

# Exhibit E - OCS Response Brief - 16-035-04 5/6/2016

**From:** Moore, Kyle {Mkt Function} [Kyle.Moore@pacificorp.com]  
**Sent:** Thursday, November 05, 2015 1:43 PM  
**To:** Clements, Paul {Mkt Function}  
**Subject:** FW: Thayn Hydro LLC (Green River, Utah) Contract Renewal - Contract with Pricing

Rick Kaster (Thayn) sent over these questions that he still has about the contract. What do you think of his requests?

Thanks,  
Kyle

**From:** rick kaster [mailto:rickkaster@gmail.com]  
**Sent:** Tuesday, November 03, 2015 7:39 PM  
**To:** Moore, Kyle {Mkt Function}  
**Subject:** Re: Thayn Hydro LLC (Green River, Utah) Contract Renewal - Contract with Pricing

Kyle,

Following are some of the questions we have.

2.1 - Effective Date - If the diversion dam rebuild project takes off in December, 2015 or January, 2016 can we move the Effective Date back accordingly?

6.5.2 - Maintenance Outages - Some of the typical short term maintenance outages that we might experience would be a generator slip ring brush that needs immediate attention or the removal of trash from a turbine. These outages typically only involve one generator at a time and take no more than an hour or two but cannot always be planned 5 days in advance. Would you still want us to bother your dispatcher with such short term, partial plant (230 kw at most) reductions to the output?

6.5.3 - Forced Outages - Over 95% of the forced outages we experience are caused by disturbances on PacifiCorp's system. These occurrences of course are beyond our control and shut the whole plant down until the operator restarts the plant. Partial reductions in the plant output might be caused by ice in the winter, more power diverted to pump irrigation water in the summer months, the tailwater rising from changes in river flows, ect. The estimated monthly energy outputs in Exhibit A reflect these various conditions. Again, at what point do we bother your dispatcher with incremental changes in the plant output? Please bear in mind that the load changes that might be seen on the grid would not be much different than that of a large irrigation pump being turned on or off and for the last 24 years has not caused any operational problems for PacifiCorp.

6.10.1 - Electronic Fault Log - We do not currently have an electronic fault log. Would a written log documenting the forced, planned, or maintenance outages of the plant, on a form acceptable to PacifiCorp that we fax or scan and email to PacifiCorp be acceptable?

9.6 - WREGIS Metering - Are facilities of this size in Utah required to join WREGIS? If so then:

1. Where would we obtain a WREGIS meter, does it require its own set of PT's and CT's, can we pay PacifiCorp to install it, ect.
2. Can the information that WREGIS wants be gleaned off of our existing billing meter?
3. Would PacifiCorp be willing to convey our data to WREGIS?

10.1 - Monthly Invoices - Is our existing meter capable of logging on and off peak hours? Can we just continue on as we have done for the last 24 years and just have PacifiCorp issue payments and an invoice based on the data from the existing (or upgraded if necessary) meter?

11.1.2 (g) - Defaults by Seller - Our current contract considers a failure to deliver the Minimum Annual Delivery for any two consecutive years a default. We could theoretically fail to meet the minimum every other year, or 10 years of the contract. This seems lopsided in our favor but it was never an issue as we have never failed to meet the minimum annual requirement. The current proposal is that if we fail to meet the minimum for even one year then we would be in default. While we don't believe that we will ever fail to meet the minimum output it seems a little extreme that one bad year could doom the entire project. We think that failing to meet the minimum output for any two contract years, consecutive or non consecutive, to be considered a default would be more reasonable.

11.4 - Termination of Duty to Buy - We are very uneasy about this provision. This basically says that if we default for any reason then we forfeit all our rights under PURPA. Something as simple as a temporary lapse in insurance could trigger this provision.

23.1 - Confidential Business Information - Should the parties be allowed to share otherwise confidential information with mediators, arbitrators, or the PSC in the event disputes arise?

Thank you for your time in addressing our questions and concerns,

Rick Kaster

On Tue, Nov 3, 2015 at 9:15 AM, Moore, Kyle {Mkt Function} <Kyle.Moore@pacificorp.com> wrote:  
Sorry to hear about your mother as well. Let me know your questions on the contract and we'll see what we can do. I will let you know when I can set up a date for next week to meet with the DPU, please let me know if there are dates that will not work for your schedule.

Thanks,  
Kyle Moore

**From:** Rick Kaster [mailto:rickkaster@gmail.com]

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