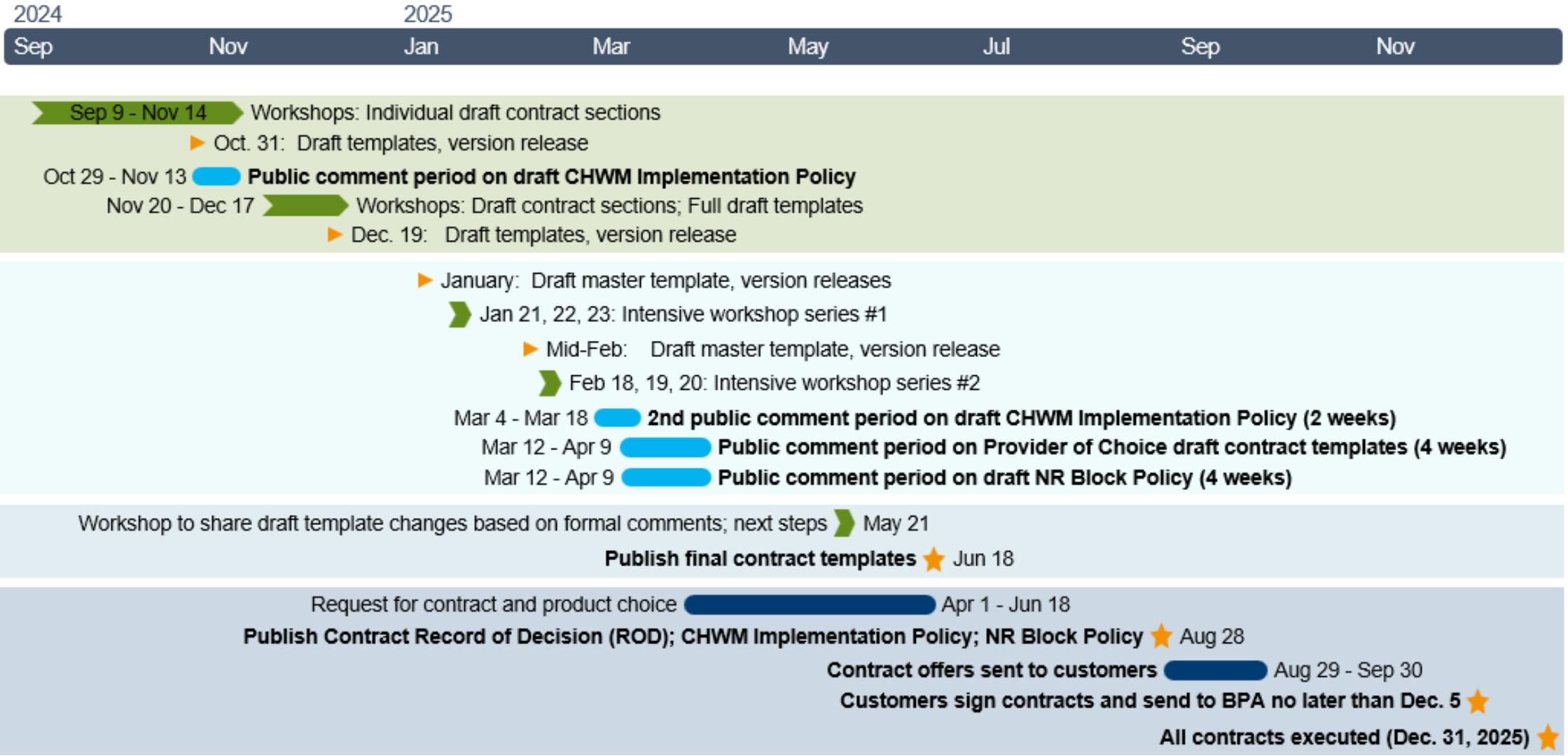
An area still to be resolved is how BPA will finalize the required Residential Exhange Program (REP). Currently, investor-owned utilities (IOU) have received cash instead of physical power generated. In the new power contract, IOUs are asking for the REP to be a physical resource that includes the low carbon attributes in exchange for their higher carbon power generated. More to come with how the REP gets settled and how it may impact BPA's fuel mix and carbon attributes for public power entities.

Fiscal Impact
None.

Attachments
1. BPA Provider of Choice Timeline
2. 20250814-poc-final-load-following-template
3. provider-of-choice-comparison-to-regional-dialogue-12192024

Pr. of Ch. Detailed Timeline Through Dec. 31, 2025

Last Updated Feb. 20, 2025



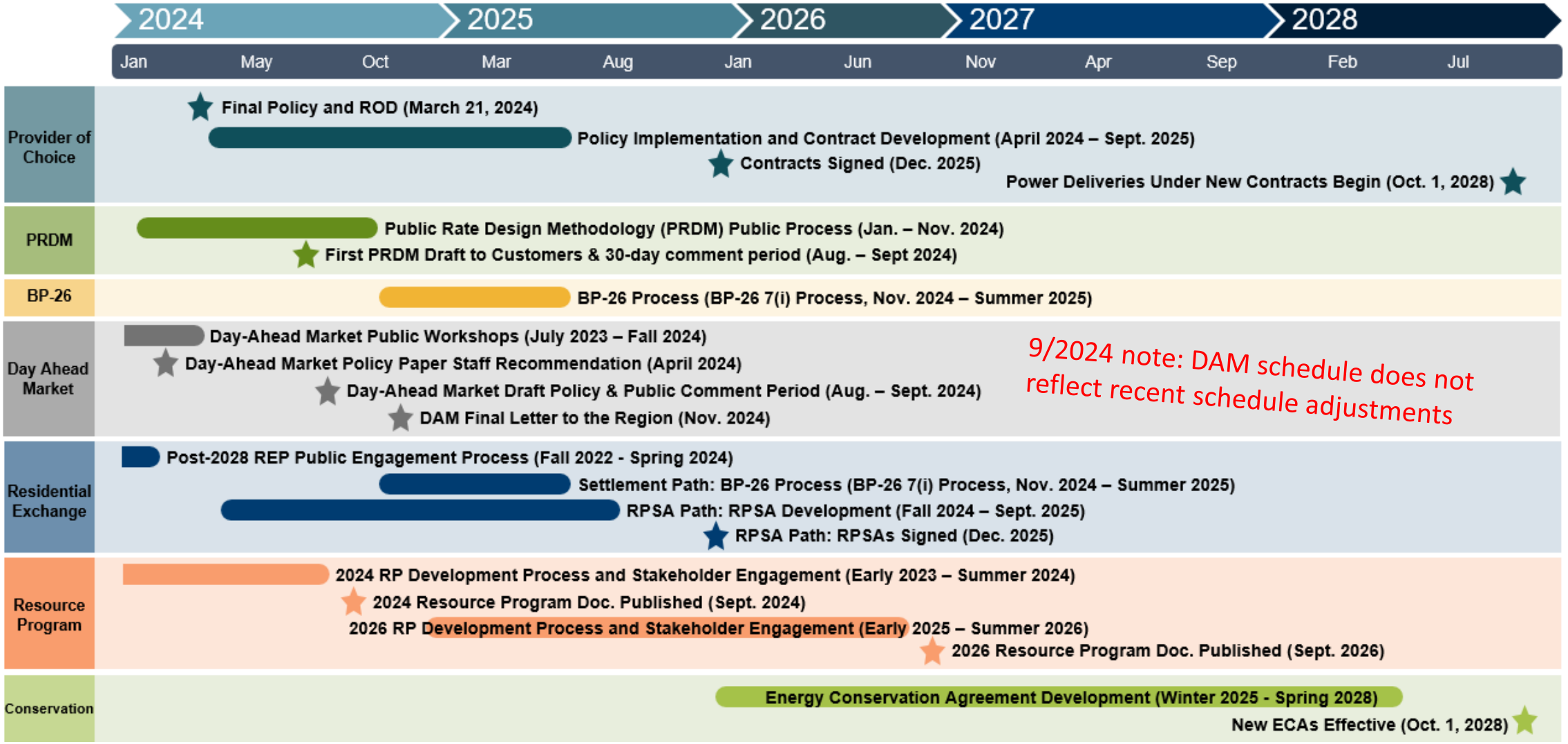
Provider of Choice Timeline

Last Updated Feb. 2025

BONNEVILLE POWER ADMINISTRATION

Post-2028 and Other Related Processes

Last Updated 6/7/2024



PROVIDER OF CHOICE
FINAL LOAD FOLLOWING CONTRACT TEMPLATE
(08/14/25)

Contract No. «##»PS-«#####»
DRAFT 9/5/2025 2:31 PM
{When finalized, delete date here and move it to the author information line at the bottom of signature page.}

POWER SALES AGREEMENT

executed by the

BONNEVILLE POWER ADMINISTRATION

and

«FULL NAME OF CUSTOMER»

Table of Contents

Exhibit A Net Requirements and Resources
Exhibit B Contract High Water Marks
Exhibit C Purchase Obligations
Exhibit D Additional Products and Special Provisions
Exhibit E Metering
Exhibit F Transmission Scheduling Service *Option 1: For Transfer customers, whether NT or PTP. For directly-connected with RSS or Tier 2 or elected TSS.*
Exhibit F Scheduling *Option 2: For exclusively directly-connected with NT.*
Exhibit F Scheduling *Option 3: For exclusively directly-connected with PTP.*
Option 1: Include for exclusively directly-connected customers.
Exhibit G This Exhibit Intentionally Left Blank
End Option 1
Option 2: Include for customers served by Transfer Service.
Exhibit G Terms Related To Transfer Service
End Option 2
Exhibit H Renewable Energy Certificates and Environmental Attributes
Exhibit I Notices and Contact Information
Exhibit J Support Services; Additional Resource and Energy Storage Device Requirements

Option 1: Include the following for customers that are not joint operating entities (JOEs).

This POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and «FULL NAME OF CUSTOMER» («Customer Name»), hereinafter individually referred to as "Party" and collectively referred to as the "Parties". «Customer Name» is a «public utility district, people's utility district, non-profit corporation, municipal corporation, public body formed under tribal law, federal agency», organized and authorized under the laws of the State of «State», to purchase and distribute electric power to serve retail consumers from its distribution system within its service area.
Drafter's Note: Modify the previous sentence for tribal utilities and federal agencies to reflect their legal status independent of the state.
End Option 1

Option 2: Include the following for customers that are JOEs.

This POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and «FULL NAME OF CUSTOMER» («Customer Name»), hereinafter individually referred to as "Party" and collectively referred to as the "Parties". «Customer Name» is a «joint operating entity with cooperative utility members» «joint operating entity with public utility members» («Customer Name» Member(s)" or "Member(s)"), which are organized and authorized under the laws of the States of «States», to purchase and distribute electric power to serve retail consumers from their distribution systems within their service areas. «Customer Name» Members under this Agreement are identified in the table in section 1.1 of Exhibit B.
End Option 2

RECITALS

Option: Include the following for customers that had a Regional Dialogue contract and include that RD contract number.

«Customer Name»'s power sales agreement Contract No. «##PB»-«#####» continues through September 30, 2028, and power sales under this Agreement begin on October 1, 2028. All obligations and liabilities accrued under Contract No. «##PB»-«#####» are preserved until satisfied.

End Option

BPA is a functionally separated organization with distinct administrative and decision-making activities for BPA's power and transmission functions. References in this Agreement to Power Services or Transmission Services are solely for the purpose of clarifying which BPA function is responsible for such administrative and decision-making activities.

BPA is authorized to market electric power to qualified entities eligible to purchase such power. Under Section 5(b)(1) of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), 16 U.S.C. § 839c(b)(1), BPA is obligated to offer a power sales agreement to any eligible customer for the sale and purchase of electric power to serve the customer's regional consumer load not served by the customer's resources.

Option: Include the following for customers that are JOEs.

Under Section 5(b)(7) of the Northwest Power Act , a qualified joint operating entity (JOE) may request a contract for the sale of electric power from BPA for resale to meet the net requirement loads of qualifying public body and cooperative customers of BPA that are members of the JOE. «Customer Name» is a JOE within the meaning of the Northwest Power Act and has complied with BPA's standards of service. «Customer Name» consists of member «public or cooperative» utilities that serve firm consumer load in the Region.

End Option

In the final Provider of Choice Policy, March 2024 BPA proposed to develop the contracts requested under Section 5(b) of the Northwest Power Act consistent with a tiered rates pricing construct for the Section 7(b) rate, in order to provide signals and to encourage the timely development of regional power resource infrastructure to meet regional consumer loads under this Agreement.

This Agreement effectuates a Contract High Water Mark (CHWM) for «Customer Name» that establishes the amount of power «Customer Name» may purchase from BPA at Tier 1 Rates.

The Parties agree:

1. TERM

Option 1: Include the following for customers who do NOT need RUS approval.

This Agreement takes effect on the date signed by the Parties and expires on September 30, 2044. Power sales by BPA to «Customer Name» under this Agreement shall commence on October 1, 2028, provided that the Parties have

completed any obligations required between the Effective Date and October 1, 2028 as specified under this Agreement.
End Option 1

Option 2: Include the following for customers who must obtain RUS approval of this Agreement.
This Agreement takes effect on the date signed by the Parties and expires on September 30, 2044. This Agreement is subject to approval of the United States Department of Agriculture Rural Utilities Service until December 31, 2026. «Customer Name» shall send any documentation of such approval to BPA. Power sales by BPA to «Customer Name» under this Agreement shall commence on October 1, 2028, provided that the Parties have completed any obligations required between the Effective Date and October 1, 2028 as specified under this Agreement.
End Option 2

Until October 1, 2028, section 19, Governing Law and Dispute Resolution will only apply to the extent there is a dispute regarding actions required under this Agreement that occur prior to October 1, 2028.

All obligations and liabilities accrued under this Agreement are preserved until satisfied.

Reviewer's Note: Terms related to Resource Support Services (RSS) have been deleted from section 2, Definitions. Because RSS for Provider of Choice have yet to be defined and contract language developed, any definitions included at this point would be presumptive and potentially incorrect. BPA will develop RSS provisions for Exhibit J, and BPA anticipates offering an amendment to this Agreement to include RSS-related definitions to this section 2 at the same time.

2. DEFINITIONS

Capitalized terms below shall have the meaning stated. Capitalized terms that are not listed below are either defined within the section or exhibit in which the term is used, or if not so defined, shall have the meaning stated in BPA's applicable Power Rate Schedules, including the General Rate Schedule Provisions (GRSPs) or Public Rate Design Methodology (PRDM). Definitions in **bold** indicate terms that are both defined in the PRDM and that the Parties agree should conform to the PRDM as it may be revised. The Parties agree that if such definitions are revised pursuant to the PRDM, then BPA shall promptly and unilaterally amend this Agreement to incorporate such revised definitions from the PRDM, to the extent they are applicable.

2.1 "5(b)/9(c) Policy" means BPA's Policy on Determining Net Requirements of Pacific Northwest Utility Customers Under Sections 5(b)(1) and 9(c) of the Northwest Power Act issued May 23, 2000, and its revisions or successors.

2.2 "**7(i) Process**" means a public process conducted by BPA, pursuant to Section 7(i) of the Northwest Power Act, 16 U.S.C. § 839e(i), or its successor, to establish rates for the sale of power and other products.

Option 1: Include the following for customers that are not JOEs.

2.3 "Above-CHWM Load" means the forecasted portion of a customer's Preliminary Net Requirement that is in excess of the customer's CHWM, if any, as determined in the Above-CHWM Load Process.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.4 "Above-CHWM Load" means the sum of all Members' Above-CHWM Loads.

End Option 2

2.5 "Above-CHWM Load Process" means the public process conducted during each Forecast Year, in which BPA will calculate the following values for the upcoming Rate Period: (1) each customer's Preliminary Net Requirement; (2) adjusted CHWMs; and (3) each customer's Above-CHWM Load.

2.6 "Annexed Load" means existing load, distribution system (regardless of voltage), or service territory «Customer Name» acquires after the Effective Date from another utility, by means of annexation, merger, purchase, trade, or other acquisition of rights, the acquisition of which BPA determines is consistent with BPA's standards of service and has been authorized by agreement between the impacted utilities or by a final state, regulatory, or court action. The Annexed Load must be served from distribution facilities of any voltage that are owned or acquired by «Customer Name».

2.7 "Attribute Pools" shall have the meaning as defined in section 2 of Exhibit H.

2.8 "Average Megawatts" or "aMW" means the amount of electric energy in megawatt-hours (MWh) during a specified period of time divided by the number of hours in such period.

2.9 "Balancing Authority" shall have the meaning as defined in section 1 of Exhibit F.

2.10 "Balancing Authority Area" shall have the meaning as defined in section 1 of Exhibit F.

2.11 "Block" or "Block Product" means a planned amount of Firm Requirements Power sold to a customer to meet a portion of its regional consumer load.

2.12 "Business Day(s)" means every Monday through Friday, except federal holidays.

2.13 "**CHWM Contract**" means the power sales agreement between a customer and BPA that contains a Contract High Water Mark (CHWM), and under which the customer purchases power from BPA at rates established by BPA in accordance with the PRDM.

2.14 "Committed Power Purchase Amount" means an amount of firm energy, listed in sections 3 and 4 of Exhibit A, that «Customer Name» has agreed to supply and use to serve its Total Retail Load. Such amount is not attributed to a Specified Resource.

2.15 "Consumer-Owned Resource" means a Generating Resource connected to «Customer Name»'s distribution system (regardless of voltage) from which the output is owned by a retail consumer, has a nameplate capability greater than 1.000 megawatt, is operated to serve load, and is not operated occasionally or intermittently as a back-up energy source at times of maintenance or forced outage. Consumer-Owned Resource does not include a resource where the owner of the resource is a retail consumer that exists solely for the purpose of selling wholesale power and for which «Customer Name» only provides incidental station service energy for local use at the retail consumer's generating plant for uses such as lighting, heat and the operation of auxiliary equipment.

2.16 "Contracted For, or Committed To" or "CF/CT" shall have the meaning as described in section 20.3.1.1.

Option 1: Include the following for customers that are not JOEs.

2.17 "Contract High Water Mark" or "CHWM" means the amount of Firm Requirements Power (expressed in annual Average Megawatts) that a customer is eligible to access at Tier 1 Rates. The amount of Firm Requirements Power a customer purchases at Tier 1 Rates is limited to the lesser of its CHWM or its Net Requirement as established consistent with section 1 of Exhibit A.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.18 "Contract High Water Mark" or "CHWM" means the sum of «Customer Name» Members' CHWMs.

End Option 2

2.19 "Contract High Water Mark (CHWM) Implementation Policy" means the policy that documents the process details around the FY 2026 CHWM Calculation Process and Above-CHWM Load Process.

2.20 "Cumulative Prior Load" shall have the meaning as established in section 20.3.5.2.

2.21 "Cycle" shall have the meaning as defined in section 6 of Exhibit J.

2.22 "Cycles per Day" shall have the meaning as defined in section 6 of Exhibit J.

2.23 "Dedicated Resource" means a Specified Resource or a Committed Power Purchase Amount listed in Exhibit A that «Customer Name» is required by statute to provide or obligates itself to provide under this Agreement for use to serve its Total Retail Load.

2.24 "Dispatchable Resource" means a Specified Resource from which generation amounts can be intentionally increased or decreased by the resource owner or operator, and which has capacity capability greater than the energy capability as defined in Exhibit J.

2.25 "Diurnal" means the division of hours within a month between Heavy Load Hours (HLH) and Light Load Hours (LLH).

2.26 "Due Date" shall have the meaning as described in section 16.2.

2.27 "Effective Date" means the date on which this Agreement has been signed by both «Customer Name» and BPA.

2.28 "Electronic Tag" or "E-Tag" shall have the meaning as defined in section 1 of Exhibit F.

2.29 "Eligible Annexed Load" shall have the meaning as defined in section 3.5.7.

2.30 "Emissions Allowance" shall have the meaning as defined in section 2 of Exhibit H.

2.31 "Energy Storage Device" or "ESD" means a facility used to hold generated electric energy for release at a later time. Energy Storage Devices include energy storage facilities such as batteries. In Exhibit J, BPA documents Energy Storage Devices with alternating current (AC) nameplates (in some cases stated as facility interconnection AC nameplates) greater than 1.000 megawatt.

2.32 "Environmental Attribute Accounting Process" shall have the meaning as defined in section 2 of Exhibit H.

2.33 "Environmental Attributes" shall have the meaning as defined in section 2 of Exhibit H.

2.34 "Existing Resource" means a Specified Resource listed in section 2 of Exhibit A that «Customer Name» was obligated by contract or statute to use to serve «Customer Name»'s Total Retail Load prior to October 1, 2023.

2.35 "Federal Columbia River Power System" or "FCRPS" means the integrated power system that includes, but is not limited to, the transmission system constructed and operated by BPA and the hydroelectric dams in the Pacific Northwest constructed and operated by the U.S. Army Corps of Engineers and the Bureau of Reclamation.

2.36 "FERC" means the Federal Energy Regulatory Commission, or its successor.

Option 1: Include the following for customers that are not JOEs.

2.37 "Firm Requirements Power" means electric power that BPA sells under this Agreement and makes continuously available to «Customer Name» to meet BPA's obligations to «Customer Name» under Section 5(b) of the Northwest Power Act.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.38 "Firm Requirements Power" means electric power that BPA sells under this Agreement and makes continuously available to «Customer Name» to meet BPA's obligations to «Customer Name» under Sections 5(b)(1) and 5(b)(7) of the Northwest Power Act.

End Option 2

2.39 "Fiscal Year" or "FY" means the period beginning each October 1 and ending the following September 30.

Drafter's Note: Include the following for customers served by Transfer Service.

2.40 "Fiscal Year Transfer Cap" shall have the meaning as defined in section 1 of Exhibit G.

End Option

2.41 "Flat Annual Shape" means a distribution of energy having the same Average Megawatt value of energy in each month of the year.

2.42 "Flat Within-Month Shape" means a distribution of energy having the same Average Megawatt value of energy in each Diurnal period of the month.

Drafter's Note: Include the following for customers that have one or more hydro Existing Resources that are Dispatchable Resources.

2.43 "Flexible Resource Capacity" shall have the meaning as defined in section 4 of Exhibit J.

End Option

2.44 "Forecast Year" means the Fiscal Year ending one full year prior to the commencement of a Rate Period.

2.45 "FY 2026 CHWM Calculation Process" means the public process where BPA shall calculate each customer's CHWM in accordance with section 2.4 of the Provider of Choice Policy, March 2024, as amended or revised.

2.46 "Generating Resource" means any source or amount of electric power from an identified electricity-producing unit, and for which the amount of power received by «Customer Name» or «Customer Name»'s retail consumer is determined by the power produced from such identified electricity-producing unit. Such unit may be owned by «Customer Name» or «Customer Name»'s retail consumer in whole or in part, or all or any part of the output from such unit may be owned for a defined period by contract.

2.47 "Heavy Load Hours" or "HLH" shall have the meaning as defined in section 1 of Exhibit F.

2.48 "HLH Diurnal Shape" means a distribution of energy between the Diurnal periods in which more megawatt-hours per hour are applied in the Heavy Load Hour (HLH) periods than megawatt-hours per hour applied in the Light Load Hour (LLH) periods. Such distributions are determined by «Customer Name» consistent with section 8 of Exhibit A.

2.49 "Hours of Maximum Discharge" shall have the meaning as defined in section 6 of Exhibit J.

Drafter's Note: Include the following for customers served by Transfer Service.

2.50 "Initial Transfer Study Deposit" shall have the meaning as defined in Exhibit G.

End Option

2.51 "Interchange Points" shall have the meaning as defined in section 1 of Exhibit F.

2.52 "Inventory" or "Inventories" shall have the meaning as defined in section 2 of Exhibit H.

2.53 "Issue Date" shall have the meaning as described in section 16.1.

2.54 "Joint Operating Entity" or "JOE" means an entity that meets the requirements of Section 5(b)(7) of the Northwest Power Act.

Drafter's Note: Include the following for customers served by Transfer Service.

2.55 "Last Transfer Segment" shall have the meaning as defined in section 1 of Exhibit G.

End Option

2.56 "Light Load Hours" or "LLH" shall have the meaning as defined in section 1 of Exhibit F.

2.57 "Low Voltage Segment" means the facilities of a Third-Party Transmission Provider that are below 34.5kV.

2.58 "Maximum Charge Rate" shall have the meaning as defined in section 6 of Exhibit J.

2.59 "Maximum Potential CHWM" shall have the meaning as defined in section 1.2.5 of Exhibit B.

2.60 "Maximum Single Hour Discharge" shall have the meaning as defined in section 6 of Exhibit J.

Drafter's Note: Include the following for customers that are JOEs.

2.61 "Member" or "JOE Member" means a public body or cooperative that purchases or will purchase electric power from a JOE pursuant to Section 5(b)(7) of the Northwest Power Act and that has (1) signed a Preservation of Certain Rights and Obligations Agreement, or its successor, with BPA, or (2) assigned its CHWM Contract to a JOE.

End Option

Drafter's Note: Include the following for customers that are JOEs.

2.62 "Member's Above-CHWM Load" means the forecasted portion of a «Customer Name» Member's Preliminary Net Requirement that is in excess of such «Customer Name» Member's CHWM, if any, as determined in the Above-CHWM Load Process.

End Option

Drafter's Note: Include the following for customers that are JOEs.

2.63 "Member's CHWM" means the amount of Firm Requirements Power (expressed in annual Average Megawatts) that a Member is eligible to access at Tier 1 Rates. The amount of Firm Requirements Power available to «Customer Name» for a Member at Tier 1 Rates is limited to the lesser of such Member's CHWM or such Member's Net Requirement. Each «Customer Name» Member's CHWM is stated in Exhibit B.

End Option

2.64 "Net Requirement" means the amount of electric power that a customer may purchase from BPA to serve its Total Retail Load, minus amounts of its Dedicated Resources shown in Exhibit A, as determined consistent with Section 5(b)(1) of the Northwest Power Act.

Drafter's Note: Include the following for customers served by Transfer Service.

2.65 "Network Load" shall have the meaning as defined in section 1 of Exhibit G.

End Option

Drafter's Note: Include the following for customers served by Transfer Service.

2.66 "Network Resource" shall have the meaning as defined in section 1 of Exhibit G.

End Option

2.67 "New Large Single Load" or "NLSL" shall have the meaning as specified in Section 3(13) of the Northwest Power Act and in the April 2001 Bonneville Power Administration New Large Single Load Policy or its successor (BPA's NLSL Policy).

2.68 "New Resource" means: (1) a Specified Resource listed in section 2 of Exhibit A that «Customer Name» was or is obligated by contract to use to serve «Customer Name»'s Total Retail Load after September 30, 2023, and (2) any Committed Power Purchase Amounts listed in Exhibit A.

2.69 "**New Resource Rate**" or "NR Rate" means the rate for requirements firm power sold to an investor-owned utility (IOU) or public customer pursuant to Section 7(f) of the Northwest Power Act, 16 U.S.C. § 839e(c).

2.70 "Northwest Power Act" means the Pacific Northwest Electric Power Planning and Conservation Act, 16 U.S.C. § 839 et seq., Public Law No. 96-501, as amended.

2.71 "On-Site Consumer Load" means the load of an identified retail consumer of «Customer Name» that is electrically interconnected at the same Point of Delivery to «Customer Name»'s system with a Consumer-Owned Resource of that same identified retail consumer. Such load does not utilize BPA or Third-Party Transmission Provider transmission facilities to deliver the generation from the Consumer-Owned Resource to the consumer load.

2.72 "Open Access Transmission Tariff" or "OATT" shall have the meaning as defined in section 1 of Exhibit F.

2.73 "Peak Load Variance Service" or "PLVS" means a resource-capacity planning-based service for instances when planned load exceeds expected load forecast values.

2.74 "Planned NLSL" means the load at a facility that BPA and a customer have agreed, pursuant to the provisions of Section V.B. of BPA's NLSL Policy, is expected to become an NLSL during the facility's next consecutive 12-month monitoring period.

2.75 "Planned Transmission Outage" shall have the meaning as defined in section 1 of Exhibit F.

2.76 "Point of Delivery" or "POD" means the point where power is transferred from a transmission provider to «Customer Name».

2.77 "Point of Metering" or "POM" means the point at which power is measured.

2.78 "Potential NLSL" means a load at a facility that BPA determines is capable of growing ten Average Megawatt or more in a consecutive 12-month monitoring period that may qualify as an NLSL.

2.79 "Power Services" means the organization, or its successor organization, within BPA that is responsible for the management and sale of BPA-provided electric power.

2.80 "**Preliminary Net Requirement**" means a customer's annual Net Requirement prior to accounting for any New Resources a customer may elect to serve its Above-CHWM Load. Preliminary Net Requirement is determined as the forecasted annual Total Retail Load less Existing Resources, NLSLs, Specified Resources added to Tier 1 Allowance Amount, and Consumer-

Owned Resources serving On-Site Consumer Load, as determined in the Above-CHWM Load Process.

2.81 "Primary Points of Receipt" shall have the meaning as defined in section 14.1.

2.82 "**Public Rate Design Methodology**" or "**PRDM**" means the methodology describing the manner in which BPA will collect a portion of its Power Revenue Requirement from public customers with a CHWM Contract through a combination of charges, credits, fees, and discounts, as well as the terms and conditions related to any potential changes to the methodology.

2.83 "Qualified Capacity Contribution" or "QCC" means the megawatt quantity of capacity provided by a resource, contract, or portfolio as defined by the Western Resource Adequacy Program (WRAP).

2.84 "Rate Case Year" means the Fiscal Year ending prior to the commencement of a Rate Period. The Rate Case Year immediately follows the Forecast Year and is the year in which the 7(i) Process for the next Rate Period is conducted.

2.85 "Rate Period" means the period of time during which a specific set of rates established by BPA pursuant to the PRDM is intended to remain in effect.

2.86 "Region" means the Pacific Northwest as defined in Section 3(14) of the Northwest Power Act.

2.87 "Renewable Energy Certificates" or "Renewable Energy Credits" or "RECs" shall have the meaning as defined in section 2 of Exhibit H.

2.88 "Retire" or "Retirement" shall have the meaning as defined in section 2 of Exhibit H.

2.89 "Resource Diurnal Shape" means a distribution of energy within each Diurnal period that a Specified Resource is expected to produce, as agreed to by the Parties in accordance with section 3.4.1(1).

2.90 "Resource Monthly Shape" means a distribution of energy within each month that a Specified Resource is expected to produce, as agreed to by the Parties in accordance with section 3.4.1(1).

2.91 "Resource Support Services" or "RSS" means a suite of services BPA Power Services provides to integrate federal and non-federal resources defined in Exhibit J and priced in each regular 7(i) Process consistent with chapter 6 of the PRDM.

2.92 "Round Trip Efficiency" shall have the meaning as defined in section 6 of Exhibit J.

2.93 "Scheduling Points of Receipt" shall have the meaning as defined in section 14.1.

2.94 "Slice/Block Product" means a customer's purchase obligation under the Slice Product and the Block Product to meet its regional consumer load obligation as described in section 3.1 of the Slice/Block Product CHWM Contract.

Option 1: Include the following for customers that are not JOEs.

2.95 "Slice Percentage" means the percentage used to determine the amount of the Slice Product a customer purchases, pursuant to its CHWM Contract.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.96 "Slice Percentage" means the sum of the JOE Member's Slice Percentages, used to determine the amount of the Slice Product a JOE purchases, pursuant to its CHWM Contract.

End Option 2

2.97 "Slice Product" means the power product defined in section 5 of the Slice/Block Product CHWM Contract.

2.98 "Small Utility Adjustment" means the subsequent CHWM adjustment as provided in section 2.4.2.1 of the Provider of Choice Policy, March 2024, as amended or revised.

2.99 "Specified Resource" means a Generating Resource that has a nameplate capability or maximum hourly purchase amount greater than 1.000 megawatt, that a customer is required by statute or has agreed to use to serve its Total Retail Load. Each such resource is identified as a specific Generating Resource listed in sections 2 and 4 of Exhibit A.

2.100 "Storage Capacity" shall have the meaning as defined in section 6 of Exhibit J.

2.101 "Submitted Schedule" shall have the meaning as defined in section 3.7.

2.102 "Support Services" means a suite of services Power Services provides to customers, including RSS and other Support Services, as defined in Exhibit J and priced in each 7(i) Process consistent with chapter 6 of the PRDM.

2.103 "Surplus Firm Power" means firm power that is in excess of BPA's obligations, including those incurred under Sections 5(b), 5(c), and 5(d) of the Northwest Power Act, as available.

2.104 "Third-Party Transmission Provider" means a transmission provider other than BPA that provides transmission service to serve «Customer Name»'s load.

Option 1: Include the following for customers that are not JOEs.

2.105 "Tier 1 Allowance Amount" means the aggregate total nameplate capacity of qualifying Specified Resources listed in section 2 of Exhibit A that «Customer Name» is applying to offset its purchase obligation in accordance with section 3.5.2.

End Option 1

Option 2: Include the following definition for customers that are JOEs.

2.106 "Tier 1 Allowance Amount" means the aggregate total nameplate capacity of qualifying Specified Resources listed in section 2 of Exhibit A that each «Customer Name» Member is applying to offset «Customer Name»'s purchase obligation in accordance with section 3.5.2.

End Option 2

2.107 "**Tier 1 Marginal Energy True-Up**" means an end-of-Fiscal-Year process that evaluates the difference between forecast and actual energy usage and aligns that difference with appropriate Tier 1 Rate and market-based pricing levels, as described in chapter 4.2 of the PRDM.

2.108 "Tier 1 Rate(s)" shall have the meaning as described in chapter 4 of the PRDM.

2.109 "Tier 2 Long-Term Rate" means a Tier 2 Rate at which customers may elect to purchase Firm Requirements Power in accordance with section 2.3 of Exhibit C.

2.110 "Tier 2 Rate(s)" shall have the meaning as described in chapter 5 of the PRDM.

2.111 "Tier 2 Short-Term Rate" means a Tier 2 Rate at which customers may elect to purchase Firm Requirements Power in accordance with section 2.4 of Exhibit C.

2.112 "Tier 2 Vintage Rate" means a Tier 2 Rate(s) at which customers may elect to purchase Firm Requirements Power in accordance with section 2.5 of Exhibit C.

Option 1: Include the following for customers that are not JOEs.

2.113 "Total Retail Load" or "TRL" means all retail electric power consumption, including electric system losses, within a customer's electrical system, excluding:

(1) those loads BPA and the customer have agreed are non-firm or interruptible loads,

(2) loads of other utilities served by such customer, and

(3) any loads not on such customer's electrical system or not within such customer's service territory, unless specifically agreed to by BPA.

End Option 1

Option 2: Include the following definition for customers that are JOEs.

2.114 "Total Retail Load" or "TRL" means all retail electric power consumption, including electric system losses, within the individual «Customer Name» Member's electrical system, excluding:

(1) those loads BPA and «Customer Name» have agreed are non-firm or interruptible loads,

(2) loads of other utilities served by such «Customer Name» Members, and

(3) any loads not on such «Customer Name» Member's electrical system or not within such «Customer Name» Member's service territory, unless specifically agreed to by BPA.

For purposes of this Agreement, «Customer Name»'s Total Retail Load is equal to the sum of all Members' Total Retail Loads.

End Option 2

Drafter's Note: Include the following for customers served by Transfer Service.

2.115 "Transfer Market Purchase" shall have the meaning as defined in section 1 of Exhibit G.

End Option

2.116 "Transfer Service" means the transmission, distribution and other services provided by a Third-Party Transmission Provider to BPA to serve customer load over its transmission system, as listed in Exhibit E.

Drafter's Note: Include the following for customers served by Transfer Service.

2.117 "Transfer Request" shall have the meaning as defined in section 1 of Exhibit G.

End Option

2.118 "Transfer Service Eligible Resource" means any (1) Dedicated Resource serving Total Retail Load, (2) Consumer-Owned Resource serving On-Site Consumer Load, or (3) any new non-federal resource pursuant to section 14.6.7.2.

Drafter's Note: Include the following for customers served by Transfer Service.

2.119 "Transfer Study" shall have the meaning as defined in section 1 of Exhibit G.

End Option

2.120 "Transmission Curtailment" shall have the meaning as defined in section 1 of Exhibit F.

2.121 "Transmission Curtailment Management Service" or "TCMS" shall have the meaning as defined in section 1 of Exhibit F.

2.122 "Transmission Event" shall have the meaning as defined in section 1 of Exhibit F.

2.123 "Transmission Scheduling Service" or "TSS" shall have the meaning as defined in section 1 of Exhibit F.

2.124 "Transmission Scheduling Service-Full" or "TSS-Full" shall have the meaning as defined in section 1 of Exhibit F.

Drafter's Note: Include the following for exclusively directly-connected customers or for customers that are BOTH directly-connected and served by Transfer Service.

2.125 "Transmission Scheduling Service-Partial" or "TSS-Partial" shall have the meaning as defined in section 1 of Exhibit F.

End Option

2.126 "Transmission Services" means the organization, or its successor organization, within BPA that is responsible for the management and sale of transmission service on the Federal Columbia River Transmission System.

2.127 "Transmission System Delivery Plan" or "Delivery Plan" means the plan for each Dedicated Resource serving «Customer Name»'s load or Consumer-Owned Resource serving On-Site Consumer Load that states the transmission system of the load that resource will serve.

2.128 "Uncontrollable Force" shall have the meaning as defined in section 18.

2.129 "Vintage Resource" shall have the meaning as defined in section 2.5 of Exhibit C.

3. LOAD FOLLOWING POWER PURCHASE OBLIGATION

3.1 Purchase Obligation

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase, Firm Requirements Power in hourly amounts equal to «Customer Name»'s hourly Total Retail Load minus the hourly firm energy from each of «Customer Name»'s Dedicated Resources listed in sections 2, 3, and 4 of Exhibit A and Consumer-Owned Resources listed in sections 7.1, 7.3, and 7.4 of Exhibit A. «Customer Name» shall determine the hourly firm energy from each of its Dedicated Resources pursuant to section 3.3. Such amounts of energy are subject to change pursuant to section 3.5 and section 10.

3.2 Take or Pay

«Customer Name» shall pay for the Firm Requirements Power it is obligated to purchase and that BPA makes available under section 3.1, at the rates

BPA establishes in a 7(i) Process pursuant to the PRDM, as applicable to such power, whether or not «Customer Name» took delivery of such power.

3.3 **Application of Dedicated Resources**
«Customer Name» shall serve a portion of its Total Retail Load with the Dedicated Resources listed in Exhibit A as follows:

(1) Specified Resources, listed in section 2 of Exhibit A, and

(2) Committed Power Purchase Amounts, listed in section 3.1 of Exhibit A.

«Customer Name» shall use its Dedicated Resources to serve its Total Retail Load, and the Parties shall specify amounts of such Dedicated Resources in Exhibit A as stated below for each specific resource and type. BPA shall use the amounts listed in Exhibit A in determining «Customer Name»'s Net Requirement. The amounts listed are not intended to govern how «Customer Name» operates its Specified Resources, except for those resources applied to the Tier 1 Allowance Amount and those resources supported with RSS from BPA.

3.3.1 **Specified Resources**

3.3.1.1 **Application of Specified Resources**
«Customer Name» shall apply the output of all Specified Resources, listed in section 2 of Exhibit A, to «Customer Name»'s Total Retail Load in predefined hourly amounts consistent with section 3.7 except for those Specified Resources applied to «Customer Name»'s Tier 1 Allowance Amount, those Existing Resources that are Dispatchable Resources, and those Specified Resources that «Customer Name» is supporting with RSS from BPA. For those Specified Resources applied to «Customer Name»'s Tier 1 Allowance Amount, «Customer Name» shall apply all of the output as it is generated to «Customer Name»'s Total Retail Load. «Customer Name» shall apply all Existing Resources that are Dispatchable Resources consistent with section 4 of Exhibit J. «Customer Name» shall apply all Specified Resources supported with RSS from BPA to «Customer Name»'s Total Retail Load consistent with section 3 of Exhibit J.

3.3.1.2 **Determining Specified Resource Amounts**
For each Specified Resource, BPA, in consultation with «Customer Name», shall determine firm energy amounts for each Diurnal period and peak amounts for each month beginning with the later of the date the resource was dedicated to load or October 1, 2028, through the earlier of the date the resource will be permanently removed or

September 30, 2044, and BPA shall list such amounts in section 2 of Exhibit A. BPA shall determine such amounts consistent with the 5(b)/9(c) Policy, and using the allowable shapes established in section 3.4.

3.3.2 **Committed Power Purchase Amounts**

3.3.2.1 **Application of Committed Power Purchase Amounts**
To serve «Customer Name»'s Above-CHWM Load that it commits to meet with Dedicated Resources in Exhibit C, «Customer Name» shall provide and use Committed Power Purchase Amounts to meet any amount of such load not met with its Specified Resources during each Rate Period. «Customer Name» shall apply its Committed Power Purchase Amounts, listed in section 3 of Exhibit A, to «Customer Name»'s Total Retail Load in predefined hourly amounts consistent with section 3.7.

3.3.2.2 **Determining Committed Power Purchase Amounts**
By March 31 of each Rate Case Year, BPA shall calculate and update the table in section 3.1.2 of Exhibit A with «Customer Name»'s Committed Power Purchase Amounts for each year of the upcoming Rate Period. BPA shall calculate such Committed Power Purchase Amounts using the monthly and Diurnal shapes stated in section 3.1.1 of Exhibit A. Upon termination or expiration of this Agreement, any Committed Power Purchase Amounts listed in Exhibit A shall expire, and «Customer Name» shall have no further obligation to apply Committed Power Purchase Amounts.

3.4 **Shaping of Dedicated Resources**
«Customer Name»'s Dedicated Resource amounts shall be shaped as follows.

3.4.1 **Initial Monthly and Diurnal Resource Shapes**
BPA shall initially state «Customer Name»'s Dedicated Resource amounts in Exhibit A with one of the following shapes:

(1) Specified Resources in the amount of energy within each month and Diurnal period of a year that each resource is expected to generate output as determined pursuant to section 3.3.1.2; and

(2) Committed Power Purchase Amounts in equal megawatt amounts for each hour in a year.

3.4.2 **Reshaping Dedicated Resources**
By October 31, 2027, and by October 31 of each Rate Case Year thereafter, «Customer Name» may elect in writing, pursuant to section 3.4.3, to reshape its amounts of Dedicated Resources listed in sections 2 and 3.1 of Exhibit A, except for those Specified Resources

applied to «Customer Name»'s Tier 1 Allowance Amount, those Existing Resources that are Dispatchable Resources, and those Specified Resources «Customer Name» is supporting with RSS from BPA, for the next Rate Period. After BPA receives such written notice from «Customer Name», BPA shall, by the following March 31, revise Exhibit A to reflect such election.

3.4.3 **Monthly and Diurnal Reshaping Options**

Consistent with section 3.4.2, «Customer Name» may elect to reshape one or more of its Dedicated Resources using the allowable shapes described below. If «Customer Name» elects to reshape its Specified Resources, then «Customer Name» shall elect both a monthly and a Diurnal shape for each Specified Resource that is reshaped. If «Customer Name» elects to reshape its Committed Power Purchase Amounts, then the applicable monthly shape will be the Flat Annual Shape and «Customer Name» shall elect a Diurnal shape.

3.4.3.1 **Specified Resources**

For each Specified Resource listed in section 2 of Exhibit A «Customer Name» may elect to apply each resource, in any of the following shapes:

(1) Monthly shapes: (A) Resource Monthly Shape; or (B) Flat Annual Shape.

(2) Diurnal shapes: (A) Resource Diurnal Shape; (B) Flat Within-Month Shape; or (C) HLH Diurnal Shape.

3.4.3.2 **Committed Power Purchase Amounts**

«Customer Name» may elect to apply its Committed Power Purchase Amounts, listed in section 3.1 of Exhibit A, in either of the following Diurnal shapes: (A) Flat Within-Month Shape; or (B) HLH Diurnal Shape.

3.4.4 **Hourly Resource Shape**

«Customer Name» shall apply its Dedicated Resources stated in sections 2 and 3.1 of Exhibit A in equal megawatt amounts during all LLH of a month and in equal megawatt amounts during all HLH of a month, except for those Specified Resources applied to «Customer Name»'s Tier 1 Allowance Amount, those Existing Resources that are Dispatchable Resources, and those Specified Resources «Customer Name» is supporting with RSS from BPA.

3.5 **Changes to Dedicated Resources**

3.5.1 **Specified Resource Additions to Meet Above-CHWM Load**

With written notice to BPA by July 31 of a Forecast Year, «Customer Name» may elect to add Specified Resources to section 2 of Exhibit A, with amounts effective at the start of the upcoming Rate Period, to

meet any obligation «Customer Name» may have in Exhibit C to serve its Above-CHWM Load with Dedicated Resources. The following apply for such Specified Resources:

(1) BPA shall determine amounts for such Specified Resources in accordance with section 3.3.1.2.

(2) «Customer Name» may elect to reshape such Specified Resources in accordance with section 3.4.3, or may elect to purchase RSS from BPA to support such Specified Resources.

BPA shall revise Exhibit A consistent with «Customer Name»'s elections by March 31 following «Customer Name»'s elections under this section 3.5.1.

Option 1: Include the following for customers that are not JOEs.

3.5.2 **Specified Resources Added to Tier 1 Allowance Amount**

At any time over the term of the Agreement and by written notice to BPA, «Customer Name» may request for BPA to add Specified Resources that meet the qualifying criteria in section 3.5.2.2 to its Tier 1 Allowance Amount in section 2 of Exhibit J. BPA shall review such request and revise Exhibit A as soon as reasonably practical to include such resources, provided that BPA determines in its sole discretion that the Specified Resources meet such qualifying criteria. Any qualifying Specified Resource included in the Tier 1 Allowance Amount shall remain in the Tier 1 Allowance Amount for the term of the Agreement unless the resource is removed consistent with section 3.5.6. Any qualifying Specified Resource included in the Tier 1 Allowance Amount shall be treated as an Existing Resource for purposes of temporary resource removal as provided in section 10. «Customer Name»'s qualifying Specified Resources included in the Tier 1 Allowance Amount may be subject to charges pursuant to the applicable Power Rate Schedules and GRSPs.

3.5.2.1 **Tier 1 Allowance Amount Limit**

«Customer Name»'s Tier 1 Allowance Amount shall be limited to the amount stated in section 2 of Exhibit J, and shall not exceed the lesser of 5 MW or 50 percent of «Customer Name»'s CHWM reflected as a megawatt value. Such value will be considered the Tier 1 Allowance Amount limit. If BPA changes «Customer Name»'s CHWM consistent with section 1.2 of Exhibit B, then BPA shall recalculate «Customer Name»'s Tier 1 Allowance Amount limit and update Exhibit J if necessary. If «Customer Name» has a reduction to its CHWM, then BPA shall determine whether a reduction in the Tier 1 Allowance Amount limit is appropriate. In the event that BPA reduces «Customer Name»'s Tier 1 Allowance Amount limit, BPA will determine on a case-by-case basis the treatment of «Customer Name»'s resource(s).

3.5.2.2 **Qualifying Specified Resources For Tier 1 Allowance Amount**

Any Specified Resource «Customer Name» elects to add to its Tier 1 Allowance Amount must meet the following qualifying criteria:

(1) the Specified Resource is a New Resource;

(2) the Specified Resource is connected to «Customer Name»'s distribution system, regardless of voltage, and does not utilize BPA or Third-Party Transmission Provider transmission facilities; and,

(3) the Specified Resource reduces «Customer Name»'s Total Retail Load.

End Option 1

Option 2: Include the following for customers that are JOEs.

3.5.2 **Specified Resources Added to Tier 1 Allowance Amount**

At any time over the term of the Agreement and by written notice to BPA, «Customer Name» may request for BPA to add Specified Resources that meet the qualifying criteria in section 3.5.2.2 to a Member's Tier 1 Allowance Amount stated in section 2 of Exhibit J. BPA shall review such request and revise Exhibits A and J as soon as reasonably practical to include such resources, provided that BPA determines in its sole discretion that the Specified Resources meet such qualifying criteria. BPA shall include a table in Exhibit J stating the Tier 1 Allowance Amount for each «Customer Name» Member. Any qualifying Specified Resource included in a «Customer Name» Member's Tier 1 Allowance Amount shall remain in its Tier 1 Allowance Amount for the term of the Agreement unless the resource is removed consistent with section 3.5.6. Any qualifying Specified Resource included in a «Customer Name» Member's Tier 1 Allowance Amount shall be treated as an Existing Resource for purposes of temporary resource removal as provided in section 10. Qualifying Specified Resources included in a «Customer Name» Member's Tier 1 Allowance Amount may be subject to charges pursuant to the applicable Power Rate Schedules and GRSPs.

3.5.2.1 **Tier 1 Allowance Amount Limit**

Each «Customer Name» Member's Tier 1 Allowance Amount shall be limited to the amount stated in section 2 of Exhibit J, and shall not exceed the lesser of 5 MW or 50 percent of the «Customer Name» Member's CHWM reflected as a megawatt value. Such value will be considered the «Customer Name» Member's Tier 1 Allowance Amount limit. If BPA changes such «Customer Name» Member's CHWM consistent with section 1.2 of Exhibit B, then BPA shall recalculate the «Customer Name»

Member's Tier 1 Allowance Amount limit and update Exhibit J if necessary. If a «Customer Name» Member has a reduction to its CHWM, then BPA shall determine whether a reduction in the «Customer Name» Member's Tier 1 Allowance Amount limit is appropriate. In the event that BPA reduces a «Customer Name» Member's Tier 1 Allowance Amount limit, BPA will determine on a case-by-case basis the treatment of the «Customer Name» Member's resource(s).

3.5.2.2 **Qualifying Specified Resources For Tier 1 Allowance Amount**

Any Specified Resource added to a Member's Tier 1 Allowance Amount must meet the following qualifying criteria:

(1) the Specified Resource is a New Resource;

(2) the Specified Resource is connected to the «Customer Name» Member's distribution system, regardless of voltage, and does not utilize BPA or Third-Party Transmission Provider transmission facilities; and,

(3) the Specified Resource reduces «Customer Name»'s Member's Total Retail Load.

End Option 2

3.5.3 **Resource Additions for a BPA Insufficiency Notice**

If BPA provides «Customer Name» a notice of insufficiency and reduces its purchase obligation, in accordance with section 20.2, then «Customer Name» may temporarily add Dedicated Resources to replace amounts of Firm Requirements Power BPA will not be providing due to insufficiency. The Parties shall revise Exhibit A to reflect such additions.

3.5.4 **Decrements for 9(c) Export**

If BPA determines, in accordance with section 20.6, that an export of a Specified Resource listed in section 2 of Exhibit A requires a reduction in the amount of Firm Requirements Power BPA sells «Customer Name», then BPA shall notify «Customer Name» of the amount and duration of the reduction in «Customer Name»'s Firm Requirements Power purchases from BPA. Within 20 calendar days of such notification «Customer Name» may temporarily add a Specified Resource to section 2 of Exhibit A in the amount and for the duration of such decrement. If «Customer Name» does not add a Specified Resource to meet such decrement, then within 30 calendar days of such notification BPA shall add Committed Power Purchase Amounts to section 3.2 of Exhibit A in the amount and for the duration of such decrement.

3.5.5 **Temporary Resource Removal**
By March 31 of each Rate Case Year, BPA shall revise «Customer Name»'s Dedicated Resource amounts listed in the tables of Exhibit A consistent with «Customer Name»'s resource removal elections made in accordance with section 10.

3.5.6 **Permanent Discontinuance of Resources**
«Customer Name» may permanently remove a Specified Resource listed in section 2 of Exhibit A, consistent with the 5(b)/9(c) Policy on statutory discontinuance for permanent removal. If BPA makes a determination that «Customer Name»'s Specified Resource has met BPA's standards for a permanent removal, then BPA shall revise Exhibit A accordingly. If «Customer Name» does not replace such resource with another Dedicated Resource, then «Customer Name»'s additional Firm Requirements Power purchases under this Agreement, as a result of such a resource removal, shall be subject to the applicable rates or charges as established in the Power Rate Schedules and GRSPs.

3.5.7 **Resource Additions for Annexed Loads**
If «Customer Name» acquires an Annexed Load, «Customer Name» may add Dedicated Resources to Exhibit A, subject to sections 3.5.7.1 and 3.5.7.2 below, to serve amounts of such Annexed Load that are Eligible Annexed Load. "Eligible Annexed Load" means an Annexed Load: (1) that is added after the Effective Date, and (2) for which «Customer Name» did not receive a CHWM addition pursuant to section 1.2.2 of Exhibit B.

3.5.7.1 During the Rate Period in which «Customer Name» acquires an Eligible Annexed Load, «Customer Name» may serve such load for the remainder of that Rate Period with Dedicated Resources in the shape of the load, as negotiated by the Parties, or with additional power purchased from BPA. If «Customer Name» elects to serve such load with Dedicated Resources, then «Customer Name» shall apply such resources for the remainder of the Rate Period. If «Customer Name» elects to purchase additional power from BPA for the Annexed Load, then during that Rate Period such power purchases shall be subject to the applicable rates or charges as established in the Power Rate Schedules and GRSPs and as applicable to the shape of the Eligible Annexed Load.

3.5.7.2 For all Rate Periods after the Rate Period when «Customer Name» acquires an Eligible Annexed Load, «Customer Name» shall serve such load pursuant to «Customer Name»'s elections and either (1) apply Dedicated Resources or (2) purchase Firm Requirements Power at the applicable rates or charges as established in the Power Rate Schedules and GRSPs.

3.5.8 **Resource Additions/Removals for NLSLs**

3.5.8.1 To serve a Planned NLSL or an NLSL listed in Exhibit D that is added after the Effective Date, «Customer Name» may add Dedicated Resources to section 4 of Exhibit A. «Customer Name» may discontinue serving its NLSL with the Dedicated Resources listed in section 4 of Exhibit A if BPA determines that «Customer Name»'s NLSL is no longer: (1) an NLSL, or (2) in «Customer Name»'s service territory.

3.5.8.2 If «Customer Name» elects to serve a Planned NLSL or an NLSL with Dedicated Resources, then «Customer Name» shall specify in section 4 of Exhibit A the maximum monthly and Diurnal Dedicated Resource amounts that «Customer Name» plans to use to serve the NLSL. «Customer Name» shall establish such firm energy amounts and BPA shall state such amounts in section 4 of Exhibit A for each month beginning with the date the resource was dedicated to the Planned NLSL or NLSL through the earlier of the date the resource will be removed or September 30, 2044. «Customer Name» shall serve the actual load of the Planned NLSL or NLSL up to such maximum amounts with such Dedicated Resource amounts. To the extent that the load at a Planned NLSL or an NLSL is less than the maximum amount in any monthly or Diurnal period, «Customer Name» shall have no right or obligation to use such amounts to serve load other than a Planned NLSL or an NLSL. Specific arrangements to match such resources to the Planned NLSL or NLSL on an hourly basis shall be established in Exhibit D.

Option 1: Include the following for customers that are not JOEs.

3.5.9 **PURPA Resources**

If «Customer Name» is required by the Public Utility Regulatory Policies Act (PURPA) to acquire output from a Generating Resource and plans to use that output to serve its Total Retail Load, then such output shall be added as a Specified Resource pursuant to Exhibit A. «Customer Name» shall purchase RSS from BPA (or equivalent service) to support such resources for the term of this Agreement.

End Option 1

Option 2: Include the following for customers that are JOEs.

