



SERVICE COMMISSION

SUBMITTED VIA ELECTRONIC FILING A 10: 47

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May 29, 2012

The Honorable Kimberly D. Bose Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, DC 20426

RE: PacifiCorp, Docket No. ER12- -000

Dear Secretary Bose:

Docket No. 12-999-01

Pursuant to Section 205 of the Federal Power Act ("FPA"), Part 35 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission") regulations, and Order No. 714, PacifiCorp hereby submits proposed revisions to its Amended and Restated Transmission Service and Operating Agreement ("TSOA") with Utah Associated Municipal Power Systems ("UAMPS"). PacifiCorp is authorized to state that UAMPS consents to and concurs in this revision to the TSOA.

I. BACKGROUND

The TSOA was originally executed by PacifiCorp and UAMPS on May 7, 1991,⁴ as revised on July 1, 1992,⁵ and subsequently amended and restated on August 14, 2001.⁶ The TSOA consolidated a number of pre-existing transmission and interconnected operations agreements between UAMPS and PacifiCorp. Since its original execution in 1992,⁷ the TSOA has provided for a form of network transmission service to UAMPS.⁸

^{1 16} U.S.C. § 824d (2006).

² 18 C.F.R. Part 35 (2010).

³ Electronic Tariff Filings, Order No. 714, 124 FERC ¶ 61,270 (2008).

⁴ See PacifiCorp, unpublished letter order, Docket Nos. ER91-354-000, et al., (May 15, 1992).

See PacifiCorp, unpublished letter order, Docket No. ER92-554-000 (Jul. 20, 1992).

See PacifiCorp, unpublished letter order, Docket Nos. ER01-3029-000, et al. (Nov. 15, 2001).

The TSOA was first executed on an interim basis by PacifiCorp and UAMPS on May 7, 1991. See PacifiCorp, unpublished letter order, Docket Nos. ER91-354-000, et al. (Jun. 19, 1991). The interim TSOA was replaced with a permanent agreement in 1992. See PacifiCorp, unpublished letter order, Docket No. ER92-554-000 (Jul. 20, 1992).

⁸ See, e.g., PacifiCorp, 83 FERC ¶ 61,337 (1998); PacifiCorp, 95 FERC ¶ 61,122 (2001).

PacifiCorp filed the Second Amended and Restated TSOA (the "Second TSOA") on November 2, 2011, under Docket No. ER12-336-000. The Second TSOA was suspended by the Commission on December 30, 2011, for a five month period, with the proposed rates to become effective June 2, 2012, subject to refund, and all issues were set for hearing and settlement judge procedures. Honorable Judge Michael J. Cianci was appointed as the settlement judge.

PacifiCorp and UAMPS have reached a settlement in principle in Docket No. ER12-336-000, which will be submitted soon to Judge Cianci. However, prior to that time, UAMPS and PacifiCorp desire to modify the Second TSOA to expressly recognize network resources not currently included in the Second TSOA.

II. PROPOSED REVISIONS

The only proposed amendment to the Second TSOA in this filing affects Appendix B, which lists the UAMPS resources. Mona had previously been designated as a UAMPS receipt point for firm power deliveries utilized by UAMPS to serve loads. In the revisions submitted in Docket No. ER12-336-000, Mona was removed from Appendix B of the Second TSOA as a UAMPS resource because Mona is a transmission Point of Receipt and not an actual resource. As part of the settlement negotiations, the parties recognized that UAMPS should retain their historic ability to utilize firm deliveries from designated network resources to Mona for their own load service under the TSOA. Moreover, the Second TSOA expressly provides for the possibility of adding network resources and points of receipt. Therefore, the parties desire to add UAMPS network resources to be delivered at Mona, to Appendix B, effective June 2, 2012 (the effective date of the Second TSOA).

III. CONTENTS OF FILING

18 C.F.R. § 35.11 (2011).

This filing consists of the following documents:

- This transmittal letter;
- ATTACHMENT A: Revised sheets to the Second TSOA (clean version);
- ATTACHMENT B: Revised sheets to the Second TSOA (redlined version).

IV. EFFECTIVE DATE AND REQUESTS FOR WAIVER

Pursuant to Section 35.11 of the Commission's regulations, ¹⁰ PacifiCorp respectfully requests waiver of the Commission's prior notice and filing requirements so as to permit an

PacifiCorp, Order Accepting and Suspending Proposed Rates and Establishing Hearing and Settlement Judge Procedures, Docket No. ER12-336-000 (Dec 30, 2011). The proceedings in Docket No. ER12-336-000 subsequently were consolidated with proceedings in Docket No. EL12-13-000, which concern a complaint filed by PacifiCorp against UAMPS regarding the provision of operating reserves under the TSOA. See PacifiCorp, 139 FERC ¶ 61,052 (2012).

effective date of June 2, 2012 so that the additional network resources at the Mona Point of Receipt will be available to UAMPS coextensive with the effectiveness of the Second TSOA. FERC may, upon good cause shown, provide that a rate schedule shall become effective as of a date prior to the date the rate schedule would become effective in accordance with the Commission's rules. The Commission generally grants waiver of the 60-day prior notice requirement in the case of uncontested filings that do not change rates, such as changes in points of receipt. UAMPS has authorized PacifiCorp to state that it consents to this change to Appendix B of the Second TSOA and to the waiver of notice. This single amendment to the TSOA reflects Mona as a new resource under the agreement, and is thus a non-rate revision. As noted above, PacifiCorp and UAMPS have determined that UAMPS should retain its historic ability to utilize firm deliveries from designated network resources to Mona for their own load service under the TSOA. To accomplish this purpose, the revision to Appendix B must be in effect on June 2, 2012, which is the date on which the Second TSOA will become effective pursuant to the FERC Order which accepted and suspended the Second TSOA.

V. COMMUNICATIONS

All communications and correspondence regarding this filing should be forwarded to the following persons:

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See Prior Notice Filing Requirements Under Part II of the Federal Power Act, 64 FERC ¶ 61,139 (1993).

¹² 18 C.F.R. § 35.11 (2011).

See, e.g., Central Hudson Gas & Elec. Corp., et al., 60 FERC ¶ 61,106, at 61,338 (1992).

PacifiCorp, Order Accepting and Suspending Proposed Rates and Establishing Hearing and Settlement Judge Procedures, Docket No. ER12-336-000 (Dec 30, 2011).

VI. SERVICE LIST

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, a copy of this filing is being served on each of the following:

General Manager UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS 155 North 400 West, Suite 480 Salt Lake City, Utah 84103

Utah Public Service Commission Heber M. Wells Building 160 East 300 South Salt Lake City, UT 84114

VII. CONCLUSION

PacifiCorp respectfully requests that the Commission accept the enclosed revisions to the Second TSOA to become effective on June 2, 2012, and grant any waivers or authorizations necessary to make the revisions effective on that date.

Respectfully Submitted,

/s/ Patrick Cannon
Patrick Cannon

Attorney for PacifiCorp

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused a copy of the foregoing document to be served via first-class mail or electronic mail upon each of the parties listed in the enclosed Service List.

Dated at Portland, Oregon this 28th day of May, 2012.

/s/ Patrick Cannon

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SECOND AMENDED AND RESTATED

TRANSMISSION SERVICE and OPERATING

AGREEMENT

BETWEEN

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

<u>AND</u>

PACIFICORP

SECOND AMENDED AND RESTATED TRANSMISSION SERVICE and OPERATING AGREEMENT BETWEEN UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS AND PACIFICORP

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SECOND AMENDED AND RESTATED

TRANSMISSION SERVICE and OPERATING AGREEMENT BETWEEN UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS AND PACIFICORP

PREAMBLE

THIS SECOND amendment to the Transmission Service and Operating Agreement dated May 7, 1992, between the Parties hereto, is made and entered into as of this day of _______, 2011, by and between UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS, a political subdivision of the State of Utah organized under the Utah Interlocal Co-Operation Act and authorized to do business in the State of Utah ("UAMPS"); and PACIFICORP, an Oregon corporation. UAMPS and PacifiCorp are sometimes hereinafter referred to individually as "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, the electrical systems of the Parties are interconnected; and

WHEREAS, PacifiCorp has agreed in several existing agreements to provide transmission service for the various resources available to UAMPS, as well as to provide the other services, including applicable Ancillary Services, necessary as a Balancing Authority Area operator; and

WHEREAS, UAMPS and PacifiCorp entered into a Transmission Service and Operating Agreement dated March 25, 1991 ("Interim Agreement") which consolidated transmission services under existing agreements and the Parties mutually agreed to replace the Interim Agreement with an agreement, initially dated May 7, 1992, as subsequently revised; and

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

1. Definitions

When used in this Agreement with initial capitalization the following terms shall have the respective meanings set forth below and shall be applicable to both the singular and plural forms:

- 1.1. <u>Agreement</u> The Second Amended and Restated Transmission Service and Operating Agreement between UAMPS and PacifiCorp, dated October 31, 2011
- 1.2. <u>Ancillary Services</u> Services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining safe, reliable and economic operation of PacifiCorp's Transmission System in accordance with Good Utility Practice. Ancillary Services provided under this Agreement are identified in Appendix E.
- 1.3. <u>Balancing Authority</u> The responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time as specified by NERC.
- 1.4. <u>Balancing Authority Area</u> 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 as specified by NERC.
- 1.5. <u>Business Practice</u> PacifiCorp periodically develops, and posts on its OASIS website, transmission business practices that provide additional detail explaining how PacifiCorp will implement its Tariff and this Agreement.
- 1.6. <u>Effective Date</u> The date determined in Section 2 herein.
- 1.7. <u>FERC</u> The Federal Energy Regulatory Commission or its successor.
- 1.8. Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of

reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).

- 1.9. <u>Monthly Transmission System Peak</u> The maximum firm usage of PacifiCorp's Transmission System in a calendar month.
- 1.10. Native Load The total load within PacifiCorp's Balancing Authority Area, including (1) obligations to customers of PacifiCorp under state regulatory jurisdiction, (2) obligations to customers of other utilities receiving transmission or other services from PacifiCorp, including UAMPS, and (3) PacifiCorp's normal obligations associated with operating a Balancing Authority Area. UAMPS Load is included within Native Loads hereunder.
- 1.11. <u>NERC</u> North American Electric Reliability Corporation.
- 1.12. <u>Hunter II</u> Unit No.2 which is part of the Hunter Generation Station located near Castledale, Utah and is operated by PacifiCorp.
- 1.13. <u>Hunter Schedule</u> The scheduled power and energy delivered to the PacifiCorp transmission system from the Hunter Generating Station by UAMPS which will consist of UAMPS' scheduled ownership share of Hunter generation. The Hunter Schedule shall be used in calculating the hourly energy imbalances described in Appendix F.
- 1.14. Mona PacifiCorp's Mona 345 kV Switchyard, located near Mona, Utah.
- 1.15. Mona Resource a Point of Delivery for UAMPS' deliveries of energy and capacity from Hunter II.
- 1.16. Open Access Same-Time Information System (OASIS) The information system and standards of conduct contained in Part 37 of FERC's regulations and all

- additional requirements implemented by subsequent FERC orders dealing with OASIS.
- 1.17. <u>PacifiCorp Transmission System</u> The facilities that are owned, controlled or operated by PacifiCorp that are used to provide transmission service under this Agreement.
- 1.18. <u>Points of Delivery ("POD")</u> Point(s) on PacifiCorp's Transmission System where capacity and energy transmitted by PacifiCorp will be made available to UAMPS, as specified in Appendix A hereof.
- 1.19. <u>Points of Receipt ("POR")</u> Point(s) of interconnection on PacifiCorp's Transmission System where capacity and energy will be available to PacifiCorp by UAMPS, as specified in Appendix B hereof.
- 1.20. <u>Real Power Losses</u> Electrical losses associated with the use of PacifiCorp's Transmission System. Such losses are provided for in Section 6 of this Agreement and Schedule 10 of the Tariff.
- 1.21. <u>Tariff</u> PacifiCorp's Open Access Transmission Tariff.
- 1.22. <u>UAMPS Load</u> The load that UAMPS identifies for firm transmission service under this Agreement, as designated in Appendix A hereof, including deliveries from UAMPS Resources to the Mona Point of Delivery. UAMPS Load shall include all load served by the output of any UAMPS Resources, including UAMPS Resources interconnected to transmission owned or operated by UAMPS or resources owned by a UAMPS member and interconnected to the member's side of a discrete Point of Delivery. UAMPS may elect to designate less than its total load as UAMPS Load but may not designate less than its total load at a discrete Point of Delivery, except for deliveries at Mona. Where UAMPS has elected not to designate a particular load at discrete Points of Delivery as UAMPS Load, UAMPS is responsible for making separate arrangements under Part II of the Tariff for any point-to-point transmission service that may be necessary for such non-designated load.

