



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204
PortlandGeneral.com

May 30, 2014

Public Utility Commission of Oregon
Attn: Filing Center
3930 Fairview Industrial Drive SE
P.O. Box 1088
Salem, OR 97308-1088

RE: UM 1610 Application to Update Schedule 201 Qualifying Facility Information

Portland General Electric (PGE) submits this filing pursuant to Oregon Revised Statutes 757.205, 757.210, and 758.505 through 758.555; Oregon Administrative Rules 860-029-0001 through 860-029-0100; Order No. 11-505; and Order No. 14-058. In addition to the electronic filing, enclosed are the original and three courtesy copies with a requested effective date of **July 15, 2014**:

Sheet Nos. 201-1 through Sheet Nos. 201-20
Standard Off System Integrated Variable Resource Power Purchase Agreement
Standard In System Non-Variable Power Purchase Agreement
Standard Off System Non-Variable Power Purchase Agreement
Standard In System Variable Resource Power Purchase Agreement
Standard Renewable Off System Non-Variable Power Purchase Agreement
Standard Renewable Off System Integrated Variable Resource Power Purchase Agreement
Standard Renewable In System Variable Resource Power Purchase Agreement
Standard Renewable In System Non-Variable Power Purchase Agreement

This filing revises Schedule 201, Qualifying Facility Power Purchase Information for Qualifying Facilities 10 MW or Less consistent with Order No. 14-058. It also revises Schedule 201 consistent with Order No. 11-505 in order to implement renewable avoided costs. The changes from Order No. 11-505 are incorporated in Schedule 201 and the associated power purchase agreements, to the extent that they are consistent with Order No. 14-058.

Work papers detailing the avoided cost calculations are attached. Also provided as a courtesy are the red lined versions of the Standard Power Purchase Agreements.

Should you have any questions or comments regarding this filing, please contact Rob Macfarlane at (503) 464-8954.

Please direct all formal correspondence and requests to the following email address
pge.opuc.filings@pgn.com

Sincerely,



Karla Wenzel
Manager, Pricing and Tariffs

Enclosures

cc: Service List – UM 1610 w/out work papers

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused **PORTLAND GENERAL ELECTRIC COMPANY'S APPLICATION TO UPDATE SCHEDULE 201 QUALIFYING FACILITY INFORMATION** to be served by electronic mail to those parties whose email addresses appear on the attached service list for OPUC Docket No. UM 1610.

DATED at Portland, Oregon, this 30th day of May, 2014.



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**SCHEDULE 201
QUALIFYING FACILITY 10 MW or LESS
AVOIDED COST POWER PURCHASE INFORMATION**

PURPOSE

To provide information about Avoided Costs, Standard Power Purchase Agreements (PPA) and Negotiated PPAs, power purchase prices and price options for power delivered by a Qualifying Facility (QF) to the Company with nameplate capacity of 10,000 kW (10MW) or less.

AVAILABLE

To owners of QFs making sales of electricity to the Company in the State of Oregon (Seller).

APPLICABLE

For power purchased from small power production or cogeneration facilities that are QFs as defined in 18 Code of Federal Regulations (CFR) Section 292, that meet the eligibility requirements described herein and where the energy is delivered to the Company's system and made available for Company purchase pursuant to a Standard PPA.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security deemed sufficient by the Company as set forth in the Standard PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 464-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

PPA

In accordance with terms set forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller's generation.

A Seller must execute a PPA with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard PPA.

Any Seller may elect to negotiate a PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-360, and Schedule 202. Negotiations for power purchase pricing will be based on the filed Avoided Costs in effect at that time.

SCHEDULE 201 (Continued)**STANDARD PPA (Nameplate capacity of 10 MW or less)**

A Seller choosing a Standard PPA will complete all informational and price option selection requirements in the applicable Standard PPA and submit the executed Agreement to the Company prior to service under this schedule. The Standard PPA is available at www.portlandgeneral.com. The available Standard PPAs are:

- Standard In System Non-Variable Power Purchase Agreement
- Standard Off System Non-Variable Power Purchase Agreement
- Standard In System Variable Resources Power Purchase Agreement
- Standard Off System Integrated Variable Resources Power Purchase Agreement
- Standard Renewable In System Non-Variable Power Purchase Agreement
- Standard Renewable Off System Non-Variable Power Purchase Agreement
- Standard Renewable In System Variable Resources Power Purchase Agreement
- Standard Renewable Off System Integrated Variable Resources Power Purchase Agreement

The Standard PPAs applicable to Variable Resources are available only to QFs utilizing wind, solar or run of river hydro as the primary motive force.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

To execute the Standard PPA the Seller must complete all of the general project information requested in the applicable Standard PPA.

When all information required in the Standard PPA has been received in writing from the Seller, the Company will respond within 15 business days with a draft Standard PPA.

The Seller may request in writing that the Company prepare a final draft Standard PPA. The Company will respond to this request within 15 business days. In connection with such request, the QF must provide the Company with any additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft Standard PPA.

When both parties are in full agreement as to all terms and conditions of the draft Standard PPA, the Company will prepare and forward to the Seller a final executable version of the agreement within 15 business days. Following the Company's execution, an executed copy will be returned to the Seller.

Prices and other terms and conditions in the PPA will not be final and binding until the Standard PPA has been executed by both parties.