3.5.9 **PURPA Resources**

If a «Customer Name» Member is required by the Public Utility Regulatory Policies Act (PURPA) to acquire output from a Generating Resource, then such output shall be added as a Specified Resource pursuant to Exhibit A. «Customer Name» shall purchase RSS from BPA (or equivalent service) to support such resources for the term of this Agreement.

End Option 2

3.6 **Consumer-Owned Resources**

Except for any Consumer-Owned Resources serving a Planned NLSL or an NLSL, which «Customer Name» has applied to load consistent with section 20.3, «Customer Name» shall apply the output of Consumer-Owned Resources as follows:

3.6.1 **Existing Consumer-Owned Resources**

«Customer Name» shall designate, in sections 7.1, 7.2, or 7.3 of Exhibit A, the extent that each existing Consumer-Owned Resource as of the Effective Date will or will not serve On-Site Consumer Load. «Customer Name» shall make such designation to BPA in writing no later than 60 calendar days after BPA publishes, to its publicly available website, «Customer Name»'s final CHWMs from the FY 2026 CHWM Calculation Process. Such designation shall apply for the term of this Agreement.

3.6.2 **New Consumer-Owned Resources**

«Customer Name» shall designate the extent that each Consumer-Owned Resource commencing commercial operation after the Effective Date will or will not serve On-Site Consumer Load. «Customer Name» shall make such designation to BPA in writing within 120 days of energization of such resource. Such designation shall apply for the term of this Agreement.

Consistent with «Customer Name»'s designations, BPA shall list Consumer-Owned Resources serving On-Site Consumer Load in section 7.1 of Exhibit A, Consumer-Owned Resources not serving On-Site Consumer Load in section 7.2 of Exhibit A, and Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load in section 7.3 of Exhibit A.

3.6.3 **Application of Consumer-Owned Resources Serving On-Site Consumer Load**

Power generated from Consumer-Owned Resources listed in section 7.1 of Exhibit A shall serve On-Site Consumer Load. «Customer Name» shall ensure that a Consumer-Owned Resource does not exceed the On-Site Consumer Load such resource serves. If a Consumer-Owned Resource exceeds the On-Site Consumer Load, then BPA may adjust «Customer Name»'s Total Retail Load used to bill for energy purchases to ensure «Customer Name» pays for energy that was otherwise displaced by the amount of generation of the Consumer-Owned Resource that exceeds the On-Site Consumer Load on any hour. BPA shall determine in its sole discretion whether to make any adjustment based on information «Customer Name» provides to BPA as follows:

(1) Commensurate with «Customer Name»'s designation under section 3.6.2 above, «Customer Name» shall provide BPA information demonstrating that the Consumer-Owned Resource's forecasted generation will not exceed the On-Site Consumer Load it is intended to serve on a monthly basis. Examples of such information include but are not limited to consumer load projections and monthly generation projections for the generating equipment to be installed.

(2) If «Customer Name» has not provided sufficient information, or if the Consumer-Owned Resource exceeds On-Site Consumer Load, then «Customer Name» shall in accordance with section 15 and section 17.3 of this Agreement: (A) install metering on the On-Site Consumer Load, or (B) provide BPA hourly meter data of the On-Site Consumer Load on a monthly basis in a format specified by BPA.

«Customer Name» shall provide notice to BPA of any significant changes to an On-Site Consumer Load amount as soon as practicable but no later than 60 calendar days after the change.

«Customer Name» must ensure that the Consumer-Owned Resources do not cause negative flow through «Customer Name»'s Point of Delivery behind which the resource is located. If negative flow occurs, then BPA shall pass through and «Customer Name» shall pay any costs assessed to BPA resulting from such flow.

3.6.4 **Application of Consumer-Owned Resources Serving Load Other than On-Site Consumer Load**

«Customer Name» shall ensure that power generated from Consumer-Owned Resources listed in section 7.2 of Exhibit A, which serves load other than On-Site Consumer Load, is scheduled for delivery and: (1) sold to another utility in the Region to serve its Total Retail Load, (2) used by «Customer Name» to serve its Total Retail Load (consistent with section 3.3), (3) marketed as an export, or (4) any combination of (1), (2), and (3) above.

3.6.5 **Application of Consumer-Owned Resources Serving Both On-Site Consumer Load and Load Other than On-Site Consumer Load**

If «Customer Name» designates a Consumer-Owned Resource to serve both On-Site Consumer Load and load other than On-Site Consumer Load, then «Customer Name» shall select either Option A or Option B below.

3.6.5.1 **Option A: Maximum Consumer-Owned Resource Amounts Serving On-Site Consumer Load**

If «Customer Name» selects this Option A, then «Customer Name» shall specify, in section 7.3 of Exhibit A, the maximum

hourly amounts of an identified On-Site Consumer Load that are to be served with power generated by an identified Consumer-Owned Resource. Such amounts shall be specified as Diurnal megawatt amounts, by month, and shall apply in all years for the term of this Agreement. Such amounts are not subject to change in accordance with section 3.6.6.

On any hour that the On-Site Consumer Load is less than or equal to the specified maximum hourly amounts, all such On-Site Consumer Load shall be served by «Customer Name» with the identified Consumer-Owned Resource or with power other than Firm Requirements Power. Any hourly amounts of the identified On-Site Consumer Load greater than the specified maximum hourly amounts will be served with Firm Requirements Power. Any power generated from the identified Consumer-Owned Resource greater than the specified maximum hourly amounts will be applied to load other than On-Site Consumer Load in accordance with section 3.6.4.

3.6.5.2 **Option B: Maximum Firm Requirements Power Serving On-Site Consumer Load**

If «Customer Name» selects this Option B, then «Customer Name» shall specify, in section 7.3 of Exhibit A, the maximum hourly amounts of an identified On-Site Consumer Load that are to be served with Firm Requirements Power. Such amounts shall be specified as Diurnal megawatt amounts, by month, and shall apply in all years for the term of this Agreement. Such amounts are not subject to change in accordance with section 3.6.6.

On any hour that On-Site Consumer Load is less or equal to the specified maximum hourly amounts, all such On-Site Consumer Load shall be served with Firm Requirements Power. «Customer Name» shall serve any hourly amounts of the identified On-Site Consumer Load greater than the specified maximum hourly amounts with power generated by the identified Consumer-Owned Resource or with power other than Firm Requirements Power. Any power generated from the identified Consumer-Owned Resource greater than the amounts required to be used to serve the On-Site Consumer Load shall be applied to load other than On-Site Consumer Load in accordance with section 3.6.4.

3.6.6 **Changes to Consumer-Owned Resources**

Prior to each Fiscal Year «Customer Name» shall notify BPA in writing of any changes in ownership, expected resource output, or other characteristic of Consumer-Owned Resources identified in section 7 of Exhibit A. If a Consumer-Owned Resource has permanently ceased operation and «Customer Name» notifies BPA of

such cessation, then BPA shall revise section 7 of Exhibit A to reflect such change as long as BPA agrees the determination is reasonable.

3.6.7 **Application of Consumer-Owned Resources Serving a Planned NLSL or NLSL**

If «Customer Name» is serving a Planned NLSL or an NLSL with Consumer-Owned Resource amounts pursuant to section 20.3 and section 1 of Exhibit D, then BPA shall list such resources in section 7.4 of Exhibit A. Requirements for «Customer Name»'s application of Consumer-Owned Resources serving Planned NLSLs and NLSL are included in section 20.3 and section 1 of Exhibit D.

3.6.8 **Data Requirements for Consumer-Owned Resources**

«Customer Name» shall meter all Consumer-Owned Resources listed in section 7 of Exhibit A and shall provide such meter data to BPA pursuant to section 17.3.

3.7 **Hourly Dedicated Resource Schedule**

By June 30 of each Rate Case Year, «Customer Name» shall provide BPA an hourly schedule(s), in whole megawatt amounts consistent with section 3.7.3 and in the format described in section 3.7.2, for its Dedicated Resources with amounts in each hour, calculated pursuant to section 3.7.1, for each year of the upcoming Rate Period ("Submitted Schedule"). «Customer Name» shall schedule such hourly amounts to its Total Retail Load consistent with section 13.

3.7.1 **Schedule Amounts**

The amounts in the Submitted Schedule shall equal the monthly and Diurnal amounts for each Dedicated Resource listed in the tables in sections 2 and 3 of Exhibit A except for those Specified Resources applied to «Customer Name»'s Tier 1 Allowance Amount, those Existing Resources that are Dispatchable Resources, and those Specified Resources supported with RSS. The hourly amounts in the Submitted Schedule shall be determined in accordance with section 3.4.4.

If the amounts in the Submitted Schedule change in accordance with section 3.5, then «Customer Name» shall send BPA a revised Submitted Schedule including the updated amounts within five Business Days of such amounts being updated in Exhibit A.

3.7.2 **Schedule Format**

«Customer Name» shall provide the Submitted Schedule to BPA electronically in a comma-separated-value (csv) format with the time/date stamp in the first column and load amounts, with units of measurement specified, in the following column.

3.7.3 **Whole Megawatt Amounts**
If «Customer Name»'s Submitted Schedule would otherwise have amounts in fractional megawatts-per-hour, then «Customer Name» shall vary its hourly amounts by one megawatt in some hours so that over the course of the applicable month the amounts as scheduled in whole megawatts sum to the appropriate total.

3.8 **Transfer of Renewable Energy Certificates**
BPA shall provide any applicable Renewable Energy Certificates (RECs), emission accounting information, and non-emitting generation accounting information to «Customer Name» in accordance with Exhibit H.

4. THIS SECTION INTENTIONALLY LEFT BLANK

5. THIS SECTION INTENTIONALLY LEFT BLANK

6. PUBLIC RATE DESIGN METHODOLOGY

6.1 The PRDM applies for the term of this Agreement. BPA shall apply the PRDM in accordance with its terms, which govern BPA's establishment, review and revision of Priority Firm Power (PF) rates pursuant to Section 7(i) of the Northwest Power Act for Firm Requirements Power sold under this Agreement.

6.2 The recitation of language from the PRDM in this Agreement does not incorporate such language into this Agreement. BPA may only revise the PRDM's language in accordance with the requirements of PRDM chapter 9. If BPA revises the language of the PRDM, then BPA will unilaterally amend this Agreement to accordingly modify any such language recited in this Agreement.

6.3 Any disputes over the meaning of the PRDM or rates, including whether BPA is adhering to its obligation under the PRDM to revise the PRDM only in accordance with the PRDM chapter 9, or whether the Administrator is correctly implementing the PRDM or rates, including but not limited to matters of whether the Administrator is correctly interpreting, applying, and otherwise adhering or conforming to the PRDM or rate, shall (1) be resolved pursuant to any applicable procedures set forth in the PRDM; (2) if resolved by the Administrator as part of a proceeding under Section 7(i) of the Northwest Power Act, be reviewable as part of the United States Court of Appeals for the Ninth Circuit's review under Section 9(e)(5) of the Northwest Power Act of the rates or rate matters determined in such Section 7(i) proceeding (after FERC final confirmation and approval, and subject to any further review by the United States Supreme Court); and (3) if resolved by the Administrator outside such a Section 7(i) Process and such decision is a final action, be reviewable by the United States Court of Appeals for the Ninth Circuit under Section 9(e)(5) of the Northwest Power Act (subject to any further review by the United States Supreme Court). The remedies

available to «Customer Name» through such judicial review shall be «Customer Name»'s sole and exclusive remedy for such disputes.

6.4 BPA shall not publish a Federal Register Notice regarding BPA rates or the PRDM that prohibits, limits, or restricts «Customer Name»'s right to submit testimony or brief issues on rate matters regarding the meaning or implementation of the PRDM or establishment of BPA rates pursuant to the PRDM. For purposes of BPA's conformance to this paragraph, a "rate matter" shall not include budgetary and program level issues, or any other matter unrelated to the PRDM or the establishment of rates pursuant to the PRDM.

Option 1: Include the following for customers that are not JOEs.

7. CONTRACT HIGH WATER MARKS

By September 30, 2026, BPA shall establish «Customer Name»'s CHWM in the FY 2026 CHWM Calculation Process and revise Exhibit B to state «Customer Name»'s CHWM. Once established, BPA may only adjust «Customer Name»'s CHWM as permitted pursuant to Exhibit B. After any adjustment, BPA shall revise Exhibit B to state «Customer Name»'s adjusted CHWM.

End Option 1

Option 2: Include the following for customers that are JOEs.

7. CONTRACT HIGH WATER MARKS

BPA shall establish «Customer Name»'s CHWM in the FY 2026 CHWM Calculation Process by September 30, 2026. BPA shall calculate «Customer Name»'s CHWM as the sum of its Members' CHWMs. By September 30, 2026, BPA shall revise Exhibit B to state «Customer Name»'s CHWM and each Member's CHWM. Once established, BPA may only adjust «Customer Name»'s CHWM or a Member's CHWM as permitted pursuant to Exhibit B. After any adjustment, BPA shall revise Exhibit B to state «Customer Name»'s adjusted CHWM and the adjusted Member's CHWM.

End Option 2

8. APPLICABLE RATES

Purchases under this Agreement are subject to the following rate schedules, or their successors: Priority Firm Power (PF), including Tier 1 Rates and Tier 2 Rates, New Resource Firm Power (NR), and Firm Power and Surplus Products and Services (FPS), as applicable. Billing determinants for any purchases will be included in each rate schedule. Power purchases and services sold under this Agreement are subject to the applicable rates and charges in BPA's Power Rate Schedules, established in accordance with the PRDM, as applicable, and its GRSPs (or their successors) established during a 7(i) Process. «Customer Name» may incur additional charges as established in the applicable 7(i) Process, and as provided in the Power Rate Schedules and GRSPs, including the Unauthorized Increase Charge or its successors.

8.1 **Applicability of Tier 1 and Tier 2 Rates**

BPA shall establish PF rates that include rate schedules for purchase amounts at Tier 1 Rates and purchase amounts at Tier 2 Rates. Tier 1 Rates and Tier 2 Rates shall apply to «Customer Name»'s purchases as follows:

(1) Tier 1 Rates shall apply to Firm Requirements Power that «Customer Name» purchases under this Agreement, less: (A) amounts of Firm Requirements Power priced at Tier 2 Rates elected by «Customer Name» in section 2 of Exhibit C, (B) amounts of Firm Requirements Power priced at the NR or other applicable 7(f) rate purchased for Planned NLSLs and NLSLs pursuant to Exhibit D, and (C) amounts of Firm Requirements Power priced at any other applicable 7(f) rate not limited to either (A) or (B).

(2) Tier 2 Rates shall apply to such planned annual amounts of Firm Requirements Power that «Customer Name» elects to purchase to serve its Above-CHWM Load, pursuant to Exhibit C, that remain after applying «Customer Name»'s New Resources.

9. ELECTIONS TO PURCHASE POWER PRICED AT TIER 2 RATES

Option 1: Include the following for customers that are not JOEs.

9.1 **Tier 2 Rate Alternatives**

Subject to the requirements of this section 9 and Exhibit C, and pursuant to the PRDM, «Customer Name» shall have the right to purchase Firm Requirements Power at a Tier 2 Long-Term Rate, Tier 2 Short-Term Rate, and Tier 2 Vintage Rate.

9.2 **Above-CHWM Load Service Options and Tier 2 Rate Elections**

BPA shall calculate «Customer Name»'s Above-CHWM Load in the Above-CHWM Load Process ahead of each Rate Period.

«Customer Name» has the option to serve its Above-CHWM Load with: (1) Firm Requirements Power purchased from BPA at a Tier 2 Rate or rates, (2) Dedicated Resources, or (3) a specific combination of both (1) and (2).

Within 60 calendar days after BPA publishes, to its publicly available website, «Customer Name»'s final CHWMs from the FY 2026 CHWM Calculation Process, «Customer Name» shall determine and provide written notice to BPA of its Above-CHWM Load service election, including its election to purchase Firm Requirements Power at Tier 2 Rates, consistent with section 2.1 of Exhibit C.

BPA shall update Exhibit C to state «Customer Name»'s Tier 2 Rate purchase elections and the amount of its purchase obligation of Firm Requirements Power at Tier 2 Rates.

9.3 **Amounts of Tier 2 Flat Across All Hours**
Amounts of Firm Requirements Power sold by BPA at Tier 2 Rates and purchased by «Customer Name» shall be equal in all hours of the year.

End Option 1

Option 2: Include the following for customers that are JOEs.

9.1 **Tier 2 Rate Alternatives**
Subject to the requirements of this section 9 and Exhibit C and pursuant to the PRDM, «Customer Name» shall have the right to purchase Firm Requirements Power at a Tier 2 Long-Term Rate, Tier 2 Short-Term Rate, and Tier 2 Vintage Rate.

9.2 **Above-CHWM Load Service Options and Tier 2 Rate Elections**
BPA shall calculate «Customer Name»'s Above-CHWM Load, as the sum of all Members' Above-CHWM Loads, in the Above-CHWM Load Process ahead of each Rate Period.

«Customer Name», consistent with its election for each of its Members made in accordance with section 2.1 of Exhibit C, has the option to serve «Customer Name»'s Above-CHWM Load with: (1) Firm Requirements Power purchased from BPA at a Tier 2 Rate or rates, (2) Dedicated Resources, or (3) a specific combination of both (1) and (2).

Within 60 calendar days after BPA publishes, to its publicly available website, «Customer Name» Members' final CHWMs and «Customer Name»'s final CHWMs from the FY 2026 CHWM Calculation Process, «Customer Name» shall determine and provide written notice to BPA of its Above-CHWM Load service election for each of its Members, including any election to purchase Firm Requirements Power at Tier 2 Rates, consistent with section 2.1 of Exhibit C.

BPA shall update Exhibit C to state «Customer Name»'s Tier 2 Rate purchase elections for each of its Members and the total amount of its purchase obligation of Firm Requirements Power at Tier 2 Rates.

9.3 **Amounts of Tier 2 Flat Across All Hours**
Amounts of Firm Requirements Power sold by BPA at Tier 2 Rates and purchased by «Customer Name» shall be equal in all hours of the year.

End Option 2

10. TIER 2 REMARKETING AND RESOURCE REMOVAL

Under this section 10, «Customer Name» does not have temporary resource removal or remarketing rights for its Dedicated Resources in Exhibit A added pursuant to section 3.5.4 or section 3.5.8 of the Agreement. In addition, under this section 10, «Customer Name» does not have temporary resource removal or remarketing rights for any Dedicated Resource amounts or amounts of Firm Requirements Power purchased at Tier 2 Rates that would otherwise be eligible for removal or remarketing due to the addition of resources under section 3.5.4. Any BPA

remarketing of Tier 2 Vintage Rate purchase obligation amounts under this section 10 is subject to section 2.5.6 of Exhibit C.

10.1 **New Resource Removal and Remarketing of Tier 2 Rate Purchase Obligation Amounts for Each Rate Period**

If «Customer Name»'s Above-CHWM Load as forecasted for each Fiscal Year of an upcoming Rate Period is less than the sum of: (1) «Customer Name»'s New Resource amounts serving its Above-CHWM Load, as stated in Exhibit A, and (2) Tier 2 Rate purchase obligation amounts, as stated in Exhibit C, then, except as permitted in sections 10.1.3 and 10.1.4 below and in the following order:

(1) «Customer Name» shall temporarily remove its eligible New Resource amounts, and

(2) BPA shall remarket «Customer Name»'s Tier 2 Rate purchase obligation amounts.

Any removal of eligible New Resource amounts or remarketing of Tier 2 Rate purchase obligation amounts shall apply until either: (1) the removed New Resource amounts plus the remarketed Tier 2 Rate purchase obligation amounts equal the amount by which «Customer Name»'s New Resource amounts plus its Tier 2 Rate purchase obligation amounts exceed its Above-CHWM Load, or (2) all of «Customer Name»'s New Resources are removed and all of its Tier 2 Rate purchase obligation amounts are remarketed.

10.1.1 If «Customer Name» has more than one New Resource, then by October 31 of each Rate Case Year, «Customer Name» shall notify BPA of the order and associated amounts of «Customer Name»'s New Resources that «Customer Name» shall remove for each Fiscal Year in the upcoming Rate Period to the extent necessary to comply with this section 10.1.

10.1.2 If «Customer Name» fails to notify BPA in accordance with section 10.1.1, then BPA shall determine the order and associated amounts of «Customer Name»'s New Resource removal for each Fiscal Year in the upcoming Rate Period to comply with section 10.1.

10.1.3 If compliance with the requirements of section 10.1 would cause «Customer Name» to remove part or all of any New Resource amounts that «Customer Name» uses to fulfill a state or federal renewable resource standard or other comparable legal obligation, then by October 31 of each Rate Case Year «Customer Name» may request for BPA to remarket the same amount of Tier 2 Rate purchase obligation amounts until all of «Customer Name»'s Tier 2 Rate purchase obligation amounts are remarketed. Following such remarketing, «Customer Name» may either temporarily remove New Resources applied to the Tier 1 Allowance Amount or Existing Resources to the extent necessary to comply with section 10.1, provided that the hourly,

monthly, and Diurnal amounts removed shall be equal to the hourly, monthly, and Diurnal amounts provided by the New Resources that «Customer Name» would have otherwise been obligated to remove.

10.1.4 If: (1) «Customer Name» made an election under section 2.1(3) or section 2.1(4) of Exhibit C to serve all or a portion of its Above-CHWM Load using the flexible option, (2) «Customer Name» has both New Resource amounts and Tier 2 Vintage Rate purchase obligation amounts for serving such Above-CHWM Load, and (3) compliance with the requirements of section 10.1 would cause «Customer Name» to remove part or all of its New Resource amounts, then «Customer Name» may request for BPA to first remarket the Tier 2 Vintage Rate purchase obligation amounts until all of «Customer Name»'s Tier 2 Vintage Rate purchase obligation amounts are remarketed before removing any New Resource amounts.

10.2 **Partial Resource Removal**
When only a portion of an eligible Dedicated Resource is removed pursuant to section 10.1 above, such resources shall be removed proportionally to maintain the same annual shape for the resource as established in Exhibit A.

10.3 **Responsibilities for Remarketing Tier 2 Rate Purchase Obligation Amounts and Disposition of Dedicated Resource**
«Customer Name» shall be subject to applicable charges or credits, as established in a 7(i) Process, associated with BPA's remarketing of Tier 2 Rate purchase obligation amounts of Firm Requirements Power.

Except as specified in section 10.4 below, «Customer Name» shall be responsible for the disposition of any amounts of its Dedicated Resources, whether Specified Resources or Committed Power Purchase Amounts that are removed or reduced pursuant to this Agreement.

10.4 **Removal of Resources Taking RSS**
If «Customer Name» purchases RSS for any New Resources that are partially or entirely removed pursuant to sections 10.1 or 10.2 above, then the following shall apply:

10.4.1 «Customer Name» shall continue to supply the entire amount of any such resources consistent with applicable provisions stated in Exhibit J.

10.4.2 BPA shall remarket the amounts of any such resources that are removed pursuant to section 10.1 in the same manner BPA remarkets Tier 2 Rate purchase obligation amounts in section 10.3. BPA shall revise Exhibit A to identify the amounts of any such resources that are removed. BPA shall continue to provide RSS in accordance with applicable provisions in Exhibit J to any amounts of such resources that remain in Exhibit A after resource removal.

11. RIGHT TO CHANGE PURCHASE OBLIGATION

11.1 One-Time Right to Change Purchase Obligation

Under this Agreement «Customer Name» shall have a one-time right to request a change in its purchase obligation, identified in section 3, to another purchase obligation available from BPA, including *[Drafter's Note: Delete product customer is currently purchasing and adjust so that it reads X, Y, or Z.]* «Load Following, »«Annual Flat Block, »«Diurnally Shaped Monthly Block, »«Flat Monthly Block, »«Flat Monthly Block with 10 Percent Shaping Capacity, » «Flat Monthly Block with Peak Net Requirement (PNR) Shaping Capacity, » «or» «Flat Monthly Block with Peak Net Requirement (PNR) Shaping Capacity with Peak Load Variance Service (PLVS), »«or »«Slice/Block, if available».

Unless otherwise agreed by the Parties, any «Customer Name» Above-CHWM Load service elections, Dedicated Resource additions, and other elections made under this Agreement prior to the notice made under section 11.2 shall continue to be applicable under the new purchase obligation, provided that BPA may update such terms and conditions consistent with the then-current terms of the new purchase obligation, and additional costs may apply for service under «Customer Name»'s new purchase obligation as described in section 11.6.

Option 1: Include the following for customers that are not JOEs

11.2 Notice and Conditions to Change Purchase Obligation and to Join a JOE

Written notices sent under this section 11.2 must comply with section 1 of Exhibit I. The following sections 11.2.2, 11.2.3 and 11.2.4 shall be in accordance with Section 5(b)(7) of the Northwest Power Act.

Sub-Option 1: Include the following for customers that do not operate their own Balancing Authority Area.

11.2.1 Notice of Change to Purchase Obligation

No sooner than October 1, 2028, «Customer Name» may provide written notice to BPA to request a change to its purchase obligation pursuant to section 11.1 above. Such notice to BPA must be at least three years prior to the start of the Rate Period the purchase obligation change would be effective. «Customer Name»'s notice shall state: (1) the purchase obligation request, and (2) the Rate Period «Customer Name» requests the change to be effective. The latest date that «Customer Name» may provide notice to request a change to its purchase obligation is September 30, 2037 for a purchase obligation change effective on October 1, 2040.

End Sub-Option 1

Sub-Option 2: Include the following for customers that do operate their own Balancing Authority Area.

11.2.1 **Notice of Change to Purchase Obligation**

No sooner than October 1, 2028, «Customer Name» may provide written notice to BPA to request a change to its purchase obligation pursuant to section 11.1 above. Such notice to BPA must be at least three years prior to the start of the Rate Period the purchase obligation change would be effective. «Customer Name»'s notice shall state: (1) the purchase obligation request, and (2) the Rate Period «Customer Name» requests the change to be effective. The latest date that «Customer Name» may provide notice to request a change to its purchase obligation is September 30, 2037 for a purchase obligation change effective on October 1, 2040. Any «Customer Name» request for the Load Following purchase obligation under this section 11.2.1 shall be subject to the limitations in section 11.3.1 below.

End Sub-Option 2

11.2.2 **Joining a JOE For Service Effective October 1, 2028**

If «Customer Name» requests to join a JOE for service under the JOE's CHWM Contract effective October 1, 2028, then «Customer Name»'s written notice to BPA to request to assign its contract to the JOE must be received no later than June 30, 2027, regardless of «Customer Name»'s and the JOE's purchase obligations. Receiving service under the JOE CHWM Contract will not constitute a change to «Customer Name»'s purchase obligation under this section 11.

11.2.3 **If Customer and JOE Have Same Purchase Obligation**

After June 30, 2027, if the BPA-JOE CHWM Contract and «Customer Name» have the same purchase obligation when «Customer Name» requests to join the JOE, then «Customer Name»'s written notice to BPA to request to assign its contract to the JOE must be received no later than June 30 of a Forecast Year for power sales under the BPA-JOE CHWM Contract to begin at the start of the following Rate Period.

11.2.4 **If Customer and JOE Have Different Purchase Obligations**

After June 30, 2027, if the BPA-JOE CHWM Contract and «Customer Name» have different purchase obligations, including different Block purchase obligations, when «Customer Name» requests to join the JOE, then «Customer Name»'s written notice to BPA to request to assign its contract to the JOE must be received no later than three years prior to when power sales under the BPA-JOE CHWM Contract will begin at the start of the subsequent Rate Period.

End Option 1

Option 2: Include the following for customers that are JOEs.

11.2 **Notice and Conditions to Change Purchase Obligation**
Written notices sent under this section 11.2 must comply with section 1 of Exhibit I.

11.2.1 **Notice to Change Purchase Obligation by October 1, 2028**
By October 1, 2028, «Customer Name» may provide written notice to BPA to request a change to its purchase obligation, effective October 1, 2030, pursuant to section 11.1 above.

11.2.2 **Notice to Change Purchase Obligation after October 1, 2028**
After October 1, 2028, «Customer Name» may provide written notice to BPA to request a change to its purchase obligation, effective October 1, 2032 or beyond, pursuant to section 11.1 above. Such notice to BPA must be at least three years prior to the start of the Rate Period the purchase obligation change would be effective. «Customer Name»'s notice shall state: (1) the purchase obligation request, and (2) the Rate Period «Customer Name» requests the change to be effective. The latest date that «Customer Name» may provide notice to request a change to its purchase obligation is September 30, 2037 for a purchase obligation change effective on October 1, 2040.

End Option 2

Option 1: Include the following for customers that do not operate their own Balancing Authority Area.

11.3 **Limitations Due to Total Monthly Peak Load Increase**
After receiving «Customer Name»'s notice under section 11.2, BPA shall evaluate the impact of «Customer Name»'s request on BPA's forecast of its total monthly peak load obligation relative to BPA's most recent forecast of its total monthly Qualified Capacity Contribution (QCC) values, or successor capacity requirements as determined by BPA, for the first Fiscal Year the purchase obligation change would become effective. As part of such evaluation BPA will assess the change to monthly QCC made by (1) a change to «Customer Name»'s purchase obligation, and (2) the peak amounts of «Customer Name»'s Dedicated Resource(s) as stated in Exhibit A.

If after its evaluation BPA determines that «Customer Name»'s request to change its purchase obligation would increase BPA's total monthly peak load obligation relative to BPA's change in QCC forecast in any one month, then BPA may:

(1) approve «Customer Name»'s request and directly assign any costs as stated in section 11.6 below; or

(2) approve «Customer Name»'s request without directly assigning such costs; or

(3) deny «Customer Name»'s request to change its purchase obligation.

If BPA receives multiple requests from customers to change their purchase obligations and such changes would be effective at the beginning of the same Rate Period, then BPA shall evaluate the impact of «Customer Name»'s purchase obligation request together with all requesting customers' to assess the aggregate impact of all such purchase obligation change requests. If BPA determines that such requests would increase BPA's total monthly peak load obligation, in relationship to the change in BPA's QCC forecast in any one month, then in addition to options (1), (2), or (3) above, BPA may:

(4) approve «Customer Name»'s request but defer the date on which «Customer Name»'s new purchase obligation change would become effective to the start of a subsequent Rate Period.

If BPA determines after its evaluation that the purchase obligation change(s) would not increase BPA's total monthly peak load obligation, in relationship to the change in BPA's QCC forecast, then BPA may approve «Customer Name»'s request to change its purchase obligation.

BPA will not withhold its approval of «Customer Name»'s request except under reasonable circumstances, including but not limited to securing the transmission and metering sufficient to deliver the applicable product.

BPA shall provide customers with an opportunity to comment on any customer's request to change its purchase obligation.

End Option 1

Option 2: Include the following for customers that do operate their own Balancing Authority Area.

11.3 **Limitations**

11.3.1 **Limitations on Changing Purchase Obligation to Load Following**

If «Customer Name» requests the Load Following purchase obligation pursuant to section 11.1 above, then within one year following the request or unless otherwise agreed to by the Parties, BPA shall notify «Customer Name» whether it will agree to the request to change to the Load Following purchase obligation. Prior to such notification, BPA will work with «Customer Name» to identify issues, barriers in product design, and operational concerns associated with «Customer Name» taking the Load Following purchase obligation and simultaneously operating a Balancing Authority Area. The Parties shall negotiate in good faith to attempt to resolve all identified issues. BPA may reasonably withhold its consent to «Customer Name»'s request if the Parties are unable to resolve an identified issue. If BPA determines «Customer Name» may change to the Load Following purchase obligation, then BPA shall prepare and offer contract amendments to this Agreement that include, but are not limited to,

any conditions precedent that BPA may require prior to «Customer Name» taking the Load Following purchase obligation.

11.3.2 **Limitations Due to Total Monthly Peak Load Increase**
After receiving «Customer Name»'s notice under section 11.2, BPA shall evaluate the impact of «Customer Name»'s request on BPA's forecast of its total monthly peak load obligation relative to BPA's most recent forecast of its total monthly Qualified Capacity Contribution (QCC) values, or successor capacity requirements as determined by BPA, for the first Fiscal Year the purchase obligation change would become effective. As part of such evaluation BPA will assess the change to monthly QCC made by (1) a change to «Customer Name»'s purchase obligation, and (2) the peak amounts of «Customer Name»'s Dedicated Resource(s) as stated in Exhibit A.

If after its evaluation BPA determines that «Customer Name»'s request to change its purchase obligation would increase BPA's total monthly peak load obligation relative to BPA's change in QCC forecast in any one month, then BPA may:

(1) approve «Customer Name»'s request and directly assign any costs as stated in section 11.6 below; or

(2) approve «Customer Name»'s request without directly assigning such costs; or

(3) deny «Customer Name»'s request to change its purchase obligation.

If BPA receives multiple requests from customers to change their purchase obligations and such changes would be effective at the beginning of the same Rate Period, then BPA shall evaluate the impact of «Customer Name»'s purchase obligation request together with all requesting customers' to assess the aggregate impact of all such purchase obligation change requests. If BPA determines that such requests would increase BPA's total monthly peak load obligation, in relationship to the change in BPA's QCC forecast in any one month, then in addition to options (1), (2), or (3) above, BPA may:

(4) approve «Customer Name»'s request but defer the date on which «Customer Name»'s new purchase obligation change would become effective to the start of a subsequent Rate Period.

If BPA determines after its evaluation that the purchase obligation change(s) would not increase BPA's total monthly peak load obligation, in relationship to the change in BPA's QCC forecast, then BPA may approve «Customer Name»'s request to change its purchase obligation.

BPA will not withhold its approval of «Customer Name»'s request except under reasonable circumstances, including but not limited to securing the transmission and metering sufficient to deliver the applicable product.

BPA shall provide customers with an opportunity to comment on any customer's request to change its purchase obligation.

End Option 2

11.4 **Restrictions**
If, during the term of this Agreement, all customer purchases of the Slice/Block Product become reduced to zero percent, then BPA will retire the Slice/Block Product as a purchase obligation option under this Agreement. After such retirement, «Customer Name»'s right to change its purchase obligation will be limited to the Load Following or Block options as outlined in sections 3.1 and 11.1.

11.5 **Changes to Block Purchase Obligation**
If «Customer Name» requests and BPA completes a change from one Block purchase obligation to a different Block purchase obligation as outlined in section 1 of Exhibit C, then «Customer Name» will have exercised their one-time right to change its purchase obligation as stated above in section 11.1.

11.6 **Charges to Change Purchase Obligation**
In addition to the limitations established in sections 11.1, 11.2 and 11.3 above, (1) «Customer Name» shall be responsible for fulfilling all rights, obligations, and liabilities associated with its prior purchase obligation, and (2) «Customer Name» may be subject to charges, in addition to the rates for the new service, as a result of changing its purchase obligation. Such additional charges shall recover all additional costs that: (1) will be incurred by BPA to serve «Customer Name» under its new purchase obligation compared to its existing purchase obligation, and (2) would otherwise result in a rate impact on all other customers receiving service under a CHWM Contract. If «Customer Name» makes a request to change its purchase obligation, then BPA shall notify «Customer Name» of any such additional charges. BPA shall not be required to make a payment to «Customer Name» as a result of «Customer Name» changing its purchase obligation.

11.7 **Change Confirmation**
Within 30 calendar days of BPA's presentation to «Customer Name» of the additional charges determined in section 11.6, and «Customer Name»'s maximum Slice Percentage calculated pursuant to section 11.9, if applicable, «Customer Name» shall provide BPA with written notice whether it will proceed with its request to change its purchase obligation.

11.8 **Amendment to Reflect New Purchase Obligation**
Following «Customer Name»'s confirmation of its decision to change its purchase obligation, the Parties shall amend this Agreement to replace the

terms of «Customer Name»'s current purchase obligation with the terms of the new purchase obligation.

11.9 **Available Slice Product and Slice Percentage**

The total Firm Slice Amount BPA offers to all customers purchasing the Slice/Block Product shall not exceed 25 percent of the sum of CHWMs established in the FY 2026 CHWM Process. If «Customer Name» requests to change to the Slice/Block Product, then BPA shall calculate «Customer Name»'s amount of available Slice Product for changes to the Slice/Block Product as follows:

(1) BPA shall calculate the total amount of available Slice Product in Average Megawatts for purchase by all customers requesting a change to the Slice/Block Product by subtracting (A) the sum of Slice Customers' CHWMs multiplied by 50 percent, from (B) 25 percent of the sum of initial CHWMs established in the FY 2026 CHWM Process.

Expressed as a formula:

Available Slice Product = (25% (sum of initial FY 2026 CHWMs)) – (50% (Slice Customers' CHMW))

BPA shall compare the amount of available Slice Product to 50 percent of the sum of initial CHWMs for all customers requesting a change to the Slice/Block Product to determine the maximum Slice Percentage BPA shall offer to «Customer Name».

Option: Include for JOEs with cooperative members; cooperatives; and tribal utilities.
BPA may reduce «Customer Name»'s Slice Percentage pursuant to section 21.9 of this Agreement.
End Option

(2) If the available Slice Product calculated pursuant to section 11.9(1) above is equal to or exceeds 50 percent of the sum of CHWMs for all customers requesting a change to Slice/Block Product, then BPA shall not limit the request.

BPA shall notify «Customer Name» of the available amounts of Slice Product available in accordance with section 11.7. «Customer Name» shall provide a change confirmation to BPA pursuant to section 11.7. «Customer Name»'s Slice Percentage in each Fiscal Year shall be calculated pursuant to section 5.3.

(3) If the available Slice Product calculated pursuant to section 11.9(1) is less than 50 percent of the sum of CHWMs for all customers requesting a change to the Slice/Block Product, then BPA shall limit the maximum Slice Percentage of those customers requesting a change to Slice/Block Product on a pro rata basis.

BPA shall notify «Customer Name» of the amounts of Slice Product and «Customer Name» shall provide BPA with a change confirmation pursuant to section 11.7. «Customer Name»'s Slice Percentage in each Fiscal Year shall be calculated pursuant to section 5.3.

If the amount of available Slice Product increases in the future, then BPA, in its sole discretion, may offer Slice Customers with a maximum Slice Percentage that was reduced under section 11.9(3) to less than 50 percent of its CHWM, a pro rata adjustment to increase the maximum Slice Percentage, not to exceed 50 percent of its CHWM.

If BPA determines it will offer an increase under this section 11.9(3), then BPA shall notify such Slice Customers of a potential increase to available Slice Product within 30 calendar days of BPA's receipt of a customer notice pursuant to section 11.2. BPA shall notify such Slice Customers of an actual increase to available Slice Product within 30 calendar days of BPA's receipt of change confirmation, confirming a customer request to leave the Slice/Block Product, that increases available Slice Product pursuant to section 11.7. BPA will identify the Rate Period in which the maximum Slice Percentage will be effective following BPAs receipt of a change confirmation.

BPA may offer the pro rata increase to such Slice Customers without consideration of the effective date of the respective Slice Customer purchase obligation changes to the Slice/Block Product.

12. BILLING CREDITS AND RESIDENTIAL EXCHANGE

12.1 Billing Credits

If «Customer Name» develops a Generating Resource or engages in conservation activities independently undertaken to serve its loads, then «Customer Name» agrees that it shall forego any request for, and BPA is not obligated to include, billing credits, as defined in Section 6(h) of the Northwest Power Act, on «Customer Name»'s bills under this Agreement. This section does not apply to any billing credit contracts in effect as of the Effective Date.

12.2 Residential Exchange

During the term of this Agreement, «Customer Name» agrees it will not seek and shall not receive residential exchange benefits pursuant to Section 5(c) of the Northwest Power Act. «Customer Name»'s agreement in this section 12.2 is a material precondition to BPA offering and executing this Agreement.

13. SCHEDULING

Option 1: Include the following for customers entirely or partially served by Transfer Service whether with a BPA NT Agreement or BPA PTP Transmission Agreement(s).

From October 1, 2028, through September 30, 2044, Power Services shall provide and «Customer Name» shall purchase Transmission Scheduling Service. The

Parties shall administer «Customer Name»'s Transmission Scheduling Service consistent with Exhibit F.
End Option 1

Option 2: Include the following for exclusively directly connected customers with a BPA NT Agreement.
Over the term of this Agreement, «Customer Name» may be required to purchase or may have the option to purchase Transmission Scheduling Service from Power Services in accordance with Exhibit F. If «Customer Name» is required or elects to purchase Transmission Scheduling Service from Power Services, then «Customer Name» shall comply with the scheduling requirements described in Exhibit F, Transmission Scheduling Service. If «Customer Name» is not purchasing Transmission Scheduling Service from Power Services, then «Customer Name» shall comply with the scheduling requirements described in Exhibit F, Scheduling.
End Option 2

Option 3: Include the following for exclusively directly-connected customers with only BPA PTP Transmission Agreement(s).
«Customer Name» shall be responsible for any obligations associated with scheduling transmission to deliver any power sold under this Agreement to serve its Total Retail Load. In addition, «Customer Name» shall comply with the scheduling requirements described in Exhibit F.
End Option 3

14. DELIVERY

14.1 Definitions

14.1.1 "Primary Points of Receipt" means the points on the Region's transmission system where Firm Requirements Power is forecasted to be made available by Power Services to «Customer Name» for purposes of obtaining a long-term firm transmission contract.

14.1.2 "Scheduling Points of Receipt" means the points on the Region's transmission system where Firm Requirements Power is made available by Power Services to «Customer Name» for purposes of acquiring transmission service and transmission scheduling.

14.2 Transmission Service

Option 1: Include the following for exclusively directly connected customers.
14.2.1 «Customer Name» is responsible for acquiring transmission service to deliver power from the Scheduling Points of Receipt.
End Option 1

Option 2: Include the following for customers served by Transfer Service.
14.2.1 «Customer Name» is responsible for acquiring transmission service to deliver power from the Scheduling Points of Receipt, subject to the provisions included in section 14.6.

End Option 2

14.2.2 «Customer Name» shall provide at least 180 days' notice to Power Services prior to changing Balancing Authority Areas.

14.2.3 At «Customer Name»'s request, Power Services shall provide «Customer Name» with Primary Points of Receipt and other information needed to enable «Customer Name» to acquire long-term firm transmission for delivery of power sold under this Agreement. If required by a transmission provider for purposes of transmission scheduling, then Power Services shall provide «Customer Name» with Scheduling Points of Receipt. Power Services has the right to provide power to «Customer Name» at Scheduling Points of Receipt that are different than the Primary Points of Receipt. If BPA does provide power to «Customer Name» at Scheduling Points of Receipt that are different than the Primary Points of Receipt, then BPA shall reimburse «Customer Name» for any incremental, direct, non-administrative costs incurred by «Customer Name» to comply with delivering Firm Requirements Power from such Scheduling Points of Receipt to «Customer Name»'s load if the following conditions, as outlined in (1) or (2) below, have been met:

(1) If «Customer Name» has long-term Point to Point (PTP) Transmission Service (as defined in BPA's Open Access Transmission Tariff or its successor) for delivery of Firm Requirements Power to its load:

(A) «Customer Name» has requested long-term firm transmission service to deliver its Firm Requirements Power using the Primary Points of Receipt and other information provided by Power Services; and

(B) «Customer Name» has submitted a request to redirect its long-term firm PTP Transmission Service to deliver Firm Requirements Power and Surplus Firm Power from the Scheduling Point of Receipt on a firm basis, but that request was not granted; and

(C) «Customer Name»'s transmission schedule was curtailed due to non-firm status under PTP Transmission Service or «Customer Name» can provide proof of the reimbursable costs incurred to replace the curtailed schedule.

(2) If «Customer Name» has long-term Network Integration Transmission Service (as defined in BPA's Open Access Transmission Tariff or its successor) for delivery of Firm Requirements Power to its load:

(A) «Customer Name» has requested long-term firm transmission service to deliver its Firm Requirements Power using the Primary Points of Receipt and other information provided by Power Services; and

(B) «Customer Name»'s transmission schedule was curtailed due to non-firm status under its secondary service status and «Customer Name» can provide proof of the reimbursable costs incurred to replace the curtailed schedule.

14.3 **Liability for Delivery**

«Customer Name» waives any claims against BPA arising under this Agreement for non-delivery of power to any points beyond the applicable Scheduling Points of Receipt, except for reimbursement of costs as described in section 14.2.3. BPA shall not be liable under this Agreement for any third-party claims related to the delivery of power after it leaves the Scheduling Points of Receipt. Neither Party shall be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for Transfer Service.

14.4 **Real Power Losses**

BPA is responsible for the real power losses necessary to deliver Firm Requirements Power and Surplus Firm Power to «Customer Name»'s PODs listed in Exhibit E.

14.5 **Metering Losses**

BPA shall adjust measured amounts of power to account for metering losses, if any, that occur between «Customer Name»'s PODs and the respective POMs, as specified in Exhibit E.

Option: Include the following section 14.6 for customers served by Transfer Service.

14.6 **Delivery by Transfer**

Subject to the limitations in this section, BPA agrees to acquire and pay for Transfer Service assessed by the Third-Party Transmission Provider to deliver Firm Requirements Power and Surplus Firm Power to «Customer Name»'s Transfer Service PODs, as listed in Exhibit E, in an amount not to exceed «Customer Name»'s Total Retail Load on an hourly basis.

BPA and «Customer Name» will coordinate: (1) to ensure that «Customer Name»'s relevant characteristics and plans are communicated to the Third-Party Transmission Provider, (2) to confirm that «Customer Name» is aware of relevant details of the Transfer Service it acquires to serve «Customer Name»'s load, and (3) to resolve any issues «Customer Name» may have related to the Transfer Service BPA acquires to serve the load.

BPA shall pass through to «Customer Name» the cost of Transfer Service assessed by the Third-Party Transmission Provider for power sold at the NR Rate, including ancillary services and real power losses, in accordance with any applicable BPA Power Rate Schedules and GRSPs.

14.6.1 **Ancillary Services**

BPA shall acquire and pay for ancillary services charged by a Third-Party Transmission Provider needed to deliver Firm Requirements Power and Surplus Firm Power to «Customer Name»'s Transfer Service PODs listed in Exhibit E.

If at any time «Customer Name» is not purchasing a specific ancillary service from Transmission Services to deliver Firm Requirements Power and Surplus Firm Power to one or more of the PODs listed in Exhibit E, then «Customer Name» shall pay Power Services any applicable charge(s) for such ancillary service to deliver power to the POD(s) in accordance with the applicable BPA Power Rate Schedules and GRSPs.

14.6.2 **Low Voltage Delivery**

Low voltage delivery is transmission service over the Low Voltage Segment by any Third-Party Transmission Provider's system. For low voltage delivery to identified PODs in Exhibit E, «Customer Name» shall pay Power Services the applicable Transfer Service Delivery Charge rate, or its successor, consistent with the applicable BPA Power Rate Schedules and GRSPs. BPA shall pass through to «Customer Name» any costs associated with delivery to identified PODs in Exhibit E over a Low Voltage Segment that is not subject to the Transfer Service Delivery Charge.

14.6.3 **Direct Assignment Costs**

«Customer Name» shall pay BPA for all directly assigned costs consistent with: (1) Transmission Services' "BPA Facility Ownership and Cost Assignment Guidelines" or its successor, and (2) the "Supplemental Guidelines for Direct Assignment of Facilities Costs Incurred Under Transfer Agreements" under the applicable BPA Power Rate Schedules and GRSPs. Such costs include but are not limited to: facility, system and generation interconnection study costs, construction costs, upgrade costs, and expansion costs, or other capital costs for facilities directly associated with service to any «Customer Name» PODs assessed by the Third-Party Transmission Provider to BPA. BPA shall pass through to «Customer Name» any credits received by BPA from the Third-Party Transmission Provider from the payment of such directly assigned costs.

14.6.4 **Penalties Assessed By the Third-Party Transmission Provider**

BPA has the right to pass through to «Customer Name» any penalty charges assessed by the Third-Party Transmission Provider that are associated with BPA's acquisition of Transfer Service to the PODs

identified in Exhibit E, except to the extent the penalty is a result of a BPA error. Such charges may include but are not limited to power factor penalties or excessive energy imbalance penalties.

14.6.5 **Removal of PODs**

BPA may terminate deliveries at a POD if «Customer Name» consents to the termination or if the Parties determine that «Customer Name»'s requirements for power at such point may be adequately supplied under reasonable conditions and circumstances at different POD(s): (1) directly from the Federal Columbia River Transmission System, (2) indirectly from the facilities of another transmission owner/operator, or (3) both.

14.6.6 **Annexed Loads**

BPA shall arrange and pay for Transfer Service to serve «Customer Name»'s Annexed Load subject to the limitations in this section 14.6 and Exhibit G. «Customer Name» shall provide BPA written notice of any Annexed Load acquired greater than one Average Megawatt as soon as possible, but no later than 180 days prior to the commencement of service to the Annexed Load. However, BPA's obligation to provide Transfer Service to «Customer Name»'s Annexed Load shall be limited as set forth in section 6.2.7 of BPA's Provider of Choice Policy, March 2024, as amended or revised.

14.6.7 **Non-Federal Deliveries**

Subject to the limitations in this section 14.6 and Exhibit G, BPA agrees to acquire and pay the Third-Party Transmission Provider for Transfer Service to deliver Transfer Service Eligible Resources to «Customer Name»'s Transfer Service PODs, as listed in Exhibit E, in an amount not to exceed «Customer Name»'s Total Retail Load on an hourly basis.

If «Customer Name» has or is acquiring a Transfer Service Eligible Resource and «Customer Name» has requested that BPA assist in the acquisition of transmission services for such resource, then the Parties shall revise section 7 of Exhibit J to include specific terms and conditions under which BPA will obtain Transfer Service on a Third-Party Transmission Provider's system for delivery of that resource to «Customer Name»'s system.

14.6.7.1 BPA shall pass through to «Customer Name» the cost of Transfer Service assessed by the Third-Party Transmission Provider for: (1) any service to a Planned NLSL or an NLSL pursuant to section 1 of Exhibit D where «Customer Name» has elected to serve the NLSL with a Transfer Service Eligible Resource, regardless of the Delivery Plan for such resource, (2) any Transfer Service Eligible Resource serving a portion of «Customer Name»'s Total Retail Load that «Customer Name» is obligated to serve

with BPA-provided electric power pursuant to this Agreement, or (3) any Transfer Service Eligible Resource that «Customer Name» is not acquiring and paying for transmission service from Transmission Services for such Transfer Service Eligible Resource.

14.6.7.2 «Customer Name» shall notify BPA if it intends to acquire any new non-federal resources serving «Customer Name»'s Transfer Service PODs with a nameplate capability under 1 MW. If BPA notifies «Customer Name» that the new non-federal resource is subject to requirements from the Third-Party Transmission Provider, then such resource shall be treated as a Transfer Service Eligible Resource and subject to the requirements in this section 14.6.7 and Exhibit G. BPA may require metering and scheduling for any such non-federal resources consistent with the metering and scheduling requirements for Dedicated Resources.

14.6.8 **Unavailability of Transmission Service**

14.6.8.1 BPA shall acquire and pay for «Customer Name»'s firm Transfer Service when firm transmission is available. If a Third-Party Transmission Provider: (1) has indicated that long-term firm transmission service necessary to deliver power to any portion of «Customer Name»'s load served by Transfer Service is unavailable and (2) identifies upgrades that are necessary to deliver power to «Customer Name» on firm transmission to such load on a long-term basis, then BPA shall attempt to acquire non-firm transmission, or other mutually agreed to interim solution, from the Third-Party Transmission Provider to serve «Customer Name»'s load on an interim basis until the identified upgrades are completed and firm transmission is available.

(1) If a Third-Party Transmission Provider has indicated that neither firm nor non-firm transmission service necessary to deliver power to any portion of «Customer Name»'s load served by Transfer Service is available, then (A) BPA shall have no obligation to deliver power under this Agreement to serve such load until that Third-Party Transmission Provider is able to provide transmission service and (B) «Customer Name» shall not continue forward to serve the load in excess of available transmission service from that Third-Party Transmission Provider.

(2) If a Third-Party Transmission Provider identifies upgrades necessary to deliver power on firm transmission to any portion of «Customer Name»'s load served by

Transfer Service on a long-term basis and «Customer Name» declines to pay any costs or deposits that the Third-Party Transmission Provider requires to proceed with the upgrades consistent with section 14.6.3, then (A) BPA shall have no obligation to deliver power under this Agreement to serve such load, and (B) «Customer Name» shall not continue forward to serve the load in excess of available transmission service from that Third-Party Transmission Provider.

(3) Notwithstanding the above, if a Third-Party Transmission Provider has determined transmission service is unavailable and «Customer Name» continues forward to serve the load in excess of the available transmission service, then BPA shall pass through to «Customer Name» any charges related to transmission service to «Customer Name»'s load that the Third-Party Transmission Provider has indicated is unavailable.

14.6.8.2 Prior to any deliveries to any portion of «Customer Name»'s load served by Transfer Service using non-firm transmission or other mutually agreed to interim solution, pursuant to this section 14.6.8, BPA will inform «Customer Name» of the terms of service associated with such non-firm transmission arrangements, or other mutually agreed to interim solution, and the Parties shall include such terms in Exhibit D.

14.6.8.3 BPA shall not be liable for any damages incurred by «Customer Name» associated with the Third-Party Transmission Provider's inability to provide firm or non-firm transmission, BPA's inability to acquire transmission service, curtailment of non-firm transmission service, or unserved load.

14.6.9 **Changes to «Customer Name»'s Third-Party Transmission Provider Transmission Needs**

As soon as possible, «Customer Name» shall notify and coordinate with BPA for any significant anticipated changes that would require «Customer Name» to need additional transmission from a Third-Party Transmission Provider. In the event that multiple customers require and request capacity on any portion of the Third-Party Transmission Provider system, BPA shall address requests, including those in section 14.6.8, on a first come first served basis.

If «Customer Name» fails to notify and coordinate with BPA for any transmission needs greater than one megawatt, then for up to five years, BPA, in its sole discretion, may pass through any Third-Party Transmission Provider costs, including the cost of Transfer Service,

related to the transmission needs that «Customer Name» failed to communicate.

14.6.10 If, during the term of this Agreement, «Customer Name» becomes entirely directly-connected to BPA's transmission system and is served entirely without Transfer Service, then upon notification from BPA, this Agreement shall be amended to remove Transfer Service-related provisions, including the provisions of this section 14.6 and Exhibit G.

End Option

Drafter's Note: Include the following section 14.7 for customers served by Transfer Service with load interconnected to multiple transmission systems.

14.7 **Delivery of Non-Federal Resources Over Multiple Transmission Systems**

14.7.1 **Notice of Transmission System Delivery Plan**
If «Customer Name» is applying a Transfer Service Eligible Resource and the load is located on multiple transmission systems, then by September 1, 2027, «Customer Name» shall provide written notice to BPA of its Transmission System Delivery Plan(s) for service beginning October 1, 2028.

Beginning September 1, 2028, and by September 1 every year thereafter, «Customer Name» shall provide written notice to BPA of: (1) its Transmission System Delivery Plan for any new Transfer Service Eligible Resource(s) or (2) any changes to its Transmission System Delivery Plan for its current Transfer Service Eligible Resource(s). Such updated Transmission System Delivery Plans shall be for service to load beginning October 1 of the following calendar year.

«Customer Name»'s Transmission System Delivery Plan(s) under this section 14.7 shall adhere to the following requirements:

(1) the maximum potential output of all «Customer Name»'s Transfer Service Eligible Resources on a transmission system shall not exceed BPA's forecast of «Customer Name»'s minimum load on that transmission system in any given hour.

(2) «Customer Name»'s Dedicated Resources for a specific load, such as an NLSL or On-Site Consumer Load, shall be delivered over the transmission system where the load is located.