- 1.23. <u>UAMPS Resources</u> Any generating resource that is owned, purchased, or leased by UAMPS as designated in Appendix B hereof, including any generating resource located on UAMPS' or a UAMPS member's side of a discrete Point of Delivery; *provided however*, UAMPS Resources do not include any resource, or portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet UAMPS Load on a non-interruptible basis.
- 1.24. <u>WECC</u> the Western Electricity Coordinating Council.
- 1.25. <u>Western</u> Western Area Power Administration Salt Lake City Area Integrated Projects.
- 1.26. Western Low-Voltage Agreement the Contract between PacifiCorp and United States Department of Energy Western Area Power Administration Salt Lake City Integrated Projects for Low-Voltage Transmission Service to Utah Contractors dated April 18, 1990, as amended thereafter.
- 1.27. Western Transmission Agreement the Contract between PacifiCorp and United States Department of Energy Western Area Power Administration Salt Lake City Area Integrated Projects for Interconnections and Transmission Service dated May 17, 1962, as amended thereafter.
- 1.28. Western Resource Power and energy available to UAMPS at the Points of Use defined in the Western Transmission Agreement or the Western Low-Voltage Agreement. Points of delivery under this agreement will be consistent with the Western Transmission Agreement.

2. Term and Termination

- 2.1. This Agreement shall be subject to acceptance for filing by FERC. If any provision of this Agreement is held to be void, voidable, contrary to public policy, or unenforceable, the Parties may terminate or amend this Agreement upon mutual agreement.
- 2.2. This Agreement shall be amended and restated as provided herein with this Agreement, effective on the date it is permitted to become effective by the FERC. PacifiCorp shall submit this Agreement for filing with FERC in accordance with

FERC filing requirements. If accepted for filing by FERC, this Agreement, as hereafter amended, will remain in full force and effect for so long as UAMPS is interconnected with PacifiCorp's Transmission System as set forth in Appendix A hereof; provided, however, that the Agreement may be terminated or replaced by mutual agreement of the Parties and is subject to amendment pursuant to Section 27 and Section 31 of this Agreement.

3. Firm Transmission Service

- 3.1. Commencing on the Effective Date, PacifiCorp shall accept from UAMPS schedules for firm transmission service over PacifiCorp's Transmission System for the delivery of capacity and energy from UAMPS Resources for the primary purpose of serving UAMPS Load. PacifiCorp's obligation to deliver such amounts of power and energy shall be subject to PacifiCorp's right to interrupt or reduce such deliveries pursuant to Subsection 3.2 and Subsection 3.3 herein. UAMPS shall pay PacifiCorp for firm transmission service provided under this Section in accordance with Appendices C, D and E to this Agreement.
- 3.2. UAMPS may use PacifiCorp's Transmission System to deliver energy to its UAMPS Loads from resources that have not been designated as UAMPS Resources. Such power and energy shall be transmitted, on an as-available basis, at no additional charge.
- 3.3. Pursuant to Section 3.1 herein, PacifiCorp shall make reasonable provision to supply continuous firm transmission service, but does not warrant or guarantee that such transmission service shall be free from interruption or reductions for reasons including, but not limited to:
 - (a) Interruptions or reductions due to force majeure events pursuant to Section 18 herein;
 - (b) Interruptions or reductions due to action reasonably instituted by automatic or manual controls for the purpose of maintaining overall

- reliability and continuity of PacifiCorp's Transmission System or generation facilities; or
- (c) Interruptions or reductions which, in the reasonable opinion of PacifiCorp, are necessary for the purposes of maintenance, repair, replacement, installation of equipment or inspection of PacifiCorp's Transmission System or generation facilities.

Except as provided in Section 23 herein, PacifiCorp shall not be liable to UAMPS for any direct or indirect damages (including any punitive, special, exemplary, treble, incidental, or consequential damages) resulting from any of the above interruptions or reductions. PacifiCorp shall provide UAMPS reasonable advance notice of any scheduled activities or conditions that will result in interruptions or reductions of transmission service. PacifiCorp shall use reasonable due diligence to expeditiously remove all causes of interruptions or reductions of transmission service which are under its control.

3.4. In the event of an interruption or reduction occurrence as described in Section 3.3 herein, interruptions or reductions shall be made consistent with the curtailment priorities set forth in the Tariff.

4. Low-Voltage Service to Western

In addition to transmission service provided to Western under the Western Transmission Agreement, PacifiCorp provides transmission service to Western under the Western Low Voltage Agreement. The Parties agree that, for each hour the Western Resource is scheduled, it will be assumed that the scheduled Western Resource, adjusted for transmission losses, was served first to the 138 kV or higher Points of Use defined in the Western Transmission Agreement. In the event the scheduled Western Resource exceeds the metered deliveries at 138 kV or higher, it will be assumed that the maximum single hourly amount which exceeds the load at 138 kV or higher for each monthly billing period, as adjusted for low-voltage losses, was served to the Points of Use defined in the Western Low-Voltage Agreement

5. <u>Distribution Voltage Service</u>

PacifiCorp shall deliver capacity and energy associated with UAMPS Resources from the Points of Receipt to UAMPS' Points of Delivery designated by UAMPS and interconnected with PacifiCorp's Transmission System at distribution voltages (voltages less than 46 kV). The Parties agree that UAMPS shall pay a monthly distribution charge for service at distribution voltage levels. This charge and the method for derivation of this charge are included as Appendix D. Should UAMPS upgrade a distribution voltage Point of Delivery to a voltage equal to or greater than 46kV, PacifiCorp, upon receipt of written notice of such change, shall, upon completion of any necessary upgrades, amend Appendix D to reflect the elimination of such distribution voltage Point of Delivery.

6. Transmission Loss Provisions

UAMPS is responsible for replacing or purchasing Real Power Losses incidental to all scheduled deliveries of power and energy hereunder from UAMPS Resources to UAMPS Load. Such transmission losses shall be calculated in accordance with Schedule 10 to the Tariff unless otherwise set forth in Appendix C to this Agreement. Loss factors associated with distribution service shall be as set forth in Appendix D and the Tariff.

7. Ancillary Services

Ancillary Services provided under this Agreement shall be pursuant to this section and to the terms, conditions, and rates defined in Appendix E and the Tariff.

- 7.1. PacifiCorp shall provide, and UAMPS is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from generation or other sources.
- 7.2. PacifiCorp shall offer to provide the following Ancillary Services associated with load served within PacifiCorp's Balancing Authority Area: (i) Regulation and Frequency Response, (ii) Generator Regulation and Frequency Response Service, (iii) Energy Imbalance, (iv) Operating Reserve Spinning, and (v) Operating

- Reserve Supplemental. UAMPS is required to acquire these Ancillary Services, whether from PacifiCorp, from a third-party, or by self-supply.
- 7.3. Pursuant to Section 7.2, UAMPS must purchase Ancillary Services from PacifiCorp unless UAMPS demonstrates, to PacifiCorp's sole satisfaction, that it has acquired the Ancillary Services from a third party or by self supply. If UAMPS uses transmission service at a Point of Receipt or Point of Delivery not specified in Appendix A hereof, it must pay for all of the Ancillary Services identified in this section that were provided by PacifiCorp including those charges associated with the unreserved use of transmission service.
- 7.4. Should UAMPS determine to self-supply Ancillary Services as specified by Section 7.2 of this Agreement, it shall do so in accordance with the Tariff and PacifiCorp Business Practices.

8. <u>Scheduling Provisions</u>

UAMPS shall schedule all firm transmission service to be provided under Section 3 of this Agreement in accordance with this Section, PacifiCorp's Business Practices, prevailing scheduling practices within WECC, and the Tariff.

9. <u>Study Procedures for Additional Service Requests</u>

UAMPS may request that PacifiCorp provide firm transmission service to additional load or resources under this Agreement. The Parties shall follow the system impact study and facilities study procedures set forth in Section 32 of the Tariff to determine whether additional requested service may be accommodated.

10. System Planning

10.1. UAMPS shall provide PacifiCorp with an annual load and resource forecast in accordance with Part III of the Tariff. The load and resource forecast shall be used by PacifiCorp for the purpose of transmission planning only, and shall not be

used for any billing purpose whatsoever, including without limitation for firm transmission service pursuant to Section 3 hereof.

10.2. PacifiCorp shall coordinate its transmission planning with UAMPS in accordance with Attachment K of the Tariff.

11. Meter and Communication Facilities

UAMPS shall own, install, operate, maintain, repair and replace the metering equipment and communications facilities located at each of the Points of Delivery, and at each UAMPS Resource that is located on the UAMPS or UAMPS member side of the Point of Delivery, to monitor, control and carry out the obligations and duties required by this Agreement. Notwithstanding the foregoing, metering equipment and communication facilities at Points of Delivery governed by separate interconnection agreements shall be owned, installed, operated, maintained, repaired and replaced pursuant to such agreements. The Parties shall have the right to witness, and shall have the obligation to notify the other Party of any testing and/or calibration of owned metering equipment that affects interconnections and/or deliveries hereunder. Such metering equipment shall be accessible to both Parties. Each Party shall allow the other Party reasonable time in each hour in cooperation with third parties for access to such metering equipment for interrogation. Meter inspections will be conducted by PacifiCorp in accordance with its procedures for inspecting other similar meters.

12. Underfrequency Relaying

UAMPS shall arrange for the implementation and/or maintenance of an underfrequency relaying program which shall include installation of sufficient underfrequency relaying equipment to shed UAMPS' loads in a manner consistent with applicable NERC reliability standards and PacifiCorp's load shedding procedures.

13. Tariff

Unless otherwise provided herein, UAMPS agrees to abide by provisions of the Tariff with respect to the provision of transmission-related services on PacifiCorp's Transmission System.

14. Business Practices

For any practice or procedure not defined by this Agreement, UAMPS agrees to abide by provisions of any applicable posted Business Practice.

15. Billing and Payment

Billing statements for all services provided to UAMPS under this Agreement shall be provided via Electronic File Transfer Protocol per UAMPS instructions and within a reasonable period following the end of the month. UAMPS shall pay such amounts including any assessment of interest in accordance with Section 7 of the Tariff. Payment for all services provided hereunder shall be electronically wire transferred pursuant to the instructions on PacifiCorp's invoice.

16. <u>Power Factor</u>

UAMPS shall at all times effectively control and limit the flow of reactive power at the Points of Delivery to maintain a power factor of ninety-five percent (95%) or greater or, by mutual agreement of the Parties, of some lesser power factor. UAMPS, at UAMPS' expense, shall install or have installed switched capacitors or other equipment as PacifiCorp may reasonably require to eliminate that portion of unscheduled reactive power flow which causes the power factor to fall below the limits established herein. PacifiCorp shall exercise reasonable judgment in minimizing the size of such capacitors or other equipment consistent with voltage control for PacifiCorp's other customers on PacifiCorp's Transmission System. Should UAMPS fail to take the corrective action requested by PacifiCorp within one (1) year after written notice from PacifiCorp, PacifiCorp may perform such services or supply and install such capacitors or other equipment as PacifiCorp deems necessary to provide the corrective action. UAMPS shall

reimburse PacifiCorp for all amounts reasonably expended by PacifiCorp and all services contracted for or performed by PacifiCorp in taking the corrective action, including PacifiCorp's standard overhead costs. The total of these expenditures shall be paid by UAMPS within thirty (30) days of receipt by UAMPS of an itemized statement of those expenditures reasonably incurred by PacifiCorp, subject to the dispute procedures of Section 17 herein.

17. Disputes

Any dispute between the Parties involving transmission service under this Agreement shall be resolved in accordance with Section 12 of the Tariff.

18. Force Majeure

Neither Party to this Agreement shall be considered in default in performance of any obligation hereunder if and to the extent that failure of performance shall be due to force majeure. The term "force majeure" means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. However, a Party shall not be relieved of liability for failure of performance if such failure is due to causes arising out of its own negligence or to removable or remediable causes which it fails to remove or remedy with reasonable dispatch. Any Party rendered unable to fulfill any obligation by reason of force majeure shall exercise due diligence to remove such inability with all reasonable dispatch. Nothing contained herein, however, shall be construed to require a Party to prevent or settle a labor dispute against its will.