OFF SYSTEM PPA

A Seller with a facility that interconnects with an electric system other than the Company's electric system may enter into a PPA with the Company after following the applicable Standard or Negotiated PPA guidelines and making the arrangements necessary for transmission of power to the Company's system.

SCHEDULE 201 (Continued)**BASIS FOR POWER PURCHASE PRICE****AVOIDED COST SUMMARY**

The power purchase rates are based on the Company's Avoided Costs. Avoided Costs are defined in 18 CFR 292.101(6) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

The Avoided Costs as listed in Tables 1 and 2 below include monthly On- and Off-Peak prices.

ON-PEAK PERIOD

The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.

OFF-PEAK PERIOD

The Off-Peak period is 10:00 p.m. until 6:00 a.m., Monday through Saturday, and all day on Sunday.

Avoided Costs are based on forward market price estimates through December 2014, the period of time during which the Company's Avoided Costs are associated with incremental purchases of Energy and capacity from the market. For the period 2015 through 2030, the Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of Energy plus capitalized Energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

PRICING FOR STANDARD PPA

Pricing represent the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard PPA pricing will be based on the Avoided Cost in effect at the time the agreement is executed.

The Company will pay Seller the Off-Peak Avoided Cost pursuant to Tables 1b, 2b, 3b, 4b, 5b, or 6b for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard Contract; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller the On-Peak Avoided Cost pursuant to Table 1a, 2a, 3a, 4a, 5a, or 6a for all other Net Output. (See the PPA for defined terms.)

SCHEDULE 201 (Continued)

PRICING FOR STANDARD PPA (Continued)

1) Standard Fixed Price Option

The Standard Fixed Price Option is based on Avoided Costs including forecasted natural gas prices. It is available to all QFs.

This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c, depending on the type of QF, effective at execution.

The capacity contribution to peak for the avoided proxy resource on which Avoided Costs for the Standard Fixed Price Option are based and Base Load QF resources (Tables 1a and 1b) is assumed to be 100%.

The Standard Fixed Avoided Cost Price for Wind QFs (Tables 2a and 2b) includes integration costs and integration charges, both at \$3.99/MWh (\$2018), for a net zero effect. If the Wind QF is off system, the Seller is paid the integration charges in Table 7 in addition to the prices listed in Tables 2a and 2b.

Sellers with contracts exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

TABLE 1a												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	61.12	58.27	52.09	43.99	37.53	35.13	54.43	62.06	55.00	52.74	54.48	58.78
2021	83.08	82.73	81.25	79.21	79.28	79.32	79.11	79.15	79.34	79.80	83.82	85.55
2022	86.66	86.03	84.34	82.31	82.46	82.52	82.71	82.73	82.93	83.42	88.08	90.31
2023	91.20	90.41	88.76	86.86	86.34	86.36	86.66	86.48	86.85	87.37	92.37	95.36
2024	96.86	95.81	93.35	91.39	90.70	90.78	91.16	91.09	91.49	92.15	95.30	98.71
2025	99.69	97.48	94.10	92.12	92.10	92.18	92.56	92.48	92.85	93.52	96.54	100.08
2026	100.47	99.38	96.00	93.83	93.32	93.40	93.80	93.72	94.12	94.68	98.25	101.90
2027	101.02	99.29	96.15	93.26	93.22	93.29	93.66	93.56	93.97	94.55	99.45	102.71
2028	101.10	99.49	95.85	93.39	93.31	93.37	93.58	93.64	93.87	94.58	102.56	105.58
2029	107.98	107.22	103.29	100.04	100.08	100.00	100.54	100.64	100.90	101.50	107.20	110.79
2030	112.59	109.12	104.07	99.81	99.56	99.58	100.09	100.18	100.44	101.29	110.03	113.81
2031	115.26	111.15	106.88	103.09	103.23	103.23	104.04	104.14	104.41	105.06	111.68	115.10
2032	117.17	112.98	108.63	104.76	104.90	104.90	105.73	105.83	106.11	106.77	113.52	117.00
2033	119.82	115.54	111.10	107.17	107.31	107.31	108.16	108.26	108.54	109.21	116.10	119.64
2034	122.26	117.90	113.38	109.36	109.51	109.51	110.37	110.48	110.77	111.45	118.47	122.08

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD PPA (Continued)
Standard Fixed Price Option (Continued)

TABLE 1b												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	53.92	51.66	46.15	31.05	22.57	17.61	32.64	46.96	43.50	46.77	48.01	51.78
2021	43.71	43.36	41.88	39.84	39.91	39.95	39.74	39.78	39.97	40.43	44.45	46.18
2022	46.52	45.90	44.20	42.18	42.33	42.38	42.58	42.60	42.80	43.29	47.95	50.18
2023	50.16	49.37	47.72	45.82	45.30	45.32	45.62	45.44	45.81	46.33	51.34	54.32
2024	55.29	54.25	51.79	49.83	49.14	49.22	49.60	49.52	49.92	50.59	53.74	57.15
2025	57.19	54.98	51.60	49.62	49.59	49.67	50.06	49.98	50.35	51.02	54.04	57.58
2026	57.15	56.06	52.68	50.51	50.00	50.08	50.48	50.40	50.80	51.36	54.93	58.58
2027	56.86	55.13	51.99	49.10	49.07	49.13	49.50	49.41	49.81	50.39	55.29	58.55
2028	56.09	54.48	50.84	48.38	48.30	48.36	48.57	48.63	48.86	49.57	57.55	60.57
2029	62.10	61.34	57.41	54.16	54.20	54.12	54.66	54.76	55.02	55.62	61.33	64.92
2030	65.82	62.35	57.31	53.05	52.79	52.82	53.33	53.42	53.68	54.53	63.27	67.05
2031	67.60	63.48	59.21	55.42	55.56	55.56	56.37	56.47	56.75	57.39	64.02	67.43
2032	68.90	64.70	60.35	56.48	56.63	56.63	57.46	57.56	57.84	58.49	65.24	68.73
2033	70.29	66.02	61.58	57.64	57.79	57.79	58.63	58.73	59.02	59.69	66.57	70.12
2034	71.62	67.26	62.74	58.72	58.87	58.87	59.73	59.84	60.13	60.81	67.83	71.44