If «Customer Name»'s updated Transmission System Delivery Plan(s) is not acceptable to BPA, then BPA shall provide notice to «Customer Name» and the Parties shall attempt to negotiate a revised Transmission System Delivery Plan(s). If the Parties cannot agree

upon an acceptable Transmission System Delivery Plan(s), then the resource cannot be used to serve «Customer Name»'s load.

14.7.2 **Delivery of Non-Federal Resources According to Delivery Plan**
By March 31, 2028 BPA shall update Exhibit A with «Customer Name»'s accepted Transmission System Delivery Plan for each Transfer Service Eligible Resource. By March 31 every year thereafter, if «Customer Name» notifies BPA of any changes to «Customer Name»'s Transmission System Delivery Plan(s) according to section 14.7.1 above, then BPA shall update Exhibit A with «Customer Name»'s accepted new Transmission System Delivery Plan(s).

«Customer Name» shall apply its Transfer Service Eligible Resource to serve its load consistent with the Transmission System Delivery Plans. «Customer Name» shall be subject to charges associated with Delivery Plan, if any, in accordance with the applicable BPA Power Rate Schedules and GRSPs established during the 7(i) Process.

End Option

15. METERING

15.1 **Measurement**
By September 30, 2027, the Parties shall ensure that meters are installed on all PODs listed in Exhibit E, consistent with the requirements of this section 15. Unless otherwise stated in Exhibit E, the amount of power measured by such meters shall be used by BPA for billing purposes. If the Parties agree that metering is economically or technologically impractical, then:

(1) the Parties shall use scheduled amounts to measure the amount of power purchased if such power is scheduled into or out of «Customer Name»'s service territory; or

(2) the Parties shall use mutually acceptable load profiles to measure the amount of power purchased if such power is not scheduled; or

(3) the Parties shall use meter data provided by «Customer Name» to BPA in a mutually agreed manner to measure the amount of power purchased.

If the metering equipment associated with the meters listed in Exhibit E fails to properly measure or record the interval readings, then BPA shall follow the Metering Usage Data Estimation Provision of BPA's applicable Power Rate Schedules and GRSPs to determine the appropriate billing adjustment.

The rights to locate meters and access facilities granted to BPA pursuant to this section 15 are subject to the terms of any applicable agreement between «Customer Name» and Transmission Services addressing the location, cost

responsibility, access, maintenance, testing, and liability of the Parties with respect to meters.

15.2 **BPA Owned Meters**

At BPA's expense, BPA shall operate, maintain, and replace, as necessary, all metering equipment owned by BPA that is needed to plan, schedule, and bill for «Customer Name»'s power needs under this Agreement consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA. «Customer Name» authorizes BPA to maintain and replace any BPA owned metering equipment on «Customer Name»'s facilities that is reasonably necessary to forecast, plan, schedule, and bill for power. With reasonable notice from BPA, and for the purpose of implementing this provision, «Customer Name» shall grant BPA reasonable physical access to BPA owned meters at BPA's request, consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

If, at any time, either Party determines that a BPA owned meter is defective or inaccurate, then BPA shall adjust, repair, or replace the meter to provide accurate metering as soon as practical consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA. «Customer Name» shall have the right to witness any meter tests conducted by BPA on BPA owned meters listed in Exhibit E. The exercise of such right shall be conducted consistent with the applicable requirements, if any, of «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

15.3 **Non-BPA Owned Meters**

15.3.1 **Non-BPA Owned Meters Owned by «Customer Name»**

At «Customer Name»'s expense, «Customer Name» shall operate, maintain, and replace, as necessary, all non-BPA metering equipment owned by «Customer Name» that is needed by BPA to forecast, plan, schedule, and bill for power for:

(1) points of interconnection between «Customer Name»'s system and parties other than BPA;

(2) all loads that require separate measurement for purposes of forecasting, planning, scheduling, or billing for power; and

(3) Generating Resources and Energy Storage Devices listed in Exhibit A and Exhibit J, respectively that are interconnected to «Customer Name»'s system.

For the purpose of inspection, «Customer Name» shall grant BPA reasonable physical access to «Customer Name» meters at BPA's request, consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

If, at any time, BPA or «Customer Name» determines that a «Customer Name» owned meter listed in Exhibit E is defective or inaccurate, then «Customer Name» shall adjust, repair, or replace the meter, or shall make commercially reasonable efforts to arrange for the completion of such actions, to provide accurate metering as soon as practical. BPA shall have the right to witness any meter tests conducted by «Customer Name» on «Customer Name» owned meters listed in Exhibit E. The exercise of such right shall be conducted consistent with the applicable requirements, if any, of «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

15.3.2 **Non-BPA Owned Meters Not Owned by «Customer Name»**
For non-BPA owned meters not owned by «Customer Name», and excluding such in section 15.3.3.below, needed by BPA to forecast, plan, schedule and bill for power under this Agreement, «Customer Name» shall make commercially reasonable efforts to arrange with the owner(s) of such meters for the meters to be operated, maintained and replaced, as necessary, for the measurements described above in sections 15.3.1(1) and 15.3.1(2) and for any Generating Resources listed in Exhibit A and Energy Storage Devices listed in Exhibit J that require metering.

If, at any time, it is determined that a non-BPA owned meter not owned by «Customer Name» listed in Exhibit E is defective or inaccurate, then «Customer Name» shall make commercially reasonable efforts to arrange with the owner of the meter to adjust, repair, or replace the meter, to provide accurate metering as soon as practical. To the extent possible, BPA may witness any meter tests on non-BPA owned meters not owned by «Customer Name» listed in Exhibit E, consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA as well as any applicable agreements «Customer Name» may have with the owner of the meter.

15.3.3 **Non-BPA Owned Meters Owned by a Third-Party Transmission Provider**
For non-BPA owned meters owned by a Third-Party Transmission Provider for which BPA holds a transmission contract for service to «Customer Name» load, the metering arrangements shall be between BPA and the Third-Party Transmission Provider.

15.4 **New Meters**

A separate agreement addressing the location, cost responsibility, access, maintenance, testing, and liability of the Parties with respect to new meters shall be between «Customer Name» and Transmission Services.

All new and replaced meters installed by either Party shall meet the American National Standard Institute standards and the Requirements for Instrument Transformers, or their replacement as specified in BPA's applicable metering procedures and requirements posted to BPA's publicly accessible metering services website as of the date of installation.

15.5 **Metering an NLSL**

In addition to the provisions contained in this section 15, any loads that are monitored by BPA for an NLSL determination and any NLSLs shall be metered pursuant to section 20.3.3.

15.6 **Metering Exhibit**

The Parties shall provide meter data to one another as specified in section 17.3. BPA shall list «Customer Name»'s PODs, POMs, Interchange Points, as applicable, and related information in Exhibit E.

16. BILLING AND PAYMENT

16.1 **Billing**

BPA shall electronically bill «Customer Name» monthly for all products and services, including any charges and credits incurred, provided during the preceding month(s). However, if electronic transmittal of the bill is not possible, then BPA shall mail a physical copy of the bill to «Customer Name». BPA may send «Customer Name» an estimated bill prior to a final bill and may send subsequent revisions if needed. The Issue Date is the date BPA sends the bill to «Customer Name».

Option 1: Include the following for all customers except federal customers.

16.2 **Payment**

«Customer Name» shall pay all bills electronically in accordance with instructions on the bill. Payment of all bills, whether estimated or final, must be received by the 20th day after the Issue Date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or federal holiday, then the Due Date is the next Business Day.

If «Customer Name» has made payment on an estimated bill then:

(1) if the amount of the final bill exceeds the amount of the estimated bill, then «Customer Name» shall pay BPA the difference between the estimated bill and final bill by the final bill's Due Date; or

(2) if the amount of the final bill is less than the amount of the estimated bill, then BPA shall pay «Customer Name» the difference between the

estimated bill and final bill by the 20th day after the final bill's Issue Date. If the 20th day is a Saturday, Sunday, or federal holiday, BPA shall pay the difference by the next Business Day.

16.3 **Late Payments**

If «Customer Name» has not paid its bill in full by the Due Date, BPA shall apply a daily interest charge to any unpaid balance equal to the higher of:

(1) the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) plus four percent, divided by 365; or

(2) the Prime Rate times 1.5, divided by 365.

End Option 1

Option 2: Include the following for federal customers.

16.2 **Payment**

Payment of all bills, whether estimated or final, must be received by the 20th day after the Issue Date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or federal holiday, then the Due Date is the next Business Day. Subject to the availability of funds, BPA shall collect the amount due by the Due Date from «Customer Name» through the U.S. Treasury G-Invoicing system, or its successor.

16.3 **This section intentionally left blank.**

End Option 2

16.4 **Failure to Pay**

If «Customer Name» has not paid its bill in full by the Due Date, then BPA shall notify «Customer Name» of nonpayment. «Customer Name» shall have 45 calendar days after receipt of the written notice to cure its nonpayment by making payment in full. If «Customer Name» does not provide full payment within the 45-day cure period, then BPA shall send an additional written notice of nonpayment to «Customer Name». «Customer Name» shall then have three Business Days after receipt of the additional written notice to provide payment. If «Customer Name» has not provided payment within three Business Days after receipt of the additional written notice and BPA determines in its sole discretion that «Customer Name» is unable to make the payments owed, then BPA may terminate this Agreement pursuant to section 23. Written notices sent under this section 16.4 must comply with section 1 of Exhibit I.

16.5 **Disputed Bills**

16.5.1 If «Customer Name» disputes any portion of a charge or credit on «Customer Name»'s estimated or final bills, «Customer Name» shall provide written notice to BPA with a copy of the bill noting the disputed amounts. Notwithstanding whether any portion of the bill is in dispute, «Customer Name» shall pay the entire bill by the Due

Date. This section 16.5.1 does not allow «Customer Name» to challenge the validity of any BPA rate.

16.5.2 Unpaid amounts on a bill (including both disputed and undisputed amounts) are subject to the late payment charges provided above. Notice of a disputed charge on a bill does not constitute BPA's agreement that a valid claim under contract law has been stated.

Option 1: Include the following for all customers except federal customers.

16.5.3 If the Parties agree, or if after a final determination of a dispute pursuant to section 19, «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate shall equal the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) divided by 365.

End Option 1

Option 2: Include the following for federal customers.

16.5.3 If the Parties agree, or if after a final determination of a dispute pursuant to section 19 it is determined, «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund available to «Customer Name» through the U.S. Treasury G-Invoicing system, or its successor.

End Option 2

17. INFORMATION EXCHANGE AND CONFIDENTIALITY

17.1 General Requirements

Upon request, each Party shall provide the other Party any information that is necessary to administer this Agreement and to forecast «Customer Name»'s Total Retail Load, forecast BPA system load, comply with North American Electric Reliability Corporation (NERC) reliability standards, prepare bills, resolve billing disputes, administer Transfer Service, forecast and monitor large loads and NLSLs, and otherwise implement this Agreement. For example, this obligation includes, but is not limited to: (1) load and resource data relating to large loads and NLSLs; (2) transmission and power scheduling information; (3) load and resource metering information (such as customer system one-line and metering diagrams, loss factors, historical hourly load and resource data, etc.); and, (4) Energy Storage Device data.

In addition, «Customer Name» shall provide information BPA requests about Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load for purposes of meeting: (1) BPA's statutory obligations under Section 7(b) of the Northwest Power Act and (2) regional resource adequacy programs and market participation.

The Parties shall make best efforts to provide information requested under this section 17.1 within the reasonable time frames specified in the requests. If «Customer Name» fails to provide BPA with information «Customer Name» is required to provide pursuant to this Agreement and the absence of such information makes it impossible for BPA to perform a calculation, make a determination, or take an action required under this Agreement, then BPA may suspend its obligation to perform such calculation, make such determination, or take such action until «Customer Name» has provided such information to BPA.

17.2 **Reports**

17.2.1 Within 30 calendar days after final approval of «Customer Name»'s annual financial report and statements by «Customer Name»'s authorized officer, «Customer Name» shall either e-mail them to BPA at kslf@bpa.gov or, if any of the information is publicly available, then «Customer Name» shall notify BPA of its availability.

17.2.2 Within 30 calendar days after its submittal to the Energy Information Administration (EIA), or its successor, «Customer Name» shall e-mail a copy of its Annual Form EIA-861 Reports to BPA at kslf@bpa.gov. If «Customer Name» is not required to submit such reports to the EIA, then this requirement does not apply.

17.2.3 By November 30, 2028, and by November 30 each year thereafter, «Customer Name» shall provide to the Pacific Northwest Utilities Conference Committee (PNUCC), or its successor, forecasted loads, Energy Storage Devices, and resources data to facilitate a region-wide assessment of loads and resources in a format, length of time, and level of detail specified in PNUCC's Northwest Regional Forecast Data Request.

After consultation with the Northwest Power and Conservation Council's (Council) Resource Adequacy Advisory Committee, or a successor, BPA may require «Customer Name» to submit additional data to Council that BPA determines is necessary for the Council to perform a regional resource adequacy assessment.

The requirements of this section 17.2.3 are waived if «Customer Name»: (1) purchases all the power to serve its Total Retail Load from BPA and (2) uses no Energy Storage Device(s) to serve its Total Retail Load.

Notwithstanding the above, in no event shall «Customer Name» be obligated under this section 17.2.3 to provide PNUCC or the Council an unaggregated load forecast or other unaggregated data that is specific to an individual end-use consumer or potential end-use consumer of «Customer Name», including no obligation to provide the identities of such end-use consumers.

«Customer Name» may require PNUCC or Council to execute a commercially reasonable non-disclosure agreement consistent with the terms of section 17.6 before providing such entities the data and information required pursuant to this section 17.2.3, as applicable.

17.2.4 If «Customer Name» is required by applicable law, their transmission provider, or directive (i.e. utility board resolution) to prepare and publish long-term integrated resource plans or resource forecasts, then Power Services may request and «Customer Name» shall provide Power Services with updated copies of such.

17.3 Meter Data

17.3.1 In accordance with section 15 and Exhibit E, the Parties shall notify each other of any changes to PODs, POMs, Interchange Points and related information for which each Party is responsible. «Customer Name» shall ensure BPA has access to all data from load, Energy Storage Device, and resource meters that BPA determines are necessary to administer this Agreement including to forecast, plan, schedule, and bill under this Agreement. Access to these data shall be on a schedule agreed to by the Parties. Meter data include, but are not limited to: «Customer Name»'s actual amounts of energy used, expended, or stored for loads, resources, and Energy Storage Devices, and the physical attributes of «Customer Name»'s meters.

BPA shall provide «Customer Name» access to and «Customer Name» may view meter data from the meters listed in Exhibit E with an active Customer Portal agreement, or its successor.

17.3.2 «Customer Name» consents to allow Power Services to receive the following information from Transmission Services and BPA's metering function: (1) «Customer Name»'s meter data, as specified in section 17.3.1, section 15, and Exhibit E, and (2) notification of outages or load shifts.

17.3.3 When the following events are planned to occur on «Customer Name»'s system that will affect the load measured by the meters listed in Exhibit E:

(1) installation of a new meter,

(2) changes or updates to an existing meter not owned by BPA,

(3) any planned line or planned meter outages, and

(4) any planned load shifts from one POD to another,

then «Customer Name» shall provide BPA with advance notice by e-mailing BPA at mdm@bpa.gov and the contacts shown in section 1 of Exhibit I.

«Customer Name» shall follow all applicable metering procedures and requirements posted to BPA's publicly accessible metering services website. Such requirements include, but are not limited to, specifying the number of required advanced days' notice for the events listed above.

This section 17.3.3 is not intended to apply to retail meters not listed in Exhibit E.

17.3.4 If an unplanned load shift or outage occurs, materially affecting the load measured by the meters listed in Exhibit E, then «Customer Name» shall e-mail BPA at: (1) mdm@bpa.gov, and (2) the contacts shown in section 1 of Exhibit I within 72 hours after the event.

17.4 **Data for Determining CHWM**

Upon request, «Customer Name» shall provide to BPA any load and resource information that BPA determines is reasonably necessary to calculate «Customer Name»'s CHWM. This may include historical load data not otherwise available to BPA and other data necessary to allow BPA to adjust for weather normalization.

Option 1: Include the following for customers that are not JOEs.

17.5 **Total Retail Load Forecast**

By December 31, 2026, and by each December 31 of each Forecast Year, the Parties shall work together to determine and establish a forecast of «Customer Name»'s monthly energy and «Customer Name»'s system coincidental peak of «Customer Name»'s Total Retail Load for the upcoming ten Fiscal Years.

End Option 1

Option 2: Include the following for customers that are JOEs.

17.5 **Total Retail Load Forecast**

By December 31, 2026, and by each December 31 of each Forecast Year, the Parties shall work together to determine and establish a forecast of each «Customer Name» Member's monthly energy and each «Customer Name» Member's coincidental peak of «Customer Name»'s Total Retail Load for the upcoming ten Fiscal Years.

End Option 2

17.6 **Transparency of Net Requirements Process**

By July 31, 2028, and by July 31 of each Rate Case Year thereafter, BPA shall make the following information publicly available to «Customer Name» and all other BPA regional utility customers with a CHWM:

(1) «Customer Name»'s measured Total Retail Load data for the previous two Fiscal Years in monthly energy amounts and monthly customer-system peak amounts, and

(2) «Customer Name»'s Dedicated Resources for the previous two Fiscal Years in monthly energy and peak amounts as listed in section 5 of Exhibit A.

«Customer Name» waives all claims of confidentiality regarding the data described above.

17.7 **Confidentiality**

Before «Customer Name» provides information to BPA that is confidential, or is otherwise subject to a privilege or nondisclosure, «Customer Name» shall clearly designate such information as confidential. BPA shall notify «Customer Name» as soon as practicable of any request received under the Freedom of Information Act (FOIA), or under any other federal law or court or administrative order, for any confidential information. BPA shall release such confidential information consistent with FOIA or if required by any other federal law or court or administrative order. BPA shall limit the use and dissemination of confidential information within BPA to employees who need it for purposes of administering this Agreement.

17.8 **Resources Not Used to Serve Total Retail Load**

«Customer Name» shall list in section 6 of Exhibit A all Generating Resources «Customer Name» owns that are: (1) not Specified Resources listed in section 2 of Exhibit A, and (2) greater than 1.000 megawatt of nameplate capability. At BPA's request, «Customer Name» shall provide BPA with additional data if needed to verify the information listed in section 6 of Exhibit A.

18. UNCONTROLLABLE FORCES

18.1 A Party shall not be in breach of an obligation under this Agreement to the extent its failure to fulfill the obligation is due to an Uncontrollable Force. "Uncontrollable Force" means an event beyond the reasonable control, and without the fault or negligence, of the Party claiming the Uncontrollable Force, that prevents that Party from performing its obligations under this Agreement and which that Party could not have avoided by the exercise of reasonable care, diligence and foresight. Uncontrollable Forces include each event listed below, to the extent it satisfies the foregoing criteria, but are not limited to these listed events:

(1) any curtailment or interruption of firm transmission service on BPA's or a Third-Party Transmission Provider's System that prevents delivery of Firm Requirements Power sold under this Agreement to «Customer Name»;

(2) any failure of «Customer Name»'s distribution or transmission facilities that prevents «Customer Name» from delivering power to end-users;

(3) strikes, work stoppage, or terrorist acts;

(4) floods, earthquakes, other natural disasters, epidemics, or pandemics; and

(5) final orders or injunctions issued by a court or regulatory body having subject matter jurisdiction which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court having subject matter jurisdiction.

18.2 Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

18.3 If an Uncontrollable Force prevents a Party from performing any of its obligations under this Agreement, such Party shall:

(1) promptly notify the other Party of such Uncontrollable Force by any means practicable and confirm such notice in writing as soon as reasonably practicable;

(2) use commercially reasonable efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligation hereunder as soon as reasonably practicable;

(3) keep the other Party apprised of such efforts on an ongoing basis; and

(4) provide written notice of the resumption of performance.

Written notices sent under this section must comply with section 1 of Exhibit I.

18.4 The Parties shall keep each other apprised of the status of any Uncontrollable Force once invoked.

19. GOVERNING LAW AND DISPUTE RESOLUTION

Option: Include for Tribal customers«Customer Name» agrees that it will not assert as a defense to any claim by BPA hereunder, its sovereign immunity, and said immunity is hereby expressly waived for any obligations, liabilities, or duties owed by «Customer Name» to the Bonneville Power Administration, United States Department of Energy, under this Agreement.*End Option* This Agreement shall be

interpreted consistent with and governed by federal law. «Customer Name» and BPA shall identify issue(s) in dispute arising out of this Agreement and make a good faith effort to negotiate a resolution of such disputes before either may initiate litigation or arbitration. Such good faith effort shall include discussions or negotiations between the Parties' executives or managers. Pending resolution of a contract dispute or contract issue between the Parties or through formal dispute resolution of a contract dispute arising out of this Agreement, the Parties shall continue performance under this Agreement unless to do so would be impossible or impracticable. Unless the Parties engage in binding arbitration as provided for in this section 19, the Parties reserve their rights to individually seek judicial resolution of any dispute arising under this Agreement.

19.1 **Judicial Resolution**

Final actions subject to Section 9(e) of the Northwest Power Act are not subject to arbitration under this Agreement and shall remain within the exclusive jurisdiction of the United States Court of Appeals for the Ninth Circuit. Such final actions include, but are not limited to, the establishment and the implementation of rates and rate methodologies. Any dispute regarding any rights or obligations of «Customer Name» or BPA under any rate or rate methodology, or BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. For purposes of this section 19, BPA policy means any written document adopted by BPA as a final action in a decision record or record of decision that establishes a policy of general application or makes a determination under an applicable statute or regulation. If BPA determines that a dispute is excluded from nonbinding arbitration under this section 19, then «Customer Name» may apply to the federal court having jurisdiction for an order determining whether such dispute is subject to nonbinding arbitration under this section 19.

19.2 **Arbitration**

Any contract dispute or contract issue between the Parties arising out of this Agreement, which is not excluded by section 19.1 above, shall be subject to arbitration, as set forth below.

«Customer Name» may request that BPA engage in binding arbitration to resolve any dispute. If «Customer Name» requests such binding arbitration and BPA determines in its sole discretion that binding arbitration of the dispute is appropriate under BPA's Binding Arbitration Policy or its successor, then BPA shall engage in such binding arbitration, provided that the remaining requirements of this section 19.2 and sections 19.3 and 19.4 are met. BPA may request that «Customer Name» engage in binding arbitration to resolve any dispute. In response to BPA's request, «Customer Name» may agree to binding arbitration of such dispute, provided that the remaining requirements of this section 19.2 and sections 19.3 and 19.4 are met. Before initiating binding arbitration, the Parties shall draft and sign an agreement to engage in binding arbitration, which shall set forth the precise issue in dispute, the amount in controversy and the maximum monetary award allowed, pursuant to BPA's Binding Arbitration Policy or its successor.

Nonbinding arbitration shall be used to resolve any dispute arising out of this contract that is not excluded by section 19.1 above and is not resolved via binding arbitration, unless «Customer Name» notifies BPA that it does not wish to proceed with nonbinding arbitration.

19.3 **Arbitration Procedure**

Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The Parties agree that a fundamental purpose for arbitration is the expedient resolution of disputes; therefore, the Parties shall make best efforts to resolve an arbitrable dispute within one year of initiating arbitration. The rules for arbitration shall be agreed to by the Parties.

19.4 **Arbitration Remedies**

The payment of monies shall be the exclusive remedy available in any arbitration proceeding pursuant to this section 19. This shall not be interpreted to preclude the Parties from agreeing to limit the object of arbitration to the determination of facts. Under no circumstances shall specific performance be an available remedy against BPA.

19.5 **Finality**

19.5.1 In binding arbitration, the arbitration award shall be final and binding on the Parties, except that either Party may seek judicial review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof.

19.5.2 In nonbinding arbitration, the arbitration award is not binding on the Parties. Each Party shall notify the other Party within 30 calendar days, or such other time as the Parties otherwise agreed to, whether it accepts or rejects the arbitration award. Subsequent to nonbinding arbitration, if either Party rejects the arbitration award, either Party may seek judicial resolution of the dispute, provided that such suit is brought no later than 395 calendar days after the date the arbitration award was issued.

19.6 **Arbitration Costs**

Each Party shall be responsible for its own costs of arbitration, including legal fees. Unless otherwise agreed to by the Parties, the arbitrator(s) may apportion all other costs of arbitration between the Parties in such manner as the arbitrator(s) deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

20. STATUTORY PROVISIONS

20.1 Retail Rate Schedules

«Customer Name» shall make its retail rate schedules available to BPA, as required by section 5(a) of the Bonneville Project Act, P.L. 75-329, within 30 calendar days of each of «Customer Name»'s retail rate schedule effective dates. This requirement may be satisfied by «Customer Name» informing BPA of its public website where such information is posted and kept current.

20.2 Insufficiency and Allocations

If BPA determines, consistent with Section 5(b) of the Northwest Power Act and other applicable statutes, that it will not have sufficient resources on a planning basis to serve its loads after taking all actions required by applicable laws then BPA shall give «Customer Name» a written notice that BPA may restrict service to «Customer Name». Such notice shall be consistent with BPA's insufficiency and allocations methodology, published in the Federal Register on March 20, 1996, and shall state the effective date of the restriction, the amount of «Customer Name»'s load to be restricted and the expected duration of the restriction. BPA shall not change that methodology without the written agreement of all public body, cooperative, federal agency and investor-owned utility customers in the Region purchasing electric power from BPA under Section 5(b) of the Northwest Power Act. Such restriction shall take effect no sooner than five years after BPA provides notice to «Customer Name». If BPA imposes a restriction under this provision then the amount of Firm Requirements Power that BPA is obligated to provide and that «Customer Name» is obligated to purchase pursuant to section 3 and Exhibit C shall be reduced to the amounts available under such allocation methodology for restricted service.

20.3 New Large Single Loads and CF/CTs

20.3.1 Customer Notice of Large Loads and Determination of an NLSL

«Customer Name» shall provide reasonable notice to BPA of any expected increase in a single load that may qualify as a Potential NLSL, Planned NLSL, or NLSL.

Pursuant to this section 20.3, BPA shall determine if any load associated with a single facility that is capable of growing ten Average Megawatts or more in a consecutive 12-month period is a Potential NLSL or an NLSL. Pursuant to this section 20.3, the Parties shall determine if any load associated with a single facility is a Planned NLSL.

Reviewer's Note: Section 2.# will point to the definition of Potential NLSL.

«Customer Name»'s Potential NLSLs, Planned NLSLs, and NLSLs shall be subject to monitoring as determined necessary by BPA. For the purposes of section 2.«#», this section 20.3, and section 1 of

Exhibit D, ten Average Megawatts in a consecutive 12-month monitoring period equates to 87,600,000 kilowatt-hours in any consecutive 12-month period with 365 days and 87,840,000 kilowatt-hours for any consecutive 12-month period with 366 days.

In accordance with BPA's NLSL Policy and the terms of this section 20.3, BPA may determine that a load is an NLSL as follows:

20.3.1.1 Pursuant to Section 3(13) of the Northwest Power Act, BPA shall determine an increase in production load to be an NLSL if any load associated with a new facility, an existing facility, or an expansion of an existing facility, which is not Contracted For, or Committed To (CF/CT), as determined by the Administrator, by a public body, cooperative, investor-owned utility, or federal agency customer prior to September 1, 1979, will result in an increase in power requirements of such customer of ten Average Megawatts or more in any consecutive 12-month period.

20.3.1.2 For the sole purpose of computing the increase in energy consumption between any two consecutive 12-month periods of comparison under this section 20.3.1, BPA shall determine if the reductions in the end-use consumer's load associated with a facility during the first 12-month period of comparison are due to unusual events reasonably beyond the control of the end-use consumer, and, if so, BPA shall compute the energy consumption as if such reductions had not occurred.

20.3.1.3 The Parties may agree that the applicable increase in load of installed production equipment at a facility will equal or exceed ten Average Megawatts consumption over any 12 consecutive months and that such production load constitutes an NLSL. Any such agreement will be a binding NLSL determination, and BPA shall add the NLSL to section 1 of Exhibit D. Alternatively, the Parties may agree that the load at a facility is expected to become an NLSL during the facility's next consecutive 12-month monitoring period and that such load is a Planned NLSL. BPA shall add the Planned NLSL to section 1 of Exhibit D.

20.3.1.4 Unless the Parties agree pursuant to section 20.3.1.3 above, BPA shall determine whether a new load or an increase in existing load at a facility is an NLSL. If BPA determines that the load at a facility is an NLSL, then BPA shall notify «Customer Name» and BPA shall add the NLSL to section 1 of Exhibit D if such is not already in Exhibit D after the facility determination pursuant to section 20.3.2.

20.3.1.5 BPA shall list «Customer Name»'s CF/CT loads, Potential NLSLs, Planned NLSLs, and NLSLs in section 1 of Exhibit D.

20.3.2 **Determination of a Facility**

BPA shall make a written determination as to what constitutes a single facility for the purpose of identifying an NLSL. BPA's determination will be made by applying some or all of the following criteria:

(1) whether the load is operated by a single end-use consumer;

(2) whether the load is in a single location;

(3) whether the load serves a manufacturing process which produces a single product or type of product;

(4) whether separable portions of the load are interdependent;

(5) whether the load is separately metered from other loads;

(6) whether the load is contracted for, served or billed as a single load under «Customer Name»'s customary billing and service policy or practices;

(7) consideration of the facts from previous similar situations; and

(8) any other factors the Parties determine to be relevant.

20.3.3 **Access and Metering**

Upon BPA request, «Customer Name» shall provide physical access to its substations and other service locations where BPA needs to perform inspections or gather information for purposes of implementing Section 3(13) of the Northwest Power Act. Such BPA inspections may include but are not limited to those needed to make a facility, final NLSL, or CF/CT determination. «Customer Name» shall coordinate with the end-use consumer to provide BPA, at reasonable times, physical access to inspect a facility for these purposes.

For any load that is monitored by BPA for an NLSL determination, and for any load at any facility that was determined by BPA to be an NLSL, BPA may, in its sole discretion, install BPA owned meters. If the Parties agree, «Customer Name» may install meters meeting specifications BPA provides to «Customer Name». «Customer Name» and BPA shall enter into a separate agreement for the location, ownership, cost responsibility, access, maintenance, testing, replacement and liability of the Parties with respect to such meters. «Customer Name» shall coordinate with BPA and the end-use consumer to arrange for metering locations that allow accurate

measurement of the load at a facility. «Customer Name» shall arrange for BPA to have physical access to such meters and «Customer Name» shall ensure BPA has access to all meter data for loads that are monitored under this section 20.3 and section 1 of Exhibit D that BPA determines are necessary to forecast, plan, schedule, and bill for power.

20.3.4 **Billing for Large Loads Capable of Growing By More Than 10 aMW in 12-Month Monitoring Period**

At the time a load starts to increase, if BPA does not determine that such increase in load is a Planned NLSL or an NLSL, then BPA shall bill «Customer Name» for the increase in load at a facility at the applicable PF rates during any consecutive 12-month monitoring period.

If BPA later determines that the increase in load is an NLSL, then BPA shall revise «Customer Name»'s monthly bills from the monitoring period to reflect the difference between the assessed PF rates and the applicable NR Rates in effect for the monitoring period in which the increase takes place. «Customer Name» shall pay the balance on each revised bill, which will include simple interest on the assessed amount. BPA shall compute simple interest on the assessed amount from the original Due Date of any bill that included days from the applicable monitoring period to the Due Date of the revised bill that will be issued. The daily interest rate shall equal the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which the monitoring period began) divided by 365. After BPA's NLSL determination, «Customer Name» shall make a service request or election for the NLSL pursuant to section 20.3.6.

If BPA concludes in its sole judgment that «Customer Name» has not fulfilled its obligations, or has not been able to obtain access or information from the end-use consumer under this section 20.3, then BPA may determine any large load capable of growing ten Average Megawatts or more in a consecutive 12-month period or any Potential NLSL subject to monitoring to be an NLSL, in which case «Customer Name» shall be billed and pay in accordance with the preceding paragraph. Such NLSL determination shall be final unless «Customer Name» proves to BPA's satisfaction that the applicable increase in load did not equal or exceed ten Average Megawatts in any 12-month monitoring period.

20.3.5 **Load Status at the End of the Consecutive 12-Month Monitoring Period**

At the end of each consecutive 12-month monitoring period of a load at a facility, BPA will determine if the metered load at the facility has grown by ten Average Megawatts or more during the preceding consecutive 12-month monitoring period. To determine load growth

for a facility determined to be a CF/CT, BPA will subtract the amount of firm energy contracted for, or committed for the facility, as stated in section 1 of Exhibit D, from the metered load at the facility for the preceding consecutive 12-month monitoring period.

20.3.5.1 **Load Growth By 10 Average Megawatts or More**
If the load at a facility has grown by ten Average Megawatts or more in the preceding consecutive 12-month monitoring period, then the facility is an NLSL. BPA shall notify «Customer Name» of the NLSL designation and shall update section 1 of Exhibit D. Any future increases in the load shall be part of the NLSL.

20.3.5.2 **Load Growth Less Than 10 Average Megawatts**
If the load at a facility has grown by less than ten Average Megawatts in the preceding consecutive 12-month monitoring period, then BPA shall notify «Customer Name» that the load remains a Potential NLSL or Planned NLSL, and BPA may continue to monitor the load growth in the subsequent consecutive 12-month monitoring period. BPA shall also determine if liquidated damages are applicable pursuant to section 1 of Exhibit D.

If the load at a facility has grown by less than ten Average Megawatts in the preceding consecutive 12-month monitoring period(s), then BPA will track the cumulative total load at the facility from one monitoring period to the next. For purposes of this section 20.3 and section 1 of Exhibit D, the cumulative total load, including load increases and load reductions, from the prior 12-month monitoring period(s) will be referred to as the "Cumulative Prior Load". At the end of each 12-month monitoring period, BPA shall update section 1 of Exhibit D with the amount of «Customer Name»'s Cumulative Prior Load and include the amount of Cumulative Prior Load in the calculation of «Customer Name»'s Firm Requirements Power eligible for service at BPA's PF rates for the subsequent consecutive 12-month monitoring period.

20.3.5.3 **Load at a Facility Included in Customer's Firm Requirement Power**
For purposes of this section 20.3 and section 1 of Exhibit D, the amount of Cumulative Prior Load of a Potential NLSL or Planned NLSL when BPA determines the facility to be an NLSL will be the fixed amount of «Customer Name»'s load at a facility that BPA will include in its calculation of «Customer Name»'s Firm Requirements Power eligible for service at BPA's PF rates. BPA may adjust the fixed amount of «Customer Name»'s load at a facility that BPA will include in

its calculation of «Customer Name»'s Firm Requirements Power eligible for service at BPA's PF rates if «Customer Name»'s load at the facility reduces by 10 aMW below the fixed amount.

Upon BPA's determination that a monitored load is an NLSL, all measured amounts of such NLSL that exceed the load at the facility that is included in «Customer Name»'s Firm Requirements Power calculation shall be part of «Customer Name»'s NLSL, which will be served in accordance with this section 20.3 and section 1 of Exhibit D.

As applicable, BPA shall update the table in section 1.5.2 of Exhibit D with the fixed amount of load at the facility to be included in the calculation of «Customer Name»'s Firm Requirements Power eligible for service at BPA's PF rates.

20.3.6 **Service Options for Planned NLSLs and NLSLs**
«Customer Name» may:

(1) serve any Planned NLSL or NLSL with Dedicated Resource or Consumer-Owned Resource amounts added to Exhibit A that are not already being used to serve «Customer Name»'s Total Retail Load in the Region. If «Customer Name» elects to serve its NLSL with Dedicated Resource or Consumer-Owned Resource Amounts, then such election shall be binding on «Customer Name» for the remaining term of this Agreement; or

(2) request to have BPA serve any Planned NLSL or NLSL at the applicable NR Rate consistent with section 20.3.7 below.

If «Customer Name» serves any Planned NLSL or NLSL with Committed Power Purchase Amounts, then «Customer Name» shall provide BPA with information necessary for BPA's compliance with regional resource adequacy planning requirements pursuant to section 22.1 and section 5 of Exhibit J.

If «Customer Name» has existing Planned NLSLs or NLSLs as of the Effective Date of this Agreement, and if «Customer Name» has not notified BPA which service option above it chooses for each applicable Planned NLSL or NLSL above by the start of the CHWM Load Process for FY 2029, then «Customer Name»'s default election for all such existing Planned NLSLs and NLSLs shall be consistent with section 20.3.6(1) above.

If «Customer Name» changes its purchase obligation pursuant to section 11 of this Agreement, and (1) «Customer Name» has requested and BPA has started an NLSL service study or (2) «Customer Name» has Planned NLSLs or NLSLs served by BPA at the NR Rate, then

BPA will assess future service for such Planned NLSLs or NLSLs on a case-by-case basis.

20.3.7 **Request for NLSL Service Study, Summary Report, and NLSL Service Election**

If «Customer Name» would like BPA to serve a Planned NLSL or an NLSL at the NR Rate, then «Customer Name» shall submit a written request to BPA for an NLSL service study no sooner than the Effective Date of this Agreement.

«Customer Name» shall provide BPA all information requested by BPA necessary to study «Customer Name»'s Planned NLSL or NLSL. After BPA determines it has all necessary information, BPA shall conduct an NLSL service study that may last up to three years from the date of «Customer Name»'s request.

During the study period, BPA shall: (1) assess the ability of BPA to serve the Planned NLSL or NLSL with firm power and (2) periodically keep «Customer Name» apprised of its study progress. BPA shall bill «Customer Name» and «Customer Name» shall pay all costs associated with the NLSL service study, including but not limited to staff time and third-party costs associated with completing a study.

Once BPA completes the NLSL service study, BPA will provide «Customer Name» with the NLSL service study summary report for BPA to make power available to serve the NLSL with firm power at the NR Rate. The NLSL service study summary report will state the conditions of BPA making power available to serve the NLSL such as: the anticipated date BPA could provide power, costs arrangements, any BPA resource acquisition needs, any additional information required, and any identified constraints that may be known.

Power Services will coordinate with Transmission Services to complete and implement any NLSL service study to identify anticipated timing of available transmission to incorporate any new resource acquisition into the FCRPS for any new resources Power Services forecasts. Coordination between Power Services, Transmission Services and «Customer Name» is necessary to facilitate arrangements between «Customer Name» and Transmission Services for delivery of Firm Requirements Power to «Customer Name» to serve a Planned NLSL or an NLSL under «Customer Name»'s transmission service agreement with Transmission Services.

Within 90 calendar days of receipt of the NLSL service study summary report, «Customer Name» shall elect in writing to: (1) have BPA serve the Planned NLSL or NLSL at the NR Rate starting on the date stated in the summary report and consistent with section 20.3.6(2) above; or (2) continue to serve the Planned NLSL or NLSL with non-federal resource(s) consistent with section 20.3.6(1)

above. Such election shall be binding on «Customer Name» for the remaining term of this Agreement.

If «Customer Name» elects to have BPA serve the Planned NLSL or NLSL at the NR Rate, then the Parties will revise Exhibit D to include the terms and conditions of the NLSL service study summary report, including a provision for liquidated damages, or develop a stand-alone agreement with such terms.

20.3.8 **Planned NLSL and NLSL Service During the Study Period and Until the NR Service Start Date**

While BPA conducts an NLSL service study and until «Customer Name»'s elected service start date at the NR Rate, «Customer Name» may serve its Planned NLSL or NLSL with Dedicated Resource or Consumer-Owned Resource amounts consistent with section 20.3.6(1). BPA shall revise section 4 or 7.4 of Exhibit A to include such resources.

At any time while BPA is conducting an NLSL service study, «Customer Name» may request BPA discontinue the NLSL service study and elect to serve the Planned NLSL or NLSL with Dedicated Resource or Consumer-Owned Resource amounts for the term of this Agreement. If a Planned NLSL becomes an NLSL during the NLSL study period, BPA shall update Exhibit D to reflect the change.

20.3.9 **Submittal of Initial Forecast**

If «Customer Name» is serving any Planned NLSLs or NLSLs with Dedicated Resource or Consumer-Owned Resource amounts, then by June 30 of each year, unless another date is agreed to by the Parties, «Customer Name» shall provide BPA with forecasted energy amounts for such resources for each Diurnal period and peak amounts for each month to serve any Planned NLSLs and NLSLs for the upcoming Fiscal Year. BPA shall use «Customer Name»'s initial forecast to determine the Dedicated Resource or Consumer-Owned Resource amounts required to serve the Planned NLSLs and NLSLs. However, if BPA determines «Customer Name»'s initial forecast to be unreasonable, then BPA may replace «Customer Name»'s initial forecast with a final forecast that BPA develops. If «Customer Name» is serving any Planned NLSLs or NLSLs with Dedicated Resource or Consumer-Owned Resource amounts, then BPA shall revise section 4 or 7.4 of Exhibit A to state such amounts by September 1 of each year.

20.3.10 **Consumer-Owned Resources Serving a Planned NLSL or an NLSL**

20.3.10.1 **Consumer-Owned Resources**

«Customer Name»'s consumer may serve a Planned NLSL or an NLSL with a Consumer-Owned Resource if the following criteria are met:

(1) the Consumer-Owned Resource and its expected generation amounts are indicated in section 7.4 of Exhibit A as serving a specific Planned NLSL or NLSL;

(2) the Consumer-Owned Resource is physically located within «Customer Name»'s service territory;

(3) the Consumer-Owned Resource is within the same Balancing Area Authority as the Planned NLSL or NLSL; and

(4) the Consumer-Owned Resource is metered, regardless of nameplate size, and the meter data is communicated in accordance with section 15 and section 17 of the body of this Agreement.

If «Customer Name» serves a Planned NLSL or an NLSL with a Consumer-Owned Resource, then «Customer Name» may be required to purchase NR Support Services pursuant to requirements in the applicable Power Rate Schedules and GRSPs.

For purposes of determining «Customer Name»'s monthly power billing determinants, the load at a facility will be calculated by subtracting the actual generation from «Customer Name»'s Consumer-Owned Resource(s) identified in section 7.4 of Exhibit A from the metered hourly load of any Planned NLSL or NLSL listed in Exhibit D.

The generation from such Consumer-Owned Resources may not exceed the Planned NLSL or NLSL being served on any hour. BPA may adjust «Customer Name»'s power billing determinants to account for hourly excess Consumer-Owned Resource generation and may assess other charges or penalties in accordance with any applicable BPA Power Rate Schedules and GRSPs.

20.3.10.2 **On-Site Renewable Resource/Cogeneration Exception**

For purposes of this section 20.3.10.2, on-site means within the physical footprint of the NLSL facility as determined by BPA in the facility determination process.

«Customer Name» may request to have BPA serve an NLSL at a PF equivalent rate, as established in the applicable 7(i) Process, if the following criteria are met:

(1) «Customer Name»'s end use consumer applies an on-site renewable resource or on-site cogeneration resource to

reduce the load at a facility, that is otherwise not eligible to be served at PF rates, to less than ten Average Megawatts in a consecutive 12-month period,

(2) the on-site renewable resource or on-site cogeneration resource applied to the NLSL is behind «Customer Name»'s meter to the load at the facility, and

(3) the on-site renewable resource or on-site cogeneration resource is continuously applied to serve the NLSL, consistent with BPA's NLSL Policy and BPA's Provider of Choice Contract Record of Decision (ROD), August 2025, as amended or replaced.

If «Customer Name» meets the criteria above and BPA grants «Customer Name»'s request for the on-site renewable/cogeneration exception, then BPA shall: (1) list the Consumer-Owned Resource serving the NLSL in section 7.4 of Exhibit A and (2) revise section 1 of Exhibit D to add the on-site renewable resource or cogeneration facility and the requirements for such service.

20.4 **Priority of Pacific Northwest Customers**

The provisions of Sections 9(c) and 9(d) of the Northwest Power Act and the provisions of the Pacific Northwest Consumer Power Preference Act as amended by the Northwest Power Act, as implemented pursuant to BPA's 5(b)/9(c) Policy, are incorporated into this Agreement by reference. «Customer Name», together with other customers in the Region, shall have priority to electric power consistent with such provisions.

20.5 **Prohibition on Resale**

«Customer Name» shall not resell Firm Requirements Power except to serve «Customer Name»'s Total Retail Load or as otherwise permitted by federal law.

20.6 **Use of Regional Resources**

20.6.1 Within 60 calendar days prior to the start of each Fiscal Year, «Customer Name» shall provide notice to BPA of any firm power from «Customer Name»'s Generating Resources during its term, listed in Exhibit A that has been used to serve firm consumer load in the Region and that «Customer Name» plans to export for sale outside the Region in the next Fiscal Year. Firm power includes firm energy and firm peaking capability.

BPA may request and «Customer Name» shall provide within 30 calendar days of such request, additional information on «Customer Name»'s sales and dispositions of non-federal resources if BPA has

information that «Customer Name» may have made such an export and not notified BPA. BPA may request and «Customer Name» shall provide within 30 calendar days of such request, information on the planned use of any or all of «Customer Name»'s Generating Resources.

During any Rate Period that «Customer Name» has no purchase obligation for Firm Requirements Power under section 3, «Customer Name» shall have no obligation to notify BPA of its exports under this section; provided, however, «Customer Name» shall provide notification of all applicable exports in Rate Periods when it has a purchase obligation.

20.6.2 «Customer Name» shall be responsible for monitoring any firm power from Generating Resources it sells in the Region to ensure such firm power is planned to be used to serve firm consumer load in the Region.

20.6.3 Subject to the 5(b)/9(c) Policy, if «Customer Name» fails to report to BPA in accordance with section 20.6.1 above, any of its planned exports for sale outside the Region of firm power from a Generating Resource that has been used to serve firm consumer load in the Region, and BPA makes a finding that an export which was not reported was made, then BPA shall decrement the amount of its Firm Requirements Power sold under this Agreement by the amount and for the duration of the export that was not reported and by any continuing export amount. Decrements under the preceding sentence shall be first to power that would otherwise be provided at the applicable firm power rate, as determined by BPA. When applicable, such decrements shall be identified in section 3.2 of Exhibit A.

20.6.4 For purposes of this section 20.6, an export for sale outside the Region means a contract for the sale or disposition of firm power from a Generating Resource during its term that has been used to serve firm consumer load in the Region, which contract will be performed in a manner that such output is no longer used or not planned to be used solely to serve firm consumer load in the Region. Delivery of firm power outside the Region under a seasonal exchange agreement that is made consistent with BPA's 5(b)/9(c) Policy will not be considered an export. Firm power from a Generating Resource used to serve firm consumer load in the Region means the firm generating or load carrying capability of a Generating Resource as established under the resource planning criteria generally used within the Region.

20.6.5 For purposes of this section 20.6, if «Customer Name» has notified BPA that it will join and participate in an organized market using non-federal firm power produced by a Generating Resource dedicated to supply its Total Retail Load as identified in Exhibit A, then to the extent the organized market operates geographically both within and outside the Region, «Customer Name»'s participation in such market will not be considered an export outside the Region, provided

«Customer Name»'s dedicated non-federal power obligation remains unchanged from the amount identified in Exhibit A. «Customer Name»'s participation in an organized market shall not increase the firm energy requirements of «Customer Name» or other customers of the Administrator, as determined by the Administrator.

20.7 **BPA Appropriations Refinancing**

The Parties agree that the provisions of section 3201(i) of the Bonneville Power Administration Refinancing section of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (BPA Refinancing Act), P.L. 104-134, 110 Stat. 1321, 350, as stated in the United States Code on the Effective Date, are incorporated by reference and are a material term of this Agreement.

21. STANDARD PROVISIONS

21.1 **Amendments**

Except where this Agreement explicitly allows for one Party to unilaterally amend a provision or exhibit, no amendment of this Agreement shall be of any force or effect unless set forth in writing and signed by authorized representatives of each Party. Upon «Customer Name»'s request, and to the extent BPA determines it is practicable, BPA shall provide «Customer Name» a reasonable opportunity to review any unilateral provision or exhibit revisions, or the data that will be input into an exhibit revision, prior to BPA making such unilateral revisions.

21.2 **Entire Agreement and Order of Precedence**

This Agreement, including documents expressly incorporated by reference, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

Option 1: Include the following for customers who do NOT need RUS approval.

21.3 **Assignment**

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld. Without limiting the foregoing, BPA's refusal to consent to assignment shall not be considered unreasonable if, in BPA's sole discretion: (1) the sale of power by BPA to the assignee would violate any applicable statute, or (2) such sale might adversely affect the tax-exempt status of bonds issued as part of an issue that finances or refinances the Columbia Generating Station or that such sale might limit the ability to issue future tax-exempt bonds to finance or refinance the Columbia Generating Station. «Customer Name» may not transfer or assign this Agreement to any of its retail consumers.

End Option 1

Option 2: Include the following for customers who must obtain RUS approval of this Agreement.

21.3 **Assignment**

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without: (1) the other Party's written consent, which shall not be unreasonably withheld; and (2) the written consent of the United States Department of Rural Utilities Service. Without limiting the foregoing, BPA's refusal to consent to assignment shall not be considered unreasonable if, in BPA's sole discretion: (1) the sale of power by BPA to the assignee would violate any applicable statute, or (2) such sale might adversely affect the tax-exempt status of bonds issued as part of an issue that finances or refinances the Columbia Generating Station or that such sale might limit the ability to issue future tax-exempt bonds to finance or refinance the Columbia Generating Station. «Customer Name» may not transfer or assign this Agreement to any of its retail consumers.

End Option 2

21.4 **No Third-Party Beneficiaries**

This Agreement is made and entered into for the sole benefit of the Parties, and the Parties intend that no other person or entity shall be a direct or indirect beneficiary of this Agreement.

21.5 **Waivers**

No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving Party, and any such waiver shall not be deemed a waiver of any other provision of this Agreement or of any other breach of this Agreement.

21.6 **BPA Policies**

Any reference in this Agreement to BPA policies, including any revisions, does not constitute agreement of «Customer Name» to such policy by execution of this Agreement, nor shall it be construed to be a waiver of the right of «Customer Name» to seek judicial review of any such policy.

21.7 **Rate Covenant and Payment Assurance**

«Customer Name» agrees that it shall establish, maintain and collect rates or charges sufficient to assure recovery of its costs for power and energy and other services, facilities and commodities sold, furnished or supplied by it through any of its electric utility properties. BPA may require additional forms of payment assurance if: (1) BPA determines that such rates and charges may not be adequate to provide revenues sufficient to enable «Customer Name» to make the payments required under this Agreement, or (2) BPA identifies in a letter to «Customer Name» that BPA has other reasonable grounds to conclude that «Customer Name» may not be able to make the payments required under this Agreement. If «Customer Name» does not provide payment assurance satisfactory to BPA, then BPA may

terminate this Agreement. Written notices sent under this section must comply with section 1 of Exhibit I.

21.8 **Procedure in the Event of Federal Base System Resource Loss**
BPA shall provide notice to «Customer Name» if BPA expects the loss of Federal Base System Resource, as defined in Section 3(10) of the Northwest Power Act, that: (1) is in excess of 450 aMW in a single year and is expected to last for a period of five or more years, and (2) the replacement cost of which would be included in the Tier 1 Cost Pool.

BPA shall conduct a public process to discuss targeted policy and CHWM Contract amendments if, within 30 calendar days of such notice provided in this section 21.8, a majority of CHWM Contract customers, or their representatives, indicate in writing to BPA the customer's support to open a public process to discuss targeted policy and contract amendments. For purposes of calculating utility count under this section, JOE Members will be counted individually.

Option: Include this section ONLY for JOEs with cooperative members; cooperatives; and tribal utilities.

21.9 **Bond Assurances**
BPA has advised «Customer Name» that: (1) the Columbia Generating Station has been financed and refinanced in large part by bonds that are intended to bear interest that is exempt from federal income tax under section 103 of the Internal Revenue Code of 1954, as amended, and Title XIII of the Tax Reform Act of 1986, and (2) the tax-exempt status of those bonds and other bonds issued together with those bonds might be jeopardized if «Customer Name» or any other nongovernmental person has a contract to purchase additional amounts of the output of the Columbia Generating Station.

Sub-Option 1: Include the following for customers that are not JOEs.
To preserve the tax-exempt status of these bonds, during the term of this Agreement, if «Customer Name» changes its purchase obligation to Slice/Block pursuant to section 11, then BPA shall calculate the de minimis threshold applicable to «Customer Name» and include terms in this Agreement that, under certain conditions, would limit «Customer Name»'s Slice Percentage to such de minimis threshold and, as applicable, obligate «Customer Name» to pay direct assignment costs.
End Sub-Option 1

Sub-Option 2: Include the following for customers that are JOEs.
To preserve the tax-exempt status of these bonds, during the term of this Agreement, if «Customer Name» changes its purchase obligation to Slice/Block pursuant to section 11, then BPA shall calculate the de minimis threshold applicable to each of «Customer Name»'s Members and include terms in this Agreement that, under certain conditions, would limit «Customer Name»'s Slice Percentage to the sum of such Members' de minimis

thresholds and, as applicable, obligate «Customer Name» to pay direct assignment costs.

End Sub-Option 2

End Option

22. PARTICIPATION IN WRAP

BPA is participating in the Western Resource Adequacy Program (WRAP) with its first binding season occurring prior to October 1, 2028. If BPA ceases to participate in WRAP, then BPA shall provide advance notice to «Customer Name» of the date that BPA's participation will end.

The remainder of this section 22 will not apply if BPA is not participating in WRAP.

22.1 Responsibilities and Provision of Information Necessary for WRAP Participation

BPA shall be solely responsible for fulfilling its contractual obligations to WRAP and shall provide WRAP with any necessary data regarding «Customer Name»'s load and resources in compliance with WRAP requirements. Consistent with this section 22, section 17, and section 5 of Exhibit J, «Customer Name» shall provide BPA with any necessary and requested information, forecasts, and attestations associated with «Customer Name»'s Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load.

22.1.1 By October 1, 2027, BPA shall notify «Customer Name» of its preferred mode of communication for WRAP-related information.

22.1.2 BPA may request a signed Joint Contract Accreditation Form (JCAF) from «Customer Name» for any Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load relevant to the WRAP. «Customer Name» shall provide BPA with a signed JCAF(s) no later than 30 calendar days following such request and by the dates established in section 5 of Exhibit J. JCAFs provided under this section shall comply with the requirements of WRAP and shall be updated as appropriate to meet WRAP requirements.

22.2 WRAP-Related Charges Under a Sharing Event

If BPA incurs any charges from WRAP attributed to «Customer Name»'s Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load, then BPA shall pass through such charges, or the portion of such charges related to «Customer Name»'s resources, to «Customer Name», subject to the terms of section 5 of Exhibit J.

If BPA does not incur a charge from the WRAP entity but does incur a WRAP-related cost attributed to «Customer Name»'s Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load, then BPA may assess a charge pursuant to BPA's applicable Power Rate Schedules and GRSPs and as established in a 7(i) Process.

22.3 **WRAP and Resource-Related Exhibit Revisions**

By June 30, 2027, «Customer Name» and BPA shall review and make any necessary revisions to Exhibit J to adjust the terms and conditions to implement this section 22. Such revision may include terms and conditions such as, but not limited to: BPA's preferred mode of communication, «Customer Name» notices relevant to WRAP, pass through charges for resources (subject to the limitations in section 22.2 above), terms related to JCAFs, load exclusions, and any other terms necessary to facilitate BPA's participation in WRAP.