19. Assignment

Either Party may, without consent of the other Party, assign all or a portion of its rights or delegate all or a portion of its duties under this Agreement in connection with the sale or merger of a substantial portion of the Party's assets. In all other cases, neither Party shall assign its rights nor delegate their duties under this Agreement or any part of such rights or duties without the prior written consent of the other Party, which consent shall not be unreasonably withheld, and any such assignment or delegation made without such written consent will be of no effect.

20. Choice of Law

The Parties in their performance of their obligations hereunder shall conform to all applicable laws, rules and regulations and, to the extent their operations are subject to the jurisdiction of state or federal regulatory agencies, they shall be subject to the terms of valid and applicable orders of such agencies. This Agreement shall be construed in accordance with the laws of the State of Utah unless preempted by the Federal Power Act or other federal law.

21. Waiver

Any waiver at any time by either Party hereto of its rights with respect to the other Party or with respect to any matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default of such matters.

22. Partial Invalidity

It is the intention of the Parties that the terms and conditions of this Agreement and the performance of the obligations contained in this Agreement shall conform to all applicable laws, rules and regulations governing the subject matter of this Agreement. The Parties agree that in the event any of the terms or conditions of this Agreement are finally held or determined to be invalid, illegal or void, or as being in contravention of any applicable laws, rules, regulations or public policy, all other terms and conditions of this Agreement shall remain in full force and effect unless the terms or conditions so

found to be invalid, illegal or void are not reasonably separable from the remaining terms and conditions of this Agreement. Further, the Parties agree that if and when any or all of the terms and conditions of this Agreement are finally held or determined to be invalid, illegal or void by either a court of competent jurisdiction or a regulatory agency, the Parties shall enter into negotiations concerning the terms and conditions affected by such decision for the purpose of achieving conformity with the requirements of any applicable law, rule or regulation and the intent of the Parties contained in this Agreement as originally executed.

23. <u>Liability and Indemnification</u>

- 23.1. Generally. Except as provided in this Section 23, each Party hereto hereby assumes all liability for injury or damage to persons or property arising from the intentional acts or gross neglect of its own employees, agents or contractors and shall indemnify and hold the other Party harmless from any liability arising therefrom. Neither Party shall be liable, whether in contract, warranty, tort or strict liability, to the other Party for any injury or death to any person, or for any loss or damage to any property, caused by or arising out of the ordinary negligence of its own employees, agents or contractors and shall indemnify and hold the other Party harmless from any liability arising therefrom. Each Party releases the other Party from, and shall indemnify the other Party for, any such liability.
- 23.2 <u>Electrical Disturbance</u>. Notwithstanding Section 23.1, or any other provision of this Agreement, neither Party shall be liable, whether in contract, warranty, tort or strict liability, to the other Party for any injury or death to any person, or for any loss or damage to any property, caused by or arising out of the electrical disturbance on either Party's electric system, whether or not such electric disturbance resulted from a Party's negligent, grossly negligent or wrongful act or omission, excepting only gross action knowingly or intentionally taken, or failed to be taken, with intent that injury or damage result therefrom, or which action is

- wantonly reckless. Each Party releases the other Party from, and shall indemnify the other Party for, any such liability.
- 23.3. As used in this Section, (1) the term "Party" means, in addition to such Party itself, its directors, officers and employees; (2) the term "damage" means all damage, including consequential damage and (3) the term "person" means any person, including those not connected with either Party to this Agreement.

24. Remedies Not Exclusive

The specification of a remedy in any section or paragraph of this Agreement for failure of a Party to meet any of its obligations shall not be deemed to affect or limit the right of any Party to seek any such other legal, equitable or administrative remedies as may be available for such failure.

25. <u>Insurance</u>

Until all obligations under or incident to this Agreement are satisfied, the Parties' shall provide and maintain all insurance required by law, and all insurance which prudent business judgment dictates is necessary to cover the risks and obligations of the Parties. The insurance shall be in such forms and in such amounts as prudent business judgment deems appropriate, and shall be provided and maintained at each Party's sole expense. The Parties' indemnification obligation pursuant to Section 23 and other obligations to each other or others under or incident to this Agreement shall not be limited in any way by the amount or type of insurance the Party chooses to provide or maintain.

26. Notices

26.1. All notices, demands or requests provided for in this Agreement shall be in writing and shall be deemed to have been properly served, given or made if delivered in person or when sent by registered or certified mail, postage prepaid and return receipt requested, to the Parties at their respective addresses.

- 26.2. Notices, demands or requests concerning this Agreement shall be delivered or addressed to the addresses as follows:
 - (a) To UAMPS:
 General Manager
 UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
 155 North 400 West, Suite 480
 Salt Lake City, Utah 84103
 - (b) To PacifiCorp:
 PacifiCorp Transmission Systems
 Director, Transmission Services
 825 N.E. Multnomah, Suite 1600
 Portland, Oregon 97232
- 26.3. Either Party may change the address or the person to whom such notices, demands or requests shall be sent by furnishing to the other Party, at that Party's then current address for notices, demands or requests, written notice of such change.

27. Regulatory Authority and Rate Changes

- 27.1. The terms and conditions of this Agreement are subject to the terms of valid and applicable orders of such state and federal regulatory agencies having authority over this Agreement.
- 27.2. Except as provided in Section 27.3, PacifiCorp may make a unilateral filing with FERC to modify this Agreement with respect to any terms and conditions, charges, classifications of service, rule or regulation under Section 205 of the Federal Power Act or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that UAMPS shall have the right to protest any such filing by PacifiCorp and to participate fully in any proceeding before FERC in which such modifications may be considered.
- 27.3. As to and only as to transmission service hereunder for UAMPS' Hunter II resource, PacifiCorp may make a unilateral filing with FERC to modify this

Agreement with respect to any terms and conditions, charges, classifications of service, rule or regulation under Section 206 of the Federal Power Act and FERC's rules and regulations thereunder.

27.4. Execution of this Agreement by UAMPS shall not constitute a waiver in any sense whatsoever of UAMPS' right to exercise its rights under the Federal Power Act in respect to this Agreement.

28. <u>System Ownership</u>

- 28.1. The electrical system of UAMPS shall at all times be and remain in UAMPS' exclusive possession and control, and nothing in this Agreement shall grant, or be construed to grant to PacifiCorp, any rights of ownership in or possession of UAMPS' electrical system.
- 28.2. The electrical system of PacifiCorp shall at all times be and remain in PacifiCorp's exclusive possession and control, and nothing in this Agreement shall grant, or be construed to grant to UAMPS, any rights of ownership in or possession of PacifiCorp's electrical system.

29. Existing Agreements

Nothing herein is intended to alter or suspend the rights or the duties of the Parties under the Mona Interconnection Agreement

30. <u>Effect of Section Heading.</u>

Section headings appearing in this Agreement are inserted for convenience of reference only and shall not be construed to be interpretations of the text of this Agreement.

31. Changes in and Appendices to this Agreement

31.1. Except as provided for in Section 9 and Section 27 of this Agreement, this Agreement may not be modified or amended by either Party except by subsequent

mutual agreement of the Parties and by written instrument duly executed by the Parties.

31.2. This Agreement includes the following Appendices, all of which are attached hereto and incorporated by reference:

Appendix A - UAMPS Points of Delivery

Appendix B - UAMPS Resources

Appendix C - PacifiCorp FERC Tariff Firm Transmission Service Monthly Demand Rate(s)

Appendix D - Charge and Derivation of the UAMPS Distribution Voltage

Delivery Charge

Appendix E - Charge and Derivation of Ancillary Services

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be executed by their duly authorized representatives as of the date hereinabove set forth.

PACIFICORP	UTAH	ASSOCIATED	MUNICIPAL
	POWER	SYSTEMS	
			·
By	Ву		
Name_ <u>Kenneth Houston</u>	Name		
Title Vice President, Transmission Services	Title		

APPENDIX A

UAMPS

AMENDED AND RESTATED TRANSMISSION SERVICE AND OPERATING

AGREEMENT

POINTS OF DELIVERY

The following are Points of Delivery on the transmission system of PacifiCorp.

	On-System		
Nomo	<u>Point of</u> <u>Delivery</u>	<u>Delivery</u> Voltage	Meter or
<u>Name</u> UAMPS	Mona Switchyard ¹	345 kV	<u>Schedule</u> Schedule
UAMPS	Hunter Station ²	345 kV	Calculated
Beaver ³	Beaver City Substation	46 kV	Meter
Beaver	Upper Beaver Hydro Station Service	46 kV	Meter
Blanding ³	Blanding Tap Line #1	69 kV	Meter
Blanding ³	Blanding Tap Line #2	69 kV	Meter
Bountiful City ³	Bountiful Substation #1 ⁴	138 kV	Meter
Bountiful City ³	Bountiful Substation #2 ⁴	138 kV	Meter
Bountiful City ³	Pine View Hydro Station Service	46 kV	Meter
Enterprise ³	Escalante Valley Tap Line ⁵	138 kV	Meter
Ephraim ³	Ephraim City Tap Line	46 kV	Meter
Fairview ³	Fairview Substation	46 kV	Meter
Fillmore ³	Fillmore City Tap Line	46 kV	Meter
Heber L&P ³	Heber L&P Tap Line	46 kV	Meter

Hurricane ³ Santa Clara St. George Washington City	St. George Substation #1 ⁶	345 kV	Meter
Holden ³	Holden Substation ⁷	7.2 kV	Meter
Hyrum ³	Hyrum City Tap Line	46 kV	Meter
Idaho Falls	Sugar Mill #1 ⁸	46 kV	Meter
Idaho Falls	Sugar Mill #2 ⁸	161 kV	Meter
Idaho Falls	Sugar Mill West ⁸	161 kV	Meter
Idaho Falls	West Side Substation ⁸	161 kV	Meter
Kanosh ³	Flowell Tap Line 9	46 kV	Meter
Kaysville ³	Burton Lane Tap	138 kV	Meter
Kaysville ³	Kaywest Switchstation ¹⁰	46 kV	Meter
Kaysville ³	Schick Lane	138 kV	Meter
Lehi ^{3 11}	Lehi Tap #3 (A) (Rodeo)	46 kV	Meter
Lehi ³	Lehi Tap #3 (B) (Rodeo)	46 kV	Meter
Lehi ³	Lehi Tap #3 (C) (Rodeo)	46 kV	Meter
Lehi ³	Lehi Tap #5 (Ind. Park)	46 kV	Meter
Lehi ³	Lehi Tap #6 (Ashton)	138 kV	Meter
Lehi ³	Lehi Tap #6 (Traverse Mtn)	138 kV	Meter
Logan ³	Logan City Substation ¹²	138 kV	Meter
Meadow ³	Flowell Tap Line9	46 kV	Meter
Monroe ³	Monroe City Sub ⁹	46 kV	Meter
Morgan ³	Morgan #1 Substation ⁷	4,16 kV	Meter
Morgan ³	Morgan #2 Tap Line	46 kV	Meter
Morgan ³	Morgan #3 Tap Line	46 kV	Meter
Mt. Pleasant ³	Mt. Pleasant Substation	46 kV	Meter
Murray ³	Riding Receiving Substation ¹³	138 kV	Meter

Oak City ³	Oak City Tap Line	46 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	SUVPS #1 ¹⁴	138 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	SUVPS #2 ¹⁴	138 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	SUVPS #3 ¹⁴	138 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	Dry Creek ¹⁴	138 kV	Meter
Paragonah ³	Burton Sub Feeder ⁷	12.47 kV	Meter
Parowan #2 Parowan #3 Parowan #4 Parowan #5	Parowan Switchrack ⁹ Quest Load Travel America Truck Stop Truck Bay	34.5 kV 12.47 kV 12.47 kV 12.47 kV 12.47 kV	Meter Meter Meter Meter Meter
Santa Clara ³	Santa Clara (Ivins Tap) ^{7 15}	69 kV	Meter
Spring City ³	Pine Creek Substation ⁷	12.47 kV	Meter
St. George City	Ledges Substation	34.5 kV	Meter
Weber Basin ³ Weber Basin ³	Weber Basin Pumps ¹⁶ Causey Hydro Station Service ¹⁷	Various 12.47 kV	Meter Meter

EMERGENCY ONLY ON-SYSTEM POINTS OF DELIVERY

	<u>On-System</u>		
	Point of	<u>Delivery</u>	<u>Meter or</u>
<u>Member Name</u>	<u>Delivery</u>	<u>Voltage</u>	Schedule
Hurricane ³	Hurricane	69 kV	Meter
Logan ³	North Logan Substation	46 kV	Meter