**Effective for service
on and after July 15, 2014**

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	44.43	53.18	44.93	26.68	27.18	27.33	41.83	51.08	46.68	43.18	44.93	50.68
2015	46.36	44.02	38.95	32.30	27.00	25.03	40.87	47.13	41.33	39.48	40.91	44.44
2016	45.93	43.62	38.61	32.04	26.81	24.86	40.50	46.69	40.96	39.13	40.54	44.03
2017	48.52	46.08	40.79	33.85	28.32	26.26	42.79	49.32	43.27	41.34	42.83	46.51
2018	52.38	49.75	44.05	36.58	30.62	28.41	46.21	53.25	46.73	44.65	46.26	50.22
2019	55.26	52.49	46.49	38.62	32.35	30.02	48.76	56.17	49.31	47.12	48.81	52.99
2020	56.97	54.12	47.94	39.84	33.38	30.98	50.28	57.91	50.85	48.59	50.33	54.63
2021	41.45	41.10	39.61	37.58	37.65	37.69	37.48	37.52	37.70	38.17	42.19	43.92
2022	44.22	43.60	41.90	39.88	40.03	40.08	40.28	40.29	40.49	40.99	45.65	47.87
2023	47.82	47.03	45.38	43.48	42.96	42.98	43.28	43.11	43.47	43.99	49.00	51.98
2024	52.90	51.85	49.40	47.44	46.75	46.83	47.21	47.13	47.53	48.19	51.35	54.75
2025	54.76	52.54	49.16	47.18	47.16	47.24	47.62	47.54	47.91	48.59	51.61	55.14
2026	54.66	53.58	50.20	48.02	47.52	47.60	47.99	47.91	48.32	48.87	52.44	56.10
2027	54.33	52.60	49.46	46.57	46.53	46.60	46.97	46.87	47.28	47.86	52.76	56.02
2028	53.51	51.90	48.26	45.80	45.72	45.78	45.99	46.05	46.28	46.99	54.97	57.99
2029	59.48	58.72	54.79	51.54	51.57	51.49	52.03	52.13	52.40	52.99	58.70	62.29
2030	63.14	59.67	54.62	50.37	50.11	50.13	50.64	50.74	51.00	51.85	60.59	64.36
2031	64.86	60.74	56.47	52.68	52.82	52.82	53.64	53.74	54.01	54.65	61.28	64.69
2032	66.10	61.90	57.55	53.69	53.83	53.83	54.66	54.76	55.04	55.69	62.45	65.93
2033	67.46	63.18	58.75	54.81	54.95	54.95	55.80	55.90	56.19	56.85	63.74	67.29
2034	68.73	64.37	59.85	55.83	55.98	55.98	56.84	56.95	57.24	57.92	64.94	68.55

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Standard Fixed Price Option (Continued)

TABLE 2b												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	34.43	47.68	39.18	11.53	6.18	5.68	18.08	33.33	36.83	35.93	37.68	43.68
2015	39.42	37.64	33.22	20.08	12.92	8.57	20.35	32.82	30.41	33.72	34.67	37.69
2016	39.59	37.81	33.39	20.24	13.08	8.73	20.51	32.99	30.58	33.89	34.84	37.86
2017	41.65	39.78	35.13	21.30	13.76	9.18	21.58	34.70	32.17	35.65	36.65	39.83
2018	44.41	42.41	37.46	22.75	14.74	9.87	23.06	37.02	34.32	38.02	39.09	42.47
2019	47.37	45.25	39.99	24.33	15.80	10.62	24.65	39.51	36.64	40.58	41.72	45.31
2020	49.77	47.51	42.00	26.90	18.42	13.46	28.49	42.81	39.35	42.62	43.86	47.63
2021	39.48	39.13	37.65	35.61	35.68	35.72	35.51	35.55	35.74	36.20	40.22	41.95
2022	42.21	41.59	39.89	37.87	38.02	38.07	38.27	38.29	38.49	38.98	43.64	45.87
2023	45.77	44.98	43.33	41.43	40.91	40.93	41.23	41.05	41.42	41.94	46.95	49.93
2024	50.82	49.78	47.32	45.36	44.67	44.75	45.13	45.05	45.45	46.12	49.27	52.68
2025	52.63	50.42	47.04	45.06	45.03	45.11	45.50	45.42	45.79	46.46	49.48	53.02
2026	52.50	51.41	48.03	45.86	45.35	45.43	45.83	45.75	46.15	46.71	50.28	53.93
2027	52.12	50.39	47.25	44.36	44.33	44.39	44.76	44.67	45.07	45.65	50.55	53.81
2028	51.26	49.65	46.01	43.55	43.47	43.53	43.74	43.80	44.03	44.74	52.72	55.74
2029	57.18	56.42	52.49	49.24	49.28	49.20	49.74	49.84	50.10	50.70	56.41	60.00
2030	60.80	57.33	52.29	48.03	47.77	47.80	48.31	48.40	48.66	49.51	58.25	62.03
2031	62.48	58.36	54.09	50.30	50.44	50.44	51.25	51.35	51.63	52.27	58.90	62.31
2032	63.69	59.49	55.14	51.27	51.42	51.42	52.25	52.35	52.63	53.28	60.03	63.52
2033	64.98	60.71	56.27	52.33	52.48	52.48	53.32	53.42	53.71	54.38	61.26	64.81
2034	66.20	61.84	57.32	53.30	53.45	53.45	54.31	54.42	54.71	55.39	62.41	66.02