In addition, if after June 30, 2027 «Customer Name» elects to apply a Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load to load for the first time, then «Customer Name» and BPA shall review and make any necessary revisions to Exhibit J to adjust the terms and conditions to implement this section 22.

22.4 **Load Exclusions**

For purposes of this section 22, "load exclusion" means a distinct and separately metered load of «Customer Name» for which BPA is not the exclusive wholesale provider and that is excluded from BPA's WRAP participation.

«Customer Name»'s request for a load exclusion, and BPA's decision of whether to allow such load exclusion, shall be pursuant to section 5 of Exhibit J.

23. FUTURE AMENDMENT FOR DAY-AHEAD MARKET IMPLEMENTATION

If BPA decides, or has decided, to join a day-ahead market to serve «Customer Name»'s load, then BPA shall conduct a public process to discuss implementation details of BPA's decision and work with customers to determine: (1) any necessary amendments to the Provider of Choice power sales agreements, including any necessary to align with an updated Transmission Services tariff and settlements under an organized market, and (2) the anticipated timeline for executing such amendments. Such public process shall not be construed as reconsideration of BPA's market decision. Any amendments negotiated during such public process shall be limited to those necessary to implement a day-ahead market and shall not be conditioned by either Party on modification to any other provision under this Agreement not related to implementing a day-ahead market. Following the conclusion of such public process, BPA shall issue the final amendment template and, based on the agreed-upon timeline, prepare and offer «Customer Name» a contract amendment using the amendment template. «Customer Name»'s agreement to such amendment consistent with this section 23 shall not be unreasonably withheld.

Following BPA joining a day-ahead market to serve «Customer Name»'s load and the Parties amend this Agreement pursuant to this section 23, BPA shall also conduct a public process on the topic of settlements for the Slice Product in the day-ahead market that BPA joins.

24. TERMINATION

BPA may terminate this Agreement if:

(1) «Customer Name» fails to make payment as required by section 16.4, or

(2) «Customer Name» fails to provide payment assurance satisfactory to BPA as required by section 21.7.

Such termination is without prejudice to any other remedies available to BPA under law.

Reviewer's Note: If necessary, customers will still have the option to sign a hard copy of the Agreement.

25. SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and may be executed by electronic signature and delivered electronically. The Parties have executed this Agreement as of the last date indicated below.

«FULL NAME OF CUSTOMER»	UNITED STATES OF AMERICA Department of Energy Bonneville Power Administration
By _____	By _____
Name _____ *(Print/Type)*	Name _____ *(Print/Type)*
Title _____	Title _____
Date _____	Date _____

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Exhibit A
NET REQUIREMENTS AND RESOURCES

1. NET REQUIREMENTS

BPA shall establish «Customer Name»'s Net Requirement based on its Total Retail Load minus: (1) «Customer Name»'s Dedicated Resources determined pursuant to section 3.3 of the body of this Agreement and listed in sections 2, 3, and 4 of this exhibit, and (2) Consumer-Owned Resources determined pursuant to section 3.6 of the body of this Agreement and listed in sections 7.1, 7.3, and 7.4 of this exhibit. The Parties shall not add or remove resource amounts to change «Customer Name»'s purchase obligations from BPA under section 3.1 of the body of this Agreement except in accordance with sections 3.4.2, 3.5, 3.6 and 10 of the body of this Agreement.

Reviewer's Note: Because customers can have numerous resources and the subsections of section 2 can span multiple pages, BPA will apply subsection numbering as 2(1), 2(2), etc. (as opposed to simply numbering resources as (1), (2),….) under section 2 so that it is easier to know which resource is being referred to.

2. LIST OF SPECIFIED RESOURCES

Drafter's Note: List each Specified Resource using the format shown below in section 2(1) for each Specified Resource. Determine the Dedicated Resource amounts for Specified Resources per the updated 5(b)/9(c) Policy.

Option 1: Include the following if customer does NOT have any Specified Resources.
«Customer Name» does not have any Specified Resources at this time.
End Option 1

Option 2: Include the following if customer has Specified Resources. Complete sections (1)(A) - (C) for each resource. When listing multiple resources renumber each resource as 2(2), 2(3), etc.
All of «Customer Name»'s Specified Resources are listed below.

2(1) **«Resource Name»**

(A) **Special Provisions**

Drafter's Note: Include any special provisions here that are applicable to this resource. If none, retain this section and state "None".

(B) **Resource Profile**

Drafter's Note: For Delivery Plan, enter the transmission system used to deliver the resource (or for behind-the-meter resources, the transmission system that serves the load that the resource serves). For Statutory Status, Resource Status, Applied to Tier 1 Allowance Amount, RSS, and Dispatchable, fill in the appropriate cells with "X"s.

Fuel Type	Date Resource Dedicated to Load	Date of Resource Removal	Percent of Resource Used to Serve Load	Nameplate Capability (MW)	Delivery Plan

Statutory Status		Resource Status		Applied to Tier 1 Allowance Amount		RSS		Dispatchable	
5b1A	5b1B	Existing	New	Yes	No	Yes	No	Yes	No
Note: Fill in the table above with "X"s.									

(C) **Specified Resource Amounts**

Specified Resource Amounts													
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**annual aMW**
Fiscal Year 2029													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2030													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2031													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2032													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2033													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2034													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2035													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2036													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													

Specified Resource Amounts													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Fiscal Year 2037													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2038													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2039													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2040													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2041													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2042													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2043													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2044													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													

Note: Fill in the table above with megawatt-hours rounded to whole megawatt-hours, with megawatts rounded to one decimal place, and annual Average Megawatts rounded to three decimal places.

End Option 2

3. COMMITTED POWER PURCHASE AMOUNTS

3.1 Committed Power Purchase Amounts Used to Serve Total Retail Load

3.1.1 Shape of Committed Power Purchase Amounts

BPA shall calculate «Customer Name»'s Committed Power Purchase Amounts using the Flat Annual Shape monthly shape and the selected Diurnal shape listed below. BPA shall update the table below consistent with section 3.4.2 of the body of this Agreement.

Drafter's Note: Do not edit the following table. It should appear "as is" at contract signing.

Shape of Committed Power Purchase Amounts		
Monthly Shape	**Diurnal Shape Choice**	
Flat Annual Shape	**HLH Diurnal Shape**	**Flat Within-Month Shape**
X		X
X		X
X		X
X		X

3.1.2 Committed Power Purchase Amounts

Option 1: Include the following if customer does NOT have any Committed Power Purchase Amounts include the following.

«Customer Name» does not have any Committed Power Purchase Amounts at this time.

End Option 1

Option 2: Include the following if customer has Committed Power Purchase Amounts include the following and fill in the table below (adding additional years as needed).

«Customer Name»'s Committed Power Purchase Amounts are listed in the table below.

Committed Power Purchase Amounts													
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**annual aMW**
Fiscal Year 2029													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													

Committed Power Purchase Amounts													
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**annual aMW**
Fiscal Year 2030													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Note: Fill in the table above with megawatt-hours rounded to whole megawatt-hours and with annual Average Megawatts rounded to three decimal places.													

End Option 2

3.2 **Committed Power Purchase Amounts for 9(c) Export Decrements**

Option 1: Include the following if customer does NOT have any Committed Power Purchase Amounts for 9(c) export decrements.

«Customer Name» does not have any Committed Power Purchase Amounts for 9(c) export decrements at this time.

End Option 1

Option 2: Include the following if customer has Committed Power Purchase Amounts for 9(c) export decrements and fill in the table below (adding additional years as needed).

«Customer Name»'s Committed Power Purchase Amounts for 9(c) export decrements pursuant to section 3.5.4 of the body of this Agreement are listed in the table below.

Committed Power Purchase Amounts for 9(c) Export Decrements													
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**annual aMW**
Fiscal Year 2029													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2030													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Note: Fill in the table above with megawatt-hours rounded to whole megawatt-hours and with annual Average Megawatts rounded to three decimal places.													

End Option 2

Reviewer's Note: Because customers can have numerous resources serving Planned NLSLs or NLSLs and the subsections of section 4 can span multiple pages, BPA will apply subsection numbering as 4(1), 4(2), etc. (as opposed to simply numbering resources as (1), (2),….) under section 4 so that it is easier to know which resource is being referred to.

4. DEDICATED RESOURCE AMOUNTS USED TO SERVE PLANNED NLSLs AND NLSLs

Option 1: Include the following if customer does NOT have a Planned NLSL or an NLSL.

«Customer Name» does not have any Dedicated Resource amounts serving a Planned NLSL or an NLSL at this time, in accordance with sections 3.5.8 and 20.3 of the body of this Agreement.

End Option 1

Option 2: Include the following if customer has a Planned NLSL or an NLSL. If customer is serving the Planned NLSL or NLSL with Specified Resources, use the tables and format from section 2, Option 2 above and complete sections 2(1)(A) - (C) for each resource (state "N/A" in the Tier 1 Allowance Amount cell). If customer is serving the Planned NLSL or NLSL with Committed Power Purchase Amounts, add a table using the table format in section 3.2 and fill out monthly Diurnal amounts based on the NLSL or Planned NLSL load forecast less any Specified Resources in section 4 serving such NLSL or Planned NLSL. Also describe in section 1.4 or 1.5 of Exhibit D how the resource listed below will match the Planned NLSL or NLSL.

All of «Customer Name»'s Dedicated Resource amounts serving a Planned NLSL and/or an NLSL, in accordance with sections 3.5.8 and 20.3 of the body of this Agreement, are listed below.

4(1) **Name of «Planned NLSL»** *or* **«NLSL»**

End Option 2

5. TOTAL DEDICATED RESOURCE AMOUNTS

Option 1: Include the following if customer does NOT have any Dedicated Resource amounts listed in sections 2, 3, or 4 above.

«Customer Name» does not have any Dedicated Resource amounts at this time.

End Option 1

Option 2: Include the following if customer has Dedicated Resource amounts listed in sections 2, 3, or 4 above. Insert a table below the language using the table format in section 2(1)(C) with amounts equal to the sum of all Dedicated Resource amounts listed in section 2, 3, and 4, and changing the title of the table from "Specified Resource Amounts" to "Total Dedicated Resource Amounts".

The amounts in the table below equal the sum of all Dedicated Resource amounts used to serve «Customer Name»'s Total Retail Load listed above in sections 2, 3, and 4.

End Option 2

6. LIST OF RESOURCES NOT USED TO SERVE TOTAL RETAIL LOAD

Option 1: Include the following if customer does NOT own any Specified Resources not dedicated to its TRL.

Pursuant to section 17 of the body of this Agreement, «Customer Name» does not own any Generating Resources that are: (1) not Specified Resources listed in section 2 of Exhibit A, and (2) greater than 1.000 megawatt of nameplate capability.

End Option 1

Option 2: Include the following if customer owns resources that are not Specified Resources used to serve to its TRL. Complete sections (1)(A) and (B) below for each resource.

Pursuant to section 17 of the body of this Agreement, all Generating Resources «Customer Name» owns that are: (1) not Specified Resources listed in section 2 of Exhibit A, and (2) greater than 1.000 megawatt of nameplate capability, are listed below.

(1) «Resource Name»

(A) Resource Profile

Fuel Type	Type of Resource		Percent of Resource Not Used to Serve Load	Nameplate Capability (MW)
	Generating Resource	Contract Resource		

(B) Expected Resource Output

Expected Output – Energy (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.								

End Option 2

7. LIST OF CONSUMER-OWNED RESOURCES

Drafter's Note: At contract offer, if customer has any existing Consumer-Owned Resources then (1) include the following paragraph and (2) use Option 2 below (intentionally left blank) for sections 7.1, 7.2 and 7.3. The following paragraph will be removed by September 30, 2026, when BPA updates sections 7.1, 7.2 and/or 7.3.

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» has one or more existing Consumer-Owned Resources. «Customer Name» shall designate such resource as serving On-Site Consumer Load, serving load other than On-Site Consumer Load, or serving both On-Site Consumer Load and load other than On-Site Consumer Load pursuant to section 3.6.1 of the body of this Agreement. By September 30, 2026, BPA shall update sections 7.1, 7.2, or 7.3 with «Customer Name»'s designations and amounts for its existing Consumer-Owned Resources.

End Option

7.1 **Consumer-Owned Resources Serving On-Site Consumer Load**

Option 1: Include the following if customer does NOT have any Consumer-Owned Resources serving On-Site Consumer Load.

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving On-Site Consumer Load at this time.

End Option 1

Option 2: Include the following at contract offer if customer has existing Consumer-Owned Resources.

This section is intentionally left blank.

End Option 2

Option 3: If customer has any existing Consumer-Owned Resources, delete the following at contract offer. If applicable, BPA will include the following as of September 30, 2026, if customer has Consumer-Owned Resources serving On-Site Consumer Load. Complete sections (1)(A) and (B) below for each resource.

Pursuant to section 3.6 of the body of this Agreement, all of «Customer Name»'s Consumer-Owned Resources serving On-Site Consumer Load are listed below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)	Delivery Plan

Sub-Option 1: Include the following footnote if customer has provided satisfactory information demonstrating that the resource will be sized to not exceed the consumer's load on a monthly basis.

Note: Pursuant to section 3.6.3 of the body of this Agreement, on «Month Day, Year» information provided to BPA demonstrated that on that date the resource listed in this section would be sized to not generate in excess of the Consumer's On-Site Load on a monthly basis.*End Sub-Option 1*

Sub-Option 2: Include the following footnote if customer has not provided satisfactory information demonstrating that the resource will be sized to not exceed the consumer's load on a monthly basis.

Note: Pursuant to section 3.6.3 of the body of this Agreement, «Customer Name» has not provided information demonstrating that the resource listed in this section would be sized to serve only the Consumer's On-Site Load on a monthly basis.*End Sub-Option 2*

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.								

End Option 3

7.2 **Consumer-Owned Resources Serving Load Other than On-Site Consumer Load**

Option 1: Include the following if customer does NOT have any Consumer-Owned Resources serving load other than On-Site Consumer Load.

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving load other than On-Site Consumer Load at this time.

End Option 1

Option 2: Include the following at contract offer if customer has existing Consumer-Owned Resources.

This section is intentionally left blank.

End Option 2

Option 3: ***If customer has any existing Consumer-Owned Resources, delete the following at contract offer.*** *If applicable, BPA will include the following as of September 30, 2026, if customer has Consumer-Owned Resources serving load other than On-Site Consumer Load. Complete sections (1)(A) and (B) below for each resource.*

Pursuant to section 3.6 of the body of this Agreement, all of «Customer Name»'s Consumer-Owned Resources serving load other than On-Site Consumer Load are listed below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.								

End Option 3

7.3 **Consumer-Owned Resources Serving Both On-Site Consumer Load and Load Other than On-Site Consumer Load**

Option 1: Include the following if customer does NOT have any Consumer-Owned Resources serving both On-Site Consumer Load and load Other than On-Site Consumer Load.

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load at this time.

End Option 1

Option 2: Include the following at contract offer if customer has existing Consumer-Owned Resources.

This section is intentionally left blank.

End Option 2

Option 3: If customer has any existing Consumer-Owned Resources, delete the following at contract offer. If applicable, BPA will include the following as of September 30, 2026, if customer has Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load. Complete sections (1)(A) – (D) below for each resource.

Pursuant to section 3.6 of the body of this Agreement, all of «Customer Name»'s Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load are listed in tables below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)	Delivery Plan

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.								

(C) **Expected On-Site Consumer Load**

Expected Output – Energy (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.								

Sub-Option A: Include the following if customer has Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load AND customer chooses OPTION A in section 3.6.5 of the body of this Agreement.

(D) **Maximum Amounts Serving On-Site Consumer Load**

Maximum Hourly Amounts Serving On-Site Consumer Load												
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
HLH (MW/hr)												
LLH (MW/hr)												
Note: Fill in the table above with megawatts rounded to one decimal place.												

End Sub-Option A

Sub-Option B: Include the following if customer has Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load AND customer chooses OPTION B in section 3.6.5 of the body of this Agreement.

(D) **Maximum BPA-Served On-Site Consumer Load**

Maximum Hourly Amounts of On-Site Consumer Load Served by BPA												
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
HLH (MW/hr)												
LLH (MW/hr)												
Note: Fill in the table above with megawatts rounded to one decimal place.												

End Sub-Option B

End Option 3

7.4 **Consumer-Owned Resources Serving Planned NLSL or NLSL**

Option 1: Include the following if customer does NOT have any Consumer-Owned Resources serving a Planned NLSL or an NLSL.

Pursuant to section 20.3.10 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving a Planned NLSL or an NLSL at this time.

End Option 1

Option 2: Include the following if customer has Consumer-Owned Resources serving a Planned NLSL or an NLSL. Complete sections (1)(A) and (B).

Pursuant to section 20.3.10 of the body of this Agreement, all of «Customer Name»'s Consumer-Owned Resources serving a Planned NLSL and/or an NLSL are listed below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.								

End Option 2

8. TABLES FOR HLH DIURNAL SHAPE

8.1 **Specified Resources**

If «Customer Name» elects the HLH Diurnal Shape for its Specified Resources, then «Customer Name» shall fill in a table with monthly LLH and HLH amounts for each year of the upcoming Rate Period for each Specified Resource. The monthly LLH and HLH distributions shall be the same across all years of a Rate Period. «Customer Name» shall submit the tables to BPA when «Customer Name» makes its reshaping elections. BPA shall update the appropriate Dedicated Resource amounts pursuant to «Customer Name»'s submitted elections and consistent with section 3.4.2 of the body of this Agreement.

8.2 **Committed Power Purchase Amounts**

If «Customer Name» elects the HLH Diurnal Shape for its Committed Power Purchase Amounts, then «Customer Name» shall submit to BPA in writing

its elected ratios of megawatt-hours per hour in HLH to megawatt-hours per hour in LLH by October 31 of a Rate Case Year. «Customer Name» shall submit to BPA twelve monthly ratios and such monthly ratios shall apply for all years of the corresponding Rate Period. BPA shall update the table below pursuant to «Customer Name»'s submitted elections and consistent with section 3.4.2 of the body of this Agreement. BPA shall calculate «Customer Name»'s Committed Power Purchase Amounts using the ratios in the table below.

Drafter's Note: Leave table blank at contract signing.

HLH Diurnal Shape for Committed Power Purchase Amounts												
Rate Period	**HLH to LLH Ratios (HLH:LLH)**											
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
FY 2029 – FY 2030												
FY 2031 – FY 2032												
FY 2033 – FY 2034												
FY 2035 – FY 2036												
FY 2037– FY 2038												
FY 2039 – FY 2040												
FY 2041– FY 2042												
FY 2043 – FY 2044												

9. REVISIONS

BPA shall unilaterally revise this exhibit to reflect: (1) «Customer Name»'s elections regarding the application and use of all resources owned by «Customer Name» and «Customer Name»'s retail consumers and (2) BPA's determinations relevant to this exhibit and made in accordance with this Agreement. All other changes to this Exhibit A will be made by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Exhibit B
CONTRACT HIGH WATER MARKS

1. CONTRACT HIGH WATER MARK (CHWM)

Option 1: Include the following for customers that are not JOEs.

1.1 CHWM Amount

By September 30, 2026, BPA shall fill in the table below with «Customer Name»'s CHWM. Once established, BPA may only adjust «Customer Name»'s CHWM as permitted pursuant to section 1.2 of this exhibit.

Drafter's Note: Fill in the table with customer's CHWM. For updates following the initial value, enter the applicable effective date.

CHWM (annual aMW) «[1]»:	«x.xxx»
Note: BPA shall round the number in the table above to three decimal places. «[1]» CHWM amount effective «October 1, 2028».	

1.2 CHWM Adjustments

BPA shall determine any adjustments to «Customer Name»'s CHWM pursuant to this section 1.2. BPA shall notify «Customer Name» of any adjustments and the date such adjustment will be effective.

End Option 1

Option 2: Include the following for customers that are JOEs.

1.1 CHWM Amount

By September 30, 2026, BPA shall fill in the table below with each «Customer Name» Member's CHWM and «Customer Name»'s CHWM. Once established, BPA may only adjust each «Customer Name» Member's CHWM and «Customer Name»'s CHWM as permitted pursuant to section 1.2 below.

Drafter's Note: Fill in the table with JOE Members' CHWMs and JOE's CHWM. For updates following the initial values, enter the applicable effective date.

«Customer Name» Member	**CHWM (annual aMW))« [1]»:**
«JOE Member Name»	«x.xxx»
«JOE Member Name»	«x.xxx»
«Customer Name»	«x.xxx»
Note: BPA shall round the number in the table above to three decimal places. «[1]» CHWM amount effective «October 1, 2028».	

1.2 CHWM Adjustments

BPA shall determine any adjustments to «Customer Name» Members' CHWMs and «Customer Name»'s CHWM pursuant to this section 1.2. BPA shall notify «Customer Name» of any adjustments and the date such adjustment will be effective.

End Option 2

1.2.1 **Corrections for NLSLs**

If after BPA establishes «Customer Name»'s CHWM pursuant to section 7 of the body of this Agreement, BPA determines that a load included in «Customer Name»'s Total Retail Load in the CHWM calculation was an NLSL or became an NLSL in FY 2023, then BPA shall adjust «Customer Name»'s CHWM by removing the FY 2023 load associated with the NLSL from «Customer Name»'s weather normalized Total Retail Load. BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM and its effective date. BPA shall provide «Customer Name» written notice of the CHWM adjustment and its effective date, and will provide «Customer Name» with a revised Exhibit B. In the event of an adjustment, and subject to any applicable statute of limitations, «Customer Name» shall pay any charges calculated by BPA to account for the ineligible PF rate purchases dating back to October 1, 2028.

1.2.2 **Annexed Load**

If «Customer Name» annexes load from a utility that has a CHWM Contract, then BPA shall increase «Customer Name»'s CHWM in an amount determined as follows:

(1) If «Customer Name» and the other utility involved in the annexation agree on the amount of the CHWM transfer to «Customer Name», then BPA shall adopt that amount if BPA determines such amount is reasonable.

(2) If «Customer Name» and the other utility cannot agree on the amount of the CHWM transfer to «Customer Name», or if BPA determines the amount agreed to in section 1.2.2(1) of this exhibit is unreasonable, then BPA shall calculate the amount of «Customer Name»'s CHWM transfer using the following formula; provided however that BPA may adjust the calculated amount to reflect (A) the division of Dedicated Resources between the utilities and (B) other pertinent information provided by «Customer Name» and the other utility:

$$\left[\frac{\text{Annexed Load minus annexed NLSLs, if any}}{\text{Other utility's pre-annexation Total Retail Load minus total NLSLs, if any}}\right] \times \left[\text{Other utility's pre-annexation CHWM}\right]$$

In no event shall the total CHWM amount of «Customer Name» and the other utility after the transfer exceed the total CHWM amount of «Customer Name» and the other utility prior to the transfer.

*[Drafter's Note: Include this sentence ONLY for JOEs with cooperative members; cooperatives; and tribal utilities:*Any change to «Customer

Name»'s CHWM related to the acquisition of an Annexed Load is subject to section 21.9 of the body of this Agreement./

BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM which will be effective on the date that «Customer Name» begins service to the Annexed Load.

1.2.3 **Ceded Load**

If another utility with a CHWM Contract annexes load of «Customer Name», then BPA shall reduce «Customer Name»'s CHWM in an amount determined as follows:

(1) If «Customer Name» and the other utility involved in the annexation agree on the amount of the CHWM transfer to the other utility, then BPA shall adopt that amount if BPA determines such amount is reasonable.

(2) If «Customer Name» and the other utility cannot agree on the amount of the CHWM transfer to the other utility, or if BPA determines the amount agreed to in section 1.2.3(1) of this exhibit is unreasonable, then BPA will calculate the amount of «Customer Name» CHWM transfer using the following formula; provided however, BPA may adjust the calculated amount to reflect (A) the division of Dedicated Resources between the utilities and (B) other pertinent information advanced by «Customer Name» and the other utility:

$$\left[\frac{\text{Annexed Load minus annexed NLSLs, if any}}{\text{«Customer Name»'s pre-annexation Total Retail Load minus total NLSLs, if any}}\right] \times \left[\text{«Customer Name»'s pre-annexation CHWM}\right]$$

In no event shall the total CHWM amount of «Customer Name» and the other utility after the transfer exceed the total CHWM amount of «Customer Name» and the other utility prior to the transfer.

BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM which will be effective on the date that the annexing utility begins service to the Annexed Load.

1.2.4 **Court Order on Annexation**

BPA shall adjust «Customer Name»'s CHWM due to annexation if BPA's Administrator determines that a court order requires BPA to do so. BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM and its effective date. BPA shall provide «Customer Name» written notice of the CHWM adjustment and revised Exhibit B as soon as reasonably practical.

1.2.5 **Small Utility Adjustment**

BPA shall determine in its sole discretion whether «Customer Name» qualifies for the Small Utility Adjustment. If «Customer Name» is eligible for the Small Utility Adjustment, then BPA shall also determine «Customer Name»'s Maximum Potential CHWM for purposes of this section 1.2.5. For purposes of this section 1.2.5, "Maximum Potential CHWM" means the lesser of: (1) double «Customer Name»'s CHWM as calculated in the FY 2026 CHWM Calculation Process, or (2) 5 aMW. By September 30, 2026, BPA shall fill in the table below indicating such eligibility and «Customer Name»'s Maximum Potential CHWM.

Drafter's Note: Fill in "Yes" or "No" depending on customer's eligibility for the Small Utility Adjustment. If customer is eligible, also fill in the Maximum Potential CHWM amount, calculated as provided above, and rounded to three decimal places. If customer is not eligible, fill in N/A for Maximum Potential CHWM.

Eligible for Small Utility Adjustment	Maximum Potential CHWM
Yes / No	«x.xxx»

If «Customer Name» is eligible for the Small Utility Adjustment as indicated above, then during each Above-CHWM Load Process BPA shall determine whether an adjustment is needed and calculate such adjustment as provided below. Any such adjustment would be added to «Customer Name»'s CHWM.

(1) BPA will determine whether «Customer Name»'s Preliminary Net Requirement exceeds its CHWM.

(2) If «Customer Name»'s Preliminary Net Requirement is less than its CHWM, then BPA shall make no adjustment to «Customer Name»'s CHWM.

(3) If «Customer Name»'s Preliminary Net Requirement exceeds its CHWM, then BPA shall calculate a CHWM adjustment in an amount equal to the difference between «Customer Name»'s Preliminary Net Requirement and its CHWM not to exceed «Customer Name»'s Maximum Potential CHWM stated above.

(4) If a proposed CHWM adjustment under section 1.2.5(3) above would exceed «Customer Name»'s Maximum Potential CHWM, then BPA shall reduce such adjustment to an amount resulting in a CHWM that equals «Customer Name»'s Maximum Potential CHWM.

(5) If «Customer Name»'s CHWM has been adjusted pursuant to section 1.2.5(4) above, then BPA shall make no additional

change to «Customer Name»'s CHWM except as otherwise provided for in this Exhibit B.

For any Rate Period that BPA adjusts «Customer Name»'s CHWM pursuant to this section 1.2.5, BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM to be effective at the start of the next Rate Period. BPA shall provide «Customer Name» written notice of the CHWM adjustment and revised Exhibit B. For purposes of the Tier 1 Marginal Energy True-Up rate, «Customer Name»'s CHWM shall be the Maximum Potential CHWM as stated above.

Drafter's Note: Include in contracts of customers that have requested a CF/CT adjustment to their CHWM.

1.2.6 **CF/CT Adjustment**

«Customer Name» has requested an adjustment to its CHWM for a CF/CT load consistent with the requirements included in section 2.4.2.5 of the Provider of Choice Policy, March 2024, as amended or revised. BPA shall review such request and determine whether such load may qualify «Customer Name» for the CF/CT adjustment consistent with the requirements in section 2.4.2.5 of the Provider of Choice Policy, March 2024, as amended or revised. BPA shall make such determination as follows:

(1) During the FY 2026 CHWM Calculation Process, BPA shall determine if the same «Customer Name» CF/CT load qualifies «Customer Name» for an economic adjustment as provided in section 2.4.1.2 of the Provider of Choice Policy, March 2024, as amended or revised. If so, then such economic adjustment shall apply and «Customer Name» is not eligible for the CF/CT adjustment under this section 1.2.6. If the same CF/CT load does not qualify «Customer Name» for such economic adjustment, then «Customer Name» will remain eligible for the CF/CT adjustment under this section 1.2.6, subject to sections 1.2.6(2) and 1.2.6(3) below.

(2) During the Above-CHWM Load Process for the BP-29 Rate Period, BPA shall determine the amount of CHWM adjustment, if any, «Customer Name» qualifies for based on submitted meter data for its CF/CT load through FY 2026.

(3) During the Above-CHWM Load Process for the BP-31 Rate Period, BPA shall determine the amount of CHWM adjustment, if any, «Customer Name» qualifies for based on submitted meter data for its CF/CT load through FY 2028.

If BPA determines «Customer Name»'s CF/CT qualifies «Customer Name» for such CHWM adjustment under either section 1.2.6(2) or section 1.2.6(3) above, then BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM to be effective at the start of

the next Rate Period. BPA shall provide «Customer Name» written notice of the adjusted CHWM and revised Exhibit B.

In order to maintain such CF/CT adjustment, «Customer Name» shall submit meter data from the prior Rate Period for its CF/CT by December 31, 2030, and by December 31 of each Forecast Year thereafter. If, for a given Rate Period, the associated CF/CT load's Average Megawatt value for actual power consumption drops below 50 percent of the annual load amount, in Average Megawatts, used to establish such CF/CT adjustment, then BPA shall reduce «Customer Name»'s CHWM by the amount of such reduction for the remaining term of the Agreement, unless BPA determines in its sole discretion whether mitigating circumstances would justify a smaller reduction. BPA shall consider «Customer Name»'s submitted meter data and any other pertinent information to determine in its sole discretion whether such CF/CT ceases to consume electric power or significantly reduces the amount of electric power it consumes for production demand, and the commensurate reduction to «Customer Name»'s CHWM. If BPA determines «Customer Name»'s CHWM must be reduced consistent with this section 1.2.6, then BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM and its effective date. BPA shall provide «Customer Name» written notice of the CHWM adjustment and revised Exhibit B no later than 30 calendar days prior to the adjusted CHWM's effective date.

For purposes of the Tier 1 Marginal Energy True-Up rate applied in FY 2029 and FY 2030, «Customer Name»'s CHWM shall be as established in the Above-CHWM Load Process for the BP-31 Rate Period.

End Option

Drafter's Note: Include the following option in DOE-Hanford's contract.

1.2.6 **US DOE-Hanford**

BPA shall adjust «Customer Name»'s CHWM under the following conditions:

1.2.6.1 During each Above-CHWM Load Process, and subject to section 1.2.6.2 through section 1.2.6.5 of this exhibit, BPA shall increase «Customer Name»'s CHWM if «Customer Name»'s electric power consumption increases due to the loads related to defense materials activities that are on-site at the DOE facilities that «Customer Name» serves in the state of Washington.

1.2.6.2 «Customer Name» shall notify BPA at least three years prior to any forecasted increase in loads related to defense materials activities. «Customer Name» may satisfy this notice requirement by providing BPA with annual 10-year load forecasts that indicate, with at least three years' lead

time, when these loads are expected to increase. If «Customer Name» notifies BPA pursuant to these terms, then by the next March 31 of a Rate Case Year BPA shall revise this Exhibit B to increase «Customer Name»'s CHWM effective for the Rate Period where these loads are forecasted to increase.

1.2.6.3 The total cumulative increase in «Customer Name»'s CHWM over the term of this Agreement shall be limited to the difference between 60.000 aMW and «Customer Name»'s CHWM prior to any subsequent CHWM adjustment.

1.2.6.4 «Customer Name» shall meter loads not related to defense materials activities separately from «Customer Name»'s loads related to defense materials activities. «Customer Name» shall install meters and metering equipment necessary to meter loads not related to defense materials activities at «Customer Name»'s expense.

1.2.6.5 BPA shall only include load growth related to on-going defense materials activities in «Customer Name»'s CHWM adjustments under this section 1.2.6.

1.2.6.6 For purposes of the Tier 1 Marginal Energy True-Up rate, «Customer Name»'s CHWM shall be 60.000 aMW.

End Option

Drafter's Note: Include the following option in contracts of qualifying tribal utilities (e.g. Yakama, Kalispel Tribal Utility, and Umpqua Indian Utility Cooperative) and utilities operated pursuant to a P.L. 93-638 contract (e.g. Mission Valley Power).

1.2.6 **Tribal Utilities**

After the application of any adjustment under section 1.2.5 above, BPA shall adjust «Customer Name»'s CHWM as follows:

1.2.6.1 During each Above-CHWM Load Process, and subject to section 1.2.6.4 below, BPA shall increase «Customer Name»'s CHWM by the amount of «Customer Name»'s Preliminary Net Requirement growth expected during the upcoming Rate Period.

1.2.6.2 If «Customer Name» acquires an Annexed Load from a utility that does not have a CHWM, then BPA shall increase «Customer Name»'s CHWM by the amount of Annexed Load subject to section 1.2.6.4 of this exhibit.

1.2.6.3 If «Customer Name» acquires an Annexed Load from a utility that has a CHWM, and if such Annexed Load exceeds the CHWM amount established by section 1.2.2 of this exhibit,

then BPA shall increase «Customer Name»'s CHWM by the difference between the Annexed Load amount and the transferred CHWM amount, minus any annexed NLSLs, subject to section 1.2.6.4 of this exhibit.

1.2.6.4 CHWM adjustments made pursuant to this section 1.2.6 are subject to each of the following limitations:

(1) a cumulative 40 aMW limit of additional CHWM for qualifying tribal utilities and utilities operating pursuant to a P.L. 93-638 contract over the term of the Agreement,

(2) a cumulative Rate Period limit of 50 aMW of additional CHWM for all new public utility CHWM Contract holders and for qualifying tribal utilities and utilities operating pursuant to a P.L. 93-638 contract, and

(3) a cumulative 200 aMW limit of additional CHWM for all new public utility CHWM Contract holders and for qualifying tribal utilities and utilities operating pursuant to a P.L. 93-638 contract over the term of the Agreement.

If a proposed CHWM adjustment under this section 1.2.6 would exceed the limits in (1), (2), or (3) above, then BPA shall reduce such adjustment to an amount that does not exceed the applicable limit. If the limit has been fully exhausted, then the proposed CHWM adjustment under this section 1.2.6 will be reduced to zero and BPA shall make no change to «Customer Name»'s CHWM.

For any Rate Period that the total amount of CHWM adjustments under this section 1.2.6 would exceed the limits in (1), (2), or (3) above, BPA shall proportionally reduce the CHWM adjustments of the new public utility CHWM Contract holders and qualifying tribal utilities and utilities operating pursuant to a P.L. 93-638 contract, as applicable, so that each receives a pro rata share of the remaining amount under the applicable limit for that Rate Period. BPA shall determine each utility's pro rata share as specified in the CHWM Implementation Policy.

1.2.6.5 For any Rate Period that BPA changes «Customer Name»'s CHWM pursuant to this section 1.2.6, BPA shall revise the table in section 1.1. of this Exhibit B with the adjusted CHWM to be effective at the start of the next Rate Period. BPA shall provide «Customer Name» written notice of the CHWM change and revised Exhibit B.

End Option

Drafter's Note: Include the following for customers that are JOEs. If another section 1.2.6 applies to the JOE, adjust the numbering of the following to section 1.2.7.

1.2.6 **Joint Operating Entities**

1.2.6.1 **Member Additions**

If a utility with a CHWM Contract becomes a Member of «Customer Name» at any time after CHWMs are calculated, then BPA, as part of the amendment to add the new Member, shall add the new Member's CHWM to «Customer Name»'s CHWM and revise the table in section 1.1 of this exhibit accordingly.

1.2.6.2 **Member Terminations**

If a «Customer Name» Member terminates their membership under «Customer Name» at any time after CHWMs are calculated, then BPA, as part of the amendment to remove the departing Member, shall subtract the departing Member's CHWM from «Customer Name»'s CHWM and revise the table in section 1.1 of this exhibit accordingly.

End Option

2. REVISIONS

BPA shall unilaterally revise this exhibit pursuant to section 1 of this exhibit. All other changes to this Exhibit B will be made by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Exhibit C
PURCHASE OBLIGATIONS

1. FIRM REQUIREMENTS POWER AT TIER 1 RATES

The portion of «Customer Name»'s purchase obligation that is priced at Tier 1 Rates is established in section 8.1(1) of the body of this Agreement.

2. FIRM REQUIREMENTS POWER AT TIER 2 RATES

Option 1: Include the following for customers that are not JOEs.

2.1 One-Time Above-CHWM Load Service Elections

Pursuant to section 9.2 of the body of the Agreement, «Customer Name» shall elect one of the following four options below to serve its Above-CHWM Load which shall apply for the term of the Agreement except when «Customer Name» elects to change its Tier 2 Long-Term Rate purchase election amount pursuant to the terms and conditions of sections 2.3.2 and 2.3.3 of this exhibit.

BPA shall revise this exhibit by March 31, 2027, to indicate «Customer Name»'s initial election and purchase obligation by adding an "X" to the box next to the applicable option below.

Drafter's Note: If customer changes its election over the term of the Agreement in accordance with section 2.3 add an "Additional Election" check box below "Initial Election" in section 2.1 and mark customers new election with "X".

Initial Election ☐ (1) **Option A. All Tier 2 Long-Term Rate option**

«Customer Name» shall purchase and BPA shall serve all of «Customer Name»'s Above-CHWM Load with Firm Requirements Power priced at the Tier 2 Long-Term Rate.

Initial Election ☐ (2) **Option B. Fixed Tier 2 Long-Term Rate option then flexible option**

«Customer Name» shall purchase and BPA shall provide up to a fixed Average Megawatt amount of «Customer Name»'s Above-CHWM Load with Firm Requirements Power sold at the Tier 2 Long-Term Rate. Any remaining Above-CHWM Load will be served with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirements Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

At the time of election as stated in section 9.3 of the body of this Agreement, «Customer Name» shall notify BPA of the fixed Average Megawatt amount of its Above-CHWM Load BPA will serve up to with Firm Requirements Power sold at a Tier 2 Long-Term Rate. BPA shall update the following table to state such amount.

Drafter's Note: Leave table blank at contract signing.

Fixed aMW Amounts - Tier 2 Long-Term Election								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: The amount in the table should be rounded to three decimal places.								

Initial Election ☐ (3) **Option C. Fixed flexible option then Tier 2 Long-Term Rate option**

«Customer Name» shall elect up to a fixed Average Megawatt amount of Above-CHWM Load that will be served with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirements Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

At the time of election, «Customer Name» shall notify BPA of the fixed Average Megawatt amount of its Above-CHWM Load that will be served up to under the flexible option for the duration of the contract. BPA shall update the following table to state such amounts.

«Customer Name» shall purchase and BPA shall serve any remaining Above-CHWM Load with Firm Requirements Power sold at the Tier 2 Long-Term Rate.

Drafter's Note: Leave table blank at contract signing.

Fixed aMW Amounts - Flexible Election								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: the amount in the table should be rounded to three decimal places.								

Initial Election ☐ (4) **Option D. All flexible option**

«Customer Name»'s Above-CHWM Load shall be served with (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirement Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

If «Customer Name» fails to notify BPA of its Above-CHWM Load service election pursuant to section 9.2 of the body of this Agreement, then «Customer Name» shall be deemed to have elected option D under section 2.1 of this exhibit and «Customer Name» shall serve all of its Above-CHWM Load amounts with the options stated in section 2.1(4) above.

«Customer Name»'s total Tier 2 Rate purchase obligation amount(s) that BPA shall provide and «Customer Name» shall purchase consistent with sections 3.1 and 3.2 of the body of this Agreement shall be stated in the table below in section 2.9.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.1 **One-Time Above-CHWM Load Service Elections**

Pursuant to section 9.2 of the body of the Agreement «Customer Name» shall submit to BPA its Members' individual one-time Member's Above-CHWM Load service election from one of the following four options below to serve «Customer Name»'s Above-CHWM Load. Such elections shall apply for the term of the Agreement in accordance with this section 2.1, except when «Customer Name» elects for «Customer Name»'s Members to change its Tier 2 Long-Term Rate purchase election amount pursuant to the terms and conditions of sections 2.3.2 and 2.3.3 of this exhibit.

BPA shall revise this exhibit by March 31, 2027, to indicate «Customer Name»'s initial election and purchase obligation for each «Customer Name» Member by completing the «Customer Name» Member election table in section 2.1 below.

(1) **Option A. All Tier 2 Long-Term Rate option**

«Customer Name» shall purchase and BPA shall serve the applicable Above-CHWM Load with Firm Requirements Power priced at the Tier 2 Long-Term Rate.

(2) **Option B. Fixed Tier 2 Long-Term Rate option then flexible option**

«Customer Name» shall purchase and BPA shall provide up to a fixed Average Megawatt amount of the applicable Above-CHWM Load with Firm Requirements Power sold at the Tier 2 Long-Term Rate. Any remaining Above-CHWM Load of such applicable Member(s) will be served with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirements Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

At the time of election as stated in section 9.3 of the body of this Agreement, «Customer Name» shall notify BPA of the fixed Average Megawatt amount of the applicable Above-CHWM Load BPA will serve up to with Firm Requirements Power sold at a Tier 2 Long-Term Rate. BPA shall update the following table to state such amount.

Drafter's Note: Leave table blank at contract signing.

Fixed aMW Amounts - Tier 2 Long-Term Election								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: The amount in the table should be rounded to three decimal places.								

(3) **Option C. Fixed flexible option then Tier 2 Long-Term Rate option**

«Customer Name» shall elect for each Member(s) up to a fixed Average Megawatt amount of Above-CHWM Load that will be served with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirements Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

At the time of election, «Customer Name» shall notify BPA of the fixed Average Megawatt amount of applicable Above-CHWM Load that will be served up to under the flexible option for the duration of the contract. BPA shall update the following table to state such amounts.

«Customer Name» shall purchase and BPA shall serve the applicable remaining Above-CHWM Load with Firm Requirements Power sold at the Tier 2 Long-Term Rate.

Drafter's Note: Leave table blank at contract signing.

Fixed aMW Amounts - Flexible Election								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: the amount in the table should be rounded to three decimal places.								

(4) **Option D. All flexible option**

Applicable Above-CHWM Load shall be served with (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirement Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

Drafter's Note: Add rows for each JOE Member and include each Above-CHWM Load election as either Option A, B, C or D. If a JOE Member's election(s) changes over the term of the Agreement in accordance with section 2.1, then update this table with the new election option(s) (A-D) in section 2.1; update the fixed long-term and short-term (aMW) amounts for options B and

C in accordance with sections 2.3 and 2.4; and add a footnote capturing effective date of the new election.
Drafter's Note: Leave table blank at contract signing.

JOE Member Elections for Above-CHWM Load and Fixed Amounts under Options B and C			
«Customer Name» Member	**Election**	**Option B, Fixed Long-Term Amount (aMW)«1/»:**	**Option C, Fixed Flexible Amount (aMW)«1/»:**
«JOE Member Name»			
«JOE Member Name»			
Note: BPA shall round the number in the table above to three decimal places. «1/» Fixed Above-CHWM Load amount effective «October 1, 2028».			

If «Customer Name» fails to notify BPA of its Above-CHWM Load service election for any «Customer Name» Member(s) pursuant to section 9.2 of the body of this Agreement, then the «Customer Name» election for such Member(s) shall be deemed to be option D under section 2.1 of this exhibit and «Customer Name» shall serve all applicable Above-CHWM Load amounts with the options stated in section 2.1(4) above.

«Customer Name»'s total Tier 2 Rate purchase obligation amount(s) that BPA shall provide and «Customer Name» shall purchase consistent with sections 3.1 and 3.2 of the body of this Agreement shall be stated in the table below in section 2.9.

End Option 2

Option 1: Include the following for customers that are not JOEs.

2.2 **Rounding Option**

If «Customer Name» elects option B, C, or D under section 2.1 above, then by July 31, 2027, «Customer Name» may elect to have BPA serve up to 0.999 aMW of its Above-CHWM Load through the Tier 1 Rate design, pursuant to the PRDM, for the term of the Agreement. No later than March 31, 2028, BPA shall indicate «Customer Name»'s election for all Rate Periods through the term of the Agreement in the table below.

By July 31 of each Forecast Year, «Customer Name» may notify BPA if it wants to change its rounding option election, and BPA shall update the table below to reflect such change by March 31 following «Customer Name»'s notification.

Drafter's Note: By March 31, 2028, and if customer changes its election over the term of the Agreement, add an "X" for each Rate Period that customer elects the rounding option.
Drafter's Note: Leave table blank at contract signing.

Rate Period	Rounding Option Elected
BP-29	
BP-31	
BP-33	
BP-35	
BP-37	
BP-39	
BP-41	
BP-43	
Note: Add X if customer elects rounding option.	

End Option 1

Option 2: Include the following for customers that are JOEs.

2.2 **Rounding Option**

If «Customer Name» elects option B, C, or D under section 2.1 for any «Customer Name» Member(s), then by July 31, 2027, «Customer Name» may elect to have BPA serve up to 0.999 aMW of its Above-CHWM Load through the Tier 1 Rate design, pursuant to the PRDM, for the term of the Agreement. No later than March 31, 2028, BPA shall indicate «Customer Name»'s election for all Rate Periods through the term of the Agreement in the table below.

By July 31 of each Forecast Year, «Customer Name» may notify BPA if it wants to change its rounding option election, and BPA shall update the table below to reflect such change by March 31 following «Customer Name»'s notification.

Drafter's Note: By March 31, 2028, and if customer changes its election over the term of the Agreement, add an "X" for each Rate Period that customer elects the rounding option.
Drafter's Note: Leave table blank at contract signing.

Rate Period	Rounding Option Elected
BP-29	
BP-31	
BP-33	
BP-35	
BP-37	
BP-39	
BP-41	

Rate Period	Rounding Option Elected
BP-43	
Note: Add X if customer elects rounding option.	

End Option 2

Option 1: Include the following for customers that are not JOEs.

2.3 Tier 2 Long-Term Rate

2.3.1 Election Opportunity and Tier 2 Long-Term Rate Purchase Obligation Amount

«Customer Name» may elect to purchase Firm Requirements Power at the Tier 2 Long-Term Rate to serve its Above-CHWM Load by selecting options A, B or C under section 2.1 of this exhibit. If «Customer Name» elects option A, B or C, then BPA shall update the table below by March 31 of each Rate Case Year to state the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate for the upcoming Rate Period as follows.

If «Customer Name» elects option A under section 2.1, then the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall equal «Customer Name»'s Above-CHWM Load amount, calculated for each Fiscal Year of the applicable Rate Period, as stated in the table in this section 2.3.1.

If «Customer Name» elects option B under section 2.1, then the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall be the lesser of «Customer Name»'s Above-CHWM Load amount, calculated for each Fiscal Year of the applicable Rate Period, or the fixed Average Megawatt amount elected under the Tier 2 Long-Term option stated in the table in section 2.1(2) above.

If «Customer Name» elects option C under section 2.1, then the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall equal the amount of «Customer Name»'s Above-CHWM Load, calculated for each Fiscal Year of the applicable Rate Period, that exceeds the fixed Average Megawatt amount to be served under the flexible option as stated in the table in section 2.1(3) above.

Drafter's Note: For options A, B, C: Update Tier 2 Long-Term amounts by March 31 of each Rate Case Year after the Above-CHWM Load Process is complete.
Drafter's Note: Leave table blank at contract signing.

Tier 2 Long-Term Rate Purchase Obligation Amount								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with the annual Average Megawatts, rounded to three decimal places.								

2.3.2 **Right to Reduce Tier 2 Long-Term Rate Election Amount Without a Fee**

«Customer Name» shall have a one-time right to request to reduce its Tier 2 Long-Term Rate election amount under options A, B, or C, without any charges or fees, if: (1) «Customer Name» submits a written request to BPA prior to August 1, 2027, and (2) BPA has not acquired power for the purposes of serving «Customer Name»'s Tier 2 Long-Term Rate purchase obligation.

BPA, in its sole discretion, shall determine whether «Customer Name»'s request to reduce its Tier 2 Long-Term Rate election amount meets the notice requirements. BPA shall notify «Customer Name» if the request does not meet the notice requirements.

If BPA determines that «Customer Name»'s request meets the notice requirements, then BPA shall reduce «Customer Name»'s Tier 2 Long-Term Rate election amount. By March 31, 2028, BPA shall: (1) update the applicable table(s) in section 2 of this exhibit with «Customer Name»'s updated Tier 2 Long-Term Rate election amount, and (2) update «Customer Name»'s election in section 2.1 if applicable.

2.3.3 **Right to Reduce Tier 2 Long-Term Election Amount with a Fee**

2.3.3.1 **Changes to Tier 2 Long-Term Elections**

Regardless of any reduction made pursuant to section 2.3.2 above, over the remaining term of the Agreement «Customer Name» shall have a one-time right to reduce its Tier 2 Long-Term Rate election amount under section 2.1 above, including reducing such amount to zero.

2.3.3.2 **Notification and Service Options**

«Customer Name» shall notify BPA in writing of its one-time election to reduce the amount of power «Customer Name» is obligated to purchase under section 2.3.3.1 above no less than three years prior to the start of the Rate Period that its election would be effective.

«Customer Name»'s election under section 2.3.3.1 above shall be binding for the remaining term of the Agreement.

If «Customer Name» elects to reduce its Tier 2 Long-Term Rate election amount pursuant to section 2.3.3.1 above, then «Customer Name» shall serve the amount of the reduction with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirement Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

«Customer Name» shall notify BPA of its intent to serve its Above-CHWM Load with one of the four options listed in section 2.3.3.2 consistent with the terms and conditions stated in section 2 of Exhibit C.

2.3.3.3 **Exhibit Updates**

By March 31 following «Customer Name»'s election notice under section 2.3.3.2 above, BPA shall: (1) update the applicable table(s) in section 2 of this exhibit, with «Customer Name»'s updated Tier 2 Long-Term Rate election amount, and (2) update «Customer Name»'s election in section 2.1 of this exhibit. BPA will update Exhibit A with any changes to «Customer Name»'s Dedicated Resource amounts.

2.3.3.4 **Charges to Change Tier 2 Long-Term Election Amount**

«Customer Name» shall pay any charges that apply as a result of «Customer Name» exercising the one time right to change its Tier 2 Long-Term Rate election amount under this section 2.3.3. BPA shall calculate such charges pursuant to the PRDM and the applicable Power Rate Schedules and GRSPs. BPA shall not make payment to «Customer Name» as a result of BPA reducing the fixed up to Average Megawatt amounts of Firm Requirements Power that «Customer Name» is obligated to purchase at Tier 2 Long-Term Rates.

2.4 Tier 2 Short-Term Rate

Subject to the limitations in section 2.4.1 below, «Customer Name» may elect to purchase Firm Requirements Power at Tier 2 Short-Term Rates by electing option B, C or D under section 2.1 above.

If «Customer Name» elects options B, C or D, then by July 31, 2027, and by July 31 of each Forecast Year, «Customer Name» shall notify BPA of the amount of its Above-CHWM Load it requests for BPA to serve, if any, at the Tier 2 Short-Term Rate for the following Rate Period. Subject to the limitations in section 2.4.2 below, BPA shall update the table below by March 31 of each Rate Case Year to state the amount of power «Customer Name» is obligated to purchase at the Tier 2 Short-Term Rate as follows.

If «Customer Name» elects option B under section 2.1, then the amount of Firm Requirements Power «Customer Name» may request to purchase at the Tier 2 Short-Term Rate shall not exceed the difference between «Customer Name»'s Above-CHWM Load, calculated for each Fiscal Year of the applicable Rate Period, and the fixed Average Megawatt amount elected under the Tier 2 Long-Term option stated in the table in section 2.1(2) above.

If «Customer Name» elects option C under section 2.1, then the amount of Firm Requirements Power «Customer Name» may request to purchase at the Tier 2 Short-Term Rate, shall not exceed the lesser of «Customer Name»'s Above-CHWM Load amount calculated for each Fiscal Year of the applicable Rate Period or the fixed up to Average Megawatt amount to be served under the flexible option as stated in the table in section 2.1(3) above.

If «Customer Name» elects option D under section 2.1, then the amount of Firm Requirements Power «Customer Name» may request to purchase at the Tier 2 Short-Term Rate, shall not exceed «Customer Name»'s Above-CHWM Load amount, calculated for each Fiscal Year of the applicable Rate Period.

Drafter's Note: For options B, C, and D, update Tier 2 Short-Term amounts for each Rate Period by March 31 of each Rate Case Year after the Above-CHWM Process is complete.
Drafter's Note: Leave table blank at contract signing.

Tier 2 Short-Term Rate Purchase Obligation Amounts								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts, rounded to three decimal places.								

End Option 1

Option 2: Include the following for customers that are JOEs.

2.3 Tier 2 Long-Term Rate

2.3.1 Election Opportunity and Tier 2 Long-Term Rate Purchase Obligation Amount

«Customer Name», consistent with its election for «Customer Name» Members, may purchase Firm Requirements Power at the Tier 2 Long-Term Rate to serve its Above-CHWM Load by selecting options A, B or C under section 2.1 of this exhibit. If «Customer Name» elects option A, B or C for «Customer Name» Member(s), then BPA shall update the table below by March 31 of each Rate Case Year to state the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate for the upcoming Rate Period as follows.

If «Customer Name» elects option A under section 2.1 for certain «Customer Name» Member(s), then the amount of Firm Requirements

Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall equal the summed amounts of such Members' Above-CHWM Load amount, calculated for each Fiscal Year of the applicable Rate Period, as stated in the table in this section 2.3.1.

If «Customer Name» elects option B under section 2.1 for certain «Customer Name» Member(s), then the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall be the lesser of the summed amount of such Members' Above-CHWM Load amounts, calculated for each Fiscal Year of the applicable Rate Period, or the fixed Average Megawatt amount elected under the Tier 2 Long-Term option stated in the table in section 2.1(2) above.

If «Customer Name» elects option C under section 2.1 for certain «Customer Name» Member(s), then the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall equal the summed amount of such Members' Above-CHWM Load, calculated for each Fiscal Year of the applicable Rate Period, that exceeds the fixed Average Megawatt amount to be served under the flexible option as stated in the table in section 2.1(3) above.

Drafter's Note: For options A, B, C: Update Tier 2 Long-Term amounts by March 31 of each Rate Case Year after the Above-CHWM Load Process is complete.
Drafter's Note: Leave table blank at contract signing.

Tier 2 Long-Term Rate Purchase Obligation Amount								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with the annual Average Megawatts, rounded to three decimal places.								

2.3.2 **Right to Reduce Tier 2 Long-Term Rate Election Amount Without a Fee**

«Customer Name» shall have a one-time right to request to reduce the Tier 2 Long-Term Rate election amount under options A, B, or C, without any charges or fees, if: (1) «Customer Name» submits a written request to BPA prior to August 1, 2027, and (2) BPA has not acquired power for the purposes of serving «Customer Name»'s Tier 2 Long-Term Rate purchase obligation.

BPA, in its sole discretion, shall determine whether «Customer Name»'s request to reduce a respective Member's Tier 2 Long-Term Rate election amount meets the notice requirements. BPA shall notify

«Customer Name» if the request does not meet the notice requirements.

If BPA determines that «Customer Name»'s request meets the notice requirements, then BPA shall reduce such «Customer Name»'s Members Tier 2 Long-Term Rate election amount. By March 31, 2028, BPA shall: (1) update the applicable table(s) in section 2 of this exhibit with «Customer Name»'s updated Tier 2 Long-Term Rate election amount, and (2) update «Customer Name»'s election in section 2.1 if applicable.