- UAMPS' schedules for delivery at Mona 345 kV substation are for interchange schedules out of the PACE Balancing Area.
- 2. UAMPS' calculated share of Hunter station service only occurs when Hunter II is off-line.
- 3. Loads also served under Western Transmission Agreements.
- 4. Bountiful City load is calculated from metered amounts flowing to UAMPS (M77270 CH 1, M78035 CH 1) less Weber Basin load (East Bountiful, South Davis, Orchard Drive and Val Verda) served through Bountiful Substation (M78265 CH 1, M78266 CH 1, M78683 CH 1, M77499 CH 1). Bountiful low voltage system loss adjustment to Weber Basin load is 3.0%, pursuant to contract number 14-06-400-3976 between Rocky Mountain Power and United States Bureau of Reclamation.
- 5. Per agreement between Dixie-Escalante and Enterprise, Dixie-Escalante system loss adjustment to Enterprise load is 9.0%.
- 6. The Central meters were replaced for billing purposes by the River M77684, Skyline M77685, and Skyline 2 M77686 in the St. George Substation with the implementation of joint operations under the Joint Operating Agreement between PacifiCorp and UAMPS dated 02/18/2005.
- PacifiCorp owned distribution substation.
- Various loads and generation in Idaho Falls as specified in the Bonneville-PacifiCorp General Transfer Agreement, Contract DE-MS79-88BP92287. Schedules of resources under the BPA GTA are applied to Idaho Falls load first with any remaining resource needs being provided by UAMPS under this ARTSOA.
- Per agreement between Kanosh Meadow and Flowell REA, Kanosh and Meadow are served at the Flowell REA Substation.
- Some retail load of PacifiCorp and Kaysville receives power at the Kaywest Switchstation. The Kaysville delivery is equal to the total Kaywest Switchstation metered amount, less the PacifiCorp retail loads as adjusted for losses as provided from PacifiCorp retail meters and as calculated through the formula used to determine the street light load (which is based on load profile of each particular lighting instrument). The Kaysville low voltage system loss adjustment to PacifiCorp retail load is 13.2%.
- 11. Lehi Tap #6, Ashton and Traverse Mtn, are two metered Transformer loads (Transformer #1, Ashton, is Meter 77623, Transformer #2, Traverse Mtn, is Meter 77784).
- Some retail load of PacifiCorp and Logan receives power at the Logan City Substation. The Logan delivery is equal to the total Logan City Substation metered amount, less the PacifiCorp retail loads as adjusted for losses and as provided from PacifiCorp retail meters. Logan low voltage system loss adjustment to PacifiCorp retail load is 9.7%. In addition, Utah State University's allocation of CRSP power from Western are delivered to the Logan City substation through an agreement between Logan and Utah State University.
- The Riding Receiving Substation bus is metered on the north side and on the south side. Both meters are bidirectional. Both meters and their four "-out" values will be used to calculate the Murray load.
- 14. The SUVPS system at Spanish Fork Substation and Dry Creek Substation are also Points of Receipt for the Nebo Resource as shown in Appendix B and Points of Delivery for members of Utah Municipal Power Agency ("UMPA). Payson City, Springville City and South Utah Valley ESD are served from Spanish Fork Substation, (meters

(M78235 CH 1, M78236 CH 1, M78471 CH 1), and from Dry Creek Substation, (meters M77546 CH 1, M77547 CH 1). UAMPS Spanish Fork/Dry Creek load is total metered load at Spanish Fork and Dry Creek less the metered UMPA load (adjusted for losses) served through Spanish Fork Substation and Dry Creek Substation. The SUVPS/UAMPS low voltage system loss adjustment to UMPA load is 0.5% for transformation losses applicable to all Spanish Fork/Dry Creek deliveries to UMPA and transmission losses of 1.205% are applicable to deliveries to UMPA at the Whitehead (M77904), Canyon Road(M77900), Spanish Fork 3 (M77908), Woodhouse(M77549), Evergreen (M77551), Salem (M77896), and Arrowhead (M77555) metering points. UAMPS load is equal to the sum of the Spanish Fork/Dry Creek substation meters less the UMPA load at the Canyon Road, Whitehead, Spanish Fork 3, Woodhouse, Evergreen, Salem and Arrowhead meter data Metered data is adjusted for transformation and transmission losses.

Load served at the Santa Clara (Ivins Tap) is limited as follows: 2005 - 25 MVA, 2006 - 22 MVA, 2007 - 20 MVA, 2008 - 17 MVA, 2009 - 15 MVA, 2010 - 12 MVA, 2011 - 10 MVA, 2012 - 8 MVA, 2013 and beyond -0 MVA. PacifiCorp may, at a future date, require the installation of a circuit breaker at this delivery point.

Various loads and generation in Weber, Davis and Summit counties as specified in the USBR-PacifiCorp Water Exchange and Transfer Contract 14-06-400-3976.

^{17.} Causey Hydro Station Service is delivered at PacifiCorp's 46/12.47 kV Eden Substation.

APPENDIX B

UAMPS' RESOURCES

The points of Receipt shall be the point of Interconnection as follows:

A. Causey Resource

UAMPS' entitlement to the net power and energy output from Weber Basin's 1.9 megawatt Causey Hydroelectric Plant delivered to PacifiCorp's Eden 46/12.47 kV substation distribution feeder. The Causey Resource currently has a summer rating of 2 MW and a winter rating of 1 MW.

B. Constellation West Valley

UAMPS' entitlement to the power and energy output from the West Valley, Utah, Gas Generation Station delivered to PacifiCorp at the 138 kV West Ridge Substation. The Constellation West Valley resource has a capacity of 200 MW.

C. Four Corners Resource

UAMPS' entitlement to the net power and energy output from the San Juan Generation Station

(ownership rights) delivered to PacifiCorp at the Four Corners 345 kV switchyard.

D. Hunter Resource

UAMPS' entitlement to the net power and energy output from the Hunter Generation Station (ownership rights and contractual purchase rights) delivered to PacifiCorp at the Hunter 345 kV Switchyard.

E. Idaho Resource

UAMPS' entitlement to the Gem State hydroelectric Facility Output that is purchased by UAMPS from the City of Idaho Falls

F. Mona Resources

Various Power Purchases as summarized in footnote.

G. Nebo Resource²

UAMPS' entitlement to the net power and energy output from the Nebo Generation Station delivered

¹ For the Summer Season 2012 (April through September), firm power purchases delivered at Mona: Morgan Stanley contract 2727913 (50 MW), Morgan Stanley contract 2755942 (1 MW), Deseret contracts (Logan, Hurricane, St George, Springville) (97 MW), Intermountain Power Agency (253 MW), and Morgan Stanley Contracts E3379163, E3486072, E3379159, E3295427, E3497095 v. 1.00 (totaling 27 MW). For the period after Summer Season 2012 until Summer Season 2021 (unless undesignated in accordance with Tariff procedures): the above, plus Intermountain Power Agency (75 MW), and firm purchases using Deseret and Western Area Power Administration transmission contracts (54 MW); it is anticipated that to the extent any contracts above do not extend through the entire period, they will be replaced with other firm resource purchase contracts in accordance with Tariff procedures.

to the 46 kV and/or 138 kV system of UAMPS (and subsequently to PacifiCorp at the Spanish Fork and Dry Creek Substations). The Nebo Resource has a summer rating of 139 MW and a winter rating of 158 MW.

H. Nevada Resource

UAMPS' entitlement to the power and energy delivered to PacifiCorp at the boundary between the states of Utah and Nevada where Nevada Power Company's and PacifiCorp's 345 kV transmission line interconnect. Transmission from this resource is available to UAMPS on an "as available" basis only as determined by PacifiCorp. There is currently a zero (0) MW summer and winter rating assigned to the Nevada Resource.

I. Pine View Resource

UAMPS' entitlement to the net power and energy output from City of Bountiful's 1.8 MW Pine View Hydroelectric plant delivered to PacifiCorp at the Pine View 46 kV substation. There is currently a 1.8 MW summer and 0.6 MW

winter rating assigned to the Pine View Resource.

J. Pleasant Valley Wind Generation Station³

UAMPS' entitlement to the net power and energy output from the Pleasant Valley Wind Generation Station (Contractual purchase Rights) delivered to PacifiCorp at the Long Hollow 138 kV Substation. The Pleasant Valley Resource has a summer rating of 125 MW and a winter rating of 125 MW.

K. Salt Lake Energy Resource

UAMPS' entitlement to the net power and energy from Murray City Power's entitlement to the net power And energy output from the Salt Lake Energy Systems Landfill Gasification plant delivered to PacifiCorp's Terminal Substation 12.47 kV Distribution feeder. Salt Lake Energy Systems plant has a summer rating of 3.2 MW and a winter rating of 3.2 MW.

14.1

L. Trans-Jordan Cities Resource

UAMPS' entitlement to the net power and energy output from the Trans-Jordan Cities Landfill Gas Generator delivered to the 46 kV tap on Oquirrh-Lark 46 kV transmission line. The Trans-Jordan Cities Resource has a capacity rating of 4.8 MW. The anticipated in service date is Sept 30, 2008.

M. Upper Beaver Resource

UAMPS' entitlement to the net power and energy output from the Upper Beaver Hydro Generator delivered to the 46 kV tap on Elk Meadows to Cameron transmission line. The Upper Beaver Resource has a summer rating of 2.52 MW and a winter rating of 2.52 MW.

N. Western Resource

UAMPS' entitlement to the Power and energy purchased from Western Area Power Administration and delivered to PacifiCorp at the Points of Use as described the Western Transmission Agreement.

² The Nebo power plant is located in Payson, Utah. The Nebo Resource is a 140 MW generating facility interconnected with the 46 kV system of Southern Utah Valley Power Systems ("SUVPS") as well as a 138 kV system of UAMPS. SUVPS' 46 kV system interconnects with PacifiCorp's 138 kV transmission systems at Spanish Fork and Dry Creek substations and UAMPS' 138 kV system interconnects with SUVPS at the Dry Creek substation which is interconnected with the PacifiCorp 138 kV transmission system.

³The Pleasant Valley Resource is a 144 MW wind generating facility interconnection with PacifiCorp's 138 kV transmission system at Long Hollow Substation in Wyoming. Iberdrola Renewables Inc. markets the output and (effective December 1, 2005) has assigned the first 125 MW of the output to UAMPS ("UAMPS' Share"). Due to transmission constraints applicable to deliveries of the Pleasant Valley Resource to UAMPS' loads in Utah, transmission service from the Pleasant Valley Resource to UAMPS' Points of Delivery is contingent upon a remedial action scheme ("RAS") which, when activated, may result in generator tripping of the entire Pleasant Valley Wind Project. This RAS is needed due to limitations to PacifiCorp's Naughton-West transmission path and arming and activation shall be at the sole discretion of PacifiCorp's transmission system operation personnel. Any required replacement power during a RAS initiated curtailment shall be the sole responsibility of UAMPS, UAMPS' Scheduled energy deliveries from the Pleasant Valley Resource will, upon such generator tripping action will be immediately adjusted to zero. PacifiCorp will be responsible for the provision of spinning and non-spinning reserves for Pleasant Valley Resource in accordance with Service Agreement No. 314. RAS and Operating Reserves are provided for in a Transmission Service Agreement (Service Agreement No. 314) between PacifiCorp and PPM. The continued use of the Pleasant Valley Resource will be contingent upon the continuation by PPM (dba Iberdrola Renewables Inc.) of the RAS and Operating Reserves provisions of the Service Agreement.

APPENDIX C

PACIFICORP FERC TARIFF FIRM TRANSMISSION SERVICES

FOR

<u>UAMPS</u>

MONTHLY RATE(S)

RESOURCE **EFFECTIVE** APPLICABLE RATE Hunter II

1/1/96 \$1.718/kW-mth

Other Resources 1/1/12 Network Service Formula Rate under the Tariff.

TRANSMISSION FIRM SERVICE RATE

PacifiCorp shall calculate UAMPS Load at the Monthly Transmission System Peak and based on the following: (i) actual metered load, including deliveries at the Mona Point of Delivery, plus (ii) applicable losses, plus (iii) actual metered generation for resources located on the UAMPS or UAMPS member side of each Point of Delivery, less (iv) amounts scheduled from the Western Resource, less (v) losses from the Western Resource. PacifiCorp shall calculate UAMPS Load served by the Hunter II Resource and charged the Hunter II rate based on the amount of Hunter Resource scheduled to at the Monthly Transmission System Peak. All other UAMPS Load will be charged the Other Resources rate.

