

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

I. B. Procedures (continued)

- a) A material change in the point of interconnection;
- b) A change in design capacity of 10% or more of the original specified design capacity;
- c) A change in generation technology (i.e. solar, wind, thermal), including a change between fixed tilt and tracking solar projects. Changes in the quantity and timing of monthly power deliveries will not cause removal from the QF pricing queue so long as the basic generation technology and design capacity have not changed;
- d) A change in the online date specified in the information provided under Section I.B.2.f of more than three months earlier or later; or
- e) A PPA has not been executed by both parties within five (5) months after the draft PPA was provided by the Company to the Developer, except to the extent delays are caused by Company actions or inactions.

11. Standard PPA Terms. Absent Commission approval to the contrary for good cause shown, a power purchase agreement executed under this Schedule shall include the following terms and conditions, among others:

- a) The scheduled commercial operation date must not be greater than thirty (30) months after the execution date of the power purchase agreement;
- b) The QF Developer must sign a System Impact Study Agreement with PacifiCorp Transmission (refer to Section 42.2 or Section 51.4 of PacifiCorp's OATT) within 120 days of the date a Commission Order approving the agreement has become final and non-appealable; and
- c) The QF Developer must provide 100% of the project development security within 30 days of the date a Commission Order approving the PPA has become final and non-appealable.

II. Process for Negotiating Interconnection Agreements

In addition to negotiating a power purchase agreement, QFs intending to make sales to the Company are also required to enter into an interconnection agreement that governs the physical interconnection of the project to the Company's transmission or distribution system. The Company's obligation to make purchases from a QF is conditioned upon all necessary interconnection arrangements being consummated.

It is recommended that the owner initiate its request for interconnection as early in the planning process as possible, to ensure that necessary interconnection arrangements proceed in a timely manner on a parallel track with negotiation of the power purchase agreement. Interconnection agreements (both transmission and distribution level voltages) are handled by the Company's power delivery function, PacifiCorp Transmission Services.

(continued)

H. A. Communications (continued)

~~Based on the project size and other characteristics, the Company will direct the QF owner to the appropriate individual within the Company's power delivery function that will be responsible for negotiating the interconnection agreement with the QF owner. Thereafter, the QF owner should direct all communications regarding interconnection agreements to the designated individual, with a copy of any written communications to the address set forth above.~~

B. Procedures

~~Generally, the interconnection process involves (1) initiating a request for interconnection, (2) completion of studies to determine the system impacts associated with the interconnection and the design, cost, and schedules for constructing any necessary interconnection facilities, (3) execution of an Interconnection Facilities Agreement to address facility construction, testing and acceptance and (4) execution of an Interconnection Operation and Maintenance Agreement to address ownership and operation and maintenance issues.~~

~~Consistent with PURPA, the owner is responsible for all interconnection costs assessed by the Company on a nondiscriminatory basis.~~

~~For interconnections impacting the Company's Transmission System, the Company will process the interconnection application through PacifiCorp Transmission Services following the procedures for studying the generation interconnection described in the Company's Open Access Transmission Tariff, PacifiCorp FERC Electric Tariff, Fifth Revised Volume No. 11 Pro Forma Open Access Transmission Tariff (OATT) on file with the Federal Regulatory Commission. A copy of the OATT is available online at <http://www.oasis.pacificorp.com>.~~

~~For interconnections impacting the Company's Distribution System only, the Company will process the interconnection application through the Manager of QF Contracts at the address shown in Section H.A. Applications for interconnection at the distribution level will be processed in accordance with Utah Admin. Code R746-312 Electrical Interconnection using the Company's Commission approved interconnection forms and agreements, which are provided electronically at the following address: <http://www.pacificorp.com/tran/ts/gip/qf.html>~~

III. Process for Filing a Complaint with the Commission on Contract Terms

~~The Commission has an informal and formal dispute resolution processes which can be reviewed on the Commission website at the following address: <http://www.psc.utah.gov/complaints/index.html>~~