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Standard Fixed Price Option (Continued)

TABLE 3a												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	61.12	58.27	52.09	43.99	37.53	35.13	54.43	62.06	55.00	52.74	54.48	58.78
2021	45.68	45.33	43.84	41.81	41.88	41.92	41.71	41.75	41.93	42.40	46.42	48.15
2022	48.53	47.91	46.21	44.19	44.34	44.39	44.59	44.60	44.80	45.30	49.96	52.18
2023	52.21	51.42	49.77	47.87	47.35	47.37	47.67	47.50	47.86	48.38	53.39	56.37
2024	57.37	56.32	53.87	51.91	51.22	51.30	51.68	51.60	52.00	52.66	55.82	59.22
2025	59.32	57.10	53.72	51.74	51.72	51.80	52.18	52.10	52.47	53.15	56.17	59.70
2026	59.31	58.23	54.85	52.67	52.17	52.25	52.64	52.56	52.97	53.52	57.09	60.75
2027	59.07	57.34	54.20	51.31	51.27	51.34	51.71	51.61	52.02	52.60	57.50	60.76
2028	58.34	56.73	53.09	50.63	50.55	50.61	50.82	50.88	51.11	51.82	59.80	62.82
2029	64.40	63.64	59.71	56.46	56.49	56.41	56.95	57.05	57.32	57.91	63.62	67.21
2030	68.16	64.69	59.64	55.39	55.13	55.15	55.66	55.76	56.02	56.87	65.61	69.38
2031	69.98	65.86	61.59	57.80	57.94	57.94	58.76	58.86	59.13	59.77	66.40	69.81
2032	71.31	67.11	62.76	58.90	59.04	59.04	59.87	59.97	60.25	60.90	67.66	71.14
2033	72.77	68.49	64.06	60.12	60.26	60.26	61.11	61.21	61.50	62.16	69.05	72.60
2034	74.15	69.79	65.27	61.25	61.40	61.40	62.26	62.37	62.66	63.34	70.36	73.97

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Standard Fixed Price Option (Continued)

TABLE 3b												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	53.92	51.66	46.15	31.05	22.57	17.61	32.64	46.96	43.50	46.77	48.01	51.78
2021	43.71	43.36	41.88	39.84	39.91	39.95	39.74	39.78	39.97	40.43	44.45	46.18
2022	46.52	45.90	44.20	42.18	42.33	42.38	42.58	42.60	42.80	43.29	47.95	50.18
2023	50.16	49.37	47.72	45.82	45.30	45.32	45.62	45.44	45.81	46.33	51.34	54.32
2024	55.29	54.25	51.79	49.83	49.14	49.22	49.60	49.52	49.92	50.59	53.74	57.15
2025	57.19	54.98	51.60	49.62	49.59	49.67	50.06	49.98	50.35	51.02	54.04	57.58
2026	57.15	56.06	52.68	50.51	50.00	50.08	50.48	50.40	50.80	51.36	54.93	58.58
2027	56.86	55.13	51.99	49.10	49.07	49.13	49.50	49.41	49.81	50.39	55.29	58.55
2028	56.09	54.48	50.84	48.38	48.30	48.36	48.57	48.63	48.86	49.57	57.55	60.57
2029	62.10	61.34	57.41	54.16	54.20	54.12	54.66	54.76	55.02	55.62	61.33	64.92
2030	65.82	62.35	57.31	53.05	52.79	52.82	53.33	53.42	53.68	54.53	63.27	67.05
2031	67.60	63.48	59.21	55.42	55.56	55.56	56.37	56.47	56.75	57.39	64.02	67.43
2032	68.90	64.70	60.35	56.48	56.63	56.63	57.46	57.56	57.84	58.49	65.24	68.73
2033	70.29	66.02	61.58	57.64	57.79	57.79	58.63	58.73	59.02	59.69	66.57	70.12
2034	71.62	67.26	62.74	58.72	58.87	58.87	59.73	59.84	60.13	60.81	67.83	71.44

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

2) Renewable Fixed Price Option

The Renewable Fixed Price Option is based on Renewable Avoided Costs. It is available only to Renewable QFs that generate electricity from a renewable energy source that may be used by the Company to comply with the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.210.