APPENDIX D

CHARGE AND DERIVATION

OF THE

UAMPS DISTRIBUTION VOLTAGE DELIVERY CHARGE

The following are low voltage Points of Delivery (less than 46 kV) where UAMPS makes deliveries of power and energy to or for the benefit of its Members at points on the distribution system of PacifiCorp.

Member Name Holden	On-System Point of Delivery Holden	Delivery Voltage 7.2 kV	Meter or Schedule Meter	Nearest PacifiCorp High Voltage Substation Payant 46 kV
Morgan	Morgan #1	4.16 kV	Meter	Morgan 46 kV
Paragonah	Burton Sub Feeder	12.47 kV	Meter	Parowan Valley 138 kV
Parowan	Parowan	34.5 kV	Meter	Parowan Valley 138 kV
Spring City	Pine Creek	12.47 kV	Meter	Pine Creek 46 kV
St. George City	Ledges	34.5 kV	Meter	Middleton 138 kV
Weber Basin	Causey	12.47 kV	Meter	Eden 46 kV
Salt Lake Landfill	"Landfill"	12.47 kV	Meter	Terminal 46 kV

Distribution Voltage Delivery Charge:

Monthly Distribution Voltage Delivery Charge equals Monthly Transmission System Peak kW meter read for each POD multiplied (x) loss factor of 1.0356 multiplied (x) by distribution voltage delivery charge of \$0.75. The level of this charge may be adjusted from time to time pursuant to Section 28 of this Agreement.

APPENDIX E

CHARGE AND DERIVATION OF ANCILLARY

SERVICES

Ancillary Services to support loads served off PacifiCorp's Transmission System and associated charges as provided under the terms of this Agreement and in accordance with the Tariff are as follows:

Ancillary Services Charges:

The Following Ancillary Services are applicable:

- a) Scheduling, System Control and Dispatch Service:
 - The rate, terms and conditions for Scheduling, System Control and Dispatch Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 1 of the Tariff, as such rates, terms and conditions may be modified from time to time.
- b) Reactive Supply and Voltage Control from Generation or Other Sources Service:

 The rates, terms and conditions for Reactive Supply and Voltage Control from Generation or Other Sources Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 2 of the Tariff, as such rates, terms and conditions may be modified from time to time.
- c) Regulation and Frequency Response Service:
 - The rates, terms and conditions for Regulation and Frequency Response Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 3 of the Tariff, as such rates, terms and conditions may be modified from time to time.
- d) Generation Regulation and Frequency Response:

The rates, terms and conditions for Generation Regulation and Frequency Response under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 3A of the Tariff, as such rates, terms and conditions may be modified from time to time.

e) Energy Imbalance Service:

The rates, terms and conditions for Energy Imbalance Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 4 of the Tariff, as such rates, terms and conditions may be modified from time to time.

f) Operating Reserve – Spinning Reserve Service:

The rates, terms and conditions for Operating Reserve – Spinning Reserve Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 5 of the Tariff, as such rates, terms and conditions may be modified from time to time.

g) Operating Reserve – Supplemental Reserve Service:

The rates, terms and conditions for Operating Reserve – Supplemental Reserve Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 6 of the Tariff, as such rates, terms and conditions may be modified from time to time.

SECOND AMENDED AND RESTATED

TRANSMISSION SERVICE and OPERATING

<u>AGREEMENT</u>

BETWEEN

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

<u>AND</u>

PACIFICORP

SECOND AMENDED AND RESTATED TRANSMISSION SERVICE and OPERATING AGREEMENT BETWEEN

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS AND

PACIFICORP

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·		

A.

SECOND AMENDED AND RESTATED

TRANSMISSION SERVICE and OPERATING AGREEMENT BETWEEN

UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS

AND

PACIFICORP

PREAMBLE

THIS SECOND amendment to the Transmission Service and Operating Agreement dated May 7, 1992, between the Parties hereto, is made and entered into as of this day of _______, 2011, by and between UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS, a political subdivision of the State of Utah organized under the Utah Interlocal Co-Operation Act and authorized to do business in the State of Utah ("UAMPS"); and PACIFICORP, an Oregon corporation. UAMPS and PacifiCorp are sometimes hereinafter referred to individually as "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, the electrical systems of the Parties are interconnected; and

WHEREAS, PacifiCorp has agreed in several existing agreements to provide transmission service for the various resources available to UAMPS, as well as to provide the other services, including applicable Ancillary Services, necessary as a Balancing Authority Area operator; and

WHEREAS, UAMPS and PacifiCorp entered into a Transmission Service and Operating Agreement dated March 25, 1991 ("Interim Agreement") which consolidated transmission services under existing agreements and the Parties mutually agreed to replace the Interim Agreement with an agreement, initially dated May 7, 1992, as subsequently revised; and

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements

hereinafter set forth, the Parties agree as follows:

1. <u>Definitions</u>

When used in this Agreement with initial capitalization the following terms shall have the respective meanings set forth below and shall be applicable to both the singular and plural forms:

- 1.1. <u>Agreement</u> The Second Amended and Restated Transmission Service and Operating Agreement between UAMPS and PacifiCorp, dated October 31, 2011
- 1.2. <u>Ancillary Services</u> Services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining safe, reliable and economic operation of PacifiCorp's Transmission System in accordance with Good Utility Practice. Ancillary Services provided under this Agreement are identified in Appendix E.
- 1.3. <u>Balancing Authority</u> The responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time as specified by NERC.
- 1.4. <u>Balancing Authority Area</u> 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 as specified by NERC.
- 1.5. <u>Business Practice</u> PacifiCorp periodically develops, and posts on its OASIS website, transmission business practices that provide additional detail explaining how PacifiCorp will implement its Tariff and this Agreement.
- 1.6. <u>Effective Date</u> The date determined in Section 2 herein.
- 1.7. FERC The Federal Energy Regulatory Commission or its successor.
- 1.8. Good Utility Practice shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made,

- could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
- 1.9. <u>Monthly Transmission System Peak</u> The maximum firm usage of PacifiCorp's Transmission System in a calendar month.
- 1.10. <u>Native Load</u> The total load within PacifiCorp's Balancing Authority Area, including (1) obligations to customers of PacifiCorp under state regulatory jurisdiction, (2) obligations to customers of other utilities receiving transmission or other services from PacifiCorp, including UAMPS, and (3) PacifiCorp's normal obligations associated with operating a Balancing Authority Area. UAMPS Load is included within Native Loads hereunder.
- 1.11. NERC North American Electric Reliability Corporation.
- 1.12. <u>Hunter II</u> Unit No.2 which is part of the Hunter Generation Station located near Castledale, Utah and is operated by PacifiCorp.
- 1.13. <u>Hunter Schedule</u> The scheduled power and energy delivered to the PacifiCorp transmission system from the Hunter Generating Station by UAMPS which will consist of UAMPS' scheduled ownership share of Hunter generation. The Hunter Schedule shall be used in calculating the hourly energy imbalances described in Appendix F.
- 1.14. Mona PacifiCorp's Mona 345 kV Switchyard, located near Mona, Utah.
- 1.15. <u>Mona Resource</u> a Point of Delivery for UAMPS' deliveries of energy and capacity from Hunter II.
- 1.16. Open Access Same-Time Information System (OASIS) The information system and standards of conduct contained in Part 37 of FERC's regulations and all additional requirements implemented by subsequent FERC orders dealing with OASIS.

- 1.17. <u>PacifiCorp Transmission System</u> The facilities that are owned, controlled or operated by PacifiCorp that are used to provide transmission service under this Agreement.
- 1.18. <u>Points of Delivery ("POD")</u> Point(s) on PacifiCorp's Transmission System where capacity and energy transmitted by PacifiCorp will be made available to UAMPS, as specified in Appendix A hereof.
- 1.19. <u>Points of Receipt ("POR")</u> Point(s) of interconnection on PacifiCorp's Transmission System where capacity and energy will be available to PacifiCorp by UAMPS, as specified in Appendix B hereof.
- 1.20. <u>Real Power Losses</u> Electrical losses associated with the use of PacifiCorp's Transmission System. Such losses are provided for in Section 6 of this Agreement and Schedule 10 of the Tariff.
- 1.21. <u>Tariff</u> PacifiCorp's Open Access Transmission Tariff.
- 1.22. <u>UAMPS Load</u> The load that UAMPS identifies for firm transmission service under this Agreement, as designated in Appendix A hereof, including deliveries from UAMPS Resources to the Mona Point of Delivery. UAMPS Load shall include all load served by the output of any UAMPS Resources, including UAMPS Resources interconnected to transmission owned or operated by UAMPS or resources owned by a UAMPS member and interconnected to the member's side of a discrete Point of Delivery. UAMPS may elect to designate less than its total load as UAMPS Load but may not designate less than its total load at a discrete Point of Delivery, except for deliveries at Mona. Where UAMPS has elected not to designate a particular load at discrete Points of Delivery as UAMPS Load, UAMPS is responsible for making separate arrangements under Part II of the Tariff for any point-to-point transmission service that may be necessary for such non-designated load.
- 1.23. <u>UAMPS Resources</u> Any generating resource that is owned, purchased, or leased by UAMPS as designated in Appendix B hereof, including any generating resource located on UAMPS' or a UAMPS member's side of a discrete Point of Delivery;

- provided however, UAMPS Resources do not include any resource, or portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet UAMPS Load on a non-interruptible basis.
- 1.24. <u>WECC</u> the Western Electricity Coordinating Council.
- 1.25. Western Western Area Power Administration Salt Lake City Area Integrated Projects.
- 1.26. Western Low-Voltage Agreement the Contract between PacifiCorp and United States Department of Energy Western Area Power Administration Salt Lake City Integrated Projects for Low-Voltage Transmission Service to Utah Contractors dated April 18, 1990, as amended thereafter.
- 1.27. Western Transmission Agreement the Contract between PacifiCorp and United States Department of Energy Western Area Power Administration Salt Lake City Area Integrated Projects for Interconnections and Transmission Service dated May 17, 1962, as amended thereafter.
- 1.28. Western Resource Power and energy available to UAMPS at the Points of Use defined in the Western Transmission Agreement or the Western Low-Voltage Agreement. Points of delivery under this agreement will be consistent with the Western Transmission Agreement.

2. <u>Term and Termination</u>

- 2.1. This Agreement shall be subject to acceptance for filing by FERC. If any provision of this Agreement is held to be void, voidable, contrary to public policy, or unenforceable, the Parties may terminate or amend this Agreement upon mutual agreement.
- 2.2. This Agreement shall be amended and restated as provided herein with this Agreement, effective on the date it is permitted to become effective by the FERC. PacifiCorp shall submit this Agreement for filing with FERC in accordance with FERC filing requirements. If accepted for filing by FERC, this Agreement, as hereafter amended, will remain in full force and effect for so long as UAMPS is interconnected with PacifiCorp's Transmission System as set forth in Appendix A

hereof; provided, however, that the Agreement may be terminated or replaced by mutual agreement of the Parties and is subject to amendment pursuant to Section 27 and Section 31 of this Agreement.

3. Firm Transmission Service

- 3.1. Commencing on the Effective Date, PacifiCorp shall accept from UAMPS schedules for firm transmission service over PacifiCorp's Transmission System for the delivery of capacity and energy from UAMPS Resources for the primary purpose of serving UAMPS Load. PacifiCorp's obligation to deliver such amounts of power and energy shall be subject to PacifiCorp's right to interrupt or reduce such deliveries pursuant to Subsection 3.2 and Subsection 3.3 herein. UAMPS shall pay PacifiCorp for firm transmission service provided under this Section in accordance with Appendices C, D and E to this Agreement.
- 3.2. UAMPS may use PacifiCorp's Transmission System to deliver energy to its UAMPS Loads from resources that have not been designated as UAMPS Resources. Such power and energy shall be transmitted, on an as-available basis, at no additional charge.
- 3.3. Pursuant to Section 3.1 herein, PacifiCorp shall make reasonable provision to supply continuous firm transmission service, but does not warrant or guarantee that such transmission service shall be free from interruption or reductions for reasons including, but not limited to:
 - (a) Interruptions or reductions due to force majeure events pursuant to Section 18 herein;
 - (b) Interruptions or reductions due to action reasonably instituted by automatic or manual controls for the purpose of maintaining overall reliability and continuity of PacifiCorp's Transmission System or generation facilities; or
 - (c) Interruptions or reductions which, in the reasonable opinion of PacifiCorp, are necessary for the purposes of maintenance, repair, replacement,

installation of equipment or inspection of PacifiCorp's Transmission System or generation facilities.