2.3.3 Right to Reduce Tier 2 Long-Term Election Amount with a Fee

2.3.3.1 Changes to Tier 2 Long-Term Elections

Regardless of any reduction made pursuant to section 2.3.2 above, over the remaining term of the Agreement «Customer Name» shall have a one-time right to reduce «Customer Name»'s Member(s) Tier 2 Long-Term Rate election amount under section 2.1 above, including reducing such amount to zero.

2.3.3.2 Notification and Service Options

«Customer Name» shall notify BPA in writing of its one-time election if any «Customer Name» Member reduces the amount of power «Customer Name» is obligated to purchase under section 2.3.3.1 above no less than three years prior to the start of the Rate Period that its election would be effective.

«Customer Name»'s elections for each of «Customer Name»'s Member(s) under section 2.3.3.1 above shall be binding for the remaining term of the Agreement.

If «Customer Name» elects to reduce «Customer Name»'s Member(s) Tier 2 Long-Term Rate election amount pursuant to section 2.3.3.1 above, then «Customer Name» shall serve the amount of the reduction with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirement Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

«Customer Name» shall notify BPA of its intent to serve its Above-CHWM Load with one of the four options listed in section 2.3.3.2 consistent with the terms and conditions stated in section 2 of Exhibit C.

2.3.3.3 Exhibit Updates

By March 31 following «Customer Name»'s election notice under section 2.3.3.2 above, BPA shall: (1) update the applicable table(s) in section 2 of this exhibit, with «Customer

Name»'s updated Tier 2 Long-Term Rate election amount, and (2) update «Customer Name»'s election for «Customer Name»'s Member(s) in section 2.1 of this exhibit. BPA will update Exhibit A with any changes to «Customer Name»'s Dedicated Resource amounts.

2.3.3.4 **Charges to Change Tier 2 Long-Term Election Amount**
«Customer Name» shall pay any charges that apply as a result of «Customer Name» exercising the one time right to change «Customer Name»'s Members Tier 2 Long-Term Rate election amount under this section 2.3.3. BPA shall calculate such charges pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions. BPA shall not make payment to «Customer Name» as a result of BPA reducing the fixed up to Average Megawatt amounts of Firm Requirements Power that «Customer Name» is obligated to purchase at Tier 2 Long-Term Rates.

2.4 **Tier 2 Short-Term Rate**
Subject to the limitations in section 2.4.1 below, «Customer Name» may elect to purchase Firm Requirements Power at Tier 2 Short-Term Rates for «Customer Name» Member(s) by electing option B, C or D under section 2.1 above.

If «Customer Name» elects options B, C or D for certain «Customer Name» Member(s), then by July 31, 2027, and by July 31 of each Forecast Year, «Customer Name» shall notify BPA of the amount of its Above-CHWM Load it requests for BPA to serve, if any, at the Tier 2 Short-Term Rate for the following Rate Period. Subject to the limitations in section 2.4.2 below, BPA shall update the table below by March 31 of each Rate Case Year to state the amount of power «Customer Name» is obligated to purchase at the Tier 2 Short-Term Rate as follows.

If «Customer Name» elects option B under section 2.1 for certain «Customer Name» Member(s), then the amount of Firm Requirements Power «Customer Name» may request to purchase at the Tier 2 Short-Term Rate shall not exceed the difference between the summed amount of such Members' Above-CHWM Loads, calculated for each Fiscal Year of the applicable Rate Period, and the fixed Average Megawatt amount elected under the Tier 2 Long-Term option stated in the table in section 2.1(2) above.

If «Customer Name» elects option C under section 2.1 for certain «Customer Name» Member(s), then the amount of Firm Requirements Power «Customer Name» may request to purchase at the Tier 2 Short-Term Rate, shall not exceed the lesser of the summed amounts of such Members' Above-CHWM Load amount calculated for each Fiscal Year of the applicable Rate Period or the fixed up to Average Megawatt amount to be served under the flexible option as stated in the table in section 2.1(3) above.

If «Customer Name» elects option D under section 2.1 for certain «Customer Name» Member(s), then the amount of Firm Requirements Power «Customer Name» may request to purchase at the Tier 2 Short-Term Rate, shall not exceed the summed amounts of such Members' Above-CHWM Load amount, calculated for each Fiscal Year of the applicable Rate Period.

Drafter's Note: For options B, C, and D, update with the sum of all JOE Members' Tier 2 Short-Term amounts for each Rate Period by March 31 of each Rate Case Year after the Above-CHWM Process is complete.
Drafter's Note: Leave table blank at contract signing.

Tier 2 Short-Term Rate Purchase Obligation Amounts								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts, rounded to three decimal places.								

End Option 2

2.4.1 **Limitations on Tier 2 Short-Term Rate Amounts**

BPA shall attempt to acquire power to serve «Customer Name»'s total amount of load requested to be served with Firm Requirements Power at the Tier 2 Short-Term Rate. If BPA is unable to acquire power, at any price, and cannot meet all customers' requests to purchase power at the Tier 2 Short-Term Rate, then each applicable Rate Period BPA: (1) shall notify «Customer Name» of the unavailability of power at the Tier 2 Short-Term Rate and (2) may limit the amount of Firm Requirements Power at the Tier 2 Short-Term Rate that «Customer Name» can purchase. If BPA receives multiple requests to provide Firm Requirements Power at the Tier 2 Short-Term Rate for the same Rate Period, and if BPA is only able to acquire power to serve a portion of the total requests for power priced at the Tier 2 Short-Term Rate, then BPA shall proportionally reduce all requests for the Rate Period on a pro rata basis.

By March 31, 2028 and by March 31 of each Rate Case Year thereafter, BPA shall notify customers of the unavailability or pro-rata reduction of power available at the Tier 2 Short-Term Rate.

2.4.2 **Determining Pro-Rata Shares of Amounts at Tier 2 Short-Term Rate**

If necessary pursuant to section 2.4.1 above, BPA shall determine «Customer Name»'s pro-rata amount of power available for purchase at a Tier 2 Short-Term Rate for the applicable Rate Period based on (1) the actual amounts BPA is able to acquire to meet all customers' aggregate requests for service at a Tier 2 Short-Term Rate and (2) the total amount of Firm Requirements Power requested at the Tier 2 Short-Term Rate in section 2.4 each Rate Period. BPA will adjust individual amounts of Firm Requirements Power at the Tier 2 Short-

Term Rate downward by the ratio between sections 2.4.2.(1) and 2.4.2.(2) above to calculate the amounts of the proportional share adjustment.

In the event BPA adjusts amounts at the Tier 2 Short-Term Rate downward, «Customer Name» shall apply Dedicated Resources to serve the portion of its election at the Short-Term Tier 2 Rate that BPA is unable to supply. BPA will update amounts in Exhibit A in accordance with section 2.6 below.

2.4.3 **Failure to Make an Election**

If «Customer Name» fails to make an election and does not notify BPA of its Tier 2 Short-Term Rate election amounts pursuant to section 2.4 above, then BPA shall enter "zero" for the applicable Fiscal Years of the Rate Period. «Customer Name» shall serve its remaining Above-CHWM Load amounts with Dedicated Resources to meet its Above-CHWM Load and any amounts will be updated in Exhibit A in accordance with section 2.6 below.

2.4.4 **Liability**

In no event shall BPA make payment to «Customer Name» as a result of «Customer Name» electing to reduce the amounts of Firm Requirements Power that «Customer Name» is obligated to purchase at Tier 2 Short-Term Rates. In no event shall BPA make payment to «Customer Name» if it is unable to secure power to meet requests for purchases at the Tier 2 Short-Term Rate.

Option 1: Include the following for customers that are not JOEs.

2.5 **Tier 2 Vintage Rate Alternative**

If «Customer Name» elects option B, C, or D under section 2.1 above, then «Customer Name» is eligible to purchase Firm Requirement Power at a Tier 2 Vintage Rate, if offered by BPA, as described in this section 2.5. For purposes of this section 2.5, "Vintage Resource" means the output of a physical resource that BPA determines, in its sole discretion, to acquire for a period of greater than three years and that forms the cost basis for pricing Firm Requirements Power subject to an established Tier 2 Vintage Rate. BPA may offer to sell Firm Requirements Power at a Tier 2 Vintage Rate whenever it acquires a Vintage Resource.

BPA shall notify customers with a CHWM Contract at least 60 calendar days prior to making a Request For Offer (RFO) for a Vintage Resource. Within 30 calendar days of such notice, «Customer Name» shall notify BPA of the amount of Firm Requirements Power it will purchase from BPA at a Tier 2 Vintage Rate associated with the Vintage Resource.

Following the close of the RFO, BPA shall determine, in its sole discretion, whether to proceed with acquiring the Vintage Resource. If BPA decides to proceed with acquiring the Vintage Resource, then BPA will notify «Customer Name» of the available quantity, if any, of Firm Requirement Power that

customer is eligible to purchase at the Tier 2 Vintage Rate, and the estimated Tier 2 Vintage Rate. «Customer Name» shall execute a Statement of Intent, as stated in section 2.5.1 below, to purchase identified amounts of Firm Requirements Power at the applicable Tier 2 Vintage Rate. The Statement of Intent will include the process and timing to elect the Vintage Alternative and execute a Statement of Intent.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.5 **Tier 2 Vintage Rate Alternative**

If «Customer Name» elects option B, C, or D under section 2.1 above for certain «Customer Name» Member(s), then «Customer Name» is eligible to purchase Firm Requirement Power at a Tier 2 Vintage Rate, if offered by BPA, as described in this section 2.5 to serve such «Customer Name» Member(s) Above-CHWM load. For purposes of this section 2.5, "Vintage Resource" means the output of a physical resource that BPA determines, in its sole discretion, to acquire for a period of greater than three years and that forms the cost basis for pricing Firm Requirements Power subject to an established Tier 2 Vintage Rate. BPA may offer to sell Firm Requirements Power at a Tier 2 Vintage Rate whenever it acquires a Vintage Resource.

BPA shall notify customers with a CHWM Contract at least 60 calendar days prior to making a Request For Offer (RFO) for a Vintage Resource. Within 30 days of such notice, «Customer Name» shall notify BPA of the amount of Firm Requirements Power it will purchase from BPA at a Tier 2 Vintage Rate associated with the Vintage Resource.

Following the close of the RFO, BPA shall determine, in its sole discretion, whether to proceed with acquiring the Vintage Resource. If BPA decides to proceed with acquiring the Vintage Resource, then BPA will notify «Customer Name» of the available quantity, if any, of Firm Requirement Power that customer is eligible to purchase at the Tier 2 Vintage Rate, and the estimated Tier 2 Vintage Rate. «Customer Name» shall execute a Statement of Intent, as stated in section 2.5.1 below, to purchase identified amounts of Firm Requirements Power at the applicable Tier 2 Vintage Rate. The Statement of Intent will include the process and timing to elect the Vintage Alternative and execute a Statement of Intent.

End Option 2

2.5.1 **Statement of Intent**

If «Customer Name» elects to purchase Firm Requirements Power from BPA at Tier 2 Vintage Rates, then «Customer Name» shall sign a Statement of Intent provided by BPA which will state the amount of power «Customer Name» commits to purchase at a Tier 2 Vintage Rate. The Statement of Intent will be binding unless BPA does not complete the acquisition of the Vintage Resource consistent with section 2.5.3 below.

2.5.2 **Tier 2 Vintage Rate**

BPA shall determine the applicable Tier 2 Vintage Rate in accordance with the PRDM and applicable Power Rate Schedules and GRSPs. BPA will restate in the Statement of Intent the applicable Tier 2 Vintage Rate for the Vintage Resource.

2.5.3 **BPA Acquisition of Vintage Resource**

If BPA acquires the Vintage Resource, then BPA shall notify «Customer Name» that the acquisition is complete and update the table in section 2.5.8 below with the amount of Firm Requirements Power sold at a Tier 2 Vintage Rate and the contract number for the Statement of Intent. If BPA does not complete the acquisition of the Vintage Resource, then BPA shall notify «Customer Name», and the Statement of Intent will become null and void. If BPA does not complete the acquisition, then «Customer Name»'s current elections for service to its Above-CHWM Load above shall continue to apply.

2.5.4 **Additional Provisions Applicable to the Statement of Intent**

2.5.4.1 **Additional Terms and Conditions in Statement of Intent**

In addition to paying the Tier 2 Vintage Rate, «Customer Name» will also be subject to such additional terms and conditions associated with its selection of the Tier 2 Vintage Rate as described in the Statement of Intent. Such additional terms may include, but are not limited to, liquidated damages, if applicable, associated with the purchase of the Vintage Resource.

Option 1: Include the following for customers that are not JOEs.

2.5.4.2 **Duration of Statement of Intent**

The Tier 2 Vintage Resource amounts applied to serve «Customer Name»'s Above-CHWM Load under this Agreement will not apply beyond the expiration of this Agreement, except as stated in the Statement of Intent.

2.5.4.3 **Maximum Amount of Firm Requirements Power at Tier 2 Vintage Rate**

The maximum amount of Firm Requirements Power «Customer Name» is eligible to purchase at a Tier 2 Vintage Rate will be equal to the annual maximum forecast of «Customer Name»'s flexible Above-CHWM Load amounts of «Customer Name»'s election under section 2.1, minus any Dedicated Resources serving «Customer Name»'s Above-CHWM Load. BPA will develop the annual maximum forecast of «Customer Name»'s flexible Above-CHWM Load amounts at the time BPA issues the RFO for the Vintage Resource. Such forecast shall apply for the term of BPA's acquisition of the Vintage Resource or the term of this Agreement, whichever terminates first.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.5.4.2 **Duration of Statement of Intent**

The Tier 2 Vintage Resource amounts applied to serve «Customer Name»'s Member's Above-CHWM Load under this Agreement will not apply beyond the expiration of this Agreement, except as stated in the Statement of Intent.

2.5.4.3 **Maximum Amount of Firm Requirements Power at Tier 2 Vintage Rate**

The maximum amount of Firm Requirements Power «Customer Name» is eligible to purchase at a Tier 2 Vintage Rate will be equal to the annual maximum forecast of «Customer Name»'s flexible Above-CHWM Load amounts of «Customer Name»'s elections for «Customer Name»'s Member(s) under section 2.1, minus any Dedicated Resources serving «Customer Name»'s Member's Above-CHWM Load. BPA will develop the annual maximum forecast of «Customer Name»'s flexible Above-CHWM Load amounts at the time BPA issues the RFO for the Vintage Resource. Such forecast shall apply for the term of BPA's acquisition of the Vintage Resource or the term of this Agreement, whichever terminates first.

End Option 2

2.5.4.4 **Commencement of the Vintage Resource**

«Customer Name»'s Statement of Intent shall include procedures for how BPA will address the availability and timing of a Vintage Resource, if the timing of such Vintage Resource is not concurrent with the timing of any elections made by «Customer Name» in sections 2.1 and 2.4 of this exhibit.

2.5.5. **Multiple Requests for Vintage Resource**

«Customer Name»'s Statement of Intent shall include procedures for how BPA will address multiple requests for Firm Requirements Power sold by BPA at a Tier 2 Vintage Rate if the aggregate amount of customer requests exceeds the amount of the Vintage Resource.

2.5.6 **Tier 2 Vintage Amounts in Excess of Above-CHWM Load**

If «Customer Name» purchases an amount of power from BPA at a Tier 2 Vintage Rate that exceeds its current Above-CHWM Load, then BPA, in its sole discretion, may either:

(1) determine any amount of power that exceeds «Customer Name»'s Above-CHWM Load as surplus power and provide such to «Customer Name» at a surplus rate equivalent to the applicable Tier 2 Vintage Rate to be managed by «Customer Name»; or

(2) in accordance with section 10 of this exhibit, and pursuant to the PRDM, provide a remarketing service for the power that exceeds «Customer Name»'s Above-CHWM Load until «Customer Name»'s Above-CHWM Load can accommodate the contracted amount of power purchased at the Tier 2 Vintage Rate.

2.5.7 **Treatment of Tier 2 Vintage Rate and Tier 2 Short-Term Rate Purchase Obligations**

In addition to the right to purchase power at a Tier 2 Vintage Rate established in this section 2.5, «Customer Name» may have the opportunity to purchase Firm Requirements Power at Tier 2 Vintage Rates regardless of whether «Customer Name» is purchasing power at Tier 2 Short-Term Rates, if BPA determines, in its sole discretion, to offer «Customer Name» a Statement of Intent that would provide «Customer Name» the opportunity to purchase Firm Requirements Power at Tier 2 Vintage Rates.

Any election by «Customer Name» to purchase Firm Requirements Power at Tier 2 Vintage Rates shall not relieve «Customer Name» of any obligation to purchase Firm Requirements Power at another Tier 2 Rate.

Any amounts of power that «Customer Name» is obligated to purchase at a Tier 2 Vintage Rate or Tier 2 Short-Term Rate that exceeds its Above-CHWM Load will be treated pursuant to section 2.5.6 above.

2.5.8 **Tier 2 Vintage Rate Elections, Amounts and Exhibit Updates**

If applicable, BPA shall update the table below within 90 calendar days of signing the Statement of Intent, with «Customer Name»'s Tier 2 Vintage Rate purchase obligation amounts.

Drafter's Note: Leave table blank at contract signing.

«Customer Name»'s Annual Amounts at Tier 2 Vintage Rate. Statement of Intent Contract No. «##PS-#####»								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Annual aMW								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
Annual aMW								
Note: Fill in the table above with annual Average Megawatts, rounded to three decimal places. Leave FY blank when not purchasing at a Tier 2 Vintage Rate. Include SOI number(s) in table title.								

By September 15 of each Fiscal Year or immediately following the establishment of a Tier 2 Vintage Rate for which «Customer Name» signed a Statement of Intent, BPA shall update the table in section 2.8.2 with «Customer Name»'s Tier 2 Vintage Rate purchase obligation amounts.

2.6 **Obligation to Apply Dedicated Resources**

«Customer Name» shall apply Dedicated Resources to serve the portion of its Above-CHWM Load that exceeds the sum of all «Customer Name»'s purchase obligations at Tier 2 Rates under sections 2.3, 2.4, and 2.5 above. BPA shall add «Customer Name»'s Dedicated Resources to section 2 and section 3 of Exhibit A.

2.7 **Above-CHWM Load Liability**

If «Customer Name» annexes load from another customer with a CHWM Contract that had Above-CHWM Load served with Firm Requirements Power purchased at a Tier 2 Long-Term Rates, Tier 2 Short-Term Rate or a Tier 2 Vintage Rate, then «Customer Name» shall pay any costs that BPA determines apply as a result of such annexation. BPA shall determine such costs, if any, during the 7(i) Process that follows «Customer Name»'s notice of annexation. BPA shall include such cost identified through the 7(i) Process on «Customer Name»'s bill. In no event shall BPA make payment to «Customer Name» as a result of «Customer Name» reducing its amounts of Firm Requirements Power.

2.8 **This section intentionally left blank.**

Option 1: Include the following for customers that are not JOEs.

2.9 **Amounts of Power to be Billed at Tier 2 Rates**

By March 31, 2028 and by March 31 of each Rate Case Year thereafter, BPA shall update the table in section 2.9 of this exhibit, consistent with «Customer Name»'s elections for the upcoming Rate Period, with: (1) the planned annual average amounts of Firm Requirements Power that «Customer Name» shall purchase at the Tier 2 Long-Term Rate, Tier 2 Short-Term Rate, and Tier 2 Vintage Rate, if applicable, and (2) any remarketed Tier 2 Rate purchase amounts in accordance with section 10 of the body of this Agreement.

By March 31, 2028, and by March 31 of each Rate Case Year thereafter, BPA shall update the table below with such amounts for each year of the upcoming Rate Period consistent with sections 2.3, 2.4 and 2.5 of this exhibit. The difference between Above-CHWM Load and Tier 2 Rate amounts will be served pursuant to section 2.6 of this exhibit.

Drafter's Note: Leave table blank at contract signing.

Annual Amounts Priced at Tier 2 Rates (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
«No Tier 2 at this time»								
Remarketed or Surplus Power Vintage Rate Amounts								
Firm Requirements Power at Tier 2 Rates								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
«No Tier 2 at this time»								
Remarketed or Surplus Power Vintage Rate Amounts								
Firm Requirements Power at Tier 2 Rates								

Notes:
1. List each applicable Tier 2 rate in the table above. For the first applicable Tier 2 rate replace **No Tier 2 at this time** with the name of the applicable Tier 2 rate. For each additional Tier 2 rate, add a new row above the **Remarketed Amounts** row. If «Customer Name» elects not to purchase at Tier 2 rates, then leave **No Tier 2 at this time** in the table and leave the remainder of the table blank.
2. Fill in the table above with annual Average Megawatts rounded to three decimal places.
3. Fill in Firm Requirements Power at Tier 2 Rates as the sum of all Tier 2 Rate amounts less any Remarketed or Surplus Tier 2 Vintage Rate amounts.

End Option 1

Option 2: Include the following for customers that are JOEs.

2.9 **Amounts of Power to be Billed at Tier 2 Rates**

By March 31, 2028 and by March 31 of each Rate Case Year thereafter, BPA shall update the table in section 2.9 of this exhibit, consistent with «Customer Name»'s elections for the upcoming Rate Period, with: (1) «Customer Name»'s planned annual average amounts of Firm Requirements Power that «Customer Name» shall purchase at the Tier 2 Long-Term Rate, Tier 2 Short-Term Rate, and Tier 2 Vintage Rate, if applicable, and (2) any remarketed Tier 2 Rate purchase amounts in accordance with section 10 of the body of this Agreement.

By March 31, 2028, and by March 31 of each Rate Case Year thereafter, BPA shall update the table below in section 2.9.1 below with such amounts for

each year of the upcoming Rate Period consistent with sections 2.3, 2.4 and 2.5 of this exhibit. The difference between Above-CHWM Load and Tier 2 Rate amounts will be served pursuant to section 2.6 of this exhibit.

By March 31, 2028, and by March 31 of each Rate Case Year thereafter, BPA shall update the tables below in sections 2.9.1.1 with each Member's Above-CHWM Load amounts for each year of the upcoming Rate Period consistent with «Customer Name»'s elections for «Customer Name»'s Members in section 2.1 above.

2.9.1 **«Customer Name»**

Drafter's Note: Leave table blank at contract signing.

«Customer Name» Annual Amounts Priced at Tier 2 Rates (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
«No Tier 2 at this time»								
Remarketed or Surplus Power Vintage Rate Amounts								
Firm Requirements Power at Tier 2 Rates								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
«No Tier 2 at this time»								
Remarketed or Surplus Power Vintage Rate Amounts								
Firm Requirements Power at Tier 2 Rates								

Notes:
1. List each applicable Tier 2 rate in the table above. For the first applicable Tier 2 rate replace **No Tier 2 at this time** with the name of the applicable Tier 2 rate. For each additional Tier 2 rate, add a new row above the **Remarketed Amounts** row. If «Customer Name» elects not to purchase at Tier 2 rates, then leave **No Tier 2 at this time** in the table and leave the remainder of the table blank.
2. Fill in the table above with annual Average Megawatts rounded to three decimal places.
3. Fill in Firm Requirements Power at Tier 2 Rates as the sum of all Tier 2 Rate amounts less any Remarketed or Surplus Tier 2 Vintage Rate amounts.

Drafter's Note: Replicate the table in section 2.9.1(1) below and add a new table for each JOE Member with a sequential number. E.g. 2.9.1(1), 2.9.1(2), etc.

2.9.1(1) **«JOE Member Name»**

Drafter's Note: Leave table blank at contract signing.

«JOE Member Name» Annual Amounts Priced at Tier 2 Rates (aMW)								
Fiscal Year	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
«No Tier 2 at this time»								
Remarketed or Surplus Power Vintage Rate Amounts								
Firm Requirements Power at Tier 2 Rates								
Fiscal Year	**2037**	**2038**	**2039**	**2040**	**2041**	**2042**	**2043**	**2044**
«No Tier 2 at this time»								
Remarketed or Surplus Power Vintage Rate Amounts								
Firm Requirements Power at Tier 2 Rates								

Notes:
1. List each applicable Tier 2 rate in the table above for each JOE Member. For the first applicable Tier 2 rate replace **No Tier 2 at this time** with the name of the applicable Tier 2 rate. For each additional Tier 2 rate, add a new row above the **Remarketed Amounts** row. If «Customer Name» elects not to purchase at Tier 2 rates, then leave **No Tier 2 at this time** in the table and leave the remainder of the table blank.
2. Fill in the table above with annual Average Megawatts rounded to three decimal places.
3. Fill in Firm Requirements Power at Tier 2 Rates as the sum of all Tier 2 Rate amounts less any Remarketed or Surplus Tier 2 Vintage Rate amounts.

End Option 2

3. REVISIONS

BPA shall unilaterally revise this exhibit to reflect: (1) «Customer Name»'s elections regarding service to its Above-CHWM Load, and (2) BPA's determinations relevant to this exhibit and made in accordance with this Agreement. All other changes to this Exhibit C will be made by mutual agreement of the Parties.

Exhibit D
ADDITIONAL PRODUCTS AND SPECIAL PROVISIONS

1. CF/CT AND NEW LARGE SINGLE LOADS

Option 1: Include the following if customer does NOT have CF/CT loads.

1.1 **CF/CT Loads**

«Customer Name» has no loads identified that were CF/CTs as of September 1, 1979, as defined in Section 3(13)(A) of the Northwest Power Act.

End Option 1

Option 2: Include the following if customer has CF/CT loads.
Drafter's Note: If customer has more than one CF/CT, number each separately as (1), (2), etc. and indent appropriately.

1.1 **CF/CT Loads**

The Administrator has determined that the following loads were CF/CTs as of September 1, 1979, as defined in Section 3(13)(A) of the Northwest Power Act, and are subject to PF rates:

End Use Consumer's Name	Facility Name	Facility Location	Date of CF/CT determination	Amount of firm energy contracted for, or committed to (aMW)
Note: Amount of firm energy is at 100 percent load factor.				

CF/CT Description:

End Option 2

Option 1: Include the following if customer does NOT have Potential NLSLs.

1.2 **Potential NLSLs**

«Customer Name» has no identified Potential NLSLs.

End Option 1

Option 2: Include the following if customer has Potential NLSLs. Update, as needed, at the end of each monitoring period.
Drafter's Note: If customer has more than one Potential NLSL, number each separately as (1), (2), etc. and indent appropriately. Approximate load is the current

size of the load, not the expected growth over the 12-month monitoring period. Add facility name if there are two Potential NLSLs at same site or as needed.

1.2 **Potential NLSLs**

«Customer Name» has the following identified Potential NLSLs:

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period
				«Month Day» through «Month Day»

Potential NLSL Description:

End Option 2

1.3 **Planned NLSLs**

Option 1: Include the following if customer does NOT have Planned NLSLs served by BPA at the NR Rate.

1.3.1 **Planned NLSLs Served by BPA**

«Customer Name» has no Planned NLSLs served by BPA.

End Option 1

Option 2: Include the following if customer has Planned NLSLs that BPA serves with power sold at the NR Rate.

1.3.1 **Planned NLSLs Served by BPA**

«Customer Name» has a Planned NLSL and, after consideration of the NLSL service study summary report consistent with section 20.3.7, and 20.3.8 if applicable, elects to have BPA serve the Planned NLSL at the NR Rate (except for Cumulative Prior Load as stated in section 1.5 below) consistent with section 20.3 of the body of this Agreement and with the applicable Power Rate Schedules and GRSPs.

Drafter's Note: If customer has more than one Planned NLSL, number each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two Planned NLSLs at same site or as needed. Update, as needed, at the end of each monitoring period.

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period	Date Facility Started Service as Planned NLSL	Manner of Service
				«Month Day» through «Month Day»		«Direct *or* Transfer»

Planned NLSL Description:

Planned NLSL Service Study: «Include «In study *or* completed», start date of study, associated stand-alone contract number if any»

Other Service Details: «Include term of Consumer-Owned Resource details, service start date, other necessary details»

End Option 2

Option 1: Include the following if customer does NOT have Planned NLSLs served with Dedicated Resource or Consumer-Owned Resource amounts.

1.3.2 **Planned NLSLs Served with Dedicated Resource or Consumer-Owned Resource Amounts**

«Customer Name» has no Planned NLSLs served with Dedicated Resource or Consumer-Owned Resource amounts.

End Option 1

Option 2: Include the following if customer has Planned NLSLs served with Dedicated Resource or Consumer-Owned Resource amounts. If BPA has initiated an NLSL Service Study, include the Planned NLSL under this option of section 1.3.2 until customer makes an election; and if customer elects to have BPA serve its Planned NLSL at the NR Rate, then move the Planned NLSL to section 1.3.1.

1.3.2 **Planned NLSLs Served with Dedicated Resource or Consumer-Owned Resource Amounts**

«Customer Name» has one or more Planned NLSLs and elects to serve the Planned NLSLs listed below pursuant to section 20.3 with Dedicated Resource or Consumer-Owned Resource amounts in Exhibit A that are not already used to serve any other portion of «Customer Name»'s Total Retail Load and are listed in section 4 or section 7.4, respectively, of Exhibit A. If «Customer Name» elects to serve a Planned NLSL with Dedicated Resource or Consumer-Owned Resource amounts in section 4 or section 7.4 of Exhibit A, then «Customer Name» may be required to purchase New Resource Support Services pursuant to section 1.6 below.

Drafter's Note: If customer has more than one Planned NLSL, number each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two Planned NLSLs at same site or as needed. Update, as needed, at the end of each monitoring period.

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period	Date Facility Started Service as Planned NLSL	Manner of Service
				«Month Day» through «Month Day»		«Direct *or* Transfer»

Planned NLSL Description:
Planned NLSL Service Study: «Include «In study *or* completed», start date of study, associated stand-alone contract number if any»

Other Service Details: «Include term of non-federal resource application, Consumer-Owned Resource details, service start date, other necessary details»

End Option 2

1.4 NLSLs

Option 1: Include the following if customer does NOT have NLSLs served by BPA at the NR Rate.

1.4.1 NLSLs Served by BPA

«Customer Name» has no NLSLs served by BPA.

End Option 1

Option 2: Include the following if customer has NLSLs served by BPA at the NR Rate.

1.4.1 NLSLs Served by BPA

«Customer Name» has an NLSL and, after consideration of the NLSL service study summary report consistent with section 20.3.7, and section 20.3.8 if applicable, elects to have BPA serve the NLSL at the NR Rate consistent with section 20.3 of the body of this Agreement and with the Power Rate Schedules and GRSPs.

Drafter's Note: If customer has more than one NLSL, number each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two NLSLs at same site or as needed.

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period	Date Load Determined to be an NLSL	Manner of Service
				«Month Day» through «Month Day»		«Direct *or* Transfer»

NLSL Description:
Approximate load: «X.XXX» aMW (load measured from «Month Day, Year» through «Month Day, Year»)
NLSL Service Study: Include relevant details, start date of study, associated stand-alone contract number if any»
Other Service Details: «Include Consumer-Owned Resource details, service start date, other necessary details»

End Option 2

Option 1: Include the following if customer does NOT have NLSLs served with Dedicated Resource or Consumer-Owned Resource amounts.

1.4.2 NLSLs Served by Dedicated Resource or Consumer-Owned Resource Amounts

«Customer Name» has no NLSLs served with Dedicated Resource or Consumer-Owned Resource amounts.

End Option 1

*Option 2: Include the following if customer has NLSLs **and will** serve the NLSLs with Dedicated Resources and/or Consumer-Owned Resources.*

1.4.2 **NLSLs Served by Dedicated Resource or Consumer-Owned Resource Amounts**

«Customer Name» has one or more NLSLs and elects to serve the NLSLs listed below pursuant to section 20.3 of the body of this Agreement and with Dedicated Resource or Consumer-Owned Resource amounts in Exhibit A that are not already used to serve any other portion of «Customer Name»'s Total Retail Load and are listed in section 4 or section 7.4, respectively, of Exhibit A. If «Customer Name» elects to serve an NLSL with Dedicated Resource amounts in section 4 of Exhibit A, then «Customer Name» shall also purchase New Resource Support Services pursuant to section 1.8 below.

Drafter's Note: If customer has more than one NLSL, number each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two NLSLs at same site or as needed.

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period	Date Load Determined to be an NLSL	Manner of Service
				«Month Day» through «Month Day»		«Direct *or* Transfer»

NLSL Description:
Approximate load: «X.XXX» aMW (load measured from «Month Day, Year» through «Month Day, Year»)
NLSL Service Study: «Include relevant details, start date of study, associated stand-alone contract number if any»
Other Service Details: «Include Consumer-Owned Resource details, service start date, other necessary details»

End Option 2

Option 1: Include the following if customer is NOT serving an NLSL with on-site renewable or cogeneration facilities.

1.4.3 **Renewable Resource/Cogeneration Exception**

«Customer Name»'s end-use consumer is not currently applying an on-site renewable resource or cogeneration facility to an NLSL.

End Option 1

Option 2: Include the following if customer is serving an NLSL with an on-site renewable or cogeneration facility.

1.4.3 **Renewable Resource/Cogeneration Exception**

Option: Choose whether customer is applying a renewable or cogeneration facility.

«Customer Name»'s end-use consumer is applying an on-site «renewable resource *or* cogeneration facility» to its NLSL listed in section 1.4«(#)» of this exhibit. *Sub-Option: Include the following if the customers' on-site renewable or cogeneration facility is served by*

*Transfer.*Consistent with section 14.6 of this Agreement, BPA shall pay for Transfer Service and shall pass through all applicable Transfer Service costs to «Customer Name» related to the application of «Customer Name»'s Dedicated Resources or Consumer-Owned Resources to its NLSL.*End Sub-Option*

End Option 2

*Drafter's Note: Only include the following for customers served by Transfer Service **or** served over multiple transmission systems that have a Planned NLSL or NLSL.*

1.4.4 **Planned NLSLs and NLSLs Served By Transfer Service**

1.4.4.1 **Planned NLSL(s) and NLSLs Served by BPA and Served by Transfer Service**

If «Customer Name» has any Planned NLSLs and NLSLs listed in sections 1.3.1 or 1.4.1 above and (1) has elected for BPA to serve all or a portion of the load at the NR Rate and (2) such loads are served by Transfer Service, then for such Planned NLSL(s) or NLSL(s), BPA shall acquire and pay for Transfer Service and shall pass through all applicable Transfer Service costs to «Customer Name» consistent with section 14.6 of this Agreement.

1.4.4.2 **Planned NLSL(s) and NLSLs Served with Dedicated Resource Amounts or Consumer-Owned Resources and by Transfer Service**

Any Dedicated Resource or Consumer-Owned Resource amounts «Customer Name» applies to serve a Planned NLSL or an NLSL that are (1) listed in sections 1.3.2 or 1.4.2 above and (2) are served by Transfer Service must meet the terms and conditions of section 14.6.7 of the body of this Agreement, Exhibit G, and section 7 of Exhibit J.

For any such Dedicated Resource or Consumer-Owned Resource amounts serving an NLSL, BPA shall acquire and pay for Transfer Service and shall pass through to «Customer Name» any applicable Transfer Service costs.

For any such Planned NLSL(s) listed above in section 1.3.2 above, at the end of the applicable consecutive 12-month monitoring period, BPA will determine if the Planned NLSL became an NLSL in accordance with section 20.3.5 of the body of this Agreement. If the Planned NLSL does not become an NLSL during the monitoring period, then BPA shall credit «Customer Name» for any eligible Transfer Service costs that BPA passed through and «Customer Name» paid related to serving the Planned NLSL. If Transfer Service invoices associated with such Planned NLSLs are amended by the Third-Party Transmission Provider following this credit, then

BPA will pass through any charges or credits to «Customer Name» associated with such amended invoices. If the load continues to be monitored as a Planned NLSL, then the applicable provisions of this section 1.4.4.2 will continue to apply.

End Option

Drafter's Note: Only include the following section 1.5 for customers that have a Potential NLSL, Planned NLSL, or NLSL.

1.5 **Facility Load At Potential NLSLs and Planned NLSLs**

1.5.1 **Cumulative Prior Load**

Pursuant to section 20.3.5.2 of the body of this Agreement, BPA shall fill in the table in section 1.5.2 below with «Customer Name»'s Cumulative Prior Load amounts for each Potential NLSL and Planned NLSL.

1.5.2 **Load at a Facility Included in Calculation of Power Eligible at PF Rates**

Pursuant to section 20.3.5.3 of the body of this Agreement, BPA shall fill in the table below with the fixed amount of load at a facility to be included in the calculation of «Customer Name»'s Firm Requirements Power eligible for service at PF rates.

Drafter's Note: Add a row for each additional Potential NLSL, Planned NLSL, or NLSL that has Cumulative Prior Load and/or facility load included in the calculation of Firm Requirements Power eligible for service at a PF rate. Update at the end of each monitoring period. If customer has none, include N/A and retain «XX.XXX» as applicable.

Load at Potential NLSL, Planned NLSL, and NLSL Facilities				
Facility Name	**Status of NLSL**	**Cumulative Prior Load Energy**	**Cumulative Prior Load Peak**	**Load at the Facility Included in the Calculation of Power Eligible at PF Rates**
«Name of Potential NLSL, Planned NLSL, or NLSL»	«Potential NLSL, Planned NLSL, or NLSL»	«XX.XXX» aMW	«XX.XXX» MW	«XX.XXX» aMW

End Option

Drafter's Note: Only include the following sections 1.6 through 1.8 for customers that have a Planned NLSL or an NLSL.

1.6 **New Resource (NR) Support Services**

BPA will provide New Resource (NR) Support Services to «Customer Name» to make power available to meet the variations between any «Customer Name» scheduled Dedicated Resource amounts, and Consumer-Owned Resource amounts as applicable, serving a Planned NLSL or NLSL and the

actual amounts of the Planned NLSL or NLSL. Such applicability will be pursuant to the applicable Power Rate Schedules and GRSPs.

1.6.1 **New Resource Energy Support Service (NR ESS) for Planned NLSLs and NLSLs**

«Customer Name» shall purchase New Resource Energy Support Service (NR ESS) for any Dedicated Resource and Consumer-Owned Resource amounts serving «Customer Name»'s Planned NLSLs and NLSLs for the period(s) listed in the table below in accordance with the applicability requirements and at the rates and charges established under and in the applicable Power Rate Schedules and GRSPs.

Drafter's Note: Add a row for each additional Planned NLSL and NLSL. NR ESS elections are per Rate Period. As applicable, update the table at the beginning of the first monitoring period and then prior to the beginning of each Rate Period thereafter.

NR ESS			
Name of Planned or NLSL	**Term of Purchase**	**Capacity Percentage Election**	**Data Sharing Credit (Y/N)**
«Name of Planned NLSL/ NLSL or N/A»	«Month Day, Year» through «Month Day, Year»		

1.6.2 **Capacity Amount Election for NR ESS**

By February 1, 2028 and by February 1 of each Rate Case Year thereafter over the remaining term of the Agreement, «Customer Name» shall provide BPA with its election for monthly capacity percentage that «Customer Name» requests from BPA to serve its Planned NLSLs and NLSLs for the upcoming Rate Period pursuant to the applicable capacity percentages established in the applicable Power Rate Schedules and GRSPs. By the immediately following March 31, BPA shall fill in the table in section 1.6.1 above with «Customer Name»'s capacity percentage elections.

1.6.3 **NR ESS Data Sharing**

By February 1, 2028 and by February 1 of each Rate Case Year thereafter over the remaining term of the Agreement, «Customer Name» shall provide BPA its load forecast and scheduling data pursuant to the criteria and requirements included in the applicable Power Rate Schedules and GRSPs. By the immediately following March 31, BPA shall fill in the table in section 1.6.1 above with «Customer Name»'s data sharing credit elections.

1.6.4 **NR Resource Support Services (NR RSS)**

Option 1: Include the following if customer is not purchasing NR RSS.

«Customer Name» is not purchasing NR Resource Support Services (NR RSS) for any of its Planned NLSLs or NLSLs served with Dedicated Resource or Consumer-Owned Resource amounts.

End Option 1

Option 2: Include the following if customer is purchasing NR RSS.

«Customer Name» shall purchase New Resource Resource Support Services (NR RSS) for any of its Dedicated Resource and Consumer-Owned Resource amounts serving «Customer Name»'s Planned NLSLs and NLSLs for the period(s) listed in the table below in accordance with the applicability requirements and at the rates and charges established under and in the applicable Power Rate Schedules and GRSPs.

Drafter's Note: Add a row for each additional Planned NLSL and NLSL. NR RSS elections are per Rate Period. As applicable, update the table at the beginning of the first monitoring period and then prior to the beginning of each Rate Period thereafter.

NR RSS		
Name of Planned or NLSL	**Term of Purchase**	**Type of NR RSS**
«Name of Planned NLSL/ NLSL or N/A»	«Month Day, Year» through «Month Day, Year»	

End Option 2

1.6.5 **Rates and Charges for Planned NLSLs and NLSLs**

1.6.5.1 **NR ESS Energy and Capacity Charges and Credits**

All applicable NR ESS charges or credits for Planned NLSLs and NLSLs shall be as established in the current Power Rate Schedules and GRSPs.

1.6.5.2 **Charge for Difference between PF and NR Rates**

If BPA served a Planned NLSL with power sold at the NR Rate, including NR ESS Energy and Capacity Charges, and BPA later determines that such Planned NLSL did not reach ten Average Megawatts of load growth in any consecutive 12-month monitoring period, then BPA shall revise «Customer Name»'s bill to reflect the difference between the applicable PF rates and the applicable NR Rates and charges in effect for the applicable monitoring period.

1.6.5.3 **NR RSS Charges**

All applicable NR RSS charges or credits for Planned NLSLs and NLSLs shall be as established in the current Power Rate Schedules and GRSPs.

1.7 **Transmission Scheduling Service**

If «Customer Name» is serving a Planned NLSL or an NLSL with Dedicated Resource amounts, then «Customer Name» shall purchase, or continue to purchase, Transmission Scheduling Service pursuant to the terms and conditions of Exhibit F. «Customer Name» shall schedule its Dedicated Resource amounts in section 4 of Exhibit A pursuant to the scheduling provisions included in sections 4.1 and 4.2 of Exhibit F.

1.8 **Liquidated Damages for Planned NLSLs**

This section 1.8 only applies if «Customer Name» is serving a Planned NLSL with Dedicated Resource amounts under section 1.3.2 above. This section 1.8 will not apply if, at the end of a Fiscal Year following the end of a consecutive 12-month monitoring period, «Customer Name»'s Actual Annual Tier 1 Load is greater than its CHWM.

If BPA determines that the load at a Planned NLSL has grown by less than ten Average Megawatts in the consecutive 12-month monitoring period just completed, then «Customer Name» agrees to pay BPA a charge as liquidated damages to recover the revenue for power that «Customer Name» would have otherwise purchased from BPA at the then applicable PF rates during such Fiscal Year(s).

If a consecutive 12-month monitoring period for a Planned NLSL coincides with a single Fiscal Year, then BPA shall calculate liquidated damages for the load at each facility by multiplying the Planned NLSL liquidated damages rate, established in the applicable Power Schedules and GRSPs, by the lesser of: (1) the megawatt-hours measured at each facility for the Fiscal Year less any Cumulative Prior Load for such facility and (2) «Customer Name»'s CHWM minus «Customer Name»'s Actual Annual Tier 1 Load for such Fiscal Year.

If a consecutive 12-month monitoring period for a Planned NLSL spans two Fiscal Years, then at the end of the second Fiscal Year, BPA shall calculate liquidated damages for the load at each facility for each Fiscal Year of the consecutive 12-month monitoring period by multiplying the applicable Planned NLSL liquidated damages rate by the lesser of: (1) the portion of the megawatt-hours measured at each facility in the applicable Fiscal Year less any Cumulative Prior Load for such facility and (2) «Customer Name»'s CHWM minus «Customer Name»'s Actual Annual Tier 1 Load for the applicable Fiscal Year.

In the event «Customer Name» has more than one Planned NLSL in a Fiscal Year, then the total amount of liquidated damages charge BPA shall apply will be limited to the megawatt-hour amount that «Customer Name»'s

CHWM is greater than «Customer Name»'s Actual Annual Tier 1 Load for the Fiscal Year.

End Option

Option: Include the following for customers who are eligible to receive irrigation rate discount; delete this section if not applicable.

2. IRRIGATION RATE DISCOUNT

Starting October 1, 2028, subject to the terms specified in BPA's applicable Power Rate Schedules and GRSPs, the following shall apply, provided that the Parties have revised the table below no later than September 30, 2027.

2.1 For billing purposes, in the months listed below for each year during the term of this Agreement, BPA shall apply Irrigation Rate Discount to the lesser of the corresponding amount purchased at the Tier 1 Rate in the month or the energy amount in the table below.

Drafter's Note: Leave table blank at contract signing.

Irrigation Amounts (kWh)					
May	**Jun**	**Jul**	**Aug**	**Sept**	**Annual Total**

2.2 After the end of each irrigation season, the Parties shall administer a true-up process to ensure «Customer Name»'s irrigation load meets or exceeds the total eligible irrigation amount (in kilowatt-hours) listed above.

2.3 «Customer Name» shall be responsible for implementing cost-effective conservation measures on irrigation systems in their service territories. «Customer Name» shall report and BPA shall verify all qualifying conservation measures and project savings pursuant to «Customer Name»'s Energy Conservation Agreement or its successor.

End Option

Drafter's Note: Include the following for customers exclusively served by Transfer Service and for customers BOTH directly-connected and served by Transfer Service; that are making a Committed Power Purchase Amounts delivered to Mid-C (or BPA Power purchase from the trading floor) to serve Above-CHWM Load and qualify for the Mid C Resource Over Non-Firm exchange (per Exhibit F).

Drafter's Note: Do not include this section at contract signing.

«#». TRANSFER CUSTOMERS' COMMITTED POWER PURCHASE AMOUNT MARKET EXCHANGE

Pursuant to the terms of this Agreement, «Customer Name» has elected to serve its Above-CHWM Load with a Committed Power Purchase Amount(s) delivered to Mid-C. *Option 1: Include for customers exclusively served by Transfer Service:* Due to the geographical implications of obtaining firm transmission to deliver certain eligible market purchases to «Customer Name»'s load, BPA is entering into a firm power exchange with «Customer Name». *End Option* *Option 2: Include for customers BOTH directly-connected and served by Transfer Service:* Due to the geographical implications of obtaining firm transmission to deliver certain eligible

market purchases to «Customer Name»'s load, and provided that «Customer Name» is serving all available load that is directly-connected to the BPA transmission system with Dedicated Resources, BPA is entering into a firm power exchange with «Customer Name».*End Option* An exchange will allow BPA to provide Transfer Service support and assistance to «Customer Name» for such market purchase consistent with the intent of Exhibit G and the requirements of this section «#».

For purposes of this section «#», "Market Exchange" means a transaction in which BPA takes receipt of «Customer Name»'s Mid-C Resource Over Non-Firm, as defined in section 4.3.3.1.2 of Exhibit F, and delivers an equivalent amount of power to serve «Customer Name»'s Above-CHWM Load. A Market Exchange is comprised of Market Exchange Transaction Part A, Market Exchange Transaction Part B, and Market Exchange Transaction Part C below.

If necessary, «Customer Name» must enter into a Market Exchange with BPA, pursuant to the terms of this section «#», for a period of no less than one Fiscal Year of a Rate Period. BPA shall perform all necessary scheduling functions for a Market Exchange consistent with the terms and conditions of Exhibit F, Transmission Scheduling Service. «Customer Name» shall not use a Market Exchange to serve any portion of its Total Retail Load located outside the Region as defined in Section 3(14) of the Northwest Power Act.

The Delivery Plan for any Mid-C Resource Over Non-Firm that BPA exchanges shall be based on the load served by Market Exchange Transaction Part C.

By March 31 of a Rate Case Year the Parties shall update the table below with the amount of «Customer Name»'s Above-CHWM Load to be served with a Market Exchange.

Drafter's Note: To fill out the table below, use the annual Average Megawatt amount from the Committed Power Purchase Amounts tables in Exhibit A for the applicable Fiscal Years as the Above-CHWM Load amounts to be served with a Market Exchange. If a customer does not have a Mid-C Resource Over Non-Firm, retain the red text as stated in the template. If a customer has Committed Power Purchase Amounts exchanged over multiple transmission systems, add additional rows in each Fiscal Year for each transmission system and add the name of the transmission systems.

Above-CHWM Load Served by Market Exchange		
Rate Period	**Fiscal Year**	**Above-CHWM Load to be Served with Market Exchange**
FY 20«##»-20«##»	FY 20«##»	«#.###» aMW or N/A
	FY 20«##»	«#.###» aMW or N/A
Note: Insert amounts in Average Megawatts rounded to three decimal places for each year of the applicable Rate Period.		

«#».1 **Market Exchange Transaction Part A**

For purposes of this section «#», the following transaction shall be referred to as "Market Exchange Transaction Part A".

Consistent with section 4.1 of Exhibit F, «Customer Name» shall provide a delivery schedule to BPA for Market Exchange Transaction Part A. «Customer Name» shall make its Mid-C Resource Over Non-Firm available to BPA at Mid-C or BPA Power consistent with section 4.3.3.1.2 of Exhibit F, and shaped in accordance with section 3.4 of the body of the Agreement.

«#».2 **Market Exchange Transaction Part B**

For purposes of this section «#», the following transaction shall be referred to as "Market Exchange Transaction Part B".

For Market Exchange Transaction Part B, BPA will take receipt of «Customer Name»'s Mid-C Resource Over Non-Firm, consistent with section 4.3.3.1.2 of Exhibit F.

This Agreement covers the Federal Columbia River Power System resource serving the portion of «Customer Name»'s Above-CHWM Load associated with the Market Exchange. For purposes of designating a Network Resource in «Customer Name»'s BPA Network Integration Transmission Service Agreement (BPA NT Agreement) with Transmission Services, «Customer Name» shall neither forecast nor designate in such contract the associated delivery schedule, from the Market Exchange Transaction A above, since that delivery schedule is not going to be used to serve «Customer Name»'s Above-CHWM Load for purposes of its BPA NT Agreement with Transmission Services.

«#».3 **Market Exchange Transaction Part C**

For purposes of this section «#», the following transaction shall be referred to as "Market Exchange Transaction Part C".

Under Market Exchange Transaction Part C, BPA will make BPA-provided power available and acquire and pay for Transfer Service to deliver «Customer Name»'s load, in hourly amounts equal to the hourly amounts scheduled pursuant to Market Exchange Transaction A. Such BPA-provided power deliveries shall be from the Federal Columbia River Power System or from alternative power and transmission arrangements, consistent with section «#».5.2 below.

«#».4 **Failure to Deliver**

If «Customer Name» fails to make its Mid-C Resource Over Non-Firm available to BPA under Market Exchange Transaction Part A for any reason, including a Transmission Event that impacts Market Exchange Transaction Part A, such failure shall not negate BPA's obligation related to Market Exchange Transaction Part C. BPA shall assess «Customer Name» any applicable charges or penalties as provided in the applicable Power Rate Schedules and GRSPs, including the Unauthorized Increase Charge.

If a Transmission Event impacts Market Exchange Transaction Part B, then BPA shall provide Transmission Curtailment Management Service (TCMS)

for Market Exchange Transaction Part B consistent with section 4 of Exhibit F.

«#».5 **Costs of Market Exchange and Other Terms and Conditions**

«#».5.1 BPA's financial support for the transmission capacity associated with «Customer Name»'s Market Exchange(s) shall be consistent with and subject to the established caps and limitations included in section 2 of Exhibit G.

«#».5.2 For Market Exchange Transaction Part C, BPA shall pay the capacity costs associated with transmission service to «Customer Name» over transmission facilities of the Third-Party Transmission Provider that either: (1) interconnect directly to «Customer Name»'s facilities or (2) interconnect to BPA transmission facilities which subsequently interconnect with «Customer Name»'s facilities. «Customer Name» shall pay any costs associated with the delivery of BPA-provided power to an interconnection point with the Third-Party Transmission Provider, including obtaining and paying for transmission across all intervening transmission systems and equipment.

If, prior to March 31 of a Rate Case Year, BPA decides to make power or transmission arrangements for «Customer Name»'s Market Exchange Transaction Part C for the upcoming Rate Period different than delivery from the Federal Columbia River Power System, then the Parties shall work together to apportion associated costs in advance of delivery and shall include the costs in a table below.

Drafter's Note: Include a table that outlines cost arrangements for alternative power and transmission arrangements for BPA to deliver Market Exchange Transaction Part B. If none, include "None at this time."

«#».5.2.1 **Costs Associated with Alternative Power or Transmission Delivery Arrangements**

Option: Include table or «None at this time.»

«#».5.3 For Market Exchange Transaction Part C, BPA shall acquire and pay for ancillary services from the Third-Party Transmission Provider, consistent with section 14.6.1 of this Agreement.

«#».5.4 «Customer Name» shall be responsible for the cost of real power losses associated with Market Exchange Transaction Part B pursuant to BPA's applicable Power Rate Schedules and GRSPs.

«#».5.5 As applicable, «Customer Name» shall be responsible for all other transmission service costs for the delivery of the Market Exchange including, but not limited to: distribution and low-voltage charges, redispatch, congestion management costs, system and facility study

costs associated with adding the Committed Power Purchase Amounts, direct assigned system upgrades.

«#».5.6 Unless otherwise agreed within this Exhibit D or between the Parties outside of this Agreement, «Customer Name» shall be responsible for managing the scheduling arrangements of any Market Exchanges consistent with Exhibit F.

«#».5.7 For purposes of Environmental Attribute accounting described in Exhibit H, BPA intends that any Market Exchange under this section «#» will have no impact on BPA's or «Customer Name»'s emissions. «Customer Name» shall retain all Environmental Attributes of its Committed Power Purchase Amounts used in a Market Exchange. However, if a state or other jurisdictional program does not allow for such accounting, then «Customer Name» shall ensure that the underlying physical resources of the Committed Power Purchase Amount used in a Market Exchange has an emissions factor that is no higher than BPA's asset-controlling supplier emissions factor for the applicable year.

«#». «PLACEHOLDER FOR SPECIAL PROVISIONS»

*Drafter's Note: Insert any special provisions unique to the customer here, **before** the revisions section, and number sections accordingly. Otherwise, delete this section if not applicable.*

«#». REVISIONS

BPA shall unilaterally revise section 1, CF/CT and New Large Single Loads to reflect BPA's determinations made in accordance with section 20.3 of the body of the Agreement and section 1 of this Exhibit D. All other changes to this Exhibit D will be made by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Exhibit E
METERING

Drafter's Notes: Rows will be added to the table to include applicable Points of Metering and Points of Delivery. The table will be sorted first by manner of service then alphabetically by POD name, then POM name under each POD.
Drafter's Note: Leave table blank at contract signing.

1. METERING

BPA POD Name	BPA POD Number	BPA POM Name	BPA POM Number	POD Location Description	POD Voltage kV	POM Location Description	Direction for PF Billing Purposes	WECC Balancing Authority	Manner Of Service	Manner Of Service Description	Metering Loss Adjust-ment	Exception

2. REVISIONS

Each Party shall notify the other with any requests to update this exhibit. The Parties shall coordinate and seek mutual agreement on any such requested exhibit revisions. Upon such agreement, or if the agreement is unreasonably withheld or delayed, BPA shall revise this exhibit to accurately reflect what BPA determines are the actual characteristics of PODs and meter information described in this exhibit. Unless the Parties otherwise agree, BPA shall not revise the exhibit any sooner than 60 calendar days after the request to update this exhibit. BPA shall provide «Customer Name» with a revised Exhibit E. The effective date will be the date stated at the top of the revised exhibit.

