

ELECTRIC SERVICE SCHEDULE NO. 38 - Continued

PREFACE: (continued)

6. QF Developers should pay special attention to the fact that, as specified in the tariff sections that follow, a QF project will typically be removed from the QF pricing queue, and any indicative or proposed prices or agreements will no longer be valid, upon occurrence of any of the following events:
 - a) Failure of the QF Developer to submit to the Company a request for a power purchase agreement within sixty (60) days of its receipt of indicative pricing, as specified in Section I.B.5;
 - b) Failure of the QF Developer to submit written comments and proposals within thirty (30) days of its receipt of a proposed power purchase agreement, as specified in Section I.B.7;
 - c) Failure of the parties to execute a power purchase agreement within five (5) months after a proposed~~draft~~ power purchase agreement was provided by the Company to the QF Developer, as specified in Section I.B.10.e.; or
 - d) A material change in the point of interconnection, a change in design capacity of more than 10%, a change in generation technology, or a change of more than three (3) months in the online date, as specified in Sections I.B.10.a.-d.

7. When a QF project is removed from the QF pricing queue, the developer may request new indicative pricing and a new agreement by timely following all of the steps outlined below, in which case it will be placed in the QF pricing queue as a new project.

AVAILABILITY: To owners of Qualifying Facilities (QFs) in all territory served by the Company in the state of Utah.

APPLICATION: To owners of existing or proposed QFs with a design capacity greater than 1,000 kW for a Cogeneration Facility or greater than 3,000 kW for a Small Power Production facility who desire to make sales to the Company, and to QFs who are not able to obtain pricing under Schedule 37 because the Schedule 37 cap has been reached. Such owners will be required to enter into written power purchase and interconnection agreements with the Company pursuant to the procedures set forth below. Additional or different requirements may apply to Utah QFs seeking to make sales to third-parties, or out-of-system QFs seeking to wheel power to Utah for sale to the Company. Cogeneration Facilities greater than 100,000 kW seeking a term of ten years or more must participate in a Company competitive bidding process (RFP). Information on Company RFPs can be found at <http://www.pacificorp.com/sup/rfps.html>

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