

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

I. Process For Negotiating Power Purchase Agreements

A. Communications

Unless otherwise directed by the Company, all communications to the Company regarding QF power purchase agreements should be directed in writing as follows:

Rocky Mountain Power
Manager - QF Contracts
825 NE Multnomah St, Suite 600
Portland, Oregon 97232
@pacificorp.com

The Company will respond to all such communications in a timely manner. If the Company is unable to respond on the basis of incomplete or missing information from the QF owner, the Company shall indicate what additional information is required. Thereafter, the Company will respond in a timely manner following receipt of all required information.

I. B. Procedures

1. Request for Pro Forma Contract. The Company shall provide a QF Developer with a pro forma power purchase agreement within seven (7) days of its receipt of a request for the same. The pro forma document provided (i) does not constitute an offer to enter into an agreement, (ii) may include general proposed terms and conditions, and (iii) will not include pricing or project specific information. Anyone who desires to enter into a power purchase agreement with the Company must proceed in accordance with this Schedule to request indicative pricing under Section I.B.2, to request a proposed power purchase agreement under Section I.B.5, and to negotiate and execute a power purchase agreement that is executed by the Company and approved by the Commission.

2. Request for Indicative Pricing. To obtain indicative pricing with respect to a proposed project, a QF Developer must provide to the Company the following general project information:

- a) A general description of the QF project and the QF Developer, including email address and other contact information;
- b) generation technology and other related technology applicable to the site;

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- ~~i) _____ plans for fuel and transportation agreements (Motive force plans);~~
- ~~j) _____ proposed length of contract term; m and pricing provisions (i.e., fixed, escalating, indexed)~~
- ~~k) _____ status of transmission interconnection arrangements including interconnection queue number; and~~
- ~~l) _____ other information promptly and reasonably requested by the Company.~~

~~3. Within 7 days of its receipt of a request for indicative pricing and supporting materials as specified above, the Company shall confirm its receipt of the same and notify the QF Developer whether the submission is substantially complete or if additional information is required. The Company shall not be obligated to provide indicative pricing until all information described in Paragraph I.B.2 has been received from the QF Developer. Indicative pricing will be determined in light of other QF projects in the QF pricing queue ahead of the project, and using inputs and procedures as approved by the Commission. A QF will be added to the QF pricing queue as of the date the Company has received all project information required in Paragraph I.B.2 and will retain its priority position in the QF pricing queue for purposes of subsequent requests for indicative pricing unless and until removed from the QF pricing queue as provided herein. The Company will notify the QF Developer of the date its project was added to the QF pricing queue. Once a QF Project has been added to the QF pricing queue, in the event additional clarifying information is reasonably required by the Company in order to calculate indicative prices, the deadlines in Section I.B.4 shall be extended on a day for day basis until the requested clarifying information has been provided.~~

~~4. Within 30 days following the date a QF project was added to the QF pricing queue under Section I.B.3, the Company shall provide the QF Developer with indicative pricing, which may include other indicative terms and conditions, tailored to the individual characteristics of the proposed project. For the initial pricing request, the Company will include:~~

- ~~— indicative prices along with indicative terms and conditions,~~
- ~~— a link to the Company's most recent quarterly avoided cost pricing for an explanation of inputs and the Commission-approved method used to develop indicative prices.~~

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- d) _____ assurance of fuel supply or motive force
- _____ e) _____ anticipated timelines for completion of key project milestones

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~~_____ f) _____ evidence that any necessary interconnection studies have been completed and assurance that the necessary interconnection arrangements are being made in accordance with Part II.~~

~~5. _____ The company shall not be obligated to provide the owner with a draft power purchase agreement until all information required pursuant to Paragraph 4 has been received by the Company in writing. Within 30 days following receipt of all information required pursuant to paragraph 4, the Company shall provide the owner with a draft power purchase agreement containing a comprehensive set of proposed terms and conditions, including a specific pricing proposal for purchases from the project. Such draft shall serve as the basis for subsequent negotiations between the parties and, unless clearly indicated, shall not be construed as a binding proposal by the Company~~

~~6. _____ After reviewing the draft power purchase agreement, the owner may prepare an initial set of written comments and proposals regarding the draft power purchase agreement and forward such comments and proposals to the Company. The Company shall not be obligated to commence negotiations with a QF owner until The Company has received an initial set of written comments and proposals from the QF owner. Following the Company's receipt of such comments and proposals, the owner may contact the Company to schedule contract negotiations at such times and places as are mutually agreeable to the parties. In connection with such negotiations, the Company:~~

~~_____ a) _____ will not unreasonably delay negotiations and will respond in good faith to any additions, deletions or modifications to the draft power purchase agreement that are proposed by the owner~~

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