Except as provided in Section 23 herein, PacifiCorp shall not be liable to UAMPS for any direct or indirect damages (including any punitive, special, exemplary, treble, incidental, or consequential damages) resulting from any of the above interruptions or reductions. PacifiCorp shall provide UAMPS reasonable advance notice of any scheduled activities or conditions that will result in interruptions or reductions of transmission service. PacifiCorp shall use reasonable due diligence to expeditiously remove all causes of interruptions or reductions of transmission service which are under its control.

3.4. In the event of an interruption or reduction occurrence as described in Section 3.3 herein, interruptions or reductions shall be made consistent with the curtailment priorities set forth in the Tariff.

4. <u>Low-Voltage Service to Western</u>

In addition to transmission service provided to Western under the Western Transmission Agreement, PacifiCorp provides transmission service to Western under the Western Low Voltage Agreement. The Parties agree that, for each hour the Western Resource is scheduled, it will be assumed that the scheduled Western Resource, adjusted for transmission losses, was served first to the 138 kV or higher Points of Use defined in the Western Transmission Agreement. In the event the scheduled Western Resource exceeds the metered deliveries at 138 kV or higher, it will be assumed that the maximum single hourly amount which exceeds the load at 138 kV or higher for each monthly billing period, as adjusted for low-voltage losses, was served to the Points of Use defined in the Western Low-Voltage Agreement

5. Distribution Voltage Service

PacifiCorp shall deliver capacity and energy associated with UAMPS Resources from the Points of Receipt to UAMPS' Points of Delivery designated by UAMPS and interconnected with PacifiCorp's Transmission System at distribution voltages (voltages less than 46 kV). The Parties agree that UAMPS shall pay a monthly distribution charge for service at distribution voltage levels. This charge and the method for derivation of this charge are included as Appendix D. Should UAMPS upgrade a distribution voltage Point of Delivery to a voltage equal to or greater than 46kV, PacifiCorp, upon receipt of written notice of such change, shall, upon completion of any necessary upgrades, amend Appendix D to reflect the elimination of such distribution voltage Point of Delivery.

6. <u>Transmission Loss Provisions</u>

UAMPS is responsible for replacing or purchasing Real Power Losses incidental to all scheduled deliveries of power and energy hereunder from UAMPS Resources to UAMPS Load. Such transmission losses shall be calculated in accordance with Schedule 10 to the Tariff unless otherwise set forth in Appendix C to this Agreement. Loss factors associated with distribution service shall be as set forth in Appendix D and the Tariff.

7. Ancillary Services

Ancillary Services provided under this Agreement shall be pursuant to this section and to the terms, conditions, and rates defined in Appendix E and the Tariff.

- 7.1. PacifiCorp shall provide, and UAMPS is required to purchase, the following Ancillary Services: (i) Scheduling, System Control and Dispatch, and (ii) Reactive Supply and Voltage Control from generation or other sources.
- 7.2. PacifiCorp shall offer to provide the following Ancillary Services associated with load served within PacifiCorp's Balancing Authority Area: (i) Regulation and Frequency Response, (ii) Generator Regulation and Frequency Response Service, (iii) Energy Imbalance, (iv) Operating Reserve Spinning, and (v) Operating Reserve Supplemental. UAMPS is required to acquire these Ancillary Services, whether from PacifiCorp, from a third-party, or by self-supply.
- 7.3. Pursuant to Section 7.2, UAMPS must purchase Ancillary Services from PacifiCorp unless UAMPS demonstrates, to PacifiCorp's sole satisfaction, that it

has acquired the Ancillary Services from a third party or by self supply. If UAMPS uses transmission service at a Point of Receipt or Point of Delivery not specified in Appendix A hereof, it must pay for all of the Ancillary Services identified in this section that were provided by PacifiCorp including those charges associated with the unreserved use of transmission service.

7.4. Should UAMPS determine to self-supply Ancillary Services as specified by Section 7.2 of this Agreement, it shall do so in accordance with the Tariff and PacifiCorp Business Practices.

8. Scheduling Provisions

UAMPS shall schedule all firm transmission service to be provided under Section 3 of this Agreement in accordance with this Section, PacifiCorp's Business Practices, prevailing scheduling practices within WECC, and the Tariff.

9. Study Procedures for Additional Service Requests

UAMPS may request that PacifiCorp provide firm transmission service to additional load or resources under this Agreement. The Parties shall follow the system impact study and facilities study procedures set forth in Section 32 of the Tariff to determine whether additional requested service may be accommodated.

10. System Planning

- 10.1. UAMPS shall provide PacifiCorp with an annual load and resource forecast in accordance with Part III of the Tariff. The load and resource forecast shall be used by PacifiCorp for the purpose of transmission planning only, and shall not be used for any billing purpose whatsoever, including without limitation for firm transmission service pursuant to Section 3 hereof.
- 10.2. PacifiCorp shall coordinate its transmission planning with UAMPS in accordance with Attachment K of the Tariff.

11. Meter and Communication Facilities

UAMPS shall own, install, operate, maintain, repair and replace the metering equipment and communications facilities located at each of the Points of Delivery, and at each UAMPS Resource that is located on the UAMPS or UAMPS member side of the Point of Delivery, to monitor, control and carry out the obligations and duties required by this Agreement. Notwithstanding the foregoing, metering equipment and communication facilities at Points of Delivery governed by separate interconnection agreements shall be owned, installed, operated, maintained, repaired and replaced pursuant to such agreements. The Parties shall have the right to witness, and shall have the obligation to notify the other Party of any testing and/or calibration of owned metering equipment that affects interconnections and/or deliveries hereunder. Such metering equipment shall be accessible to both Parties. Each Party shall allow the other Party reasonable time in each hour in cooperation with third parties for access to such metering equipment for interrogation. Meter inspections will be conducted by PacifiCorp in accordance with its procedures for inspecting other similar meters.

12. <u>Underfrequency Relaying</u>

UAMPS shall arrange for the implementation and/or maintenance of an underfrequency relaying program which shall include installation of sufficient underfrequency relaying equipment to shed UAMPS' loads in a manner consistent with applicable NERC reliability standards and PacifiCorp's load shedding procedures.

13. Tariff

Unless otherwise provided herein, UAMPS agrees to abide by provisions of the Tariff with respect to the provision of transmission-related services on PacifiCorp's Transmission System.

14. <u>Business Practices</u>

For any practice or procedure not defined by this Agreement, UAMPS agrees to abide by provisions of any applicable posted Business Practice.

15. Billing and Payment

Billing statements for all services provided to UAMPS under this Agreement shall be provided via Electronic File Transfer Protocol per UAMPS instructions and within a reasonable period following the end of the month. UAMPS shall pay such amounts including any assessment of interest in accordance with Section 7 of the Tariff. Payment for all services provided hereunder shall be electronically wire transferred pursuant to the instructions on PacifiCorp's invoice.

16. Power Factor

UAMPS shall at all times effectively control and limit the flow of reactive power at the Points of Delivery to maintain a power factor of ninety-five percent (95%) or greater or, by mutual agreement of the Parties, of some lesser power factor. UAMPS, at UAMPS' expense, shall install or have installed switched capacitors or other equipment as PacifiCorp may reasonably require to eliminate that portion of unscheduled reactive power flow which causes the power factor to fall below the limits established herein. PacifiCorp shall exercise reasonable judgment in minimizing the size of such capacitors or other equipment consistent with voltage control for PacifiCorp's other customers on PacifiCorp's Transmission System. Should UAMPS fail to take the corrective action requested by PacifiCorp within one (1) year after written notice from PacifiCorp, PacifiCorp may perform such services or supply and install such capacitors or other equipment as PacifiCorp deems necessary to provide the corrective action. UAMPS shall reimburse PacifiCorp for all amounts reasonably expended by PacifiCorp and all services contracted for or performed by PacifiCorp in taking the corrective action, including PacifiCorp's standard overhead costs. The total of these expenditures shall be paid by UAMPS within thirty (30) days of receipt by UAMPS of an itemized statement of those expenditures reasonably incurred by PacifiCorp, subject to the dispute procedures of Section 17 herein.

17. Disputes

Any dispute between the Parties involving transmission service under this Agreement shall be resolved in accordance with Section 12 of the Tariff.

18. Force Majeure

Neither Party to this Agreement shall be considered in default in performance of any obligation hereunder if and to the extent that failure of performance shall be due to force majeure. The term "force majeure" means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include an act of negligence or intentional wrongdoing. However, a Party shall not be relieved of liability for failure of performance if such failure is due to causes arising out of its own negligence or to removable or remediable causes which it fails to remove or remedy with reasonable dispatch. Any Party rendered unable to fulfill any obligation by reason of force majeure shall exercise due diligence to remove such inability with all reasonable dispatch. Nothing contained herein, however, shall be construed to require a Party to prevent or settle a labor dispute against its will.

19. Assignment

Either Party may, without consent of the other Party, assign all or a portion of its rights or delegate all or a portion of its duties under this Agreement in connection with the sale or merger of a substantial portion of the Party's assets. In all other cases, neither Party shall assign its rights nor delegate their duties under this Agreement or any part of such rights or duties without the prior written consent of the other Party, which consent shall not be unreasonably withheld, and any such assignment or delegation made without such written consent will be of no effect.

20. Choice of Law

The Parties in their performance of their obligations hereunder shall conform to all applicable laws, rules and regulations and, to the extent their operations are subject to the jurisdiction of state or federal regulatory agencies, they shall be subject to the terms of valid and applicable orders of such agencies. This Agreement shall be construed in accordance with the laws of the State of Utah unless preempted by the Federal Power Act or other federal law.

21. Waiver

Any waiver at any time by either Party hereto of its rights with respect to the other Party or with respect to any matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default of such matters.

22. Partial Invalidity

It is the intention of the Parties that the terms and conditions of this Agreement and the performance of the obligations contained in this Agreement shall conform to all applicable laws, rules and regulations governing the subject matter of this Agreement. The Parties agree that in the event any of the terms or conditions of this Agreement are finally held or determined to be invalid, illegal or void, or as being in contravention of any applicable laws, rules, regulations or public policy, all other terms and conditions of this Agreement shall remain in full force and effect unless the terms or conditions so found to be invalid, illegal or void are not reasonably separable from the remaining terms and conditions of this Agreement. Further, the Parties agree that if and when any or all of the terms and conditions of this Agreement are finally held or determined to be invalid, illegal or void by either a court of competent jurisdiction or a regulatory agency, the Parties shall enter into negotiations concerning the terms and conditions affected by such decision for the purpose of achieving conformity with the requirements of any applicable law, rule or regulation and the intent of the Parties contained in this Agreement as originally executed.

23. <u>Liability and Indemnification</u>

- 23.1. Generally. Except as provided in this Section 23, each Party hereto hereby assumes all liability for injury or damage to persons or property arising from the intentional acts or gross neglect of its own employees, agents or contractors and shall indemnify and hold the other Party harmless from any liability arising therefrom. Neither Party shall be liable, whether in contract, warranty, tort or strict liability, to the other Party for any injury or death to any person, or for any loss or damage to any property, caused by or arising out of the ordinary negligence of its own employees, agents or contractors and shall indemnify and hold the other Party harmless from any liability arising therefrom. Each Party releases the other Party from, and shall indemnify the other Party for, any such liability.
- Electrical Disturbance. Notwithstanding Section 23.1, or any other provision of this Agreement, neither Party shall be liable, whether in contract, warranty, tort or strict liability, to the other Party for any injury or death to any person, or for any loss or damage to any property, caused by or arising out of the electrical disturbance on either Party's electric system, whether or not such electric disturbance resulted from a Party's negligent, grossly negligent or wrongful act or omission, excepting only gross action knowingly or intentionally taken, or failed to be taken, with intent that injury or damage result therefrom, or which action is wantonly reckless. Each Party releases the other Party from, and shall indemnify the other Party for, any such liability.
- 23.3. As used in this Section, (1) the term "Party" means, in addition to such Party itself, its directors, officers and employees; (2) the term "damage" means all damage, including consequential damage and (3) the term "person" means any person, including those not connected with either Party to this Agreement.