Template Option 1: Include the following for customers entirely or partially served by Transfer Service, whether with a BPA NT Agreement or a BPA PTP Transmission Agreement(s). Include the following for exclusively directly-connected NT customers that elected to purchase Resources Support Services, that elected to purchase power at a Tier 2 rate, or that elected to purchase Transmission Scheduling Service.

Exhibit F
TRANSMISSION SCHEDULING SERVICE

1. DEFINITIONS, PURPOSE AND PARAMETERS

1.1 Definitions

1.1.1 "Balancing Authority" means the responsible entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

1.1.2 "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.

1.1.3 "Electronic Tag" or "E-Tag" means an electronic record that contains the details of a transaction to transfer energy from a source point to a sink point where the energy is scheduled for transmission across one or more Balancing Authority Area(s), consistent with all relevant WECC, NAESB, NERC and FERC requirements.

1.1.4 "Heavy Load Hours" or "HLH" means hours ending 0700 through 2200 hours Pacific Prevailing Time (PPT), Monday through Saturday, excluding holidays as designated by the North American Electric Reliability Corporation (NERC).

1.1.5 "Interchange Points" means the points where Balancing Authority Areas interconnect and at which the interchange of energy between Balancing Authority Areas is monitored and measured.

1.1.6 "Light Load Hours" or "LLH" means: (1) hours ending 0100 through 0600 and 2300 through 2400 hours PPT, Monday through Saturday, and (2) all hours on Sundays and holidays as designated by NERC.

1.1.7 "Open Access Transmission Tariff" or "OATT" means the terms and conditions of point-to-point and network integration transmission services, ancillary services, and generator interconnections offered by BPA or a Third-Party Transmission Provider.

1.1.8 "Planned Transmission Outage" means an event that reduces the transmission capacity on a segment of the transmission path used to

deliver «Customer Name»'s Dedicated Resource prior to the initial approval of the E-Tag.

1.1.9 "Transmission Curtailment" means an event that is initiated by a transmission provider through a curtailment to the E-Tag as a result of transmission congestion or an outage on the path used to deliver «Customer Name»'s Dedicated Resource.

1.1.10 "Transmission Curtailment Management Service" or "TCMS" means the service BPA will provide to customers with a qualifying resource when a Transmission Curtailment occurs between such resource and the customer load.

1.1.11 "Transmission Event" means a Planned Transmission Outage or a Transmission Curtailment.

1.1.12 "Transmission Scheduling Service" or "TSS" means the power scheduling service that BPA provides to «Customer Name» that allows BPA to manage certain aspects of «Customer Name»'s BPA NT Agreement with Transmission Services, to allow BPA to use the inherent flexibilities of «Customer Name»'s network rights in combination with other network customers' rights to manage BPA's power resources efficiently, and to provide seamless scheduling for Transfer Service customers.

1.1.13 "Transmission Scheduling Service-Full" or "TSS-Full" means the Transmission Scheduling Service for a specific Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load where BPA performs all necessary scheduling, including the creation and maintenance of E-Tags for such resource.

Option: Include the following for exclusively directly-connected customers or for customers that are BOTH directly-connected and served by Transfer Service.

1.1.14 "Transmission Scheduling Service-Partial" or "TSS-Partial" means the Transmission Scheduling Service for a specific Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load where «Customer Name» performs all necessary scheduling, including the creation and maintenance of E-Tags for such resource.

End Option

1.2 **Transmission Scheduling Service-Full (TSS-Full)**

This section 1.2 shall apply to any of «Customer Name»'s Dedicated Resource(s) and Consumer-Owned Resource(s) serving On-Site Consumer Load listed as purchasing TSS-Full in section 1 of Exhibit J.

Beginning October 1, «year customer begins taking TSS», and through the term of this Agreement, Power Services shall provide and «Customer Name» shall purchase TSS-Full for its Dedicated Resource(s) and Consumer-Owned

Resource(s) serving On-Site Consumer Load listed as purchasing TSS-Full in section 1 of Exhibit J. Power Services shall schedule «Customer Name»'s BPA-provided power, Dedicated Resource(s) and Consumer-Owned Resource(s) serving On-Site Consumer Load to «Customer Name»'s Total Retail Load under «Customer Name»'s BPA NT Agreement with Transmission Services and/or other transmission agreement(s). Power Services shall not provide TSS-Full for anything other than delivery to «Customer Name»'s Total Retail Load.

Power Services shall perform all necessary prescheduling and real-time scheduling functions, and make other arrangements and adjustments, consistent with any RSS products and any other products and services «Customer Name» is purchasing from Power Services. «Customer Name» shall continue to be responsible for all non-scheduling provisions of its transmission agreement(s) used to serve «Customer Name»'s Total Retail Load, in accordance with the applicable OATT, including, but not limited to, the designation and undesignation of Network Resources, as defined by the applicable OATT.

«Customer Name» shall be subject to the rates, terms and conditions for TSS-Full specified in BPA's applicable Power Rate Schedules and GRSPs.

Option 1: Include the following for customers that are exclusively served by Transfer Service.

1.3 **This section intentionally left blank.**

End Option 1

Option 2: Include the following for exclusively directly-connected customers or for customers that are BOTH directly-connected and served by Transfer Service.

1.3 **Transmission Scheduling Service-Partial (TSS-Partial)**

This section 1.3 shall apply to any of «Customer Name»'s Dedicated Resource(s) and Consumer-Owned Resource(s) serving On-Site Consumer Load listed as purchasing TSS-Partial in section 1 of Exhibit J.

Beginning October 1, «year customer began taking TSS», and through the term of this Agreement, provided that «Customer Name» meets and continues to meet the requirements in section 1.3.1 of this exhibit, Power Services shall provide and «Customer Name» shall purchase TSS-Partial for its Dedicated Resource(s) and Consumer-Owned Resources serving On-Site Consumer Load listed as purchasing TSS-Partial in the table in section 1 of Exhibit J. Power Services shall schedule «Customer Name»'s Firm Requirements Power to «Customer Name»'s Total Retail Load under «Customer Name»'s BPA NT Agreement with Transmission Services and/or other transmission agreement(s), and «Customer Name» shall schedule and create E-Tags for each of «Customer Name»'s Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load that require an E-Tag to «Customer Name»'s Total Retail Load under «Customer Name»'s BPA NT Agreement with Transmission Services and/or other transmission agreement(s) that «Customer Name» has elected to purchase TSS-Partial.

Power Services shall not provide TSS-Partial for any delivery other than delivery to «Customer Name»'s Total Retail Load.

For each Dedicated Resource and Consumer-Owned Resource serving On-Site Consumer Load that «Customer Name» has elected TSS-Partial for and that requires an E-Tag, «Customer Name» shall perform all necessary scheduling functions, and make other arrangements and adjustments, consistent with any RSS products and any other products and services «Customer Name» is purchasing from Power Services. «Customer Name» shall continue to be responsible for all non-scheduling provisions of its transmission agreement(s) used to serve «Customer Name»'s Total Retail Load, in accordance with the applicable OATT, including, but not limited to, the designation and undesignation of Network Resources, as defined by the applicable OATT.

«Customer Name» shall create and maintain any necessary source or sink codes in the NERC registry through webRegistry, or its successor, for each Dedicated Resource and Consumer-Owned Resource serving On-Site Consumer Load and notify BPA of such codes once created.

«Customer Name» shall be charged for service according to the rates, terms and conditions for TSS-Partial specified in BPA's applicable Power Rate Schedules and GRSPs.

1.3.1 **Eligibility for Electing TSS-Partial**

In order for «Customer Name» to be eligible to elect TSS-Partial for any of its Dedicated Resource(s) or Consumer-Owned Resource(s) serving On-Site Consumer Load, «Customer Name» must create and maintain a purchase selling entity code in the NERC registry through webRegistry, or its successor, for each Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load at least one month prior to the date in section 1.3 above that «Customer Name» begins purchasing TSS-Partial for such resource(s).

Sub-Option: Include the following for customers that are BOTH directly-connected and served by Transfer Service.

In order for «Customer Name»'s Dedicated Resource(s) or Consumer-Owned Resource(s) serving On-Site Consumer Load to be eligible for TSS-Partial such resource must have a Delivery Plan of BPA's Transmission System.

End Sub-Option

1.3.2 **Election, Commitment and Removal of TSS-Partial**

Provided that «Customer Name» is eligible to elect TSS-Partial for any of its Dedicated Resource(s) or Consumer-Owned Resource(s) serving On-Site Consumer Load, pursuant to section 1.3.1 of this exhibit, «Customer Name» may notify BPA of its election to purchase TSS-Partial for any of its Dedicated Resource(s) and Consumer-Owned Resource(s) serving On-Site Consumer Load by July 15 of a Forecast Year. If «Customer Name» elects TSS-Partial for any of its Dedicated

Resource(s) or Consumer-Owned Resource(s) serving On-Site Consumer Load, then, notwithstanding BPA's ability to deny TSS-Partial pursuant to section 4.2.4 of this exhibit, the Parties will revise the table in section 1 of Exhibit J to include TSS-Partial for such resource(s) by October 1 of the first Fiscal Year of the upcoming Rate Period.

If «Customer Name» has not met or ceases to meet the requirements in section 1.3.1 of this exhibit for any of its Dedicated Resource(s) and Consumer-Owned Resource(s) serving On-Site Consumer Load, or if allowed pursuant to the terms and conditions of section 4.2 of this exhibit, then «Customer Name» shall purchase TSS-Full for such resource(s) and BPA shall unilaterally revise the table in section 1 of Exhibit J to remove TSS-Partial and add TSS-Full for such resource(s).

Prior to such revision, BPA will provide notice to «Customer Name» and a draft revision of Exhibit J with such changes. Unless an effective date is otherwise agreed to by the Parties, such revision shall be effective on the first day of the next calendar month.

End Option 2

2. ASSIGNMENT OF SCHEDULING RIGHTS

«Customer Name» agrees that:

(1) Power Services is the scheduling entity for service taken under «Customer Name»'s BPA NT Agreement with Transmission Services;

(2) Power Services has the right to acquire and manage secondary service under «Customer Name»'s NT Agreement with Transmission Services pursuant to section 28.4 of the BPA OATT as necessary to fulfill Power Services' obligations under this Agreement. If necessary, «Customer Name» will retain the right to acquire secondary service under their BPA NT Agreement with Transmission Services to deliver any Dedicated Resources to their load; and

(3) prior to Power Services providing TSS, Power Services will provide Transmission Services notice of (1) and (2) above.

In the event that Transmission Services requires direct engagement from «Customer Name» on (1) or (2), «Customer Name» shall notify Transmission Services directly.

Upon request, «Customer Name» shall provide copies of any transmission agreement(s) used to serve «Customer Name»'s Total Retail Load. Additionally, over the term of this Agreement, «Customer Name» shall provide Power Services with any additional transmission agreements «Customer Name» enters into which are used for service to its Total Retail Load and all amendments and modifications to current copies of «Customer Name»'s transmission agreement(s).

3. LOAD FORECAST

«Customer Name» shall cooperate with BPA to provide any information BPA determines is necessary to support BPA's forecast of «Customer Name» load to provide TSS. If any load specific information is needed for developing a daily or hourly load forecast, then «Customer Name» shall provide such information in a timely manner.

4. SCHEDULING OF «CUSTOMER NAME»'S RESOURCES

This section 4 shall not apply to any of «Customer Name»'s Dedicated Resource(s) and Consumer-Owned Resource(s) serving On-Site Consumer Load that BPA has determined, based on the OATT and business practices of the relevant Third-Party Transmission Provider(s), do not require an E-Tag as specified in the table in section 1 of Exhibit J.

4.1 Prescheduling for TSS-Full Resources

«Customer Name» shall submit a delivery schedule to Power Services for each of its Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load for delivery to its Total Retail Load which shall include information such as the source, any points of receipt, any Open Access Same-time Information System (OASIS) reservation reference numbers needed for the delivery of such resources, the daily megawatt profile, and all purchasing selling entities in the path. This delivery schedule shall be submitted to Power Services by the earlier of one hour prior to the close of the firm transmission prescheduling deadline associated with the transmission agreement(s) used to deliver power to «Customer Name»'s Total Retail Load, or 1100 hours Pacific Prevailing Time (PPT) on the preschedule day. «*Sub-Option 1: Include for customers that are either exclusively directly-connected or exclusively served by Transfer Service:*However, if any of «Customer Name»'s Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load are to be delivered over secondary network transmission pursuant to section 4.3.3.1.2 below, then «Customer Name» shall submit its delivery schedule for such resource to Power Services by 1300 hours PPT on the preschedule day.*End Sub-Option 1*»«*Sub-Option 2: Include for customers that are BOTH directly-connected and served by Transfer Service:*However, if «Customer Name»'s Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load are to be delivered over secondary network transmission pursuant to section 4.3.3.1.2 or section 4.3.3.2.2 below, then «Customer Name» shall submit its delivery schedule to Power Services by 1300 hours PPT on the preschedule day.*End Sub-Option 2*»

«Customer Name» shall submit all required prescheduled information in a format specified by Power Services.

At Power Services' request, «Customer Name» shall provide Power Services information on real power losses associated with «Customer Name»'s transmission agreement(s).

4.1.1 **Real-Time Scheduling**

Power Services shall accept megawatt adjustments to each of «Customer Name»'s Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load schedule(s) up to the earlier of 45 minutes prior to the hour of delivery or 25 minutes prior to the earliest of the transmission real-time scheduling deadlines associated with delivery of power to «Customer Name»'s Total Retail Load.

«Customer Name» shall submit all required real-time scheduling information in a format specified by Power Services.

Option 1: Include the following for customers that are exclusively served by Transfer Service.

4.2 **This section intentionally left blank.**

End Option 1

Option 2: Include the following for exclusively directly-connected customers or for customers that are BOTH directly-connected and served by Transfer Service.

4.2 **Other Scheduling Requirements for TSS-Partial**

Drafter's Note: Select "None at this time" or describe the special provision.

4.2.1 **Special Provisions for «Customer Name»'s TSS-Partial**

«None at this time.» *or* «describe unique arrangements or requirements»

4.2.2 **Events, Charges for Events, BPA-Required Removal**

BPA shall charge «Customer Name» for TSS-Partial events, as defined in BPA's applicable Power Rate Schedules and GRSPs, for each of its Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load consistent with the rates, terms and conditions for TSS-Partial specified in BPA's applicable Power Rate Schedules and GRSPs.

If «Customer Name» has five or more TSS-Partial events in one month for any of its Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load, then BPA may require the removal of «Customer Name»'s TSS-Partial for that resource. BPA will consider the circumstances of the five or more events in determining if BPA will require removal of TSS-Partial. After such consideration, BPA shall unilaterally determine if «Customer Name» must purchase TSS-Full.

If BPA has removed TSS-Partial for such Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load pursuant to this section 4.2 of this exhibit, then «Customer Name» may request TSS-Partial for the resource by July 15 of a subsequent Forecast Year; however, BPA, at its discretion, may deny such a request.

End Option 2

4.3 Transmission Curtailments

4.3.1 Transmission Curtailment Management Service (TCMS)

As a feature of TSS, BPA shall provide TCMS for certain «Customer Name» Dedicated Resources that require an E-Tag for delivery. TCMS coverage shall apply when Transmission Events impact eligible resources, with certain limitations as described throughout this section 4.3. TCMS and Transmission Events do not apply to Consumer-Owned Resources serving On-Site Consumer Load.

In accordance with the BPA OATT, TCMS coverage shall not apply while Transmission Services is redispatching «Customer Name»'s Dedicated Resource(s) to serve «Customer Name»'s load during a Transmission Event.

Reviewer's Note: The language below addresses curtailments if BPA is scheduling any Dedicated Resource without TCMS coverage. The Parties may, with mutual agreement, revise this exhibit to allow a customer to schedule such Dedicated Resource.

4.3.2 Curtailment and Outage Terms and Conditions for Resources without TCMS

This section 4.3.2 shall apply to «Customer Name»'s Dedicated Resources for which Power Services is not providing TCMS coverage.

4.3.2.1 If a Transmission Curtailment occurs prior to 45 minutes before the hour of delivery, then «Customer Name» shall be responsible for securing replacement energy or alternate transmission, arranging delivery to the Balancing Authority Area in which «Customer Name» is located, and notifying Power Services of the revised delivery schedule prior to 45 minutes before the hour of delivery.

If Power Services is unable to secure secondary network transmission for the replacement resource because «Customer Name» did not notify Power Services of the revised delivery schedule prior to 45 minutes prior to the hour of delivery or secondary network transmission is unavailable, then «Customer Name» shall be subject to charges consistent with the provisions of this Agreement and all related products and BPA's applicable Power Rate Schedules and GRSPs, including Unauthorized Increase Charges.

4.3.2.2 Power Services shall not accept replacement delivery schedules for Transmission Curtailments that occur less than 45 minutes before the delivery hour. «Customer Name» shall be subject to charges consistent with the provisions of this Agreement and all related products and BPA's applicable

Power Rate Schedules and GRSPs, including Unauthorized Increase Charges.

4.3.2.3 If a Planned Transmission Outage is announced prior to «Customer Name»'s submission of a delivery schedule in pre-schedule, then «Customer Name» shall be responsible for securing replacement energy or alternate transmission, arranging delivery to the Balancing Authority Area in which «Customer Name» is located, and notifying Power Services of the revised delivery schedule prior to the preschedule deadline described in section 4.1 of this exhibit.

4.3.3 TCMS Coverage Eligibility, Determination and Termination

Option 1: Include the following for customers that are exclusively served by Transfer Service.

4.3.3.1 Eligibility of Resources for TCMS Coverage

4.3.3.1.1 Firm Transmission

Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource has been granted firm transmission by all applicable transmission providers.

4.3.3.1.2 Mid-C Resource Over Non-Firm

Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if:

(1) such resource is: (A) a Western Systems Power Pool (WSPP) Schedule C market purchase delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD; (B) a WSPP Schedule C market purchase from BPA at BPA Power (which does not need to be delivered to Mid-C); or (C) a market purchase under the Edison Electric Institute Master Power Purchase & Sale Agreement, Version 2.1 or its successor, Schedule P: "Firm (LD)" or "Firm (No Force Majeure)" delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD. BPA will allow such Mid-C market purchases to be scheduled from Mid-C to BPA Power, as applicable, over non-firm secondary network transmission. And,

(2) «Customer Name» revises Exhibit D to include the terms and conditions of a Mid-C Resource Over Non-Firm exchange of power with BPA.

For purposes of this Agreement, such resource will be referred to as "Mid-C Resource Over Non-Firm".

4.3.3.1.3 **Actively Obtaining Firm Transmission**
Power Services may, on a case-by-case basis and with certain limitations on the service, provide TCMS coverage for «Customer Name»'s Dedicated Resource that has not yet been granted firm network transmission by all applicable transmission providers if Power Services and «Customer Name» are actively engaged in the process of obtaining firm network transmission. Power Services and «Customer Name» shall work cooperatively to obtain firm network transmission for the Dedicated Resource pursuant to the terms and conditions of section 3 of Exhibit G. Power Services shall have sole discretion in determining whether or not Power Services and «Customer Name» are actively engaged in the process of obtaining firm network transmission. However, when making this determination Power Services shall use criteria including but not limited to: (1) the date «Customer Name» requests that Power Services pursue firm network transmission; (2) the planned start date for service from the Dedicated Resource; (3) the location of the resource; (4) the potential for Transmission Curtailments associated with delivering the resource on non-firm transmission; (5) the status of any ongoing OASIS requests and studies related to the resource; and (6) the length of time Power Services and «Customer Name» have been in the process of obtaining firm network transmission.

4.3.3.2 **BPA's Determination for TCMS Coverage**
If «Customer Name» notifies Power Services that it is pursuing firm network transmission with all applicable transmission providers, then Power Services shall provide «Customer Name» with a determination of whether or not it may purchase such TCMS within 30 calendar days following Power Services' receipt of «Customer Name»'s notice.

4.3.3.3 **Termination of TCMS Coverage**

If, consistent with section 4.3.3.1.3 above, BPA is providing TCMS coverage to «Customer Name» for a Dedicated Resource that has not been granted firm network transmission by Transmission Services and a request for firm network transmission for such Dedicated Resource is withdrawn, or if such request is declined or invalidated without a timely resubmission of a similar request, then «Customer Name» shall notify BPA immediately and BPA shall terminate the provision of TCMS for «Customer Name»'s Dedicated Resource ten Business Days after such notification.

If, consistent with section 4.3.3.1.3 above, BPA is providing TCMS coverage to «Customer Name» for a Dedicated Resource that has not been granted firm network transmission and BPA offers a revision to Exhibit J to add such resource to «Customer Name»'s section 7 of Exhibit J, and such revision to Exhibit J is not executed by «Customer Name» within 30 calendar days of the offer, then BPA shall terminate the provision of TCMS for «Customer Name»'s Dedicated Resource ten Business Days following the aforementioned 30 day period.

End Option 1

Option 2: Include the following for customers that are exclusively directly-connected.

4.3.3.1 **Eligibility of Resources for TCMS Coverage**

4.3.3.1.1 **Firm Transmission**

Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource has been granted firm transmission by all applicable transmission providers.

4.3.3.1.2 **Mid-C Resource Over Non-Firm**

Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource is: (1) a (Western Systems Power Pool) WSPP Schedule C market purchase delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD; (2) a WSPP Schedule C market purchase from BPA at BPA Power (which does not need to be delivered to Mid-C); or (3) a market purchase under the Edison Electric Institute Master Power Purchase & Sale Agreement, Version 2.1 or its successor, Schedule P: "Firm (LD)" or "Firm (No Force Majeure)" delivered to the scheduling point of

Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD. Such resources shall be scheduled from Mid-C or the Federal Columbia River Power System to «Customer Name»'s Total Retail Load over non-firm secondary network transmission.

For purposes of this Exhibit F, such resource will be referred to as "Mid-C Resource Over Non-Firm".

4.3.3.1.3 **Actively Obtaining Firm Transmission**
Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if «Customer Name» has submitted a request for firm network transmission to Transmission Services for such resource and that resource has been granted firm transmission by all other applicable providers, except as described in section 4.3.4.1 of this exhibit.

4.3.3.2 **Termination of TCMS Coverage**
If, consistent with section 4.3.3.1.3 above, BPA is providing TCMS coverage to «Customer Name» for a Dedicated Resource that has not been granted firm network transmission and the request for firm network transmission for such Dedicated Resource is withdrawn, or if such request declined or invalidated without a timely resubmission of a similar request, then «Customer Name» shall notify BPA immediately and BPA shall terminate the provision of TCMS for «Customer Name»'s Dedicated Resource ten Business Days after such notification.

End Option 2

Option 3: Include the following for customers that are BOTH directly-connected and served by Transfer Service.

4.3.3.1 **Eligibility of Resources Serving Transfer Service Load for TCMS Coverage**
If a Dedicated Resource will serve load for which Power Services provides Transfer Service, then Power Services shall provide TCMS coverage in accordance with the following.

4.3.3.1.1 **Firm Transmission**
Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource has been granted firm transmission by all applicable transmission providers.

4.3.3.1.2 **Mid-C Resource Over Non-Firm**

(1) Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource is: (1) a Western Systems Power Pool (WSPP) Schedule C market purchase delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD; (2) a WSPP Schedule C market purchase from BPA at BPA Power (which does not need to be delivered to Mid-C); or (3) a market purchase under the Edison Electric Institute Master Power Purchase & Sale Agreement, Version 2.1 or its successor, Schedule P: "Firm (LD)" or "Firm (No Force Majeure)" delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD. BPA will allow such Mid-C market purchases to be scheduled from Mid-C to BPA Power, as applicable, over non-firm secondary network transmission. And,

(2) «Customer Name» (A) revises Exhibit D to include the terms and conditions of a Mid-C Resource Over Non-Firm exchange of power with BPA; and (B) revises Exhibit G to acknowledge the change in applicability of Exhibit G principles on its Mid-C Resource Over Non-Firm.

For purposes of this Exhibit F, such resource will be referred to as "Mid-C Resource Over Non-Firm".

4.3.3.1.3 **Actively Obtaining Firm Transmission**
Power Services may, on a case-by-case basis and with certain limitations on the service, provide TCMS coverage for «Customer Name»'s Dedicated Resource that has not yet been granted firm network transmission by all applicable transmission providers if Power Services and «Customer Name» are actively engaged in the process of obtaining firm network transmission. Power Services and «Customer Name» shall work cooperatively to obtain firm network transmission for the Dedicated Resource pursuant to the terms and conditions of section 3 of Exhibit G. Power Services shall have sole discretion in determining whether or not Power Services and «Customer

Name» are actively engaged in the process of obtaining firm network transmission. However, when making this determination Power Services shall use criteria including but not limited to: (1) the date «Customer Name» requests that Power Services pursue firm network transmission; (2) the planned start date for service from the Dedicated Resource; (3) the location of the resource; (4) the potential for Transmission Curtailments associated with delivering the resource on non-firm transmission; (5) the status of any ongoing OASIS requests and studies related to the resource; and (6) the length of time Power Services and «Customer Name» have been in the process of obtaining firm network transmission.

4.3.3.2 **Eligibility of Resources Serving Directly-Connected Load for TCMS Coverage**

If a Dedicated Resource is serving load that is directly-connected to the BPA transmission system and for which Power Services does not provide Transfer Service, Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource in accordance with the following.

4.3.3.2.1 **Firm Transmission**

Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource has been granted firm transmission by all applicable transmission providers.

4.3.3.2.2 **Mid-C Resource Over Non-Firm**

Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if such resource is: (1) a WSPP Schedule C market purchase delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD; (2) a WSPP Schedule C market purchase from BPA at BPA Power (which does not need to be delivered to Mid-C); or (3) a market purchase under the Edison Electric Institute Master Power Purchase & Sale Agreement, Version 2.1 or its successor, Schedule P: "Firm (LD)" or "Firm (No Force Majeure)" delivered to the scheduling point of Mid-C Remote, NW Hub, BPAT.CHPD, BPAT.GCPD, or BPAT.DOPD. Such Mid-C or BPA Power market purchases shall be scheduled from Mid-C or the Federal Columbia River Power

System to «Customer Name»'s Total Retail Load over non-firm secondary network transmission.

4.3.3.2.3 **Actively Obtaining Firm Transmission**
Power Services shall provide TCMS coverage for «Customer Name»'s Dedicated Resource if «Customer Name» has submitted a request for firm network transmission to Transmission Services for such resource and that resource has been granted firm transmission by all other applicable providers, except as described in section 4.3.4.1 of this exhibit.

4.3.3.3 **BPA's Determination for TCMS Coverage for Resources Serving Transfer Service Load**
If, consistent with section 4.3.3.1.3 above, «Customer Name» notifies Power Services that it is pursuing firm network transmission with all applicable transmission providers, and that resource will serve load for which Power Services provides Transfer Service, then Power Services shall provide «Customer Name» with a determination of whether or not it may purchase such TCMS within 30 calendar days following Power Services' receipt of «Customer Name»'s notice.

4.3.3.4 **Termination of TCMS Coverage**
If, consistent with section 4.3.3.2.3 above, BPA is providing TCMS coverage to «Customer Name» for a Dedicated Resource that has not been granted firm network transmission by Transmission Services and a request for firm network transmission for such Dedicated Resource is withdrawn, or if such request is declined or invalidated without a timely resubmission of a similar request, then «Customer Name» shall notify BPA immediately and BPA shall terminate the provision of TCMS for «Customer Name»'s Dedicated Resource ten Business Days after such notification.

If, consistent with section 4.3.3.1.3 above, BPA is providing TCMS to «Customer Name» for a Dedicated Resource that has not been granted firm network transmission and BPA offers a revision to Exhibit J to add such resource to «Customer Name»'s section 7 of Exhibit J, and such revision to Exhibit J is not executed by «Customer Name» within 30 calendar days of the offer, then BPA shall terminate the provision of TCMS for «Customer Name»'s Dedicated Resource ten Business Days following the aforementioned 30-day period.
End Option 3

4.3.4 **Curtailment and Outage Terms and Conditions for Resources with TCMS Coverage**

For Dedicated Resources that BPA is providing TCMS coverage for pursuant to the terms and conditions of section 4.3.3 above, however not including Mid-C Resources Over Non-Firm, BPA shall make replacement power available and not assess an Unauthorized Increase Charge for failure to deliver a Dedicated Resource associated with a Transmission Event through the duration of the Transmission Event, if any of the following occur:

(1) the Transmission Event affects any firm Point-to-Point Transmission used to deliver the resource to «Customer Name»'s load; or,

(2) the Transmission Event affects the secondary network transmission used to deliver the resource to «Customer Name»'s load; or,

Option 1: Include the following for customers served exclusively by Transfer Service or for customers that are BOTH directly-connected and served by Transfer Service.

(3) Transmission Services has curtailed firm network transmission pursuant to section 33.6 or 33.7 of the BPA OATT; or,

(4) the Transmission Event affects the firm network transmission obtained by Power Services from a Third-Party Transmission Provider and used to deliver the resource to «Customer Name»'s load.

End Option 1

Option 2: Include the following for customers that are exclusively directly-connected.

(3) Transmission Services has curtailed firm network transmission pursuant to section 33.6 or 33.7 of the BPA OATT.

End Option 2

Option 1: Include the following for customers exclusively served by Transfer Service.

For Mid-C Resources Over Non-Firm, in accordance with section 4.3.3.1.2 above, with TCMS coverage, BPA shall not assess an Unauthorized Increase Charge during any Transmission Event consistent with the "Transfer Service Customers' Non-Federal Market Purchase Exchange" terms and conditions in Exhibit D. Such Exhibit D language may be added to this Agreement consistent with section 4.3.3.1.2 above.

End Option 1

Option 2: Include the following for customers exclusively directly-connected.
For Mid-C Resources Over Non-Firm, in accordance with section 4.3.3.1.2 above, with TCMS coverage, BPA shall not assess an Unauthorized Increase Charge during any Transmission Event that is announced for the hour(s) of delivery that affects «Customer Name»'s Mid-C Resource Over Non-Firm, through the duration of the Transmission Event, if the Transmission Event affects the secondary network transmission used to deliver the resource between Mid-C or BPA Power and «Customer Name»'s load.
End Option 2

Option 3: Include the following for customers that are BOTH directly-connected and served by Transfer Service.
For Mid-C Resources Over Non-Firm, in accordance with section 4.3.3.1.2 above, with TCMS coverage, BPA shall not assess an Unauthorized Increase Charge during any Transmission Event consistent with the Transfer Service Customers' Non-Federal Market Purchase Exchange terms and conditions in Exhibit D. Such Exhibit D language may be added to this Agreement consistent with section 4.3.3.1.2 above.

For Mid-C Resources Over Non-Firm, in accordance with section 4.3.3.2.2 above, with TCMS coverage, BPA shall not assess an Unauthorized Increase Charge during any Transmission Event that is announced for the hour(s) of delivery that affects «Customer Name»'s Mid-C Resource Over Non-Firm, through the duration of the Transmission Event, if the Transmission Event affects the secondary network transmission used to deliver the resource between Mid-C or BPA Power and «Customer Name»'s load.
End Option 3

During any Planned Transmission Outage that impacts «Customer Name»'s Dedicated Resource with TCMS coverage, BPA may, at BPA's sole discretion, obtain alternate transmission from such resource to «Customer Name»'s load. If a Planned Transmission Outage affects a Dedicated Resource with TCMS coverage, then Power Services shall notify «Customer Name» of such Planned Transmission Outage.

If a Planned Transmission Outage is cancelled or adjusted such that «Customer Name» is able to deliver any portion of the resource to load normally during any portion of the previously announced Planned Transmission Outage, then «Customer Name» shall do so.

4.3.4.1 **Limitations on the Frequency of TCMS Coverage**
If «Customer Name» is purchasing TCMS for a Dedicated Resource with firm transmission from all applicable providers, then BPA shall provide TCMS without the following limits identified in this section 4.3.4.1.

If, pursuant to section 4.3.3 above, BPA has allowed «Customer Name» to purchase TCMS for a resource that has not yet been granted firm network transmission but «Customer Name» is actively engaged in the process of obtaining firm network transmission, then throughout each Fiscal Year for each such resource, BPA shall periodically assess how frequently TCMS has been needed during that Fiscal Year. If BPA determines that in such Fiscal Year TCMS has been used to replace such Dedicated Resource in ten separate occurrences, where each occurrence TCMS was used was due to a separate Transmission Event on a different day, and for a cumulative total of at least 168 hours, BPA may terminate «Customer Name»'s TCMS coverage for such resource 30 calendar days after providing notice to «Customer Name».

4.3.4.2 **TCMS Payment Obligations**

«Customer Name» shall be subject to charges for TSS, including applicable costs for TCMS, consistent with the provisions of this Agreement and BPA's applicable Power Rate Schedules and GRSPs, including any applicable Unauthorized Increase Charges. Additionally, during a Transmission Event, BPA shall not assess an Unauthorized Increase Charge on a Dedicated Resource with TCMS coverage; provided, however if «Customer Name» applies a Mid-C Resource Over Non-Firm with TCMS coverage, then BPA shall not assess an Unauthorized Increase Charge if a Transmission Event affects the secondary network transmission used to deliver the power between Mid-C or BPA Power and «Customer Name»'s load.

4.3.5 **TCMS Coverage after Termination**

If TCMS coverage is terminated, pursuant to section 4.3.3 or 4.3.4.1 of this exhibit, «Customer Name» shall be responsible for obtaining replacement power during any Transmission Event that impacts such Dedicated Resource and for any applicable Unauthorized Increase Charges that may apply pursuant to section 4.3.2 above.

In addition, for any resource for which BPA has terminated TCMS coverage due to frequency of use, as described in section 4.3.3 or 4.3.4.1 of this exhibit, BPA shall allow «Customer Name» to resume purchasing TCMS for the resource only after «Customer Name» notifies BPA that such resource has obtained firm network transmission.

Option 1: Include the following for customers that are exclusively served by Transfer Service.

5. E-TAGS

To the extent E-Tags are required by transmission provider(s), Power Services shall create all E-Tags necessary for delivery of energy to «Customer Name»'s Total Retail Load.

End Option 1

Option 2: Include the following for exclusively directly-connected customers or for customers that are BOTH directly-connected and served by Transfer Service.

5. E-TAGS

To the extent E-Tags are required by transmission provider(s), Power Services shall create all E-Tags necessary for delivery of (1) BPA-provided power to «Customer Name»'s Total Retail Load and (2) any of its Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load if «Customer Name» has elected TSS-Full. If «Customer Name» has elected TSS-Partial for any of its Dedicated Resources or Consumer-Owned Resources serving On-Site Consumer Load, then «Customer Name» shall create all E-Tags necessary for delivery of such resource(s) to «Customer Name»'s Total Retail Load.

End Option 2

6. GENERATION IMBALANCE

«Customer Name» shall be responsible for costs associated with deviations between the scheduled Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load for an hour and the actual generation produced across such hour; provided, however, if «Customer Name» submits a delivery schedule consistent with all provisions of this exhibit and BPA receives that delivery schedule, and a generation imbalance results from a BPA scheduling error, then BPA shall accept responsibility for the generation imbalance associated with the BPA scheduling error.

7. CHARGES

If «Customer Name» fails to submit prescheduling or real-time scheduling information to BPA as required and by the deadlines in section 4 of this exhibit, then «Customer Name» may be subject to applicable Unauthorized Increase Charges, consistent with BPA's applicable Power Rate Schedules and GRSPs.

8. AFTER THE FACT

BPA and «Customer Name» shall reconcile all transactions, schedules and accounts at the end of each month (as early as possible within the first ten calendar days of the next month). BPA and «Customer Name» shall verify all transactions pursuant to this Agreement as to product or type of service, hourly amounts, daily and monthly totals, and related charges.

Option 1: Include the following for customers exclusively served by Transfer Service and for customers that are BOTH directly-connected and served by Transfer Service.

9. REVISIONS

BPA may unilaterally revise this exhibit:

(1) to implement changes that BPA determines are reasonably necessary to allow it to meet its power and scheduling obligations under this Agreement, or

(2) to comply with requirements of Western Electricity Coordinating Council (WECC), North American Energy Standards Board (NAESB), or NERC, WRAP or their successors or assigns.

BPA shall provide a draft of any unilateral revisions of this exhibit to «Customer Name», with reasonable time for comment, prior to BPA providing written notice of the revision. Such revisions will be effective no sooner than 45 calendar days after BPA provides written notice of the revisions to «Customer Name» unless, in BPA's sole judgment, less notice is necessary to comply with an emergency change to the requirements of WECC, NAESB, NERC, WRAP or their successors or assigns. In such circumstances, BPA shall specify the effective date of such revisions.

All other changes to this Exhibit F will be made by mutual agreement of the Parties.

End Option 1

Option 2: Include the following for customers that are directly-connected.

9. REVISIONS

9.1 **BPA's Right to Revise the Exhibit**

BPA may unilaterally revise this exhibit:

(1) to implement changes that BPA determines are reasonably necessary to allow it to meet its power and scheduling obligations under this Agreement, or

(2) to comply with requirements of Western Electricity Coordinating Council (WECC), North American Energy Standards Board (NAESB), or NERC, WRAP or their successors or assigns.

BPA shall provide a draft of any unilateral revisions of this exhibit to «Customer Name», with reasonable time for comment, prior to BPA providing written notice of the revision. Such revisions will be effective no sooner than 45 calendar days after BPA provides written notice of the revisions to «Customer Name» unless, in BPA's sole judgment, less notice is necessary to comply with an emergency change to the requirements of WECC, NAESB, NERC, WRAP or their successors or assigns. In such circumstances, BPA shall specify the effective date of such revisions.

9.2 **«Customer Name»'s Right to Cease Purchasing TSS and the Associated Exhibit Revision**
If «Customer Name» is no longer purchasing:

(1) BPA's Resource Support Services; or

(2) power from BPA at a Tier 2 Rate;

then «Customer Name», with six months' notice to BPA, may elect to cease purchasing TSS from Power Services and the Parties shall modify this exhibit to eliminate the terms and conditions of such service.

9.3 All other changes to this Exhibit F will be made by mutual agreement of the Parties.

End Option 2

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End Template Option 1

Template Option 2: Include the following for exclusively directly-connected customers with a BPA NT Agreement that have not elected to purchase Resource Support Services, have not elected to purchase power at a Tier 2 Rate, or have elected not to purchase Transmission Scheduling Service.

Exhibit F
SCHEDULING

1. DEFINITIONS

1.1 "Balancing Authority" means the responsible entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

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.

1.3 "Electronic Tag" or "E-Tag" means an electronic record that contains the details of a transaction to transfer energy from a source point to a sink point where the energy is scheduled for transmission across one or more Balancing Authority Area(s), consistent with all relevant WECC, NAESB, NERC and FERC requirements.

1.4 "Heavy Load Hours" or "HLH" means hours ending 0700 through 2200 hours Pacific Prevailing Time (PPT), Monday through Saturday, excluding holidays as designated by the North American Electric Reliability Corporation (NERC).

1.5 "Interchange Points" means the points where Balancing Authority Areas interconnect and at which the interchange of energy between Balancing Authority Areas is monitored and measured.

1.6 "Light Load Hours" or "LLH" means: (1) hours ending 0100 through 0600 and 2300 through 2400 hours PPT, Monday through Saturday, and (2) all hours on Sundays and holidays as designated by NERC.

1.7 "Open Access Transmission Tariff" or "OATT" means the terms and conditions of point-to-point and network integration transmission services, ancillary services, and generator interconnections offered by BPA or a Third-Party Transmission Provider.

1.8 "Transmission Curtailment" means an event that is initiated by a transmission provider through a curtailment to the E-Tag as a result of transmission congestion or an outage on the path used to deliver «Customer Name»'s Dedicated Resource.

1.9 "Transmission Curtailment Management Service" or "TCMS" means the service BPA will provide to customers with a qualifying resource when a Transmission Curtailment occurs between such resource and the customer load.

1.10 "Transmission Event" means a Planned Transmission Outage or a Transmission Curtailment.

1.11 "Transmission Scheduling Service" or "TSS" means the power scheduling service that BPA provides to «Customer Name» that allows BPA to manage certain aspects of «Customer Name»'s BPA NT Agreement with Transmission Services, to allow BPA to use the inherent flexibilities of «Customer Name»'s network rights in combination with other network customers' rights to manage BPA's power resources efficiently, and to provide seamless scheduling for Transfer Service customers.

2. TRANSMISSION SCHEDULING SERVICE

If «Customer Name»:

(1) acquires BPA's Resource Support Services; and/or

(2) purchases power from BPA at a Tier 2 Rate,

then Power Services shall provide and «Customer Name» shall purchase Transmission Scheduling Service. In such case, the Parties shall revise this exhibit to include the terms and conditions of such service.

If «Customer Name» is not required to purchase Transmission Scheduling Service, pursuant to the paragraph above, then «Customer Name», with six months' notice, may purchase Transmission Scheduling Service from Power Services and the Parties shall modify this exhibit to add the terms and conditions of such service.

3. AFTER THE FACT

BPA and «Customer Name» shall reconcile all transactions, schedules and accounts at the end of each month (as early as possible within the first ten calendar days of the next month). BPA and «Customer Name» shall verify all transactions pursuant to this Agreement as to product or type of service, hourly amounts, daily and monthly totals, and related charges.

4. REVISIONS

BPA may unilaterally revise this exhibit:

(1) to implement changes that BPA determines are reasonably necessary to allow it to meet its power and scheduling obligations under this Agreement, or

(2) to comply with requirements of Western Electricity Coordinating Council (WECC), North American Energy Standards Board (NAESB), or NERC, WRAP or their successors or assigns.

BPA shall provide a draft of any unilateral revisions of this exhibit to «Customer Name», with reasonable time for comment, prior to BPA providing written notice of the revision. Such revisions will be effective no sooner than 45 calendar days after BPA provides written notice of the revisions to «Customer Name» unless, in BPA's sole judgment, less notice is necessary to comply with an emergency change to the requirements of WECC, NAESB, NERC, WRAP or their successors or assigns. In such circumstances, BPA shall specify the effective date of such revisions.

All other changes to this Exhibit F will be made by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

End Template Option 2

Template Option 3: Include the following for exclusively directly-connected customers with a BPA PTP Transmission Agreement.

Exhibit F
SCHEDULING

1. DEFINITIONS

1.1 "Balancing Authority" means the responsible entity that integrates resource plans ahead of time, maintains demand and resource balance within a Balancing Authority Area, and supports interconnection frequency in real time.

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.

1.3 "Electronic Tag" or "E-Tag" means an electronic record that contains the details of a transaction to transfer energy from a source point to a sink point where the energy is scheduled for transmission across one or more Balancing Authority Area(s), consistent with all relevant WECC, NAESB, NERC and FERC requirements.

1.4 "Heavy Load Hours" or "HLH" means hours ending 0700 through 2200 hours Pacific Prevailing Time (PPT), Monday through Saturday, excluding holidays as designated by the North American Electric Reliability Corporation (NERC).

1.5 "Interchange Points" means the points where Balancing Authority Areas interconnect and at which the interchange of energy between Balancing Authority Areas is monitored and measured.

1.6 "Light Load Hours" or "LLH" means: (1) hours ending 0100 through 0600 and 2300 through 2400 hours PPT, Monday through Saturday, and (2) all hours on Sundays and holidays as designated by NERC.

1.7 "Open Access Transmission Tariff" or "OATT" means the terms and conditions of point-to-point and network integration transmission services, ancillary services, and generator interconnections offered by BPA or a Third-Party Transmission Provider.

1.8 "Transmission Curtailment" means an event that is initiated by a transmission provider through a curtailment to the E-Tag as a result of transmission congestion or an outage on the path used to deliver «Customer Name»'s Dedicated Resource.

1.9 "Transmission Curtailment Management Service" or "TCMS" means the service BPA will provide to customers with a qualifying resource when a

Transmission Curtailment occurs between such resource and the customer load.

1.10 "Transmission Event" means a Planned Transmission Outage or a Transmission Curtailment.

1.11 "Transmission Scheduling Service" or "TSS" means the power scheduling service that BPA provides to «Customer Name» that allows BPA to manage certain aspects of «Customer Name»'s BPA NT Agreement with Transmission Services, to allow BPA to use the inherent flexibilities of «Customer Name»'s network rights in combination with other network customers' rights to manage BPA's power resources efficiently, and to provide seamless scheduling for Transfer Service customers.

2. AFTER THE FACT

BPA and «Customer Name» shall reconcile all transactions, schedules and accounts at the end of each month (as early as possible within the first ten calendar days of the next month). BPA and «Customer Name» shall verify all transactions pursuant to this Agreement as to product or type of service, hourly amounts, daily and monthly totals, and related charges.

3. REVISIONS

BPA may unilaterally revise this exhibit:

(1) to implement changes that BPA determines are reasonably necessary to allow it to meet its power and scheduling obligations under this Agreement, or

(2) to comply with requirements of Western Electricity Coordinating Council (WECC), North American Energy Standards Board (NAESB), or NERC, WRAP or their successors or assigns.

BPA shall provide a draft of any unilateral revisions of this exhibit to «Customer Name», with reasonable time for comment, prior to BPA providing written notice of the revision. Such revisions will be effective no sooner than 45 calendar days after BPA provides written notice of the revisions to «Customer Name» unless, in BPA's sole judgment, less notice is necessary to comply with an emergency change to the requirements of WECC, NAESB, NERC, WRAP or their successors or assigns. In such circumstances, BPA shall specify the effective date of such revisions.

All other changes to this Exhibit F will be made by mutual agreement of the Parties.

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End Template Option 3

Template Option 1: Include the following for customers not served by Transfer Service.

Exhibit G

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(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

End Template Option 1

Template Option 2: Include the following exhibit for customers served by Transfer Service.

Exhibit G
TERMS RELATED TO TRANSFER SERVICE

As provided by section 14.6.7 of the body of this Agreement, if «Customer Name» acquires a Transfer Service Eligible Resource, then BPA's support and financial assistance to «Customer Name» shall be consistent with the terms and conditions in this exhibit.

1. DEFINITIONS

1.1 "Fiscal Year Transfer Cap" means the annual Average Megawatt cap described in section 2 of this exhibit. The Fiscal Year Transfer Cap establishes the limit under which BPA will provide financial support for Transfer Service to customers' Network Resources.

1.2 "Initial Transfer Study Deposit" means the amount of dollars required by a Third-Party Transmission Provider to initiate a Transfer Study.

1.3 "Last Transfer Segment" means the transmission and/or distribution facilities of the Third-Party Transmission Provider that (1) interconnect directly to a customer's transmission or distribution facilities, (2) interconnect to BPA transmission facilities that subsequently interconnect with a customer's transmission or distribution facilities, or (3) for deliveries to Transfer Service PODs where BPA uses the facilities of multiple Third-Party Transmission Providers, as noted in Exhibit E, to deliver Firm Requirements Power and Surplus Firm Power from the Primary Points of Receipt to the required facilities of each of these Third-Party Transmission Providers.

1.4 "Network Load" shall have the meaning as defined in the Federal Energy Regulatory Commission's (FERC's) current pro forma Open Access Transmission Tariff (OATT), or its successor.

1.5 "Network Resource" shall have the meaning as defined in the current FERC pro forma OATT, or its successor. In addition, the term "Network Resource" means any Transfer Service Eligible Resource that has been acquired by a customer and for which the customer has begun the process of acquiring firm transmission to serve the customer's Transfer Service POD(s).

1.6 "Transfer Market Purchase" means, for purposes of this Exhibit G, a power purchase or resource that a customer uses to displace a Network Resource.

1.7 "Transfer Request" means the written notification by BPA to a Third-Party Transmission Provider to start the required process to accommodate new or modified Transfer Service.

1.8 "Transfer Study" means a system impact study, feasibility study, facilities study, or other such study required by a Third-Party Transmission Provider following submission of a Transfer Request.

2. ESTABLISHED CAPS AND LIMITATIONS

2.1 This section 2.1 shall not apply for any Transfer Service Eligible Resource: (1) serving a Planned NLSL or an NLSL pursuant to section 1 of Exhibit D and for which BPA is passing through the cost of Transfer Service pursuant to section 14.6.7.1, (2) serving a portion of «Customer Name»'s Total Retail Load that «Customer Name» is obligated to serve with BPA-provided electric power pursuant to this Agreement, or (3) that «Customer Name» is not acquiring and paying for transmission service from Transmission Services for that Transfer Service Eligible Resource. For all other Transfer Service Eligible Resources, BPA shall provide financial support for the transmission capacity associated with the Transfer Service Eligible Resource to all Transfer Service customers up to a maximum of 41 MW per Fiscal Year, cumulative over the duration of this Agreement. This cumulative megawatt limit is shown in the table below.

Fiscal Year	Per Year MW Limit	Cumulative MW Limit
FY 2029	41	41
FY 2030	41	82
FY 2031	41	123
FY 2032	41	164
FY 2033	41	205
FY 2034	41	246
FY 2035	41	287
FY 2036	41	328
FY 2037	41	369
FY 2038	41	410
FY 2039	41	451
FY 2040	41	492
FY 2041	41	533
FY 2042	41	574
FY 2043	41	615
FY 2044	41	656

2.2 Application of section 14.6.7 of the body of this Agreement and section 3.2 of this exhibit shall be on a first come, first served basis in each year based on the date each request is received by BPA. Requests not met, in whole or in part, in any Fiscal Year will have priority over subsequent requests the following year. Once granted, BPA shall honor such request for the duration of the resource acquisition period, not to exceed the term of this Agreement.

3. TRANSFER SERVICE FOR TRANSFER SERVICE ELIGIBLE RESOURCES

The terms and conditions of this section 3 are intended to serve as an enabling agreement under which BPA will offer specific terms for delivering Network

Resources to «Customer Name»'s Transfer Service PODs, as identified in Exhibit E. Each Network Resource serving «Customer Name»'s Transfer Service PODs will result in specific terms and conditions, negotiated by the Parties, and be included in section 7 of Exhibit J.

3.1 Obtaining Transfer Service Support

3.1.1 Customer Application

«Customer Name» shall have the right to request Transfer Service support over the Last Transfer Segment from BPA for the delivery of any Transfer Service Eligible Resource that «Customer Name» intends to acquire to serve its Transfer Service POD(s), provided that such request shall be for service of at least one year in duration. «Customer Name»'s request shall comply with the requirements of this section 3.1 and shall be subject to the limitations of section 2 of this exhibit.

To request Transfer Service support from BPA for delivery of any Transfer Service Eligible Resource, «Customer Name» shall complete and submit to BPA the application form that BPA shall make available at a publicly accessible website.

«Customer Name»'s submission of the application to BPA begins the process of acquiring firm transmission for the Transfer Service Eligible Resource. From the submission forward, the Transfer Service Eligible Resource will be referred to as a Network Resource. «Customer Name» shall submit its completed application form to BPA at least one year prior to the date «Customer Name» anticipates it will start receiving energy from its Network Resource and BPA shall acquire, if possible, firm transmission service for «Customer Name»'s Network Resource over the Last Transfer Segment.

On a case-by-case basis, BPA may, but is not obligated to, consider Transfer Service support requests to obtain firm transmission service for a Network Resource made less than one year prior to the date «Customer Name» anticipates it will start receiving energy from that Network Resource.

3.1.2 BPA Notice and Completing Customer Application

Within ten Business Days of BPA's receipt of «Customer Name»'s application, BPA shall notify «Customer Name» as to the status of the application. Such notice shall inform «Customer Name» of the following: (1) whether the information provided in the submitted application form is sufficient for BPA to request firm transmission service for «Customer Name»'s Network Resource, (2) whether the amount of Transfer Service requested for «Customer Name»'s Network Resource exceeds, or partially exceeds, the current Fiscal Year Transfer Cap, and (3) whether the amount of Transfer Service requested for «Customer Name»'s Network Resource exceeds, or

partially exceeds BPA's forecast of «Customer Name»'s minimum hourly load for «Customer Name»'s Transfer Service POD(s).

If BPA determines the information in «Customer Name»'s application is insufficient, then BPA may ask «Customer Name» for additional information to support BPA's efforts to secure firm transmission service. «Customer Name» shall provide BPA with the requested information within ten Business Days or within such time as the Parties may agree.

If «Customer Name»'s request exceeds or partially exceeds the current Fiscal Year Transfer Cap, then «Customer Name» shall notify BPA within ten Business Days after receipt of BPA's notification whether «Customer Name» will withdraw or proceed with its application.

If «Customer Name»'s request exceeds or partially exceeds BPA's forecast of their minimum hourly load for «Customer Name»'s Transfer Service POD(s), then «Customer Name» shall revise its application within ten Business Days after receipt of BPA's notification so that the Network Resource does not exceed or partially exceed its minimum load.

3.1.3 **Obtaining Firm Transmission Service**

Once the Parties have completed the requirements in sections 3.1.1 and 3.1.2 of this exhibit, BPA shall pursue designation of the Network Resource and request firm transmission service from the Third-Party Transmission Provider. If the Third-Party Transmission Provider requests from BPA more information than «Customer Name» provided in its completed application form, then the Parties shall obtain and provide such information to the Third-Party Transmission Provider within ten Business Days of the Third-Party Transmission Provider's request.

If the Third-Party Transmission Provider informs BPA that studies are, or construction may be, required to provide firm transmission service for «Customer Name»'s Network Resource, then BPA shall notify «Customer Name» of such studies or construction requirements. If, based on such studies or construction, «Customer Name» chooses to withdraw its request, then «Customer Name» shall notify BPA within five Business Days of receiving notice from BPA of such requirements. If no notice of withdrawal is received, then BPA shall proceed with firm transmission service acquisition for «Customer Name»'s Network Resource and BPA shall pass through to «Customer Name» all study and construction related costs the Third-Party Transmission Provider charges to BPA.

BPA shall make reasonable efforts to coordinate with «Customer Name» and the Third-Party Transmission Provider to complete the

firm transmission service acquisition process as described in this section 3.1.3.

3.1.4 **Unavailable Firm Transmission Service for a Network Resource**

If the Third-Party Transmission Provider has not agreed to provide firm transmission services for «Customer Name»'s Network Resource within the requested timeframe, then BPA shall not be liable to «Customer Name» for any costs or penalties «Customer Name» may incur associated with the lack of firm transmission service. Further, BPA shall not be obligated to obtain Transfer Service for such Network Resource. «Customer Name» may submit a subsequent request for such Network Resource or another resource pursuant to section 3.1.1 of this exhibit. Such subsequent request may obligate BPA to obtain Transfer Service pursuant to terms of this exhibit and section 14 of the body of this Agreement.

BPA shall pass through to «Customer Name» any costs assessed by the Third-Party Transmission Provider regarding «Customer Name»'s request for Transfer Service support, regardless of whether firm transmission service is obtained for «Customer Name»'s Network Resource.

3.2 **Parties' Payment Obligations**

Once BPA has obtained firm transmission service for «Customer Name»'s Network Resource from the Third-Party Transmission Provider, the Parties shall be responsible for costs as follows:

3.2.1 **Customer Obligations**

«Customer Name» shall be responsible for acquiring firm transmission service, and paying for all costs associated with such firm transmission service, necessary to deliver the Network Resource across all intervening transmission systems to the Last Transfer Segment. These costs may include but are not limited to all costs related to transmission, system impact studies, facilities studies, interconnection studies, generation imbalance, and any ongoing costs associated with «Customer Name»'s Network Resource interconnection.