This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Avoided Costs in Tables 4a and 4b, 5a and 5b, or 6a and 6b, depending on the type of QF, effective at execution. A Renewable QF choosing the Renewable Fixed Price Option must cede all Renewable Energy Certificates and all other Environmental Attributes generated by the facility to the Company during the deficiency period starting in 2020.

The Renewable Avoided Cost price during the deficiency period (starting in 2020) reflects an increase for avoided integration of \$3.99/MWh (\$2018).

The Renewable Avoided Cost price for wind QFs reflects a reduction by an integration charge of \$3.99/MWh (\$2018). This reduction cancels out the increase noted above during the deficiency period starting in 2020. If the QF Wind QF is off system, the Seller is paid the integration charges in Table 7 in addition to the prices listed in Tables 5a and 5b.

Sellers with contracts exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	110.96	110.94	110.27	110.67	113.50	112.71	112.43	112.33	111.19	110.33	111.07	110.17
2021	113.45	113.66	112.32	113.27	115.79	115.12	114.61	115.06	113.73	112.83	113.98	112.81
2022	115.87	115.76	114.08	115.61	118.24	117.33	116.93	116.90	115.93	115.04	116.30	115.03
2023	118.52	118.14	116.39	118.22	120.38	119.73	119.43	119.10	118.36	117.33	118.85	117.87
2024	120.08	120.21	118.48	120.27	122.67	121.77	121.68	121.44	121.28	119.17	120.06	120.17
2025	122.82	123.11	121.17	123.25	126.29	125.25	124.41	124.53	123.80	121.82	122.85	122.54
2026	125.83	125.53	124.24	126.17	130.11	127.03	127.04	127.39	127.14	124.44	126.06	125.22
2027	128.29	127.90	126.44	128.31	133.59	129.53	129.20	130.48	129.45	126.96	128.10	127.68
2028	130.68	129.75	127.97	130.93	135.83	131.54	132.16	132.17	131.40	129.63	130.58	129.89
2029	133.40	133.19	130.84	133.83	142.67	135.11	135.17	135.18	135.22	132.25	132.97	132.87
2030	136.15	135.90	133.88	136.43	146.30	139.26	137.36	137.25	138.47	134.83	135.33	135.37
2031	138.67	138.23	136.79	139.75	149.10	143.07	139.93	140.76	140.94	137.57	138.55	138.16
2032	140.80	140.35	138.89	141.90	151.40	145.27	142.07	142.92	143.11	139.68	140.67	140.28
2033	144.07	143.61	142.12	145.19	154.90	148.64	145.37	146.23	146.43	142.92	143.94	143.54
2034	147.01	146.54	145.02	148.15	158.05	151.67	148.34	149.22	149.42	145.84	146.88	146.47

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Renewable Fixed Price Option (Continued)

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	59.57	59.79	61.16	60.06	57.06	57.27	57.53	58.56	59.35	60.44	60.26	60.65
2021	61.57	60.88	62.38	61.17	58.60	58.64	59.22	59.52	60.55	62.35	60.20	61.71
2022	62.46	62.17	64.15	62.14	59.45	59.78	61.11	60.25	61.70	63.51	61.19	62.84
2023	63.29	63.33	65.41	63.80	59.88	60.91	62.14	61.65	62.79	64.80	62.12	64.11
2024	63.85	63.91	66.70	63.71	60.26	62.68	61.65	61.97	63.30	65.11	64.00	64.56
2025	65.15	65.14	68.08	64.68	60.34	63.09	62.95	63.83	63.92	66.54	66.09	65.54
2026	65.53	66.33	68.47	65.19	61.03	64.01	63.86	64.48	63.86	67.45	66.33	66.37
2027	67.71	67.69	69.31	66.85	60.98	65.19	65.48	64.93	65.29	69.40	67.14	67.59
2028	68.66	69.20	71.42	68.49	60.54	66.63	66.77	65.60	66.82	69.99	67.94	69.66
2029	69.19	69.91	72.73	69.82	56.36	66.99	67.94	66.73	68.08	70.78	69.92	70.87
2030	70.29	71.09	74.22	70.05	56.23	67.61	68.62	68.76	68.60	72.12	71.56	72.33
2031	71.80	72.85	75.23	70.47	57.37	67.52	70.07	70.21	68.84	73.33	73.18	72.51
2032	72.99	74.06	76.48	71.64	58.32	68.64	71.23	71.37	69.98	74.54	74.39	73.71
2033	74.59	75.68	78.16	73.20	59.59	70.14	72.79	72.94	71.51	76.17	76.02	75.32
2034	76.04	77.15	79.67	74.62	60.75	71.50	74.20	74.35	72.90	77.65	77.49	76.79