24. Remedies Not Exclusive

The specification of a remedy in any section or paragraph of this Agreement for failure of a Party to meet any of its obligations shall not be deemed to affect or limit the right of any Party to seek any such other legal, equitable or administrative remedies as may be available for such failure.

25. Insurance

Until all obligations under or incident to this Agreement are satisfied, the Parties' shall provide and maintain all insurance required by law, and all insurance which prudent business judgment dictates is necessary to cover the risks and obligations of the Parties. The insurance shall be in such forms and in such amounts as prudent business judgment deems appropriate, and shall be provided and maintained at each Party's sole expense. The Parties' indemnification obligation pursuant to Section 23 and other obligations to each other or others under or incident to this Agreement shall not be limited in any way by the amount or type of insurance the Party chooses to provide or maintain.

26. Notices

- 26.1. All notices, demands or requests provided for in this Agreement shall be in writing and shall be deemed to have been properly served, given or made if delivered in person or when sent by registered or certified mail, postage prepaid and return receipt requested, to the Parties at their respective addresses.
- 26.2. Notices, demands or requests concerning this Agreement shall be delivered or addressed to the addresses as follows:
 - (a) To UAMPS:
 General Manager
 UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
 155 North 400 West, Suite 480
 Salt Lake City, Utah 84103
 - (b) To PacifiCorp:
 PacifiCorp Transmission Systems
 Director, Transmission Services
 825 N.E. Multnomah, Suite 1600
 Portland, Oregon 97232

26.3. Either Party may change the address or the person to whom such notices, demands or requests shall be sent by furnishing to the other Party, at that Party's then current address for notices, demands or requests, written notice of such change.

27. Regulatory Authority and Rate Changes

- 27.1. The terms and conditions of this Agreement are subject to the terms of valid and applicable orders of such state and federal regulatory agencies having authority over this Agreement.
- 27.2. Except as provided in Section 27.3, PacifiCorp may make a unilateral filing with FERC to modify this Agreement with respect to any terms and conditions, charges, classifications of service, rule or regulation under Section 205 of the Federal Power Act or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that UAMPS shall have the right to protest any such filing by PacifiCorp and to participate fully in any proceeding before FERC in which such modifications may be considered.
- 27.3. As to and only as to transmission service hereunder for UAMPS' Hunter II resource, PacifiCorp may make a unilateral filing with FERC to modify this Agreement with respect to any terms and conditions, charges, classifications of service, rule or regulation under Section 206 of the Federal Power Act and FERC's rules and regulations thereunder.
- 27.4. Execution of this Agreement by UAMPS shall not constitute a waiver in any sense whatsoever of UAMPS' right to exercise its rights under the Federal Power Act in respect to this Agreement.

28. System Ownership

28.1. The electrical system of UAMPS shall at all times be and remain in UAMPS' exclusive possession and control, and nothing in this Agreement shall grant, or be

- construed to grant to PacifiCorp, any rights of ownership in or possession of UAMPS' electrical system.
- 28.2. The electrical system of PacifiCorp shall at all times be and remain in PacifiCorp's exclusive possession and control, and nothing in this Agreement shall grant, or be construed to grant to UAMPS, any rights of ownership in or possession of PacifiCorp's electrical system.

29. Existing Agreements

Nothing herein is intended to alter or suspend the rights or the duties of the Parties under the Mona Interconnection Agreement

30. Effect of Section Heading.

Section headings appearing in this Agreement are inserted for convenience of reference only and shall not be construed to be interpretations of the text of this Agreement.

31. Changes in and Appendices to this Agreement

- 31.1. Except as provided for in Section 9 and Section 27 of this Agreement, this Agreement may not be modified or amended by either Party except by subsequent mutual agreement of the Parties and by written instrument duly executed by the Parties.
- 31.2. This Agreement includes the following Appendices, all of which are attached hereto and incorporated by reference:

Appendix A - UAMPS Points of Delivery

Appendix B - UAMPS Resources

Appendix C - PacifiCorp FERC Tariff Firm Transmission Service Monthly Demand Rate(s)

Appendix D - Charge and Derivation of the UAMPS Distribution Voltage Delivery

Charge

Appendix E - Charge and Derivation of Ancillary Services

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be executed by their duly authorized representatives as of the date hereinabove set forth.

PACIFICORP	UTAH	ASSOCIATED	MUNICIPAL
	POWER	SYSTEMS	
By	Ву		
Name Kenneth Houston	Name		
Title <u>Vice President, Transmission Services</u>	Title		

APPENDIX A

UAMPS

AMENDED AND RESTATED TRANSMISSION SERVICE AND OPERATING

AGREEMENT

POINTS OF DELIVERY

The following are Points of Delivery on the transmission system of PacifiCorp.

	On-System		
	Point of	<u>Delivery</u>	Meter or
<u>Name</u>	<u>Delivery</u>	Voltage	Schedule
UAMPS	Mona Switchyard ¹	345 kV	Schedule
UAMPS	Hunter Station ²	345 kV	Calculated
Beaver ³	Beaver City Substation	46 kV	Meter
Beaver	Upper Beaver Hydro Station Service	46 kV	Meter
Blanding ³	Blanding Tap Line #1	69 kV	Meter
Blanding ³	Blanding Tap Line #2	69 kV	Meter
Bountiful City ³	Bountiful Substation #1 ⁴	138 kV	Meter
Bountiful City ³	Bountiful Substation #2 ⁴	138 kV	Meter
Bountiful City ³	Pine View Hydro Station Service	46 kV	Meter
Enterprise ³	Escalante Valley Tap Line ⁵	138 kV	Meter
Ephraim ³	Ephraim City Tap Line	46 kV	Meter
Fairview ³	Fairview Substation	46 kV	Meter
Fillmore ³	Fillmore City Tap Line	46 kV	Meter
Heber L&P ³	Heber L&P Tap Line	46 kV	Meter

Hurricane ³ Santa Clara St. George Washington City	St. George Substation #1 ⁶	345 kV	Meter
Holden ³	Holden Substation ⁷	7.2 kV	Meter
Hyrum ³	Hyrum City Tap Line	46 kV	Meter
Idaho Falls	Sugar Mill #1 ⁸	46 kV	Meter
Idaho Falls	Sugar Mill #2 ⁸	161 kV	Meter
Idaho Falls	Sugar Mill West ⁸	161 kV	Meter
Idaho Falls	West Side Substation ⁸	161 kV	Meter
Kanosh ³	Flowell Tap Line 9	46 kV	Meter
Kaysville ³	Burton Lane Tap	138 kV	Meter
Kaysville ³	Kaywest Switchstation 10	46 kV	Meter
Kaysville ³	Schick Lane	138 kV	Meter
Lehi ^{3 11}	Lehi Tap #3 (A) (Rodeo)	46 kV	Meter
Lehi ³	Lehi Tap #3 (B) (Rodeo)	46 kV	Meter
Lehi ³	Lehi Tap #3 (C) (Rodeo)	46 kV	Meter
Lehi ³	Lehi Tap #5 (Ind. Park)	46 kV	Meter
Lehi ³	Lehi Tap #6 (Ashton)	138 kV	Meter
Lehi ³	Lehi Tap #6 (Traverse Mtn)	138 kV	Meter
Logan ³	Logan City Substation ¹²	138 kV	Meter
Meadow ³	Flowell Tap Line9	46 kV	Meter
Monroe ³	Monroe City Sub ⁹	46 kV	Meter
Morgan ³	Morgan #1 Substation ⁷	4.16 kV	Meter
Morgan ³	Morgan #2 Tap Line	46 kV	Meter
Morgan ³	Morgan #3 Tap Line	46 kV	Meter
Mt. Pleasant ³	Mt. Pleasant Substation	46 kV	Meter
Murray ³	Riding Receiving Substation ¹³	138 kV	Meter
	·		

Oak City ³	Oak City Tap Line	46 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	SUVPS #1 ¹⁴	138 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	SUVPS #2 ¹⁴	138 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	SUVPS #3 ¹⁴	138 kV	Meter
Payson ³ Springville Southern Utah Valley Power Systems	Dry Creek ¹⁴	138 kV	Meter
Paragonah ³	Burton Sub Feeder ⁷	12.47 kV	Meter
Parowan ³ Parowan #2 Parowan #3 Parowan #4 Parowan #5	Parowan Switchrack ⁹ Quest Load Travel America Truck Stop Truck Bay	34.5 kV 12.47 kV 12.47 kV 12.47 kV 12.47 kV	Meter Meter Meter Meter Meter
Santa Clara ³	Santa Clara (Ivins Tap) ^{7 15}	69 kV	Meter
Spring City ³	Pine Creek Substation ⁷	12.47 kV	Meter
St. George City	Ledges Substation	34.5 kV	Meter
Weber Basin ³ Weber Basin ³	Weber Basin Pumps ¹⁶ Causey Hydro Station Service ¹⁷	Various 12.47 kV	Meter Meter

EMERGENCY ONLY ON-SYSTEM POINTS OF DELIVERY

On-System Point of **Delivery Delivery** Voltage

Meter or Member Name Schedule Hurricane³ Hurricane Meter Logan³ North Logan Substation 46 kV Meter

- UAMPS' schedules for delivery at Mona 345 kV substation are for interchange schedules out of the PACE Balancing
- UAMPS' calculated share of Hunter station service only occurs when Hunter II is off-line.
- Loads also served under Western Transmission Agreements.
- Bountiful City load is calculated from metered amounts flowing to UAMPS (M77270 CH 1, M78035 CH 1) less Weber Basin load (East Bountiful, South Davis, Orchard Drive and Val Verda) served through Bountiful Substation (M78265 CH 1, M78266 CH 1, M78683 CH 1, M77499 CH 1). Bountiful low voltage system loss adjustment to Weber Basin load is 3.0%, pursuant to contract number 14-06-400-3976 between Rocky Mountain Power and United States Bureau of Reclamation.
- Per agreement between Dixie-Escalante and Enterprise, Dixie-Escalante system loss adjustment to Enterprise load is
- The Central meters were replaced for billing purposes by the River M77684, Skyline M77685, and Skyline 2 M77686 in the St. George Substation with the implementation of joint operations under the Joint Operating Agreement between PacifiCorp and UAMPS dated 02/18/2005.
- PacifiCorp owned distribution substation.
- Various loads and generation in Idaho Falls as specified in the Bonneville-PacifiCorp General Transfer Agreement. Contract DE-MS79-88BP92287. Schedules of resources under the BPA GTA are applied to Idaho Falls load first with any remaining resource needs being provided by UAMPS under this ARTSOA.
- Per agreement between Kanosh Meadow and Flowell REA, Kanosh and Meadow are served at the Flowell REA Substation.
- Some retail load of PacifiCorp and Kaysville receives power at the Kaywest Switchstation. The Kaysville delivery is equal to the total Kaywest Switchstation metered amount, less the PacifiCorp retail loads as adjusted for losses as provided from PacifiCorp retail meters and as calculated through the formula used to determine the street light load (which is based on load profile of each particular lighting instrument). The Kaysville low voltage system loss adjustment to PacifiCorp retail load is 13.2%.
- Lehi Tap #6, Ashton and Traverse Mtn, are two metered Transformer loads (Transformer #1, Ashton, is Meter 77623, Transformer #2, Traverse Mtn, is Meter 77784).
- Some retail load of PacifiCorp and Logan receives power at the Logan City Substation. The Logan delivery is equal to the total Logan City Substation metered amount, less the PacifiCorp retail loads as adjusted for losses and as provided from PacifiCorp retail meters. Logan low voltage system loss adjustment to PacifiCorp retail load is 9.7%. In addition, Utah State University's allocation of CRSP power from Western are delivered to the Logan City substation through an agreement between Logan and Utah State University.
- The Riding Receiving Substation bus is metered on the north side and on the south side. Both meters are bi-directional. Both meters and their four "-out" values will be used to calculate the Murray load.
- The SUVPS system at Spanish Fork Substation and Dry Creek Substation are also Points of Receipt for the Nebo Resource as shown in Appendix B and Points of Delivery for members of Utah Municipal Power Agency ("UMPA). Payson City, Springville City and South Utah Valley ESD are served from Spanish Fork Substation, (meters (M78235

CH 1, M78236 CH 1, M78471 CH 1), and from Dry Creek Substation, (meters M77546 CH 1, M77547 CH 1). UAMPS Spanish Fork/Dry Creek load is total metered load at Spanish Fork and Dry Creek less the metered UMPA load (adjusted for losses) served through Spanish Fork Substation and Dry Creek Substation. The SUVPS/UAMPS low voltage system loss adjustment to UMPA load is 0.5% for transformation losses applicable to all Spanish Fork/Dry Creek deliveries to UMPA and transmission losses of 1.205% are applicable to deliveries to UMPA at the Whitehead (M77904), Canyon Road(M77900), Spanish Fork 3 (M77908), Woodhouse(M77549), Evergreen (M77551), Salem (M77896), and Arrowhead (M77555) metering points. UAMPS load is equal to the sum of the Spanish Fork/Dry Creek substation meters less the UMPA load at the Canyon Road, Whitehead, Spanish Fork 3, Woodhouse, Evergreen, Salem and Arrowhead meter data Metered data is adjusted for transformation and transmission losses.