3.2.2 **BPA Obligations**

BPA's obligation to acquire and pay for the Transfer Service costs pursuant to section 14.6 of the body of this Agreement for «Customer Name»'s Transfer Service Eligible Resources is limited to Network Resources delivered over the Last Transfer Segment.

BPA shall have no obligation to acquire or pay for Transfer Service for Transfer Service Eligible Resources if the Parties have not agreed to include such Transfer Service Eligible Resource and the applicable terms and conditions in section 7 of Exhibit J.

3.2.3 **Customer Obligation to Pay BPA**
BPA shall pass through to «Customer Name» and «Customer Name» shall pay BPA certain Transfer Service costs associated with any Network Resource pursuant to this exhibit and section 14.6 of the body of this Agreement and stated in section 7 of Exhibit J.

3.2.3.1 **Pass Through of Network Resource Specific Ancillary Services and Other Costs**
BPA shall pass through to «Customer Name» any costs of ancillary services associated with Transfer Service for «Customer Name»'s Network Resource(s).

BPA shall also pass through to «Customer Name» the costs of all other transmission services for Network Resource deliveries including, but not limited to: redispatch costs, congestion management costs, costs associated with adding the Transfer Service Eligible Resource generation as a Network Resource, any costs associated with generation interconnection, direct assigned system upgrade costs, and distribution and low-voltage charges, if applicable.

Such pass through of costs shall be set forth in section 7 of Exhibit J.

3.2.4 **Reimbursement of Transfer Costs Above Fiscal Year Transfer Cap**
If BPA's Fiscal Year Transfer Cap will be exceeded by «Customer Name»'s Network Resource and «Customer Name» elects to have BPA obtain firm transmission service for «Customer Name»'s Network Resource pursuant to section 3.1.2 of this exhibit, then BPA shall pass through to «Customer Name» all charges assessed by the Third-Party Transmission Provider associated with the delivery of that portion of «Customer Name»'s Network Resource which exceeds the Fiscal Year Transfer Cap. «Customer Name»'s reimbursement of costs shall continue until such time as the Fiscal Year Transfer Cap increases and all of «Customer Name»'s Network Resource may be accommodated under the Fiscal Year Transfer Cap, as described in section 2.2 of this exhibit.

3.3 **Network Resource Section of Exhibit J**
Consistent with the requirements of this exhibit, the Parties shall include the details and any additional terms and conditions of Transfer Service for each Network Resource that «Customer Name» is using to serve its Transfer Service POD(s) in the Network Resource section 7 of Exhibit J.

3.3.1 **Requirements for Adding the Network Resource to Section 7 of Exhibit J**

Once «Customer Name»'s Network Resource has firm transmission from the Third-Party Transmission Provider, the Parties shall revise section 7 of Exhibit J to add resource-specific information regarding charges and the terms and conditions for the delivery of «Customer Name»'s Network Resource, including the cost responsibilities for delivering the Network Resource.

3.3.2 **Revisions to «Customer Name»'s Network Resource**

If any information for «Customer Name»'s Network Resource in section 7 of Exhibit J changes at any time during the term of this Agreement, then the Party that is aware of such change shall notify the other Party. The Parties shall revise the information for «Customer Name»'s Network Resource consistent with the change. Such information may require additional changes to the designation of the Network Resource and may require a new Transfer Request.

3.4 **Other Requirements and Limitation on Network Resources**

3.4.1 **Hourly Transfer Service Limit**

«Customer Name»'s hourly right to Transfer Service for the Network Resource(s) shall not exceed «Customer Name»'s Transfer Service POD(s) on any hour.

3.4.2 **Resource Removal**

BPA shall not obtain or pay for Transfer Service for that portion of «Customer Name»'s Network Resource, or a former Network Resource, that has been removed pursuant to section 10 of the body of this Agreement. If a Network Resource has been removed or is no longer being used to serve «Customer Name»'s Transfer Service POD(s), then BPA may permanently or temporarily undesignate such Network Resource.

3.4.3 **Generation Metering Requirements**

«Customer Name» shall ensure that any Network Resource that is a Generating Resource meets the metering requirements specified in section 15 of the body of this Agreement and any metering requirements of the generation host Balancing Authority and the Third-Party Transmission Provider.

3.4.4 **Scheduling Requirements**

«Customer Name» shall be responsible for managing its Network Resource consistent with Exhibit F.

3.5. **Undesignation of Network Resource**

After BPA has obtained Network Resource designation for «Customer Name»'s Transfer Service Eligible Resource from the Third-Party

Transmission Provider, BPA shall not undesignate such Network Resource except pursuant to section 3.4.2 of this exhibit or for the purposes of accommodating «Customer Name»'s load growth planning. Such undesignation and any subsequent designation shall be consistent with Exhibit A and section 3.1 of this exhibit.

Following any undesignation of a Network Resource, the Parties shall revise section 7 of Exhibit J to reflect such undesignation.

3.6 **Transfer Market Purchases**

After BPA has obtained firm transmission service for «Customer Name»'s designated Network Resource, «Customer Name» may use a Transfer Market Purchase to displace the designated Network Resource, which BPA shall schedule on secondary network service, provided that:

(1) such Transfer Market Purchase is only scheduled in preschedule and not modified in real time, consistent with section 4 of Exhibit F, and such Market Purchase is at least one calendar day in duration;

(2) the megawatt amount of the Transfer Market Purchase does not exceed the amount of the Network Resource that «Customer Name» would have scheduled to its load;

(3) «Customer Name» does not, under any circumstances, remarket its Network Resource or perform any other operation that would cause BPA to be in violation of its obligations under the Third-Party Transmission Provider's OATT;

(4) «Customer Name» is responsible for acquiring transmission service, and paying for the costs associated with such transmission service, necessary to deliver the Transfer Market Purchase to the Last Transfer Segment. These costs include, but are not limited to, any additional energy imbalance, redispatch, and Unauthorized Increase Charges that result from a transmission curtailment that impacts the resulting secondary network schedule; and,

(5) «Customer Name» shall pay all cost obligations described in section 3.2 of this exhibit.

If «Customer Name» violates any of the criteria listed above, BPA shall immediately cease obtaining Transfer Service for «Customer Name» for purposes of displacing «Customer Name»'s Network Resource(s) with Transfer Market Purchases. Such prohibition shall apply to all Network Resources listed in section 7 of Exhibit J, and the prohibition shall continue for the remaining term of this Agreement unless otherwise agreed by BPA in BPA's sole discretion. BPA shall pass through to «Customer Name» all penalties, or other assessed costs, that result from «Customer Name» violating the conditions of this section 3 and section 7 of Exhibit J.

3.7 **Transfer Service Using Non-OATT Agreements**

When BPA provides Transfer Service to «Customer Name» pursuant to a non-OATT agreement, and notwithstanding the OATT-specific definitions, descriptions and procedures defined in this exhibit, BPA shall, at its sole discretion, determine the appropriate Transfer Service arrangement for «Customer Name»'s Network Resource. In such instance, «Customer Name»'s Transfer Service Eligible Resource shall have characteristics comparable to a Network Resource, and «Customer Name» shall comply with the timelines and information sharing requirements described in section 3.1 of this exhibit and shall be responsible for direct payment and pass through costs on an equivalent basis to what is described in section 3.2 of this exhibit.

3.8 **Duties of Cooperation**

The Parties shall cooperate to establish the protocols, provisions, and other arrangements that are reasonably necessary to:

(1) manage any particular characteristic of «Customer Name»'s Network Resource(s), and

(2) ensure that BPA is able to meet its obligations to the Third-Party Transmission Provider as set out in the applicable transmission service contract.

Such protocols, provisions, and other arrangements shall be reflected in section 7 of Exhibit J.

Requests by either Party for expedited provision of information shall not be unreasonably denied.

4. TERMS AND CONDITIONS FOR ACQUIRING NEW OR MODIFIED TRANSFER SERVICE

4.1 BPA's Agreement to Pursue New or Modified Transfer Service

4.1.1 «Customer Name» may request that BPA submit a Transfer Request to a Third-Party Transmission Provider. BPA will consult with «Customer Name» to determine the information needed to submit such Transfer Request. The Parties shall confirm, in writing, their intent to pursue a Transfer Study, if required, including the information to be included in the Transfer Request and the amount of the Initial Transfer Study Deposit. Within 30 calendar days after the Parties consult, BPA shall submit a Transfer Request to the Third-Party Transmission Provider based on the information provided.

4.1.2 If the Third-Party Transmission Provider requests more information than BPA-provided in the Transfer Request, then the Parties shall obtain and provide such information to the Third-Party Transmission Provider within ten Business Days of the Third-Party Transmission Provider's request.

If the Third-Party Transmission Provider informs BPA that a Transfer Study is required, then BPA shall notify «Customer Name» of such study. If, based on such Transfer Study requirement, «Customer Name» chooses to withdraw its request, then «Customer Name» shall notify BPA within five Business Days of receiving notice from BPA of such requirements. If no notice of withdrawal is received, then BPA shall continue to proceed with the Transfer Study. If «Customer Name» informs BPA it does not wish to proceed, then BPA shall withdraw the Transfer Request from the Third-Party Transmission Provider.

4.1.3 BPA shall initially pay the Third-Party Transmission Provider for all costs associated with the Transfer Request or the Transfer Study. BPA shall pass through all such costs to «Customer Name», subject to the limitations set forth in section 4.2 of this exhibit.

4.1.4 BPA's obligations under this section 4 are limited to submitting a Transfer Request to, or requesting a Transfer Study from, a Third-Party Transmission Provider and initially incurring any costs associated with such requests. BPA shall not be held liable to «Customer Name» for any acts, omissions, or failures by the Third-Party Transmission Provider related to any Transfer Requests or Transfer Studies. BPA shall not be required to take any further action as a result of this section 4, including but not limited to any of the following:

(1) renewing or modifying the Transfer Service agreement between BPA and the Third-Party Transmission Provider;

(2) negotiating or entering into a new transmission arrangement between BPA and the Third-Party Transmission Provider; or

(3) agreeing to or incurring costs associated with any construction, upgrades, or other improvements to «Customer Name»'s, BPA's, or the Third-Party Transmission Provider's facilities. The Parties shall revise Exhibit D to include terms and conditions associated with any direct assignment of such costs.

4.1.5 If, for any reason, the Third-Party Transmission Provider requires BPA to agree to any of the actions identified in section 4.1.4 above, then BPA may withdraw the Transfer Request and terminate the Transfer Study immediately after providing «Customer Name» notice of its intent to do so.

4.2 **Coordination of Costs Beyond the Initial Transfer Study Deposit**
As stated in section 4.1.3 of this exhibit, BPA shall pass through to «Customer Name» all costs associated with a Transfer Request or Transfer Study. BPA shall notify and request confirmation related to a Transfer

Request or Transfer Study from «Customer Name» pursuant to the notification provisions of section 4.2.1 below.

4.2.1 If BPA is notified that the costs associated with a Transfer Request or Transfer Study are likely to exceed the Initial Transfer Study Deposit, prior to BPA taking any action that would result in BPA incurring costs that exceed the Initial Transfer Study Deposit, then BPA shall notify and request confirmation from «Customer Name» to determine if «Customer Name» would like to proceed. BPA will notify «Customer Name» in writing as soon as practicable following notice of such additional costs from the Third-Party Transmission Provider. If the amount of such costs is not known, then the following additional provisions shall apply:

(1) BPA may request an estimate of such costs from the Third-Party Transmission Provider and provide that estimate to «Customer Name»; or

(2) BPA may estimate the amounts of such costs and provide those amounts to «Customer Name».

Estimates under sections 4.2.1(1) and 4.2.1(2) above, if any, shall not be binding on BPA and shall not alter «Customer Name»'s obligation to pay or reimburse BPA for the final actual costs.

4.2.2 «Customer Name» shall notify BPA in writing by the date specified by BPA in the notice in section 4.2.1 of this exhibit (which shall not be less than seven Business Days) regarding whether BPA should or should not agree to incur such costs.

(1) If BPA receives a timely notice as stated in this section 4.2.2 in which «Customer Name» requests that BPA agree to incur the costs identified in a notice as stated in section 4.2.1, then BPA shall agree to incur the costs.

(2) If BPA receives a timely notice as stated in this section 4.2.2 in which «Customer Name» requests that BPA not agree to incur a cost identified in a notice as stated in section 4.2.1 of this exhibit, then: (A) BPA shall not agree to incur such costs; and (B) BPA shall have the right to immediately withdraw the Transfer Request and terminate the Transfer Study process.

(3) If BPA does not receive a timely notice as stated in section 4.2.1 of this exhibit, then BPA shall have the right to continue the Transfer Study process and pass through the additional costs to «Customer Name».

5. REVISIONS

Revisions to this Exhibit G will be made by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

End Template Option 2

Exhibit H
RENEWABLE ENERGY CERTIFICATES AND ENVIRONMENTAL ATTRIBUTES

1. PURPOSE AND INTENT; DISCLAIMER

The Parties acknowledge that: different jurisdictions, regulatory programs, and entities (federal, state, county, cities, and others) have different definitions for environmental attributes, renewable energy credits/certificates, emissions credits, and similar instruments; the various jurisdictions, programs, and entities are inconsistent in how they define and address these concepts; and these concepts are continually evolving. Accordingly, through this Agreement BPA does not attempt to define these concepts other than by reference to how they may be defined by others, and BPA does not represent or warrant that the items conveyed in this Exhibit H are suitable for a particular purpose or regulatory program. Whatever the regulatorily-defined environmental and non-power characteristics are of the power that customers buy from BPA, the purpose and intent of this Exhibit H is to convey to «Customer Name», in accordance with this Exhibit H, all Environmental Attributes, if any, and to the extent they exist, associated and commensurate with the physical amount of power «Customer Name» buys from BPA and the Attribute Pools associated with «Customer Name»'s purchase obligation under this Agreement. This Exhibit H accomplishes this by BPA: (1) agreeing to register applicable generation, (2) providing for the creation of an Environmental Attribute Accounting Process, (3) producing Inventories of RECs based on power generated, (4) committing to transfer «Customer Name»'s share of RECs based on its BPA power purchases and as determined in accordance with this Exhibit H to «Customer Name», (5) committing to provide an emissions accounting and non-emitting generation accounting for customers' use, and (6) undertaking the other actions identified in this exhibit below.

2. DEFINITIONS

2.1 "Attribute Pools" means the results calculated in the Environmental Attribute Accounting Process whereby the physical resources and forecasted power deliveries associated with each of BPA's rates and firm power obligations are determined for the upcoming Rate Period.

2.2 "Emissions Allowance" means an authorization in a given jurisdiction to emit a specified amount of carbon dioxide equivalent or other measurement of greenhouse gases, and documented as an emissions credit, certificate, or similar instrument.

2.3 "Environmental Attribute Accounting Process" means the public process BPA will conduct each Rate Case Year, after the conclusion of each routine power rate 7(i) Process, during which the allocation methodology and Attribute Pools for BPA's Environmental Attributes for the upcoming Rate Period will be determined.

2.4 "Environmental Attributes" means the environmental and non-power characteristics of power, however defined or titled and arising under any federal, state, or local law or regulation, including but not limited to current or future certificates, credits, benefits, and avoided emissions attributable to the generation of energy from a resource. Environmental Attributes do not include the tax credits associated with such resource. One megawatt-hour of energy generation from a resource is associated with one megawatt-hour of Environmental Attributes.

2.5 "Inventory" or "Inventories" means the Environmental Attributes, including RECs, that are attributable to the output of generation resources, by Attribute Pool(s).

2.6 "Renewable Energy Certificates" or "Renewable Energy Credits" or "RECs" means the tradeable certificates, credits, documentation, or other evidence that demonstrates: (1) that the electricity was generated from a renewable or non-emitting energy generating unit and (2) proof of ownership of the Environmental Attributes of such generated electricity in a REC tracking system. Some jurisdictions and regulatory programs may interpret a REC to include the emissions avoided by the generation of electricity by a renewable or non-emitting generating unit. For purposes of such situations, the Parties' intent is that the RECs conveyed herein include the associated Environmental Attributes; however, this conveyance is not intended to impact BPA's reporting in any generation-based emission programs where REC retirement is not required. One megawatt-hour of energy generation from a resource registered with the tracking system under section 5 is associated with one REC.

2.7 "Retire" or "Retirement" means an action taken to remove a REC from circulation within a REC tracking system.

3. ENVIRONMENTAL ATTRIBUTE INVENTORY AND ACCOUNTING

The Parties acknowledge that the Environmental Attribute accounting outlined below will be provided consistent with physical deliveries of power.

3.1 **Registration of Renewable Energy Generating Units**
BPA shall take all reasonable steps to register the applicable renewable energy generating units in BPA's system mix, including any hydro resources, with the tracking system selected under section 5 of this Exhibit H.

3.2 **Environmental Attribute Accounting Process**
Starting after issuance of the Final ROD of the BP-29 power rate 7(i) Process, and after the issuance of the Final ROD in each subsequent routine power rate 7(i) Process thereafter through the term of the Agreement, BPA shall conduct an Environmental Attribute Accounting Process for each upcoming Rate Period.

3.3 **REC Inventory Accounting**
No later than April 15, 2030, and by each April 15 over the remaining term of this Agreement, BPA shall calculate its Inventory for RECs for each Attribute Pool created during the prior calendar year in the applicable Environmental Attribute Accounting Process for the applicable Rate Period.

3.4 **Emission Accounting**
No later than June 1, 2029 and by each June 1 thereafter, and as an outcome of the Environmental Attribute Accounting Process, BPA will provide emission accounting information and, if applicable, will provide such information consistent with state rules.

3.5 **Non-Emitting Electric Generation Accounting**
No later than June 1, 2029 and by each June 1 thereafter, and as an outcome of the Environmental Attribute Accounting Process, BPA will provide non-emitting electric generation accounting information and, if applicable, will provide such information consistent with state rules.

4. CUSTOMER'S SHARE OF RECS

Drafter's Note: Include the following paragraph for customers that had a Regional Dialogue CHWM Contract.
All capitalized terms used in this paragraph and the related underlying processes described in this paragraph shall be as defined, determined and calculated under «Customer Name»'s Regional Dialogue CHWM Contract. By April 15, 2029, BPA shall transfer to «Customer Name» or manage a pro rata share of Available Tier 1 RECs from calendar year 2028 based on «Customer Name»'s FY 2028 RHWM divided by the total FY 2028 RHWMs of all customers with Regional Dialogue CHWM Contracts. BPA shall also transfer to «Customer Name» its share of Tier 2 RECs, if applicable, generated during calendar year 2028. «Customer Name» agrees that its REC transfer or management election (WREGIS account, WREGIS subaccount, or remarketing) for Fiscal Year 2028 shall apply for all calendar year 2028.
End Option

By April 15, 2030, and by each April 15 over the remaining term of this Agreement, BPA shall determine «Customer Name»'s share of RECs as a pro rata share of the actual megawatt-hours of power «Customer Name» purchased from BPA the prior calendar year under this Agreement. «Customer Name»'s pro rata share of each Inventory of RECs shall be calculated as the actual megawatt hours of power «Customer Name» purchased from BPA under this Agreement during the prior calendar year from the applicable Attribute Pool divided by the sum of all power purchased from BPA for the applicable Attribute Pool.

5. TRANSFER AND TRACKING OF RECS

By December 1, 2029, «Customer Name» shall provide written notice to BPA stating which one of the three options below it elects for the transfer of «Customer Name»'s share of RECs, for the remaining term of the Agreement. However, «Customer Name» may change its transfer election for the remaining term of the Agreement by

providing written notice to BPA of such change by December 1, 2030 or by any December 1 over the remaining term of the Agreement.

(1) BPA shall transfer «Customer Name»'s share of RECs into «Customer Name»'s own Western Renewable Energy Generation Information System (WREGIS) account, which shall be established by «Customer Name»; or

(2) BPA shall transfer «Customer Name»'s share of RECs into a BPA-managed WREGIS subaccount. Such subaccount shall be established by BPA on «Customer Name»'s behalf and the terms and conditions of which shall be determined by the Parties in a separate agreement; or

(3) BPA shall transfer «Customer Name»'s share of RECs into a third party-managed WREGIS account. «Customer Name» shall notify BPA of the third-party WREGIS account number in its notice provided pursuant to this section 5.

By April 15, 2030, and by each April 15 over the remaining term of this Agreement, BPA shall transfer «Customer Name»'s share of RECs from the prior calendar year to «Customer Name» via WREGIS in accordance with its transfer election.

If «Customer Name»'s WREGIS account number has changed, then «Customer Name» shall notify BPA of such change by December 1, 2028 and by each December 1 over the remaining term of this Agreement.

All references to WREGIS in this Exhibit H should be understood to mean WREGIS or a comparable commercial tracking system. BPA may change commercial tracking systems with reasonable advance notice to «Customer Name». In such case, the Parties shall establish a comparable process for BPA to provide «Customer Name» its share of RECs.

6. FEES

BPA shall pay any reasonable fees associated with: (1) the transfer of «Customer Name»'s RECs into any WREGIS account or WREGIS subaccount and (2) the establishment of any WREGIS subaccounts in «Customer Name»'s name pursuant to section 5 of this exhibit. «Customer Name» shall pay all other fees associated with any WREGIS or successor commercial tracking system, including WREGIS Retirement, reserve, and export fees.

7. EMISSION ALLOWANCES

7.1 BPA Compliance with Emission Allowance Program(s)

If over the term of this Agreement BPA incurs an emissions compliance obligation placed on electricity importers that provide power to «Customer Name»'s service territory, and if based on that compliance program:

(1) BPA is obligated to obtain Emission Allowances sufficient to cover power purchased under this Agreement to «Customer Name», and

(2) «Customer Name» is eligible to receive Emission Allowances at no cost from «Customer Name»'s applicable jurisdiction and which can be used directly for compliance,

then «Customer Name» shall transfer, or otherwise provide, Emission Allowances to BPA on the schedule and in the amount agreed to by BPA and «Customer Name» that is sufficient to satisfy BPA's compliance obligations that arise in order to serve «Customer Name»'s load in its state.

The Parties shall revise section 7.2 below to include the specific terms and conditions, such as the calculation of the Emission Allowances to be transferred, and cost responsibilities, if any, associated with the transfer of Emission Allowances to BPA.

If «Customer Name» elects to not revise this Exhibit H to include applicable special provisions in section 7.2 below, then BPA shall apply and «Customer Name» shall pay the applicable Emissions Allowance costs through charges established in the BPA Power Rate Schedules and GRSPs.

7.2 **Transfer of Emission Allowances to BPA**
Placeholder for special provisions.

Drafter's Note: Include the following for customers with a BPA-managed WREGIS subaccount.
Drafter's Note: Delete this section for all customers at contract offer as, per section 5 above, customer's election for transfer of RECs is by December 1, 2029. This section will be added as applicable after such election.

8. TERMS AND CONDITIONS OF CUSTOMER'S WREGIS SUBACCOUNT

8.1 **Establishment of WREGIS Subaccount**
In accordance with «Customer Name»'s election under section 5(2) above, BPA shall establish a subaccount in «Customer Name»'s name, if not already established, within BPA's WREGIS account. BPA shall provide «Customer Name» read-only access to its subaccount.

BPA shall use such subaccount for the purposes of administering the provisions of this Agreement related to RECs that «Customer Name» receives from BPA.

«Customer Name» gives its consent to be bound by the terms stated in the WREGIS Account Holder Registration Agreement, also referred to as the WREGIS Terms of Use (WREGIS TOU) Agreement, executed by BPA and including any revisions. BPA shall provide «Customer Name» a copy of the executed WREGIS TOU Agreement upon request.

8.2 **Transfer of RECs to Customer's WREGIS Subaccount**
BPA shall transfer «Customer Name»'s share of RECs to «Customer Name»'s WREGIS subaccount pursuant to the timeline established in section 5 above.

8.3 **Resale, Purchase, and Retirement of RECs**

If «Customer Name» wants to sell RECs received from BPA or purchase RECs other than those RECs it receives from BPA, then «Customer Name» shall request that BPA terminate its WREGIS subaccount pursuant to section 8.5 below and «Customer Name» shall establish its own WREGIS account.

Upon receipt of written notice from «Customer Name» of RECs «Customer Name» wants BPA to Retire, BPA shall Retire «Customer Name»'s RECs on its behalf. In such Retirement notice, «Customer Name» shall identify REC quantity, the name of the renewable project(s) which generated the RECs, and the month and year the RECs were generated by the project(s).

8.4 **WREGIS Subaccount Fees**

BPA shall pay the fees associated with «Customer Name»'s WREGIS subaccount consistent with section 5 of this exhibit. BPA shall pass through to «Customer Name» all other fees associated with «Customer Name»'s WREGIS subaccount including but not limited to any REC Retirement fees. «Customer Name» shall pay all WREGIS fees incurred from the termination of its WREGIS subaccount, and «Customer Name» shall pay all fees associated with establishment of its own WREGIS account.

8.5 **Termination of Customer's WREGIS Subaccount**

Either Party may terminate «Customer Name»'s WREGIS subaccount after providing written notice to the other Party.

BPA shall not terminate «Customer Name»'s WREGIS subaccount until (1) «Customer Name» has established its own WREGIS account or «Customer Name» has arranged for its RECs to be handled by a third party and (2) BPA has received written notice from «Customer Name» to transfer 100 percent of «Customer Name»'s RECs into «Customer Name»'s own WREGIS account or a third-party WREGIS account. After BPA has transferred «Customer Name»'s RECs from its WREGIS subaccount to «Customer Name»'s new WREGIS account or a third party WREGIS account, «Customer Name» may not have both a WREGIS account and a WREGIS subaccount open at the same time.

Unless otherwise agreed by the Parties, if «Customer Name» asks BPA to terminate its WREGIS subaccount, then BPA shall not establish another WREGIS subaccount for «Customer Name» for the remaining term of this Agreement.

End Option

«#». REVISIONS

BPA may unilaterally revise this exhibit:

(1) to add or remove the terms and conditions of «Customer Name»'s WREGIS subaccount following either «Customer Name»'s election of a WREGIS subaccount pursuant to section 5 of this exhibit or either Party's notice for termination of a WREGIS subaccount; and

(2) to incorporate any significant edits related to a change to the commercial tracking system, pursuant to the last paragraph of section 5 of this exhibit.

All other changes to this Exhibit H will be made by mutual agreement of the Parties. As discussed in section 1 of this exhibit, BPA and «Customer Name» acknowledge that the regulatory concepts covered in this exhibit are not well settled and are continually evolving. Accordingly, if future regulatory concepts change such that the spirit and intent of this exhibit are not being met, then BPA agrees to discuss such situations with customers and, as needed, to attempt in good faith to agree on mutually acceptable amendments to this exhibit.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Exhibit I
NOTICES AND CONTACT INFORMATION

1. NOTICES AND CONTACT INFORMATION

1.1 Notices

Any notice required under this Agreement that requires such notice to be provided under the terms of this section shall be provided in writing to the other Party in one of the following ways:

(1) delivered in person;

(2) by a nationally recognized delivery service with proof of receipt;

(3) by United States Certified Mail with return receipt requested;

(4) electronically, with verification of the electronic notice's origin, date, time of transmittal and receipt; or

(5) by another method agreed to by the Parties.

Notices are effective when received.

1.2 **Contact Information**

The Parties shall deliver notices to the following people and address(es):

Reviewer's Note: Customers can work with their Power Account Executives at contract offer and over the term of the Agreement to add additional customer contacts to this section, if necessary.

If to «Customer Name»:

«Full Name of Customer»
«Street Address»
«PO Box »
«City, State Zip»
Attn: «Contact Name»
«Contact Title»
Phone: «###-###-####»
E-Mail: «E-mail address»

Drafter's Note: Include this section only if a customer has an additional contact: **«Additional «Customer Name» Contact**:

«Full Name of Customer»
«Street Address»
«PO Box »
«City, State Zip»
Attn: «Contact Name»
«Contact Title»
Phone: «###-###-####»
E-Mail: «E-mail address»»

If to BPA:

Bonneville Power Administration
«Street Address»
«PO Box»
«City, State Zip»
Attn: «AE Name - Routing»
Account Executive
Phone: «###-###-####»
E-Mail: «E-mail address»

Additional BPA Contact:

Bonneville Power Administration
«Street Address»
«PO Box»
«City, State Zip»
Attn: «Manager Name - Routing»
«Eastern *or* Western» Power
Customer Services Manager
Phone: «###-###-####»
E-Mail: «E-mail address»

2. OPERATIONAL CONTACT INFORMATION

As applicable, the Parties shall notify the following people using the following methods for operations related to this Agreement, including scheduling:

Reviewer's Note: Customers can work with their Account Executives at contract offer and over the term of the Agreement to add additional customer contacts to this section, as necessary.

If to «Customer Name»:

Drafter's Note: Include any necessary operational contact information and details or "Not Applicable": «Function, e-mail, phone, etc. *or* Not Applicable»

Or another mutually agreed upon form of notification.

If to BPA:

Preschedule
E-Mail: PBLPresched@bpa.gov

Real Time: See E-Tag for contact

Or another mutually agreed upon form of notification.

3. REVISIONS

Each Party shall notify the other Party of changes to their contact information above. After such notice, BPA may unilaterally revise section 1.2 and section 2 of this exhibit to reflect such changes to the Parties' contact information. All other changes to this Exhibit I will be made by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Exhibit J
SUPPORT SERVICES; ADDITIONAL RESOURCE AND ENERGY STORAGE DEVICE REQUIREMENTS

1. CUSTOMER RESOURCE ELECTIONS AND REQUIREMENTS SUMMARY

Drafter's Note: Fill in the table below with "X"s, except for RSS Elections. For RSS Elections, list types of RSS elected by customer. If customer has multiple resources, add additional rows for each resource.
Drafter's Note: Leave table blank at contract signing.

Elected Services by Resource					Resource Services and Requirements	
Resource Name	TSS Election		Applied to Tier 1 Allowance Amount	RSS Elections	Requires E-Tag	Flexible Resource Requirements
	TSS-Full	TSS-Partial				
«Resource 1 name *or* N/A»						

Option 1: Include the following for customers that are not JOEs.

2. TIER 1 ALLOWANCE AMOUNT

«Customer Name»'s total amount of Specified Resources that are applied to the Tier 1 Allowance Amount, as identified in section 2.1 of Exhibit A, are stated below. BPA shall calculate the Tier 1 Allowance Amount limit in accordance with section 3.5.2 of the body of this Agreement. If «Customer Name»'s CHWM changes, then BPA shall revise the Tier 1 Allowance Amount and Tier 1 Allowance Amount limit in the table below in accordance with section 3.5.2 of the body of this Agreement.

Drafter's Note: For the first column, add the total of the Nameplate Capability amounts listed in all Resource Profile tables in section 2 of Exhibit A that have an X under the field 'Applied to Tier 1 Allowance Amount'. If the customer has no resources applied to their Tier 1 Allowance Amount, put N/A in the first column. For the second column, add the customer's Tier 1 Allowance Amount Limit (regardless of whether they have a Specified Resource applied to the Tier 1 Allowance Amount). This limit is subject to change with any adjustment to the customer's CHWM (e.g. Small Utility subsequent adjustments).
Drafter's Note: Leave table blank at contract signing.

Tier 1 Allowance Amount (MW)	Tier 1 Allowance Amount Limit (MW)
«X.XX»	«X.XX»

End Option 1

Option 2: Include the following for customers that are JOEs.

2. TIER 1 ALLOWANCE AMOUNT

Each «Customer Name» Member's total amount of Specified Resources that are applied to the Tier 1 Allowance Amount, as identified in section 2.1 of Exhibit A, are stated below. BPA shall calculate each «Customer Name» Member's Tier 1 Allowance Amount limit in accordance with section 3.5.2 of the body of this Agreement. If a «Customer Name» Member's CHWM changes, then BPA shall

revise the applicable Member's Tier 1 Allowance Amount and Tier 1 Allowance Amount limit in the table below in accordance with section 3.5.2 of the body of this Agreement.

Drafter's Note: For the 'Tier 1 Allowance Amount' column, add the total of the Nameplate Capability amounts listed in all Resource Profile tables in section 2 of Exhibit A that have an X under the field 'Applied to Tier 1 Allowance Amount' for each JOE Member. If a JOE Member has no resources applied to their Tier 1 Allowance Amount, put N/A in the first column for that Member. For the 'Tier 1 Allowance Amount Limit" column, add the JOE Member's Tier 1 Allowance Amount Limit (regardless of whether they have a Specified Resource applied to the Tier 1 Allowance Amount). This limit is subject to change with any adjustment to the JOE Member's CHWM (e.g. Small Utility subsequent adjustments).
Drafter's Note: Leave table blank at contract signing.

«Customer Name» Member	**Tier 1 Allowance Amount (MW)**	**Tier 1 Allowance Amount Limit (MW)**
«JOE Member Name»	«X.XX»	«X.XX»
«JOE Member Name»	«X.XX»	«X.XX»

End Option 2

3. RESOURCE SUPPORT SERVICES

3.1 BPA shall develop Support Services consisting of RSS and other Support Services to support eligible Dedicated Resources listed in section 2 and 3 of Exhibit A and eligible Consumer Owned Resources Serving On-site Consumer Load listed in section 7 of Exhibit A.

RSS may include, but are not limited to, providing forced outage services, services for generation that produces secondary energy, or services to support variable generation. Other Support Services may include, but are not limited to, scheduling services and curtailment management services. BPA shall offer an amendment to this Agreement with RSS and other Support Services contract provisions by July 31, 2026. Prior to that date, BPA shall provide «Customer Name» a reasonable opportunity to provide input into the development or refinement of Support Services and the related contract provisions. BPA shall make RSS and other Support Services available starting in FY 2029.

3.2 If «Customer Name» adds a New Resource to meet its obligations to serve Above-CHWM Load, consistent with the notice requirements in section 3.5.1 of the body of this Agreement, then «Customer Name» may purchase RSS or a combination of RSS and other Support Services from BPA to support such resource.

4. EXISTING DISPATCHABLE RESOURCE CAPACITY SHAPING REQUIREMENTS

Option 1: Include the following if customer does NOT have an Existing Resource that is a Dispatchable Resource.

«Customer Name» does not have any Existing Resources that are Dispatchable Resources.

End Option 1

Option 2: Include the following if customer has one or more hydro Existing Resources that are Dispatchable Resources.

This section 4 shall apply to «Customer Name»'s following Existing Resources that are Dispatchable Resources: «Insert name(s) of applicable resource(s)». Under this section 4 «Customer Name» shall apply such resource(s) to its Total Retail Load, provided that BPA may utilize the Flexible Resource Capacity of each such resource. Flexible Resource Capacity means the megawatt amount that is available for BPA to call on from «Customer Name»'s Existing Resources that are Dispatchable Resources subject to the requirements in this section 4.

Drafter's Note: Populate the entire section 4.1 with terms agreed to by BPA and the customer for the specific resource noted above. If customer has multiple hydro Existing Resources that are Dispatchable Resources listed above, populate a new subsection (e.g. 4.2) with all the section 4.1 provisions included, customized for the additional resources noted above. When including multiple resources, ensure all subsection numbering is updated accordingly (e.g. references to subsection 4.1.1 becomes 4.2.1, etc.) and that section 4.2 becomes 4.3, etc. For each resource, BPA and customer may agree to modify, add, or remove terms and conditions in this section 4.1 (including any limitations) as necessary to reflect the resource's specific characteristics, including FERC and legal obligations, operational requirements, firm output capabilities, and any other relevant factors identified by either Party.

4.1 Application of «Resource Name»

«Customer Name» shall apply the output of «Resource Name» to «Customer Name»'s Total Retail Load in predefined hourly amounts as stated in section 4.1.2.1 below except that BPA may require adjustments to such hourly amounts by the amount of the resource's Flexible Resource Capacity, stated in section 4.1.2.3 below, subject to the notice requirements in section 4.1.1 below and the limitations in sections 4.1.3 through 4.1.8 below.

4.1.1 Notice

If BPA adjusts the megawatt-per-hour obligation amounts stated in section 4.1.2.1 below consistent with this section 4.1, then BPA shall communicate such adjustments to «Customer Name» by *[Drafter's Note: Use 0800 unless BPA and customer agree to a different time]*0800 Pacific Prevailing Time the day on which prescheduling occurs, as specified by WECC. Such communication shall include adjusted megawatt-per-hour amounts for «Resource Name» for each hour of the applicable day(s) of delivery.

4.1.2 **Amounts of Flexible Resource Capacity**

The monthly Flexible Resource Capacity amounts for «Resource Name» are established as follows: the monthly maximum capacity obligation amounts for «Resource Name» stated in section 4.1.2.2 below minus the monthly megawatt-per-hour obligation amounts for «Resource Name» stated in section 4.1.2.1 below.

4.1.2.1 **Monthly Megawatt Per Hour Obligation**

The monthly megawatt-per-hour obligation amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with monthly megawatt-per-hour obligation amounts for the resource, as agreed to by BPA and customer, for all years of the Agreement. Such amounts will be the total megawatt-hours in the month for the resource, as stated in section 2 of Exhibit A, divided by the number of hours in the month, rounded to a whole number. Due to rounding, the total megawatt-hours calculated from the established megawatt-per-hour amounts in the table below for any Fiscal Year may be slightly different than the megawatt-hours stated in section 2 of Exhibit A. Unless otherwise agreed to by BPA and customer, such amounts are fixed for the term of the Agreement.

Monthly Megawatt-Per-Hour Obligation Amounts (MW/hr)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
2030												
2031												
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2036												
2037												
2038												
2039												
2040												
2041												
2042												
2043												
2044												
Note: Round the megawatt-per-hour amounts in the table above to whole megawatts-per-hour.												

4.1.2.2 **Maximum Capacity Obligation**

The monthly maximum capacity obligation amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with monthly maximum capacity obligation amounts for the resource, as agreed to by BPA and customer, for all years of the Agreement. Unless otherwise agreed to by BPA and customer, such amounts are fixed for the term of the Agreement.

Maximum Capacity Obligation Amounts (MW)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
2030												
2031												
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2044												
Note: All amounts will be shown as whole megawatts												

4.1.2.3 **Monthly Flexible Resource Capacity Amounts**

The monthly Flexible Resource Capacity amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer. Unless amounts in sections 4.1.2.1 or 4.1.2.2 change, amounts in this table are fixed for the term of the Agreement.

Flexible Resource Capacity Amounts (MW)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
2030												
2031												
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2041												
2042												
2043												
2044												
Note: All amounts will be shown as whole megawatts												

4.1.3 **Maximum Hourly Energy**
The maximum amounts of energy that BPA may require from «Resource Name» on any hour of any month shall not exceed the monthly maximum capacity obligation amounts stated in section 4.1.2.2 above.

4.1.4 **Minimum Hourly Energy**
The amounts of energy that BPA may require from «Resource Name» on any hour of any month shall not be less than the resource's minimum hourly energy amount in a given month. Such minimum hourly energy amount is *[Drafter's Note: Include the following language unless BPA and customer agree to a different approach:*established as follows: the greater of (1) 60 percent of the resource's megawatt-per-hour amounts for the month, as listed in section 4.1.2.1 of this exhibit, or (2) the resource's megawatt-per-hour amounts for the month, as listed in section 4.1.2.1 of this exhibit, minus the Flexible Resource Capacity for the given month, as listed in section 4.1.2.3 of this exhibit*]*. The minimum hourly energy amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer. Unless amounts in sections 4.1.2.1 or 4.1.2.3 change, amounts in this table are fixed for the term of the Agreement.

Minimum Hourly Energy (MW/hr)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
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2042												
2043												
2044												
Note: All amounts will be shown as whole megawatts-per-hour												

4.1.5 **Failure to Take the Maximum and Minimum Energy Amounts and Associated Charges**
BPA shall compensate «Customer Name» if BPA inadvertently requests and receives more than the maximum hourly energy in accordance with section 4.1.3 above or requires less than the minimum hourly energy in accordance with section 4.1.4 above. BPA shall calculate credits pursuant to the applicable Power Rate

Schedules and GRSPs and reflect such credits on «Customer Name»'s monthly bill.

4.1.6 **Monthly Ramp Rates**

The amounts of energy that BPA may require from «Resource Name» on any hour of a month shall not deviate from the previous hour's required energy amount by more than the monthly ramp rate limitation amounts stated in the table below. *[Drafter's Note: Include the following sentence unless the Parties agree otherwise:*However, no ramp rate limitation will apply for the required amounts occurring between the last hour of a month and the first hour of the following month.*]*

BPA's monthly ramp rate limitation amounts are established as follows: (1) the resource's Flexible Resource Capacity amounts for the given month, as listed in section 4.1.2.3 of this exhibit, multiplied by (2) *[Drafter's Note: Use 20 percent unless BPA and customer agree to a different value:*20 percent*]*. Such monthly ramp rate limitation amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer. Unless amounts in section 4.1.2.3 change, amounts in this table are fixed for the term of the Agreement.

Monthly Ramp Rates (MW)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
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2043												
2044												
Note: All amounts will be shown as whole megawatts												

4.1.6.1 **Failure to Meet Ramp Rate Provisions and Associated Charges**

BPA shall compensate «Customer Name» if BPA fails to satisfy the ramp rates provisions in section 4.1.6 above. BPA shall calculate credits pursuant to the applicable Power Rate Schedules and GRSPs and reflect such credits on «Customer Name»'s monthly bill.

4.1.7 **Mid-Month Energy Requirement**

BPA shall take between *[Drafter's Note: Use 45 and 55 percent unless BPA and customer agree to different values:*45 and 55 percent*]* of the total megawatt-hours in the month for «Resource Name», as stated in section 2 of Exhibit A, within the first half of the month.

4.1.7.1 **Failure to Meet Mid-Month Energy Requirement and Associated Charges**

BPA shall compensate «Customer Name» if BPA takes less than *[Drafter's Note: Use 45 and 55 percent unless BPA and customer agree to different values:*45 percent or more than 55 percent*]* of the monthly energy amount in accordance with section 4.1.7 above. BPA shall calculate credits pursuant to the applicable Power Rate Schedules and GRSPs and reflect such credits on «Customer Name»'s monthly bill.

4.1.8 **Energy Neutrality**

BPA's total required energy amount for a month must equal the total megawatt-hours in the month for «Resource Name», as stated in section 2 of Exhibit A.

4.1.8.1 **Failure to Meet Energy Neutrality Check and Associated Charges**

BPA shall compensate «Customer Name» if BPA fails to satisfy the energy neutrality provisions in section 4.1.8 above. BPA shall calculate credits pursuant to the applicable Power Rate Schedules and GRSPs and reflect such credits on «Customer Name»'s monthly bill.

4.1.9 **Existing Resource Capacity Credit**

BPA shall provide a credit on «Customer Name»'s monthly bill for Existing Resources that are Dispatchable Resources as provided in the PRDM and the applicable Power Rate Schedules and GRSPs. Applicable monthly capacity amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with the monthly existing capacity amounts for the resource, as agreed to by BPA and customer. These amounts are based on historical capacity of the resource prior to any investment that increased resource capacity to the maximum capacity obligation stated in section 4.1.2.2 above. Unless otherwise agreed to by BPA and customer, amounts in this table are fixed for the term of the Agreement.
Drafter's Note: The formula for existing capacity = maximum capacity obligation in section 4.1.2.2 minus monthly megawatt-per-hour obligation in section 4.1.2.1. minus new capacity in section 4.3.

Existing Capacity (MW)											
Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
Note: All amounts will be shown as whole megawatts											

4.1.10 **New Capacity Credit**

BPA shall provide a credit on «Customer Name»'s monthly bill for access to new capacity not otherwise committed to «Customer Name»'s load. BPA shall calculate such credits as provided in the PRDM and the applicable Power Rate Schedules and GRSPs. Applicable monthly capacity amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with any monthly new capacity amounts for the resource, as agreed to by BPA and customer. These amounts are based on the new portion of the maximum capacity obligation attributed to any investment that increased the resource capacity to the maximum stated in section 4.1.2.2 above. If the resource does not have any such capacity amounts, enter zeros in applicable cells below. Unless otherwise agreed to by BPA and customer, amounts in this table are fixed for the term of the Agreement. This section 4.1.10 is only applicable to the resource addressed in section 4.1 and does not limit or foreclose the development of any new capacity credit arrangement for other resources.

Drafter's Note: The formula for new capacity = maximum capacity obligation in section 4.1.2.2 minus monthly megawatt-per-hour obligation in section 4.1.2.1 minus existing capacity in section 4.2.

New Capacity (MW)											
Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
Note: All amounts will be shown as whole megawatts											

Drafter's Note: Include the following if customer has multiple Existing Resources that are Dispatchable Resources, renumber section 4.2 and 4.3 as necessary.

4.2 **Unintended Costs**

BPA may determine if there are unintended costs that «Customer Name» incurs related to satisfying obligations under this section 4. BPA would make such determination, including any remediation, in a 7(i) Process and consistent with applicable Power Rate Schedules and GRSPs.

4.3 **Scheduling**

«Customer Name» shall schedule all hourly resource obligation amounts under this section 4 in accordance with section 13 of the body of this Agreement.

End Option 2

Option 3: Include the following if customer has a thermal Existing Resource that is a Dispatchable Resource.

This section 4 shall apply to «Customer Name»'s following Existing Resource that is a Dispatchable Resource: «Insert name(s) of applicable resource». Under this section 4 «Customer Name» shall apply «Resource Name» to its Total Retail Load, provided that BPA may adjust the megawatt amounts from such resource subject to the requirements in this section 4.

Drafter's Note: Populate the entire section 4.1 with terms agreed to by BPA and the customer for the specific resource noted above. BPA and the customer may agree to

modify, add, or remove terms and conditions in this section 4.1 (including any limitations) as necessary to reflect the resource's specific characteristics.

4.1 **Application of «Resource Name»**

«Customer Name» shall apply the output of «Resource Name» to «Customer Name»'s Total Retail Load in predefined hourly amounts as stated in section 4.1.2 below except that BPA may adjust such hourly amounts down to zero or up to the maximum capacity obligation amounts, stated in section 4.1.3 below, subject to the notice requirements in section 4.1.1 below and the limitation(s) in section 4.1.4 below.

4.1.1 **Notice**

If BPA adjusts the megawatt-per-hour obligation amounts stated in section 4.1.2 below consistent with this section 4.1, then BPA shall communicate such updated amounts to «Customer Name» by *[Drafter's Note: Use 0800 unless BPA and customer agree to a different time]*0800 Pacific Prevailing Time the day on which prescheduling occurs, as specified by WECC. Such communication shall include adjusted megawatt-per-hour amounts for «Resource Name» for each hour of the applicable day(s) of delivery.

4.1.2 **Monthly Megawatt Per Hour Obligation**

The monthly megawatt-per-hour obligation amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with monthly megawatt-per-hour obligation amounts for the resource, as agreed to by BPA and customer, for all years of the Agreement. Such amounts will be the total megawatt-hours in the month for the resource, as stated in section 2 of Exhibit A, divided by the number of hours in the month, rounded to a whole number. BPA and customer may agree to have the resource applied for a portion of a month. If so, reflect such treatment in the table as a split month with applicable days noted. For any partial month, the monthly megawatt-per-hour obligation amounts will be the total megawatt-hours in the month for the resource, as stated in section 2 of Exhibit A, divided by the number of hours in the portion of the month during which the resource is applied. Due to rounding, the total megawatt-hours calculated from the established megawatt-per-hour amounts in the table below for any Fiscal Year may be slightly different than the megawatt-hours stated in section 2 of Exhibit A. Unless otherwise agreed to by BPA and customer, such amounts are fixed for the term of the Agreement.

Monthly Megawatt-Per-Hour Obligation Amounts (MW/hr)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												

Monthly Megawatt-Per-Hour Obligation Amounts (MW/hr)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2039												
2040												
2041												
2042												
2043												
2044												
Note: Round the megawatt-per-hour amounts in the table above to whole megawatts-per-hour.												

4.1.3 **Maximum Capacity Obligation**

The monthly maximum capacity obligation amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with monthly maximum capacity obligation amounts for the resource, as agreed to by BPA and the customer, for all years of the Agreement. Unless otherwise agreed to by BPA and the customer, such amounts are fixed for the term of the Agreement.

Maximum Capacity Obligation Amounts (MW)												
FY	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
2029												
2030												
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2044												
Note: All amounts will be shown as whole megawatts												

4.1.4 **Limitation(s) for Upward Adjustments**

For any month or portion of a month with a capacity obligation, as stated in section 4.1.3 above, that exceeds the megawatt-per-hour obligation, as stated in section 4.1.2 above, *[Drafter's Note: Include the following language unless BPA and customer agree to different terms:*BPA may increase the megawatt-per-hour obligation no more than two times for a noticed delivery period of up to five days each.*]*

4.2 **Existing Capacity Credit**

BPA shall provide a credit on «Customer Name»'s monthly bill for Existing Resources that are Dispatchable Resources as provided in the PRDM and the

applicable Power Rate Schedules and GRSPs. Applicable monthly capacity amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with the monthly existing capacity amounts for the resource, as agreed to by BPA and customer. These amounts are based on historical capacity of the resource prior to any investment that increased resource capacity to the maximum capacity obligation stated in section 4.1.3 above. Unless otherwise agreed to by BPA and customer, amounts in this table are fixed for the term of the Agreement.
Drafter's Note: The formula for existing capacity = maximum capacity obligation in section 4.1.3 minus monthly megawatt-per-hour obligation in section 4.1.2 minus new capacity in section 4.3.

Existing Capacity (MW)											
Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
Note: All amounts will be shown as whole megawatts											

4.3 **New Capacity Credit**

BPA shall provide a credit on «Customer Name»'s monthly bill for access to new capacity not otherwise committed to «Customer Name»'s load. BPA shall calculate such credits as provided in the PRDM and the applicable Power Rate Schedules and GRSPs. Applicable monthly capacity amounts for «Resource Name» are as follows:

Drafter's Note: Populate this table at contract offer with any monthly new capacity amounts for the resource, as agreed to by BPA and customer. These amounts are based on the new portion of the maximum capacity obligation attributed to any investment that increased the resource capacity to the maximum stated in section 4.1.3 above. If the resource does not have any such capacity amounts, enter zeros in applicable cells below. Unless otherwise agreed to by BPA and customer, amounts in this table are fixed for the term of the Agreement. This section 4.3 is only applicable to the resource addressed in section 4.1 and does not limit or foreclose the development of any new capacity credit arrangement for other resources.
Drafter's Note: The formula for new capacity = maximum capacity obligation in section 4.1.3 minus monthly megawatt-per-hour obligation in section 4.1.2 minus existing capacity in section 4.2.

New Capacity (MW)											
Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
Note: All amounts will be shown as whole megawatts											

4.4 **Compensation for Excess Energy**

If BPA requests and receives more energy from «Resource Name» in a month than the total megawatt-hours as stated in section 2 of Exhibit A for such month, then BPA shall compensate «Customer Name» for such excess amounts. BPA shall calculate credits pursuant to the applicable Power Rate Schedules and GRSPs and reflect such credits on «Customer Name»'s monthly bill.

4.5 **Unintended Costs**

BPA may determine if there are unintended costs that «Customer Name» incurs related to satisfying obligations under this section 4. BPA would make such determination, including any remediation, in a 7(i) Process and consistent with applicable Power Rate Schedules and GRSPs.

4.6 **Scheduling**

«Customer Name» shall schedule all hourly resource obligation amounts under this section 4 in accordance with section 13 of the body of this Agreement.

End Option 3

Reviewer's Note: The following language covers current requirements for Dedicated Resources and Consumer-Owned Resources Serving On-Site Consumer Load submittals for WRAP. In accordance with section 22.1.1 and section 22.3 of the contract, the Parties will review and make any necessary revisions to this section to adjust the terms and conditions of this section 5 by October 1, 2027.

5. RESOURCE ADEQUACY REQUIREMENTS AND SUBMITTALS

BPA acknowledges that the resource adequacy compliance requirements in this section 5 of Exhibit J are evolving. Accordingly, if future requirements change such that the intent of this section 5 is not being met, then BPA agrees to discuss such situations with customers and develop revisions to this section 5. In accordance with sections 17 and 22 of the body of the Agreement, the following shall apply.

5.1 **Resource Adequacy Submittals for Dedicated Resources and Consumer-Owned Resources Serving On-Site Consumer Load**

5.1.1 For all «Customer Name»'s Dedicated Resources and Consumer-Owned Resources serving On-Site Consumer Load, «Customer Name» shall submit to BPA the QCC values and JCAF(s) for the Generating Resource(s) «Customer Name» will provide to meet its Dedicated Resource and Consumer-Owned Resource serving On-Site Consumer Load amounts for any Fiscal Year as follows.

For the winter WRAP season shown in the table below, such submittal shall be by November 1 prior to the Fiscal Year in which «Customer Name» has a Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load amount.

For the summer WRAP season shown in the table below, such submittal shall be by June 1 prior to the Fiscal Year in which «Customer Name» has a Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load amount.

WRAP Seasons	
Summer	June - September
Winter	November – March

5.1.2 Beginning October 1 immediately preceding the start of the winter season in which «Customer Name» has a Dedicated Resource or Consumer-Owned Resource serving On-Site Consumer Load amount, and beginning May 1 immediately preceding the start of the summer season in which «Customer Name» has a Dedicated Resources or Consumer-Owned Resource serving On-Site Consumer Load amount, «Customer Name» shall submit a generation schedule for such Generating Resource(s), in hourly amounts, no later than one month in advance of each operating day. Such generation schedule can be for each hour of the entire WRAP summer or winter season or for each hour of each individual future day of the season.

5.1.3 On each preschedule day of the applicable WRAP season, «Customer Name» shall submit a generation schedule for the Generating Resource(s) «Customer Name» will provide to meet its Dedicated Resource and Consumer-Owned Resource serving On-Site Consumer Load amounts, as applicable, in hourly amounts for the day of delivery.

5.1.4 If BPA determines that «Customer Name» does not need to provide certain information required in sections 5.1.1, 5.1.2, and 5.1.3 above, then BPA shall revise the table below to list any resources and information that «Customer Name» does not need to provide.

Drafter's Note: Leave table blank at contract signing.

Resource Name	Resource and Information Exemptions

5.2 **Resource Adequacy Services**

Unless a self-supply option is available and elected by «Customer Name», «Customer Name» shall purchase Support Services for the following resources for resource adequacy planning purposes: (1) New Resource amounts serving Above-CHWM Load and (2) Consumer-Owned Resources serving On-Site Consumer Load except for those listed in section 7.4 of Exhibit A, in accordance with the applicable Power Rate Schedules and GRSPs.

«Customer Name» shall be responsible for any resource adequacy-related planning obligations for any Planned NLSL or NLSL served by Dedicated Resource amounts or Consumer-Owned Resources listed in section 7.4 of Exhibit A.

5.3 **WRAP Load Exclusions**

5.3.1 By July 31, 2027, and by July 31 of each Forecast Year thereafter, «Customer Name» may request that BPA allow a load exclusion. Upon receipt of such request, BPA will analyze «Customer Name»'s request, including impacts to BPA's ability to maintain resource adequacy and reliability, and any potential cost shifts to BPA and other BPA

customers. In its sole discretion, BPA may: (1) allow a requested load exclusion, (2) allow a requested load exclusion subject to conditions designed to offset any negative impacts the requested load exclusion may have on the reliability of the power system or to share costs; or (3) decline a requested load exclusion.