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	44.43	53.18	44.93	26.68	27.18	27.33	41.83	51.08	46.68	43.18	44.93	50.68
2015	46.36	44.02	38.95	32.30	27.00	25.03	40.87	47.13	41.33	39.48	40.91	44.44
2016	45.93	43.62	38.61	32.04	26.81	24.86	40.50	46.69	40.96	39.13	40.54	44.03
2017	48.52	46.08	40.79	33.85	28.32	26.26	42.79	49.32	43.27	41.34	42.83	46.51
2018	52.38	49.75	44.05	36.58	30.62	28.41	46.21	53.25	46.73	44.65	46.26	50.22
2019	55.26	52.49	46.49	38.62	32.35	30.02	48.76	56.17	49.31	47.12	48.81	52.99
2020	70.23	70.21	69.54	69.95	72.77	71.98	71.70	71.60	70.46	69.60	70.34	69.44
2021	71.82	72.02	70.69	71.64	74.15	73.48	72.97	73.43	72.09	71.20	72.35	71.18
2022	73.43	73.32	71.64	73.18	75.80	74.90	74.50	74.47	73.49	72.61	73.87	72.59
2023	75.14	74.76	73.01	74.84	77.01	76.36	76.05	75.73	74.98	73.96	75.47	74.50
2024	76.13	76.26	74.53	76.31	78.72	77.82	77.72	77.49	77.33	75.22	76.10	76.21
2025	77.89	78.17	76.24	78.31	81.36	80.32	79.47	79.59	78.87	76.88	77.91	77.60
2026	80.02	79.73	78.44	80.37	84.30	81.23	81.23	81.59	81.34	78.64	80.25	79.42
2027	81.60	81.21	79.75	81.62	86.90	82.84	82.51	83.79	82.77	80.27	81.41	80.99
2028	83.09	82.17	80.38	83.34	88.24	83.95	84.57	84.59	83.81	82.04	82.99	82.30
2029	84.89	84.68	82.34	85.32	94.16	86.60	86.67	86.67	86.71	83.74	84.46	84.36
2030	86.71	86.45	84.43	86.99	96.86	89.81	87.91	87.81	89.03	85.38	85.88	85.92
2031	88.27	87.83	86.39	89.35	98.69	92.67	89.52	90.35	90.54	87.17	88.14	87.76
2032	89.73	89.28	87.82	90.83	100.32	94.20	91.00	91.85	92.04	88.61	89.60	89.21
2033	91.71	91.25	89.76	92.83	102.54	96.28	93.01	93.88	94.07	90.56	91.58	91.18
2034	93.48	93.01	91.49	94.62	104.52	98.14	94.81	95.69	95.89	92.31	93.35	92.94

**Effective for service
on and after July 15, 2014**

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Renewable Fixed Price Option (Continued)

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	34.43	47.68	39.18	11.53	6.18	5.68	18.08	33.33	36.83	35.93	37.68	43.68
2015	39.42	37.64	33.22	20.08	12.92	8.57	20.35	32.82	30.41	33.72	34.67	37.69
2016	39.59	37.81	33.39	20.24	13.08	8.73	20.51	32.99	30.58	33.89	34.84	37.86
2017	41.65	39.78	35.13	21.30	13.76	9.18	21.58	34.70	32.17	35.65	36.65	39.83
2018	44.41	42.41	37.46	22.75	14.74	9.87	23.06	37.02	34.32	38.02	39.09	42.47
2019	47.37	45.25	39.99	24.33	15.80	10.62	24.65	39.51	36.64	40.58	41.72	45.31
2020	55.42	55.64	57.01	55.91	52.91	53.12	53.38	54.41	55.20	56.29	56.11	56.50
2021	57.34	56.65	58.15	56.94	54.37	54.41	54.99	55.29	56.32	58.12	55.97	57.48
2022	58.15	57.86	59.84	57.83	55.14	55.47	56.80	55.94	57.39	59.20	56.88	58.53
2023	58.90	58.94	61.02	59.41	55.49	56.52	57.75	57.26	58.40	60.41	57.73	59.72
2024	59.38	59.44	62.23	59.24	55.79	58.21	57.18	57.50	58.83	60.64	59.53	60.09
2025	60.59	60.58	63.52	60.12	55.78	58.53	58.39	59.27	59.36	61.98	61.53	60.98
2026	60.88	61.68	63.82	60.54	56.38	59.36	59.21	59.83	59.21	62.80	61.68	61.72
2027	62.97	62.95	64.57	62.11	56.24	60.45	60.74	60.19	60.55	64.66	62.40	62.85
2028	63.83	64.37	66.59	63.66	55.71	61.80	61.94	60.77	61.99	65.16	63.11	64.83
2029	64.27	64.99	67.81	64.90	51.44	62.07	63.02	61.81	63.16	65.86	65.00	65.95
2030	65.27	66.07	69.20	65.03	51.21	62.59	63.60	63.74	63.58	67.10	66.54	67.31
2031	66.68	67.73	70.11	65.35	52.25	62.40	64.95	65.09	63.72	68.21	68.06	67.39
2032	67.78	68.85	71.27	66.43	53.11	63.43	66.02	66.16	64.77	69.33	69.18	68.50
2033	69.28	70.37	72.85	67.89	54.28	64.83	67.48	67.63	66.20	70.86	70.71	70.01
2034	70.62	71.73	74.25	69.20	55.33	66.08	68.78	68.93	67.48	72.23	72.07	71.37