Load served at the Santa Clara (Ivins Tap) is limited as follows: 2005 – 25 MVA, 2006 – 22 MVA, 2007 – 20 MVA, 2008 – 17 MVA, 2009 – 15 MVA, 2010 – 12 MVA, 2011 – 10 MVA, 2012 – 8 MVA, 2013 and beyond -0 MVA. PacifiCorp may, at a future date, require the installation of a circuit breaker at this delivery point.

Various loads and generation in Weber, Davis and Summit counties as specified in the USBR-PacifiCorp Water

Exchange and Transfer Contract 14-06-400-3976.

17. Causey Hydro Station Service is delivered at PacifiCorp's 46/12.47 kV Eden Substation.

APPENDIX B

UAMPS' RESOURCES

The points of Receipt shall be the point of Interconnection as follows:

A. Causey Resource

UAMPS' entitlement to the net power and energy output from Weber Basin's 1.9 megawatt Causey Hydroelectric Plant delivered to PacifiCorp's Eden 46/12.47 kV substation distribution feeder. The Causey Resource currently has a summer rating of 2 MW and a winter rating of 1 MW.

B. Constellation West Valley

UAMPS' entitlement to the power and energy output from the West Valley, Utah, Gas Generation Station delivered to PacifiCorp at the 138 kV West Ridge Substation. The Constellation West Valley resource has a capacity of 200 MW.

C. Four Corners Resource

UAMPS' entitlement to the net power and energy output from the San Juan Generation Station (ownership rights) delivered to

PacifiCorp at the Four Corners 345 kV switchyard.

-	TT .	73
1.3	Hunter	Resource
	IIIIIII	ICOURTO

UAMPS' entitlement to the net power and energy output from the Hunter Generation Station (ownership rights and contractual purchase rights) delivered to PacifiCorp at the Hunter 345 kV Switchyard.

E. Idaho Resource

UAMPS' entitlement to the Gem State hydroelectric Facility Output that is purchased by UAMPS from the City of Idaho Falls-

F. Mona Resources

Various Power Purchases as summarized in footnote. \(\frac{1}{2}\)

G. F. Nebo Resource 12

UAMPS' entitlement to the net power and energy output from the Nebo Generation Station delivered to the 46 kV and/or 138 kV system

¹ For the Summer Season 2012 (April through September), firm power purchases delivered at Mona: Morgan Stanley contract 2727913 (50 MW), Morgan Stanley contract 2755942 (1 MW), Descret contracts (Logan, Hurricane, St George, Springville) (97 MW), Intermountain Power Agency (253 MW), and Morgan Stanley Contracts E3379163, E3486072, E3379159, E3295427, E3497095 v. 1.00 (totaling 27 MW).

For the period after Summer Season 2012 until Summer Season 2021 (unless undesignated in accordance with Tariff procedures): the above, plus Intermountain Power Agency (75 MW), and firm purchases using Desert and Western Area Power Administration transmission contracts (54 MW): it is anticipated that to the extent any contracts above do not extend through the entire period, they will be replaced with other firm resource purchase contracts in accordance with Tariff procedures.

of UAMPS (and subsequently to PacifiCorp at the Spanish Fork and Dry Creek Substations). The Nebo Resource has a summer rating of 139 MW and a winter rating of 158 MW.

H. G. Nevada Resource

UAMPS' entitlement to the power and energy delivered to PacifiCorp at the boundary between the states of Utah and Nevada where Nevada Power Company's and PacifiCorp's 345 kV transmission line interconnect. Transmission from this resource is available to UAMPS on an "as available" basis only as determined by PacifiCorp. There is currently a zero (0) MW summer and winter rating assigned to the Nevada Resource.

I. H.-Pine View Resource

UAMPS' entitlement to the net power and energy output from City of Bountiful's 1.8 MW Pine View Hydroelectric plant delivered to PacifiCorp at the Pine View 46 kV substation. There is currently a 1.8 MW summer and 0.6 MW winter

rating assigned to the Pine View Resource.

<u>I.</u> I-Pleasant Valley Wind Generation Station³

UAMPS' entitlement to the net power and energy output from the Pleasant Valley Wind Generation Station (Contractual purchase Rights) delivered to PacifiCorp at the Long Hollow 138 kV Substation. The Pleasant Valley Resource has a summer rating of 125 MW and a winter rating of 125 MW.

K. J. Salt Lake Energy Resource

UAMPS' entitlement to the net power and energy from Murray City Power's entitlement to the net power And energy output from the Salt Lake Energy Systems Landfill Gasification plant delivered to PacifiCorp's Terminal Substation 12.47 kV Distribution feeder. Salt Lake Energy Systems plant has a summer rating of 3.2 MW and a winter rating of 3.2 MW.

L. K. Trans-Jordan Cities Resource

UAMPS' entitlement to the net power and energy output from the Trans-Jordan Cities Landfill Gas Generator delivered to the 46 kV tap on Oquirrh-Lark 46 kV transmission line. The Trans-Jordan Cities Resource has a capacity rating of 4.8 MW. The anticipated in service date is Sept 30, 2008.

M. L. Upper Beaver Resource

UAMPS' entitlement to the net power and energy output from the Upper Beaver Hydro Generator delivered to the 46 kV tap on Elk Meadows to Cameron transmission line. The Upper Beaver Resource has a summer rating of 2.52 MW and a winter rating of 2.52 MW.

N. M. Western Resource

UAMPS' entitlement to the Power and energy purchased from Western Area Power Administration and delivered to PacifiCorp at the Points of Use as described the Western Transmission Agreement.

⁴² The Nebo power plant is located in Payson, Utah. The Nebo Resource is a 140 MW generating facility interconnected with the 46 kV system of Southern Utah Valley Power Systems ("SUVPS") as well as a 138 kV system of UAMPS. SUVPS' 46 kV system interconnects with PacifiCorp's 138 kV transmission systems

at Spanish Fork and Dry Creek substations and UAMPS' 138 kV system interconnects with SUVPS at the Dry Creek substation which is interconnected with the PacifiCorp 138 kV transmission system.

²³The Pleasant Valley Resource is a 144 MW wind generating facility interconnection with PacifiCorp's 138 kV transmission system at Long Hollow Substation in Wyoming, Iberdrola Renewables Inc. markets the output and (effective December 1, 2005) has assigned the first 125 MW of the output to UAMPS ("UAMPS" Share"). Due to transmission constraints applicable to deliveries of the Pleasant Valley Resource to UAMPS' loads in Utah, transmission service from the Pleasant Valley Resource to UAMPS' Points of Delivery is contingent upon a remedial action scheme ("RAS") which, when activated, may result in generator tripping of the entire Pleasant Valley Wind Project. This RAS is needed due to limitations to PacifiCorp's Naughton-West transmission path and arming and activation shall be at the sole discretion of PacifiCorp's transmission system operation personnel. Any required replacement power during a RAS initiated curtailment shall be the sole responsibility of UAMPS. UAMPS' Scheduled energy deliveries from the Pleasant Valley Resource will, upon such generator tripping action will be immediately adjusted to zero. PacifiCorp will be responsible for the provision of spinning and non-spinning reserves for Pleasant Valley Resource in accordance with Service Agreement No. 314, RAS and Operating Reserves are provided for in a Transmission Service Agreement (Service Agreement No. 314) between PacifiCorp and PPM. The continued use of the Pleasant Valley Resource will be contingent upon the continuation by PPM (dba Iberdrola Renewables Inc.) of the RAS and Operating Reserves provisions of the Service Agreement.

APPENDIX C

PACIFICORP FERC TARIFF FIRM TRANSMISSION SERVICES

FOR

UAMPS

MONTHLY RATE(S)

RESOURCE EFFECTIVE APPLICABLE RATE

Hunter II 1/1/96 \$1.718/kW-mth

Other Resources 1/1/12 Network Service Formula Rate under the

Tariff.

TRANSMISSION FIRM SERVICE RATE

PacifiCorp shall calculate UAMPS Load at the Monthly Transmission System Peak and based on the following: (i) actual metered load, including deliveries at the Mona Point of Delivery, plus (ii) applicable losses, plus (iii) actual metered generation for resources located on the UAMPS or UAMPS member side of each Point of Delivery, less (iv) amounts scheduled from the Western Resource, less (v) losses from the Western Resource. PacifiCorp shall calculate UAMPS Load served by the Hunter II Resource and charged the Hunter II rate based on the amount of Hunter Resource scheduled to at the Monthly Transmission System Peak. All other UAMPS Load will be charged the Other Resources rate.

APPENDIX D

CHARGE AND DERIVATION

OF THE

UAMPS DISTRIBUTION VOLTAGE DELIVERY CHARGE

The following are low voltage Points of Delivery (less than 46 kV) where UAMPS makes deliveries of power and energy to or for the benefit of its Members at points on the distribution system of PacifiCorp.

Member Name	On-System Point of Delivery	Delivery Voltage	Meter or Schedule	Nearest PacifiCorp High Voltage Substation
Holden	Holden	7.2 kV	Meter	Pavant 46 kV
Morgan	Morgan #1	4.16 kV	Meter	Morgan 46 kV
Paragonah	Burton Sub Feeder	12.47 kV	Meter	Parowan Valley 138 kV
Parowan	Parowan	34.5 kV	Meter	Parowan Valley 138 kV
Spring City	Pine Creek	12.47 kV	Meter	Pine Creek 46 kV
St. George City	Ledges	34.5 kV	Meter	Middleton 138 kV
Weber Basin	Causey	12.47 kV	Meter	Eden 46 kV
Salt Lake Landfill	"Landfill"	12.47 kV	Meter	Terminal 46 kV

Distribution Voltage Delivery Charge:

Monthly Distribution Voltage Delivery Charge equals Monthly Transmission System Peak kW meter read for each POD multiplied (x) loss factor of 1.0356 multiplied (x) by distribution voltage delivery charge of \$0.75. The level of this charge may be adjusted from time to time pursuant to Section 28 of this Agreement.

APPENDIX E

CHARGE AND DERIVATION OF ANCILLARY

SERVICES

Ancillary Services to support loads served off PacifiCorp's Transmission System and associated charges as provided under the terms of this Agreement and in accordance with the Tariff are as follows:

Ancillary Services Charges:

The Following Ancillary Services are applicable:

- a) Scheduling, System Control and Dispatch Service:
 - The rate, terms and conditions for Scheduling, System Control and Dispatch Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 1 of the Tariff, as such rates, terms and conditions may be modified from time to time.
- b) Reactive Supply and Voltage Control from Generation or Other Sources Service:

 The rates, terms and conditions for Reactive Supply and Voltage Control from Generation or Other Sources Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 2 of the Tariff, as such rates, terms and conditions may be modified from time to time.
- c) Regulation and Frequency Response Service:

The rates, terms and conditions for Regulation and Frequency Response Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 3 of the Tariff, as such rates, terms and conditions may be modified from time to time.

d) Generation Regulation and Frequency Response:

The rates, terms and conditions for Generation Regulation and Frequency Response under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 3A of the Tariff, as such rates, terms and conditions may be modified from time to time.

e) Energy Imbalance Service:

The rates, terms and conditions for Energy Imbalance Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 4 of the Tariff, as such rates, terms and conditions may be modified from time to time.

f) Operating Reserve – Spinning Reserve Service:

The rates, terms and conditions for Operating Reserve – Spinning Reserve Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 5 of the Tariff, as such rates, terms and conditions may be modified from time to time.

g) Operating Reserve – Supplemental Reserve Service:

The rates, terms and conditions for Operating Reserve – Supplemental Reserve Service under this agreement shall be the rates, terms and conditions of Section 3 of the Tariff and Schedule 6 of the Tariff, as such rates, terms and conditions may be modified from time to time.