By October 15 of the Rate Case Year following the request, BPA shall provide «Customer Name» notice of its decision regarding the requested load exclusion, including a summary of its analysis and any conditions. By January 31 of that Rate Case Year, the Parties shall revise section 5.3.2 of this exhibit to state the terms and conditions of any allowed load exclusion. Such load exclusions will be effective on October 1 following the Exhibit J revision and shall remain in effect for the duration of that Rate Period. If the Parties do not revise Exhibit J pursuant to this section by January 31 of the applicable Rate Case Year, then BPA shall not allow the requested load exclusion for the upcoming Rate Period.

Option 1: Include the following if customer does NOT have a WRAP load exclusion.

5.3.2 «Customer Name» does not have a WRAP load exclusion at this time.

End Option 1

Option 2: Include the following if customer has a WRAP load exclusion.

5.3.2 Consistent with section 22.4 of the body of the Agreement and section 5.3.1 above, «Customer Name»'s WRAP load exclusions are listed in the table below.

Drafter's Note: List each WRAP load exclusion in one row of the table below. Add additional lines as needed for additional load exclusions.
Drafter's Note: Leave table blank at contract signing.

Facility Name	Meter Points Excluded from WRAP Load	Effective Rate Period	Conditions for Exclusion, if applicable

End Option 2

5.4 **Submittal Method**

No later than October 1, 2027, and in accordance with section 22.1.1 of the body of this Agreement, BPA shall update this section 5.4, and section 2 of Exhibit I as applicable, with BPA's preferred mode of communication for WRAP-related information.

5.5 **Pass-through Charges**

Pursuant to section 22.2 of the body of this Agreement, BPA shall pass through WRAP charges to «Customer Name» in instances where the charge is related to one or more of the following: (1) non-performance of «Customer

Name»'s resource as planned; (2) failure to meet the requirements of sections 5.1.1, 5.1.2, 5.1.3 and 5.2 above.

If BPA finds that only a portion of such WRAP charge is related to one of the conditions above, then BPA shall pass through only the portion related to such conditions. BPA shall not pass through charges that are related to the failure of BPA-provided Support Services.

For any single instance of a pass-through charge for WRAP, BPA shall waive a related charge that BPA determines to be duplicative to other charges assessed.

6. ENERGY STORAGE DEVICES

The data included in this section 6 is intended for informational purposes.

6.1 Definitions

For purposes of this section 6, the following terms shall have the meaning as defined.

6.1.1 "Cycle" means an Energy Storage Device has discharged an amount of energy equal to its maximum rated storage capacity and been recharged to 100 percent of that rated capacity.

6.1.2 "Cycles per Day" means the number of times, or fraction thereof, that an Energy Storage Device can complete a Charge Cycle within a normal 24-hour period.

6.1.3 "Hours of Maximum Discharge" means the number of hours, or fraction thereof, an Energy Storage Device can discharge at its Maximum Single Hour Discharge.

6.1.4 "Maximum Charge Rate" means the maximum rate at which an Energy Storage Device can be charged from either a full or partial discharge to either a higher level of charge or a full charge, in percentage of full charge per hour.

6.1.5 "Maximum Single Hour Discharge" means the maximum megawatt-hours that an Energy Storage Device is rated for discharge on a single hour.

6.1.6 "Round Trip Efficiency" means the percent of energy used in charging an Energy Storage Device that later can be discharged to the alternating current electrical system.

6.1.7 "Storage Capacity" means the megawatt-hours of energy an Energy Storage Device is designed and rated to be able to store and discharge to the alternating current electrical system on an ongoing basis.

6.2 **Notice of Energy Storage Device Connection**

«Customer Name» shall provide notice to BPA of its or its consumer's intent to connect an Energy Storage Device to «Customer Name»'s distribution system. Such notice shall be provided no fewer than 30 calendar days prior to the Energy Storage Device connection and shall include the information specified in section 6.3.1.3 below. BPA will populate the table in section 6.3.1.3 within 60 calendar days of receiving the notice.

6.3 **List of «Customer Name» and Consumer-Owned Energy Storage Devices**

Option 1: Include the following if customer does NOT have any ESDs.

«Customer Name» does not have any Energy Storage Devices at this time.

End Option 1

Option 2: Include the following if customer has ESDs and complete subsections 1-3 for each resource. When listing multiple resources renumber each resource as 6.3.2, 6.3.3, etc.

6.3.1 **«ESD Facility Name»**

6.3.1.1 **Facility Functions and Special Provisions**

Drafter's Note: Under "Facility Functions," add all of the following that apply: Load Management, Price Optimization, Generation Smoothing, Transmission/Distribution Support, Voltage/Frequency Support, Other (describe).

Ownership:
Facility Function(s):
Installation date:
Expected life:
Special Provisions:*Drafter's Note: If none, state 'None'.*

6.3.1.2 **Election for Use by Rate Period**

By July 31 of a Forecast Year, «Customer Name» shall identify the entities that will use the capabilities of «facility name» that «Customer Name» or its consumer have access to for the upcoming Rate Period. Unless changed in writing by July 31 of a Forecast Year, the existing election will continue to apply for the upcoming Rate Period.

Sub-Option 1: Include the following if customer or their retail consumer will only use the ESD stored energy on the customer's system.

«Customer Name» and its consumer will use all capabilities of «facility name» only on «Customer Name»'s system.

End Sub-Option 1

Sub-Option 2: Include the following if customer or their retail consumer will use the ESD stored energy on other non-customer systems.

«Customer Name» and its consumer will provide the capabilities of «facility name» to users off «Customer Name»'s system. Consistent with section 20.5 of the body of this Agreement, all energy used to charge «facility name» for users off «Customer Name»'s system will be scheduled to «Customer Name» from a third-party power provider and E-Tagged to «facility name».
End Sub-Option 2

Drafter's Note: In the table below, under "Storage Type", fill in one of the following: Battery, Flow Battery, Gravity (Pumped Hydro, Rail, Other (named)), Compressed gas (gas type), Momentum (Flywheel), Thermal Energy, or Other (name). If the customer does not have a removal date, state 'None'.

6.3.1.3 **Facility Profile**

Drafter's Note: Leave table blank at contract signing.

Storage Type	Date ESD applied to Utility Load	Date of ESD Removal	Storage Capacity (MWh AC)	Facility Interconnect AC Nameplate (MW)	Source of Charge (could be one or both)	
					AC Transmission/ Distribution	Specific Resource

Drafter's Note: In the table below, include Customer or Consumer Name under "Entities with Access to Capabilities" and that entity's share of capabilities. List other entities without percentage shares. Under "Hours of Maximum Discharge," list in the format of "[number of hours to one decimal place]."
Drafter's Note: Leave table blank at contract signing.

Maximum Cycles per Day	Round Trip Efficiency (%)	Max Charge Rate (max % of full charge/ hour)	Hours of Maximum Discharge	Entities with Access to Capabilities

End Option 2

Option: Only include the following section 7 for customers served by Transfer Service.

7. NON-FEDERAL NETWORK RESOURCE INFORMATION FOR TRANSFER SERVICE

Option 1: Include the following if customer does NOT have any non-federal Network Resources.
«Customer Name» does not have any non-federal Network Resources at this time.
End Option 1

Option 2: Include the following if customer has non-federal Network Resources and complete section 7.1 for each resource. If customer has more than one non-federal

Network Resource for Transfer Service, number each separately as 7.1, 7.2, etc. and indent appropriately.
All of «Customer Name»'s non-federal Network Resources are listed below.

Drafter's Note: This template is intended to be a starting point to work from when drafting this section of the exhibit. Headings and content are expected to change to accommodate unique situations associated with the relevant non-federal Network Resource.

7.1 **«Resource Name»**

7.1.1 **General Description of Non-Federal Network Resource:**

(1) **Resource type:** «Generating or Contract Resource»
(2) **Resource fuel type:** «hydro, gas, bio-mass, co-generation, coal, etc»
(3) **Physical Location:** «City, County, State»
(4) **Generation meter number:** «####»
Drafter's Note: N/A for Contract Resource. When meter number is available, information needs to be added, or should match Exhibit E.
(5) **Counterparty:** «xxxx»
(6) **Balancing Authority Area in which «Resource Name» is located:** «xxxx»
(7) **Generator unit(s) size (nameplate) and quantity of capacity from that unit being designated as the non-federal Network Resource:** «xxxx»
(8) **MW amount of designation from Contract Resource:** «xxxx»
(9) **Amount of Above-CHWM Load to be served with «Resource Name»:** «### MW(s)»

7.1.2 **Operating Characteristics of Non-Federal Network Resource**

(1) **Operating restrictions:**
(i) Periods of restricted operations: «routine limitations, i.e. fuel»
(ii) Maintenance schedules: «xxxx»
(iii) Must-run unit designations: «xxxx»
(2) **Operational protocols:** «xxxx»
(3) **Metering responsibilities:** «xxxx»

7.1.3 **General Description of Transmission Arrangements made by «Customer Name»**
(1) **«Customer Name»'s BPA Network Transmission (NT) contract number:** «#####-######»
(2) **List reference number(s) assigned by OASIS for transmission reservations made:** «##########» (include

current status of any transmission arrangements made associated with «Resource Name»)

(3) **List inter-connection arrangements (if any) made by «Customer Name»:** «xxxx»

(4) **List the location at which «Customer Name» will take possession of the power:** «xxxx»

(5) **List Point of Receipt (POR) on the Third-Party Transmission Provider's system where «Resource Name» will be delivered:** «xxxx»

(6) **Firming or sleeving arrangements:**

7.1.4 **Cost Obligations**

BPA shall charge «Customer Name» and «Customer Name» shall pay for the following costs of Transfer Service for «Resource Name»:

☐ (1) Redispatch
☐ (2) Congestion management
☐ (3) Distribution and low-voltage delivery
☐ (4) Real power losses
☐ (5) Ancillary services

☐ (a) Scheduling, System Control and Dispatch

Drafter's Note: Applies only if the resource is located in the same Balancing Authority Area as the customer's load and is not recovered through a separate arrangement

☐ (b) Generation Imbalance
☐ (c) Regulation and Frequency Response
(d) Operating Reserves
☐ (i) Spinning
☐ (ii) Non-Spinning

Drafter's Note: Includes all costs directly assigned to BPA related to the study, maintenance, expansion or construction of new transmission facilities necessary to transmit power from the resource to the customer's load

☐ (6) Direct Assignment Costs

Drafter's Note: Includes all transmission costs associated with energy which exceed the Above Fiscal Year Transfer Cap

☐ (7) Other costs

End Option 2

End Option

Option 1: Include the following for customers that are not JOEs.

Drafter's Note: For customers that are directly connected, renumber this section to section 7.

8. REVISIONS

BPA shall unilaterally revise this exhibit to reflect: (1) «Customer Name»'s resource elections and requirements in section 1 of this exhibit; (2) «Customer Name»'s Tier 1 Allowance Amount in section 2 of this exhibit; (3) resource adequacy requirements in section 5 of this exhibit; and (4) updates or additions to Energy Storage Devices in

section 6 of this exhibit. Additionally, BPA shall unilaterally revise section 3, Resource Support Services, of this exhibit to implement an established BPA rate for such products or services.

All other changes to this Exhibit J will be made by mutual agreement of the Parties.
End Option 1

Option 2: Include the following for customers that are JOEs.
Drafter's Note: For customers that are directly connected, renumber this section to section 7.

8. REVISIONS

BPA shall unilaterally revise this exhibit to reflect: (1) «Customer Name»'s resource elections and requirements in section 1 of this exhibit; (2) «Customer Name» Members' Tier 1 Allowance Amounts in section 2 of this exhibit; (3) resource adequacy requirements in section 5 of this exhibit; and (4) updates or additions to Energy Storage Devices in section 6 of this exhibit. Additionally, BPA shall unilaterally revise section 3, Resource Support Services, of this exhibit to implement an established BPA rate for such products or services.

All other changes to this Exhibit J will be made by mutual agreement of the Parties.
End Option 2

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

Provider of Choice Comparison to Regional Dialogue

Companion to Draft Contract Templates Release, December 19, 2024 Version

Purpose: This document is intended to support review of the December 19, 2024 Provider of Choice draft contract language and draft contract templates. All draft Provider of Choice (POC) contract language is subject to ongoing review and revision given ongoing negotiations between the parties (BPA and its customers). Prior to finalizing the POC contract templates, BPA will publish complete contract templates for public review and comment. The descriptions in this document are for informational purposes only, are not intended to be comprehensive, and do not reflect every change made between the Regional Dialogue (RD) and POC contracts. This comparison is neither an interpretation of, nor a substitute for executed contract language. Parties are responsible for reviewing all contract language prior to executing a POC contract.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
1. Term	1. Term	Twenty-year contracts with 17 years of power deliveries. Expires September 30, 2028.	Nineteen-year contracts with 16 years of power deliveries. Expires September 30, 2044.
2. Definitions	2. Definitions	Definitions reflect tiered rate construct with CHWMs. Certain definitions bolded that were aligned with, and updated pursuant to, the TRM.	Definitions updated to reflect POC product design and rates. Definitions are being developed in concert with PRDM development. Definitions have been folded into the December 19 release. The separate POC Contract Definitions Edit Tracker will also be updated.
3. Product Purchase Obligation	3. Product Purchase Obligation	Established Load Following, Block and Slice/Block offerings. RD is a "Take Or Pay" contract, obligating customers to pay for the amount of Firm Requirements Power it is committed to purchase, whether or not customers took actual delivery of such power. Much of section 3 discussed the application, shaping of, and rules applied to Dedicated Resources.	POC remains a Take or Pay contract. BPA changes from the RD concept of Unspecified Resources to Committed Power Purchase Amounts under POC. BPA increases the power threshold from 200 kW under RD to 1 MW of resources that need to be listed in the contract. Section 3 adds Tier 1 Allowance Amount.
4. Block Product (or "Intentionally Left Blank" in LF and Block)	4. Block Product (or "Intentionally Left Blank" in LF and Block)	Described the Block Product for Slice/Block customers, including Tier 1 and, if applicable, Tier 2 Block Amounts. Described allowable Block amount shapes.	Describes the Block Product for Slice/Block customers, including Tier 1 and, if applicable, Tier 2 Block Amounts. Describes allowable Block amount shapes. Includes a draft rewrite to section 4.5 to simplify language regarding Diurnal Flattening Service for Specified Renewable Resources.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
5. Slice Product (or "Intentionally Left Blank" in LF and Block)	5. Slice Product (or "Intentionally Left Blank" in LF and Block)	Described the Slice Product for Slice/Block Customers. Initial Slice Percentage fixed for duration of RD with annual adjustment for changes to Tier 1 System Capability. Customer submitted Customer Inputs and scheduled Slice Output Energy for upcoming hour in real time using the Slice Computer Application (SCA). BPA performed Requirements Slice Output (RSO) test each month to measure Slice Output Energy a customer scheduled to serve TRL. Customer elected to participate in CGS Displacement or receive Replacement Energy. Established Slice Implementation Group (SIG) to ensure SCA accurately represented the capabilities and constraints on the Tier 1 System Resources.	Describes the Slice Product for Slice/Block Customers. BPA calculates Slice Percentage each Fiscal Year at fifty percent of Tier 1 Net Requirement. Annual CHWM System fixed at 7,250 aMW, eliminates annual adjustment to system capability. Customer submits Customer Inputs for each hour in the following day using the POCSA in the day ahead timeframe. Customer participates in CGS Displacement, eliminates election option for Replacement Energy. Further discussions on the RSO test and associated contract language will be scheduled for upcoming workshops.
6. Tiered Rate Methodology	6. Public Rate Design Methodology	Established the relationship between the contract and the TRM. The contract included recitations of TRM terms (including definitions of CHWM and RHWM and the formula for calculating RHWMs).	Establishes the relationship between the contract and the PRDM. The language has been updated to reflect that BPA will not be seeking FERC approval on the PRDM.
7. High Water Marks and Contract Demand Quantities	7. High Water Marks	CHWMs were calculated in accordance with the TRM. Stated how the CHWMs, RHWMs, and Contract Demand Quantities (CDQs) are calculated and where the numbers are reflected in the exhibits.	CHWMs will be calculated in the FY 2026 CHWM Calculation Process, reflected in Exhibit B, and can only be adjusted pursuant to the terms and conditions in Exhibit B.
8. Applicable Rates	8. Applicable Rates	Stated the rate schedules that apply to sales, including PF, NR, FPS and mentioned certain additional charges. Pointed to the GRSPs for specific billing determinants.	The POC contract no longer specifically lists rates and applicable charges and instead points to the 7(i) Processes, the PRDM and GSRPs to capture *all* associated and listed rates in the relevant documents.
9. Elections to Purchase Power Priced at Tier 2 Rates	9. Elections to Purchase Power Priced at Tier 2 Rates	Customer elections for serving their Above-RHWM Load: 1) power purchased from BPA at Tier 2 rates; 2) non-federal resources (i.e. Dedicated Resources); or 3) a combination of both. Established notice deadlines and purchase periods.	Customer elections for serving their Above-CHWM Load: 1) power purchased from BPA at Tier 2 rates; 2) non-federal resources (i.e. Dedicated Resources); or 3) a combination of both. Customer will make its Above-CHWM Load election for the term of the Agreement (and eliminates the RD concept of notice deadlines and purchase periods).
10. Tier 2 Remarketing and Resource Removal	10. Tier 2 Remarketing and Resource Removal	Stated the rights and obligations relating to non-federal resource removal and Tier 2 remarketing.	Changes include: 1) general requirement that New Resources serving Above-CHWM Load be removed prior to Tier 2 purchase amounts; 2) if a temporary New Resource removal by a customer would impact its obligation to comply with a state or federal law, then customer may reduce its Tier 2 purchase obligation in addition to existing resource removal.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
11. Right to Change Purchase Obligation	11. Right to Change Purchase Obligation	Customers had a one-time right to change their purchase obligation, or product. Per the terms of the Agreement, a customer could notify BPA by May 31, 2016, requesting to change its purchase obligation, which would be effective October 1, 2019. There were limitations, and the customer might be subject to charges for switching products.	Customers have a one-time right to request a change to their purchase obligation, or product. No single deadline will be set by which a customer has to request a product change; customer can submit a request to change products any time between October 1, 2028 and September 30, 2037, in accordance with limitations and charges outlined in the contract. BPA will consider the impact of a customer's product change request on the overall impact of BPA's WRAP QCC obligations.
12. Billing Credits and Residential Exchange	12. Billing Credits and Residential Exchange	This section provides for a total waiver for Billing Credits and a partial waiver of participation in the Residential Exchange Program to protect customers from cost shifts associated with non-federal resources of other customers.	Continues the total waiver of Billing Credits and expands the waiver for the REP to a complete waiver.
13. Scheduling	13. Scheduling	Depending on each customer's circumstances, scheduling requirements can vary dramatically. The bulk of the scheduling terms and conditions reside in Exhibit F.	Few changes are proposed for this section. The scheduling provisions in the body of the contract primarily direct the reader to Exhibit F for the applicable scheduling terms and conditions.
14. Delivery	14. Delivery	Addresses transmission, transfer service, losses, and other issues related to the delivery of power. Establishes the points for the delivery of power. Addresses delivery issues specific to customers either served by Transfer Service or are both directly connected and have PODs served by Transfer Service; such issues include ancillary services and direct assignment of costs.	Some changes: 1) adding a section to address terms and conditions if firm transmission is unavailable; 2) removes "Baseline Delivery Percentages and Amounts" as it relates to the process and costs associated with a Transfer customer served over multiple transmission systems adding a non-federal resource to serve their load. This RD "Proportional Scheduling" process is replaced in POC with a Delivery Plan obligation for such resources; 3) directly assigns to the customer any transfer service costs incurred for power sold at the NR rate; and 4) revises BPA's commitment to acquire and pay for Transfer Service to all Dedicated Resources serving transfer load and Consumer-Owned Resources serving transfer On-Site Consumer Load.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
15. Metering	15. Metering	This section primarily addresses a customer's metering equipment requirements. The meter data requirements are primarily found in section 17 and Exhibit E. Exhibit E establishes the parties' rights and obligations for meters including, but not limited to, operating, maintaining, replacing, testing, providing access to, and paying for meters.	Updates to this section reflect current practices, eliminate redundancy with requirements in section 17, and provide more consistency in language between the Load Following version and Slice/Block and Block versions. Since the start of RD, BPA's Transmission Services (BPAT) executed Network Operating Agreements (NOA) with its NT customers, which include language regarding the ownership, operation, maintenance and financial responsibilities for meters. The POC contract is adding language referring to the NOA, BPA's Metering Application Requirements, other BPAT agreements, and BPA's metering website.
16. Billing and Payment	16. Billing and Payment	All electricity, products, and services sold and purchased under the contract is billed in accordance with this section. This section addresses payment options, late payments and the process for disputed bills.	Updates and adds payment language specifically for federal agencies, and clarifies the timing and process for both estimated/final bills and failure to pay.
17. Information Exchange and Confidentiality	17. Information Exchange and Confidentiality	Performance of the contract requires the parties to share a lot of information with each other. While detailed requirements of data provision are included throughout the contact, this section describes general requirements of information exchange and addresses the customer's right to, and process required for, confidentiality for information provided to BPA.	Includes language that customers will provide meter data, historic load data, load and resource data related to NLSLs, resource information, battery and storage facility information (energy storage devices), information necessary for QCC calculation, and other information necessary to administer the contracts. BPA adjusted language and timing in the Total Retail Load forecast data submittals and the Net Requirements process sections to accommodate the Net Requirements process changing from an annual process (with exceptions) to an every-two-years process prior to a Rate Period. Also, see sections 18 and 19 below for elements pulled from those sections under RD and included in section 17 for POC.
18. Conservation and Renewables	See 17.2.4 under Information Exchange and Confidentiality	Customers agree to cooperate with BPA in any evaluation of conservation programs; provide a 10-year conservation plan to BPA; and report any non-BPA funded conservation measures. The renewables section requires the customer to provide information regarding their renewable resource and REC acquisition plans and provide BPA with copies of any integrated resource plans or forecasts. BPA has routinely waived the customers' reporting requirements under section 18.	Section 18 was removed in POC. However, BPA is retaining its ability to request customers' long-term integrated resource plans; BPA is including that element into a new section 17.2.4 in Information Exchange and Confidentiality.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
19. Resource Adequacy	See 17.2.3 under Information Exchange and Confidentiality	Requires certain customers to send forecasted loads and resources data to Pacific Northwest Utilities Conference Committee (PNUCC) annually, and potentially to the Northwest Power and Conservation Council (Council) in order to facilitate PNUCC's region-wide assessment of loads and resources.	Since joining WRAP, resource adequacy will have different significance during POC than it did during RD. BPA is moving RD section 19 Resource Adequacy provisions into the POC Information Exchange and Confidentiality as a new section 17.2.3. The POC contract will additionally include language stating that a customer may require PNUCC or Council to execute a non-disclosure prior to providing those third parties with the requested load and resource data.
20. Notices and Contact Information	Exhibit I, Notices and Contact Information	Most information that is sent between BPA and the customer does not need proof that the information was received. This provision provides for the few circumstances where obtaining proof of receipt is a requirement of the contract. The section also includes the contact information for each party's primary point of contact.	See POC Exhibit I description below.
21. Uncontrollable Forces	18. Uncontrollable Forces	Includes a definition of uncontrollable force and includes examples of events that would and would not constitute an uncontrollable force. Establishes the obligations on both Parties if they experience an uncontrollable force.	Epidemics, pandemics and terrorist acts are being added to the list of examples of an uncontrollable force. The requirement to notify the other party "immediately" of an uncontrollable force was adjusted to a requirement that one party "promptly" notify the other party of an uncontrollable force.
22. Governing Law and Dispute Resolution	19. Governing Law and Dispute Resolution	Establishes the mechanisms for resolving disputes that arise under the contract and states that the contract is governed by federal law. If a dispute arises, parties are required to make a good faith effort to resolve the dispute informally before initiating litigation or arbitration. Parties must continue operation of the contract while a dispute is pending.	No changes.
23. Statutory Provisions	20. Statutory Provisions	Section 23.1, Retail Rate Schedules: The Bonneville Project Act requires that customers who purchase requirements power from BPA provide a copy of their retail rate schedules. This provision allows customers to notify BPA if the information is already available on their website.	No changes.
		Section 23.2, Insufficiency and Allocations: If, after a reasonable period of experience, the Administrator determines he cannot acquire sufficient resources to meet his load obligations he may restrict his obligations during a period of insufficiency. The provision references BPA's insufficiency and allocations methodology.	Section 20.2, Insufficiency and Allocations: One edit compared to RD: a change from the term "federal power" to "electric power" which aligns with the NW Power Act.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
		Section 23.3, New Large Single Loads and CF/CTs: This provision establishes the service to NLSLs and CF/CTs and points to Exhibit D where such types of load and their amounts are identified. It requires that the customer provide notice of loads that are likely to become NLSLs (Potential or Planned NLSLs).	Section 20.3, New Large Single Loads and CF/CTs: BPA is taking some language from Exhibit D and including it into section 20.3. Some of the language is being reorganized to improve flow and readability and add clarity to the language. Should a Load Following customer request BPA to supply firm power to serve a Planned NLSL or an NLSL, terms and conditions are included to allow BPA to perform a service study to assess its ability to meet such a request. The section also expands flexibilities for Consumer-Owned Resources serving an NLSL.
		Section 23.4, Priority of Pacific Northwest Customers: This provision incorporates by reference the 1964 Regional Preference Act and sections 9(c) and 9(d) of the Northwest Power Act affirming regional and public preference to Federal power generated in the Northwest consistent with BPA statutes.	Section 20.4, Priority of Northwest Customers: edit to change the term "federal power" to "electric power" which aligns with the NW Power Act.
		Section 23.5, Prohibition on Resale: This provision precludes the resale of Firm Requirements Power, which is defined as power provided under section 5(b) of the Northwest Power Act.	Section 20.5, Prohibition on Resale: No changes.
		Section 23.6, Use of Regional Resources: This provision helps ensure BPA's 9(c) Policy is enforceable. It requires a customer to notify BPA before they export power from a Generating Resource or Contract Resource that has been used to serve firm consumer load, and allows BPA to decrement the customer's power purchases from BPA if they do not report an export out of region.	Section 20.6, Use of Regional Resources: This section includes edits to update terminology (i.e., Purchase Period changed to Rate Period), reflect current circumstances (PNCA expiring), and delete the definition of firm power. Additionally, BPA is adding a new subsection that states participation in a day ahead market will not be considered an "export outside the Region" if specific criteria are met.
		Section 23.7, BPA Appropriations Refinancing: The 1996 BPA Refinancing Act requires that BPA offer to include section 3201(i) of the Act in its contracts. By incorporating this provision, customers are held harmless from any congressional legislation to refinance BPA's debt during the term of the contract.	Section 20.7 adds the US Code reference in the citation of the BPA Refinancing Act.
24. Standard Provisions	21. Standard Provisions	Section 24.1, Amendments: Ensures that any amendment of the Agreement will be in writing (no verbal amendments) and agreed to by both parties, unless the contract specifically allows for a provision to be unilaterally amended.	Section 21.1, Amendments: No changes.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
		Section 24.2, Entire Agreement and Order of Precedence: The Agreement, including documents incorporated by reference (such as the Northwest Power Act and the BPA Refinancing Act), constitute the entire agreement. If there is a conflict between something stated in the body of the Agreement and an exhibit, what is stated in the body prevails over the exhibit.	Section 21.2, Entire Agreement and Order of Precedence: No changes.
		Section 24.3, Assignment: Allows for the assignment of the contract and ensures that the contractual obligations would still be met after assignment. Outlines limitations under which BPA could reasonably withhold its consent to an assignment. There were two versions of this clause because cooperative customers who obtained financing through the Rural Utility Service must have also obtained RUS approval before they could assign the contract to another entity.	Section 21.3, Assignment: Deleted a repetitive sentence.
		Section 24.4, No Third-Party Beneficiaries: The only legal beneficiaries under the RD contract are BPA and the customer. End-users do not have standing under the Agreement and are not beneficiaries.	Section 21.4, No Third-Party Beneficiaries: No changes.
		Section 24.5, Waivers: Waivers must be in writing and signed by the waiving party. Waivers are non-precedential and do not imply or cause a waiver of any other provision of the agreement than the one being waived.	Section 21.5, Waivers: No changes.
		Section 24.6, BPA Policies: References in the RD contract to BPA policies do not mean that the customer either agreed with those policies or waived its rights to challenge the legality of those policies.	Section 21.6, BPA Policies: No changes.
		Section 24,7, Rate Covenant and Payment Assurance: Requires the customer to set its rates high enough to make the payments required under the RD contract. The provision allows BPA to require payment assurance, such as a letter of credit, if it determines the customer may not be able to pay its bills.	Section 21.7, Rate Covenant and Payment Assurance: One section reference change from RD section 20, Notices and Contact Information to POC Exhibit I, Notices and Contact Information.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
		Section 24.8, Bond Assurances: This provision was only included in RD contracts of cooperatives and tribal utilities. Under RD, BPA retained the right to adjust an impacted customer's CHWM if it annexed load resulted in exceeding the established 2.8% threshold.	Section 21.8, Bond Assurances: While this provision will still only be included in POC contracts of cooperatives and tribal utilities, BPA is developing a Load Following/Block version and a Slice/Block version. For POC, BPA is adding changes that would limit an applicable cooperative's Slice Percentage so that the Slice amount is equal to the threshold amount. This limit would be on top of the 50% Slice percentage limit in the Slice/Block product and would be an additional check done annually when Slice Percentages are calculated. With this approach, BPA's sale of the Slice/Block product should avoid a direct use of CGS above the de minimis threshold; however, BPA is including language that states BPA would pass through any remediation costs should unforeseeable circumstances occur that would cause remedial action.
N/A	22. Future Amendment for Day-Ahead Market	This provision was not in RD.	If BPA joins a day ahead market, BPA commits, with this new provision, to 1) conduct a public process to negotiate amendments to the POC contract necessary to facilitate participation in such market and 2) conduct a separate and subsequent public process on settlements for the Slice Product in a day ahead market.
N/A	23. Participation in WRAP	This provision was not in RD.	BPA is participating in the Western Resource Adequacy Program (WRAP) with its first binding season in winter 2027-2028. BPA is proposing this new provision to discuss communication roles and responsibilities and, for Load Following customers, outline the principles for seeking load exclusion. BPA anticipates including more detailed provisions in Exhibit J after contract signing and once details regarding WRAP are more available.
25. Termination	24. Termination	For BPA's right to terminate, section 23 points to other sections of the contract that allow BPA the right to terminate if a customer fails to pay its bills or provide payment assurance. The customers' right to terminate was tied to FERC's approval of the Tiered Rate Methodology.	Because BPA will not seek FERC approval of the PRDM, the section on the customer's right to terminate has not been included in POC.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
26. Signatures	25. Signatures	During the term of RD, BPA adopted (optional) electronic signatures on its offered contract actions and changed its Signature clause. The provision states that the contract action is executed as of the last date that the bilateral contract action was signed.	No changes.
Exhibit A, Net Requirements and Resources	Exhibit A, Net Requirements and Resources	At a high level, a customer's Net Requirement, as the amount of power it may purchase from BPA, is its Total Retail Load minus its Dedicated Resources. The RD Exhibit A differs depending on a customer's purchase obligation (product), but it captures the elements of the customer's Net Requirement including non-federal resources. For planned product customers, Exhibit A includes forecast TRL and forecast Net Requirements.	BPA has added updates to this exhibit that would both increase efficiencies and reflect resource changes in other sections of the contract: 1) Unspecified Resources are being updated to reflect the change to "Committed Power Purchase Amounts"; 2) BPA is removing language pertaining to Contract Resources; 3) BPA has moved and consolidated language on load forecast submittals into section 17; 4) BPA is removing Small Non-Dispatchable Resources and Super Peak; and 5) BPA has clarified treatment of Consumer Owned Resources in Net Requirement calculations. A "Delivery Plan" (associated with section 14, Delivery) and "Applied Tier 1 Allowance Amount" data elements are being added to the Resource Profile sections within Exhibit A. BPA has also streamlined resource shaping options for Load Following.
Exhibit B, High Water Marks and Contract Demand Quantities	Exhibit B, Contract High Water Marks	The RD Exhibit B states a customer's CHWM, the conditions under which a customer's CHWM could change, the customer's Contract Demand Quantity (CDQ) Amounts, and the conditions under which a customer's CDQ would be changed.	This exhibit will state a customer's CHWM and the conditions under which a customer's CHWM could change. Consistent with the POC Final Policy and ROD, new sections are being added specific to the CF/CT adjustment and small utility adjustment, and updates are being made to the tribal utility section and US DOE Richland section. BPA is removing all mention of CDQs from the exhibit.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
Exhibit C, Purchase Obligations	Exhibit C, Purchase Obligations	Establishes customer's Firm Requirements Power at Tier 1 Rates and Tier 2 Rates. The RD Exhibit C was different depending on a customer's purchase obligation (product).	This exhibit establishes a customer's Firm Requirements Power purchase amounts at Tier 1 Rates and Tier 2 Rates, and includes four POC Above-CHWM Load election options along with a Tier 2 Vintage offering. A customer makes its Above-CHWM Load service election once for the term of the Agreement, though options for a one-time election change are provided. This exhibit also establishes Tier 1 Block options for the six Block product offerings that BPA has proposed and will include the calculation details of the Block portion of the Slice/ Block product, as applicable. Language has been included in the Master Template to outline the PLVS offering.
Exhibit D, Additional Products and Special Provisions	Exhibit D, Additional Products and Special Provisions	Commonly referred to as "unique and special issues", Exhibit D is home for unique or non-standard provisions that do not logically fit in other sections of the contract to address a customer's unique and/or special circumstances. Information on a customer's CF/CTs and NLSLs, if any, are contained in section 1 of Exhibit D. Over the term of RD, BPA added new options to section 1, including the option for Planned NLSLs. Section 2 of Exhibit D contains the Resources Support Services terms and conditions, if a customer purchased such. Section 3 covers Irrigation Rate Mitigation, again, if the customer receives the irrigation discount. Other provisions commonly found in Exhibit D, as applicable, include Grandfathered GMS, Limitations on Exchange of Existing Resources (related to Residential Exchange Program), WREGIS Subaccount language, and Baseline Delivery Percentages and Amounts (or Proportional Scheduling).	BPA will continue to utilize Exhibit D as the home for unique and non-standard provisions that do not logically fit in other sections of the contract. However, BPA has proposed to move the RSS provisions to the new Exhibit J. The 'Limitations on Exchange' provision does not apply under POC and will not be included. BPA has restructured 'Proportional Scheduling' in section 14, Delivery such that the Baseline Delivery Percentages language is no longer needed in Exhibit D. Also, BPA includes the WREGIS Subaccount provisions in Exhibit H, so those will no longer be contained in Exhibit D. Edits to section 1 of Exhibit D, NLSLs and CF/CTs, are intended to improve the flow, understandability and clarity of the NLSL language. Language is being added that will apply to Load Following customers requesting firm power from BPA to serve NLSLs.
Exhibit E, Metering	Exhibit E, Metering	Exhibit E, Metering, is found in all RD contracts, though there are two versions. One version is for Load Following customers and any Block or Slice/Block customer that does not operate their own balancing authority areas (BAA); this version includes considerable detail about customers' meters. The second version is for Block or Slice/Block customers that operate their own BAAs, with limited meter information captured in Exhibit E. Over the term of RD, BPA, for administrative efficiency purposes, introduced a table format for some customers' Exhibit E revisions.	BPA is including a table format for all customers' Exhibit Es. BPA is proposing that after the Parties have the opportunity to agree to proposed changes in a revision, BPA would have the unilateral right to revise the exhibit if the customer unreasonably delays or withholds their review and approval.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
Exhibit F, Scheduling or Transmission Scheduling Service	Exhibit F, Scheduling or Transmission Scheduling Service	At a high level, Exhibit F is an operational exhibit outlining the parties' respective obligations regarding scheduling of BPA provided power and customers' non-federal resources. Certain customers are required and some customers could elect to purchase Transmission Scheduling Service; these customers received Exhibit F, Transmission Scheduling Service. This exhibit has been revised numerous times to provide additional services and options to customers, including Transmission Curtailment Management Service and TSS-Partial. Consequently, several versions exist.	Exhibit F continues to be an operational exhibit outlining the parties' respective obligations regarding scheduling of BPA provided power and customers' non-federal resources. Certain Load Following customers are required and some customers will be able elect to purchase Transmission Scheduling Service (TSS); these customers will receive Exhibit F, Transmission Scheduling Service. BPA will continue to offer TSS-Partial and TSS-Full; however, in POC, customers may elect TSS-Partial or TSS-Full for individual non-federal resources. BPA is proposing to move customer-specific TSS information and other scheduling-related resource information into Exhibit J.
Exhibit G, Principles of Non-Federal Transfer Service (or "Intentionally Left Blank")	Exhibit G, Terms Related to Transfer Service	Exhibit G was only included in transfer customers' contracts and was left blank for all directly connected customers. Section 14.6.7 of the RD contract states that BPA would offer a separate contract after the RD contracts were signed under which BPA would obtain transfer service for delivery of non-Federal resources to the customer. Exhibit G listed the principles which formed the basis for that stand-alone Agreement, which would become the Transfer Service Support for Non-Federal Resources Agreement (TSSA).	BPA is proposing to fold the terms and conditions of the TSSA and the related Reimbursement Agreement into Exhibit G of the POC contract for administrative efficiency. As such, the principles that were in the RD contract Exhibit G have been folded into the operative language of POC Exhibit G.
Exhibit H, Renewable Energy Certificates and Carbon Attributes	Exhibit H, Renewable Energy Certificates and Environmental Attributes	Exhibit H provides the procedures for BPA's transfer of RECs to customers and established the principles for distributing (any future) Carbon Credits. Exhibit H was renegotiated and amended as part of the REP Settlement.	Governs BPA's transfer of RECs and Environmental Attributes consistent with the POC final Policy and commensurate with the physical amount of power purchased. BPA is proposing to not lock its Environmental Attribute allocation methodology down in the contract and, instead, would engage customers through a public process after the conclusion of each Rate Case and prior to a new Rate Period during POC to determine the details of the allocation for the upcoming Rate Period. BPA is also adding new language regarding a transfer of Emissions Allowances from customers to BPA, when BPA needs such Allowances to cover the customer's state compliance obligations. BPA is no longer offering to remarket RECs for customers.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
Exhibit I, Critical Slice Amounts	N/A	Exhibit I section 1 states the Adjusted Annual RHWM Tier 1 System. Section 2 describe how BPA calculated Critical Slice amounts AART1SC * Slice % and stated the Customer's monthly Critical Slice Amount in aMW and MWH.	RD Exhibit I section 1 (AART1SC) has been deleted. RD Exhibit I, section 2 (Firm Slice Amount) has been moved to Exhibit K, section 3.
20. Notices and Contact Information	Exhibit I, Notices and Contact Information	See RD section 20 description above.	For administrative efficiencies, BPA moved the Notices and Contact information into an exhibit. A few changes, other than location, include: BPA will have the unilateral right to update the contact information upon notice of a change to a party's contact information; POC will allow for a party, upon request, to have more than one contact person listed in Exhibit I; and BPA added a section for the parties' operational contacts needed for everyday administration of the POC contract.
Exhibit J, Preliminary Slice Percentage and Initial Slice Percentage	N/A	Preliminary Slice Percentage was the Slice percentage request by customer before adjustment for Unsold Slice Amount and Maximum Additional Slice. Initial Slice Percentage is Preliminary Slice Percentage with Unsold Slice Amount and Maximum Additional Slice.	RD Exhibit J, Preliminary Slice Percentage and Initial Slice Percentage has been deleted.
N/A	Exhibit J, Additional Resource and Energy Storage Device Requirements	This provision was not in RD.	This new exhibit will be used to identify a customer's resource and energy storage device-related elections and requirements. There were several new resource-related services, options and requirements developed during RD (such as Resource Support Services (RSS) and TSS-Partial) and being introduced under POC (such as resource adequacy requirements and energy storage devices). Exhibit J will capture specific elections/ requirements, by resource, to better organize the resource-related exhibit information for clarity, ease and administrative efficiency.
Exhibit K, Annual Determination of Slice Percentage	Exhibit K, Annual Slice Percentage and Firm Slice Amounts	Exhibit K includes the following items: Section 1.1 Definitions Section 1.2 Slice Percentage Adjustment Ratio: Adjusted Slice Customers' Initial Slice Percentage for changes in annual Tier 1 System Capability Section 1.3 Adjustments for Annual Net requirement less than AART1SC*ISP*SPAR Section 2: annual Slice Percentage	Exhibit K provides the following items, consolidates amounts that were in multiple RD exhibits: Section 1: Annual Slice Percentage: inputs and Slice Percentage calculated pursuant to section 5.3. Section 2: Annual CHWM: monthly amounts Section 3: Firm Slice Amount: monthly amount stated in aMW and MWH, calculated pursuant to section 5.4.

Regional Dialogue Section	Provider of Choice Section	Regional Dialogue (RD)	Provider of Choice (POC)
Exhibit L, RHWM Augmentation	N/A	Exhibit L states the RHWM Augmentation amounts established in each Rate Period. RHWM Augmentation was a component of the BOS Base Amount and provided to customers in the Flat Annual Shape.	Exhibit has been deleted. See below for description of POC Exhibit L.
Exhibit M, Slice Computer Application	Exhibit L, Provider of Choice Slice Application	Established the Slice Computer Application that consisted of the Slice Water Routing Simulator, the Balance of System Module, the Default User Interface, and other related processes used for scheduling, tagging, and accounting of Slice Output and communication of information between BPA and Slice Customers.	In POC, BPA refers to the Slice Computer Application as the Provider of Choice Computer Application (POCSA). Use of the POCSA and its components to request Slice Output Energy will continue. BPA Simulator Parameters and Customer Inputs adjusted to align with the day-ahead submission deadline. Customer will submit a preliminary Simulated Operating Scenario ahead of Customer Inputs submission deadline. Adds provisions for constraints that cannot be modeled accurately in POCSA. Adds procedures to request shielding of Simulated Operating Scenario constraint violations.
Exhibit N, Slice Implementation Procedures	Exhibit M, Slice Operating Procedures	Described Storage Offset Adjustment and Deviation Accounting in SCA. Provided procedures for Operating Constraint Violations and BOS Flex Validations. Described Grand Coulee Project Storage Bounds.	Preserves procedures used in RD. Aligns SOA and Deviation Returns with day-ahead Slice Output Energy Request.
Exhibit O, Interim Slice Implementation Procedures	N/A	Exhibit O described the interim procedures that BPA and Slice Customers would use if the Slice Computer Application Implementation Date was established after 10/1/2011.	Exhibit has been deleted.
Exhibit P, Slice Computer Application Development Schedule	N/A	Exhibit P described the milestones and dates for development of the Slice Computer Application. Exhibit P dates were not binding. The binding SCA Implementation Date was provided in Section 5 in the body of the Agreement.	Exhibit has been deleted. BPA will provide the POCSA development schedule to customers when contract is offered for execution pursuant to section 5.11.
Exhibit Q, Determination of Initial Slice Percentage	N/A	Exhibit Q described the process that BPA used to establish Initial Slice Percentages. RD included a mechanism to increase a customer's Slice Percentage if the total Slice Percentage requested by all customers was less than the limit established by BPA.	Exhibit has been deleted.

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Other Informational Items

Prepared By: Clint Whitney, Energy Services Director

Subject
Capital Work Plan Update - July 2025

Department
Energy Services

Recommended Motion
This item is informational only.

Summary
Attached is a summary of Energy Services capital work through July 2025. The budgeted 2025 annual capital expenditures are $11.9M. Capital expenditures through July are $9.3M.

The 2025 capital work expenditures include YTD expenses of:

- Line extensions - $2.5M
- System Improvements - $600K
- Renewal and Replacement - $1.2M
- Substation Improvements - $4.7M
- Sandhill and Dallas Substation Area Improvements - $100K

Fiscal Impact
None.

Attachments
1. RES CWP Report - July 2025

CITY OF RICHLAND
WASHINGTON

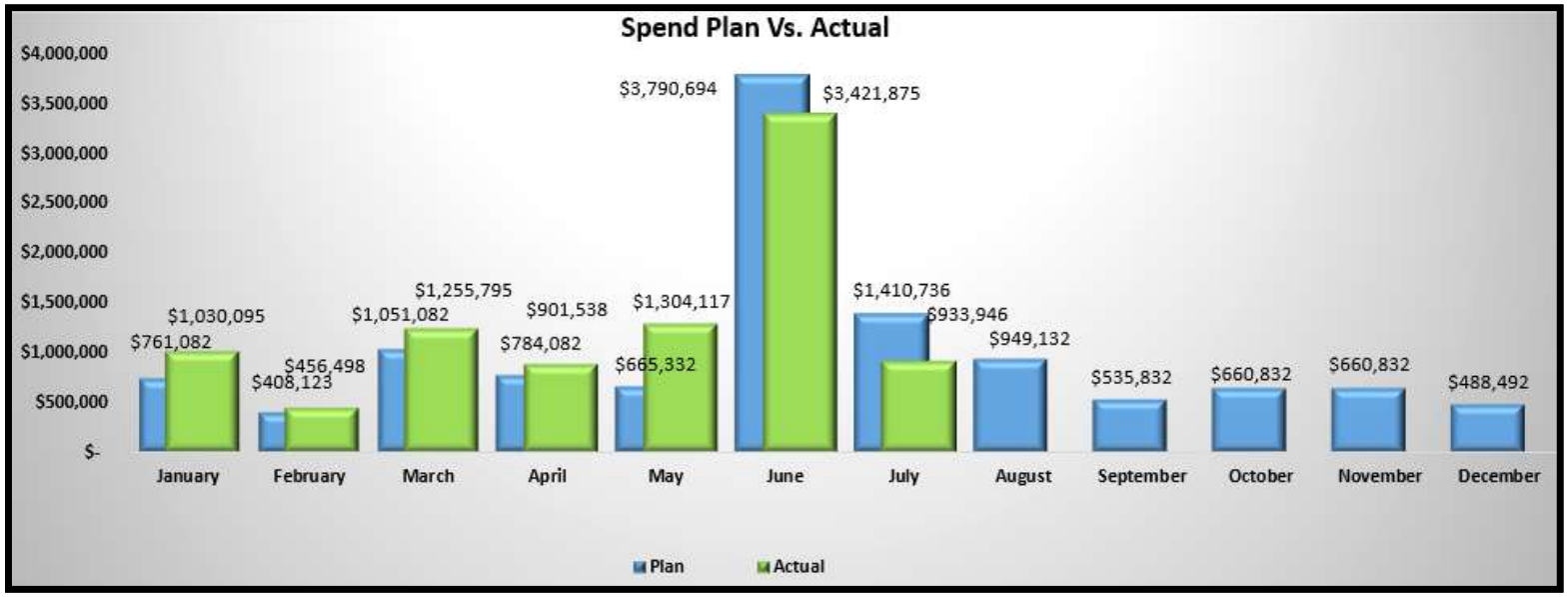
Richland Energy Services
Capital Work Plan
July 2025

CWP Costs through July

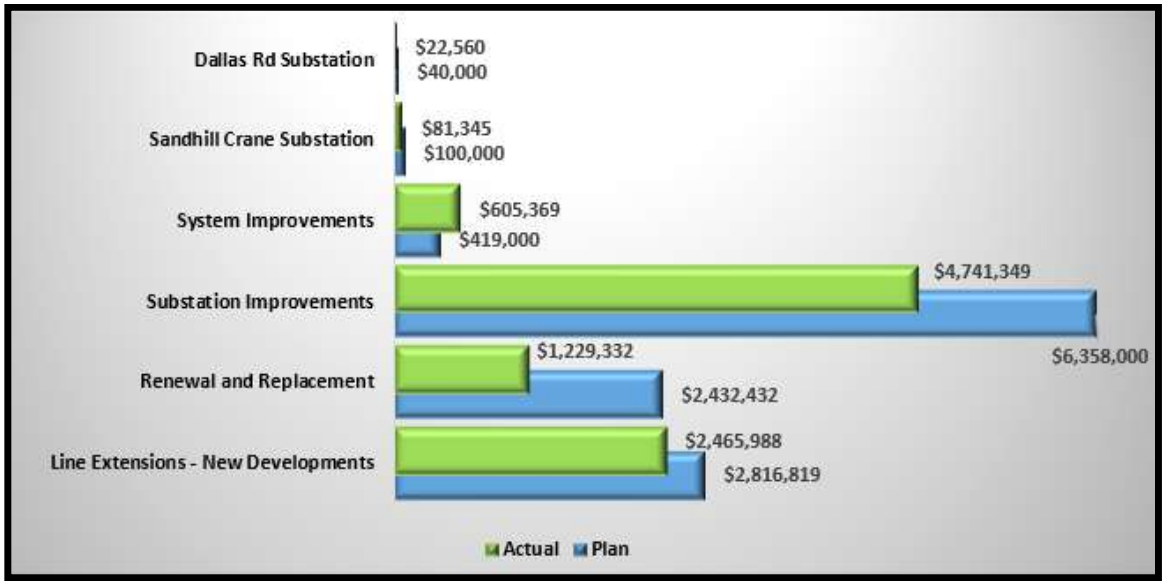
	Approved 2025 Budget	2025 Revised Plan	Actual	Remaining	July
⊞ Line Extensions	$771,000	$ 2,816,819	$ 2,465,988	$ 350,831	$ 588,226
⊞ System Improvements	$419,000	$ 419,000	$ 605,369	$ (186,369)	$ 29,187
⊞ Substation Improvements	$4,558,000	$ 6,358,000	$ 4,741,349	$ 1,616,651	$ 15,386
⊞ Fusion Substation	$265,000	$ -	$ -	$ -	$ -
⊞ Sandhill Substation Area Improvements	$3,313,000	$ 100,000	$ 81,345	$ 18,655	$ 2,879
⊞ Dallas Rd Area Improvements	$0	$ 40,000	$ 22,560	$ 17,440	$ 3,614
Grand Total	$11,874,000	$ 12,166,251	$ 9,303,866	$ 2,862,385	$933,946

Cost Performance YTD:	**$9,303,866**
Cost Performance remaining:	**$2,862,385**
YTD % Complete	**77%**

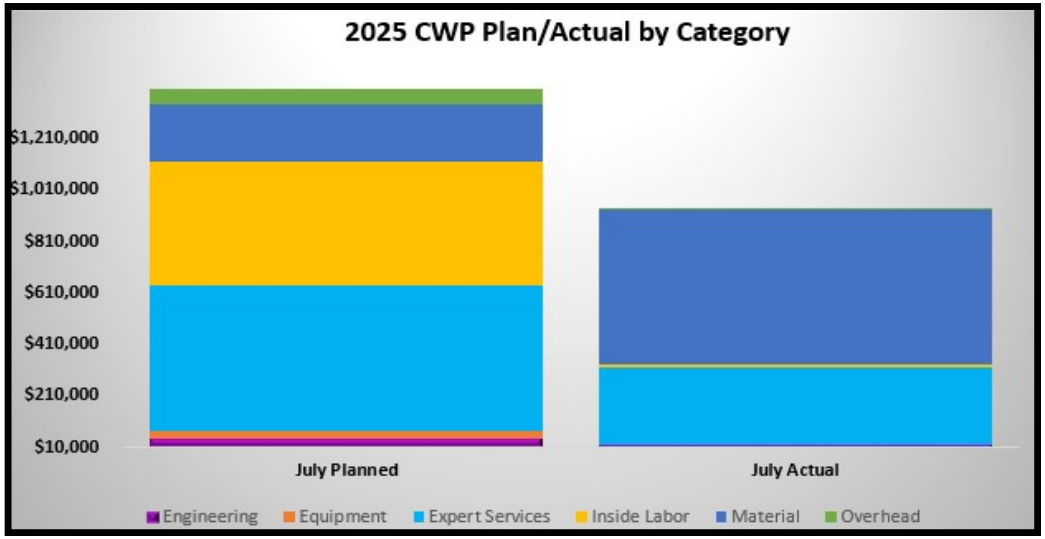
CWP Monthly Spend Vs. Actuals



Costs by Category



CWP Cost Types



Cost Type	July Planned	July Actual
Engineering	$ 45,392	$ 22,309
Equipment	$ 30,467	$ -
Expert Services	$ 563,261	$ 298,230
Inside Labor	$ 482,380	$ 10,147
Material	$ 221,412	$ 603,261
Overhead	$ 67,823	$ 3,382
Total	**$ 1,410,736**	**$ 937,329**

CWP Project Costs for July

	Approved 2025 Budget	2025 Revised Plan	Actual	Remaining	July
Line Extensions	**$771,000**	**$ 2,816,819**	**$ 2,465,988**	**$ 350,831**	**$ 588,226**
System Improvements	**$419,000**	**$ 419,000**	**$ 605,369**	**$ (186,369)**	**$ 29,187**
1715 Stevens, bank 1 feeder retirement and sw	$0	$ -	$ 118,724	$ (118,724)	$0.00
New Services	$419,000	$ 419,000	$ 251,834	$ 167,166	$12,250.76
Renewal and Replacement	**$2,548,000**	**$ 2,432,432**	**$ 1,229,332**	**$ 1,203,100**	**$ 294,654**
METER INSTALLATION MATERIALS	$20,000	$ 20,000	$ 189,323	$ (169,323)	$0.00
2023 Pole Replacement Program	$534,000	$ 175,000	$ -	$ 175,000	$0.00
72 Hodges Ct, Renew and Replace 6BC with 1	$0	$ -	$ 268,089	$ (268,089)	$0.00
UG Cable Replacement	$1,994,000	$ 2,237,432	$ 771,921	$ 1,465,511	$294,654.46
Substation Improvements	**$4,558,000**	**$ 6,358,000**	**$ 4,741,349**	**$ 1,616,651**	**$ 15,386**
City View Bank 2 Addition	$0	$ -	$ 19,910	$ (19,910)	$0.00
City View Extension 131, EXT 3P 750 Aprox 20	$0	$ -	$ 308,876	$ (308,876)	$0.00
Thayer Substation - Bank 1 Rebuild and 115kV	$1,484,000	$ 1,484,000	$ 1,086,476	$ 397,524	$253.75
Stevens Substation - Bank 1 Rebuild and 115k	$3,074,000	$ 4,874,000	$ 3,300,612	$ 1,573,388	$15,132.31
Design and Install SEL 2414 at SHC b1-2, FIS b1	$0	$ -	$ 11,621	$ (11,621)	$0.00
Relay Replacement	$0	$ -	$ 13,854	$ (13,854)	$0.00
Fusion Substation	**$265,000**	**$ -**	**$ -**	**$ -**	**$ -**
Sandhill Substation Area Improvements	**$3,313,000**	**$ 100,000**	**$ 81,345**	**$ 18,655**	**$ 2,879**
Dallas Rd Area Improvements	**$0**	**$ 40,000**	**$ 22,560**	**$ 17,440**	**$ 3,614**
Grand Total	**$11,874,000**	**$ 12,166,251**	**$ 9,303,866**	**$ 2,862,385**	**$933,946**

UTILITY ADVISORY COMMITTEE AGENDA ITEM COVERSHEET

Meeting Date: 9/9/2025 Agenda Category: Other Informational Items

Prepared By:

Subject
Forward Agenda

Department
Energy Services

Recommended Motion
This item is informational only.

Summary
Electric Bond Rating, Refund & New Issue Discussion – November 2025
Electric Rates Review & Rate Design Options with Presentation by FCS – November 2025
BPA Provider of Choice Contract - November 2025
SMR Update (Ken Langdon) - November 2025
AMI Time of Use (TOU) and Demand Rate Discussion – January 2026

Fiscal Impact
None.

Attachments