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	74.38	74.36	73.69	74.10	76.92	76.13	75.85	75.75	74.61	73.75	74.49	73.59
2021	76.05	76.25	74.92	75.87	78.38	77.71	77.20	77.66	76.32	75.43	76.58	75.41
2022	77.74	77.63	75.95	77.49	80.11	79.21	78.81	78.78	77.80	76.92	78.18	76.90
2023	79.53	79.15	77.40	79.23	81.40	80.75	80.44	80.12	79.37	78.35	79.86	78.89
2024	80.60	80.73	79.00	80.78	83.19	82.29	82.19	81.96	81.80	79.69	80.57	80.68
2025	82.45	82.73	80.80	82.87	85.92	84.88	84.03	84.15	83.43	81.44	82.47	82.16
2026	84.67	84.38	83.09	85.02	88.95	85.88	85.88	86.24	85.99	83.29	84.90	84.07
2027	86.34	85.95	84.49	86.36	91.64	87.58	87.25	88.53	87.51	85.01	86.15	85.73
2028	87.92	87.00	85.21	88.17	93.07	88.78	89.40	89.42	88.64	86.87	87.82	87.13
2029	89.81	89.60	87.26	90.24	99.08	91.52	91.59	91.59	91.63	88.66	89.38	89.28
2030	91.73	91.47	89.45	92.01	101.88	94.83	92.93	92.83	94.05	90.40	90.90	90.94
2031	93.39	92.95	91.51	94.47	103.81	97.79	94.64	95.47	95.66	92.29	93.26	92.88
2032	94.94	94.49	93.03	96.04	105.53	99.41	96.21	97.06	97.25	93.82	94.81	94.42
2033	97.02	96.56	95.07	98.14	107.85	101.59	98.32	99.19	99.38	95.87	96.89	96.49
2034	98.90	98.43	96.91	100.04	109.94	103.56	100.23	101.11	101.31	97.73	98.77	98.36

SCHEDULE 201 (Continued)PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Renewable Fixed Price Option (Continued)

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	59.57	59.79	61.16	60.06	57.06	57.27	57.53	58.56	59.35	60.44	60.26	60.65
2021	61.57	60.88	62.38	61.17	58.60	58.64	59.22	59.52	60.55	62.35	60.20	61.71
2022	62.46	62.17	64.15	62.14	59.45	59.78	61.11	60.25	61.70	63.51	61.19	62.84
2023	63.29	63.33	65.41	63.80	59.88	60.91	62.14	61.65	62.79	64.80	62.12	64.11
2024	63.85	63.91	66.70	63.71	60.26	62.68	61.65	61.97	63.30	65.11	64.00	64.56
2025	65.15	65.14	68.08	64.68	60.34	63.09	62.95	63.83	63.92	66.54	66.09	65.54
2026	65.53	66.33	68.47	65.19	61.03	64.01	63.86	64.48	63.86	67.45	66.33	66.37
2027	67.71	67.69	69.31	66.85	60.98	65.19	65.48	64.93	65.29	69.40	67.14	67.59
2028	68.66	69.20	71.42	68.49	60.54	66.63	66.77	65.60	66.82	69.99	67.94	69.66
2029	69.19	69.91	72.73	69.82	56.36	66.99	67.94	66.73	68.08	70.78	69.92	70.87
2030	70.29	71.09	74.22	70.05	56.23	67.61	68.62	68.76	68.60	72.12	71.56	72.33
2031	71.80	72.85	75.23	70.47	57.37	67.52	70.07	70.21	68.84	73.33	73.18	72.51
2032	72.99	74.06	76.48	71.64	58.32	68.64	71.23	71.37	69.98	74.54	74.39	73.71
2033	74.59	75.68	78.16	73.20	59.59	70.14	72.79	72.94	71.51	76.17	76.02	75.32
2034	76.04	77.15	79.67	74.62	60.75	71.50	74.20	74.35	72.90	77.65	77.49	76.79

**Effective for service
on and after July 15, 2014**

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2014	3.70
2015	3.77
2016	3.84
2017	3.91
2018	3.99
2019	4.07
2020	4.15
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.56
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42

SCHEDULE 201 (Continued)**MONTHLY SERVICE CHARGE**

Each separately metered QF will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

Except as otherwise provided in a generation Interconnection Agreement between the Company and Seller, if the QF is located within the Company's service territory, switching equipment capable of isolating the QF from the Company's system will be accessible to the Company at all times. At the Company's option, the Company may operate the switching equipment described above if, in the sole opinion of the Company, continued operation of the QF in connection with the utility's system may create or contribute to a system emergency.

The QF owner interconnecting with the Company's distribution system must comply with all requirements for interconnection as established pursuant to Commission rule, in the Company's Rules and Regulations (Rule C) or the Company's Interconnection Procedures contained in its FERC Open Access Transmission Tariff (OATT), as applicable. The Seller will bear full responsibility for the installation and safe operation of the interconnection facilities.

SCHEDULE 201 (Continued)**DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE THE STANDARD RATES AND STANDARD PPA**

A QF will be eligible to receive the standard rates and Standard PPA if the nameplate capacity of the QF, together with any other electric generating facility using the same motive force, owned or controlled by the same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW.

Definition of Person(s) or Affiliated Person(s)

As used above, the term “same person(s)” or “affiliated person(s)” means a natural person or persons or any legal entity or entities sharing common ownership, management or acting jointly or in concert with or exercising influence over the policies or actions of another person or entity. However, two facilities will not be held to be owned or controlled by the same person(s) or affiliated person(s) solely because they are developed by a single entity.

Furthermore, two facilities will not be held to be owned or controlled by the same person(s) or affiliated person(s) if the facilities at issue are independent family-owned or community-based projects.

Definition of Same Site

For purposes of the foregoing, generating facilities are considered to be located at the same site as the QF for which qualification for the standard rates and Standard PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the standard rates and standard PPA is sought.

Definition of Shared Interconnection and Infrastructure

QFs otherwise meeting the above-described separate ownership test and thereby qualified for entitlement to the standard rates and Standard PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs qualifying for the standard rates and Standard PPA so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection agreement requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved Standard PPA.

OTHER DEFINITIONS**Mid-C Index Price**

As used in this schedule, the daily Mid-C Index Price shall be the Day Ahead Intercontinental Exchange (“ICE”) for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

SCHEDULE 201 (Concluded)

OTHER DEFINITIONS (Continued)

Definition of Environmental Attributes

As used in this schedule, Environmental Attributes shall mean any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standards, and any Green Tag Reporting Rights to such Environmental Attributes.

DISPUTE RESOLUTION

Upon request, the QF will provide the purchasing utility with documentation verifying the ownership, management and financial structure of the QF in reasonably sufficient detail to allow the utility to make an initial determination of whether or not the QF meets the above-described criteria for entitlement to the standard rates and Standard PPA. Disputes may be presented to the Commission for resolution.

SPECIAL CONDITIONS

1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company.
2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer.
3. Unless required by state or federal law, if the 1978 Public Utility Regulatory Policies Act (PURPA) is repealed, PPAs entered into pursuant to this schedule will not terminate prior to the Standard or Negotiated PPA's termination date.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

**STANDARD OFF SYSTEM INTEGRATED VARIABLE RESOURCES POWER
PURCHASE AGREEMENT**

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.20, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Base Hours" is defined as the total number of hours each Contract Year (8,760 or 8,784 for leap year), minus up to 200 hours of Planned Maintenance.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.30;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;

1.5.5. PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices as specified in the Schedule.

1.7. "Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard, and any Green Tag Reporting Rights to such Environmental Attributes.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

1.12. "Generation Unit" means each separate electrical generator that contributes toward Nameplate Capacity Rating included in Exhibit A. For solar facilities, the number of Generation Units shall be one.

1.13. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.14. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.15. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

1.16. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub. 1.17. "Minimum Net Output" shall mean seventy-five percent (75%) of

Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)).

1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.20. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.21. "Number of Units" means the number of Generation Units in the Facility described in Exhibit A.

1.22. "Off-Peak Hours" has the meaning provided in the Schedule.

1.23. "On-Peak Hours" has the meaning provided in the Schedule. 1.24. "Operational Hours" for the Facility means the total across all Generation Units of the number of hours each of the Facility's Generation Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather conditions, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, 200 hours of Planned Maintenance during a Contract Year for each Generation Unit and hours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit or Event of Force Majeure, the Operational Hours for a wind farm with 5 separate two MW turbines would be 43,800 for a Contract Year.

1.25. "Planned Maintenance" means outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.26. "Point of Delivery" means the PGE System.

1.27. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.28. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in

the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.29. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.

1.30. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.31. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.32. "Start-Up Lost Energy Value" means for the period prior to initiation of delivery: zero, unless the Net Output is less than Minimum Net Output and the mean Mid-C Index Price is greater than the Contract Price, in which case Startup Lost Energy Value equals: $(\text{Minimum Net Output} - \text{Net Output}) \times (\text{the lower of: the mean Contract Price; or the mean Mid-C Index Price} - \text{mean Contract Price})$.

1.33. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.34. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.35. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.36. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.37. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.38. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery or a generating facility limitation by a Transmission Provider (for any reason other than Force Majeure).

1.39. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.40. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.41. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2. By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, if PGE is resource deficient (as defined by the Commission) PGE may terminate this agreement in accordance with Section 89. Otherwise, Seller shall pay PGE the Startup Lost Energy Value.

2.3. This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2. Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3. Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4. Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5. Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8. Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1. Ninety percent (90%) beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; or

3.1.10.2. Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3. Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.14. Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1. Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing

equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.4. All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. Deliveries shall not be made on a dynamic basis, and Seller shall insure that all deliveries of energy under this Agreement will be equal on any less-than-hourly basis to the amounts scheduled in the final schedule for the whole hour. Seller shall bear the cost of any transmission services, including but not limited to imbalance services, necessary to insure that energy deliveries under this Agreement are equal on any less-than-hourly basis to the amount of energy scheduled for each hour in the final schedule. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g., 1:30 to 2:00). The final E-Tag shall be the controlling evidence of the Parties' final schedule. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.

4.5. Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: OPERATION AND CONTROL

5.1. Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for

any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2. Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3. If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1. On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.

7.2. Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2. Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.

8.1.3. Seller's failure to meet the MAP established in Section 3.1.10 – Guarantee of Mechanical Availability for any single Contract Year or Seller's failure to provide any written report required by that section.

8.1.4. If Seller is no longer a Qualifying Facility.

8.1.5. Failure of PGE to make any required payment pursuant to Section 7.1.

8.2. In the event of a default hereunder, except for pursuant to Section 8.1.3, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, except for damages related to a default pursuant to Section 8.1.3 by a QF sized at 100 kW or smaller, the non-defaulting party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 20. The rights provided in this Section 8 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

8.3. If this Agreement is terminated as provided in this Section 8, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

8.4. In the event PGE terminates this Agreement pursuant to this Section 8, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

8.5. Sections 8.1, 8.3, 8.4, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Sections 4.4 of this Agreement.

9.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4

of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1. Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2. PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1. Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated

not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2. Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3. Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on

behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2. If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1. the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3. No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4. Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1. This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2. By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2. The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____

Name: _____
Title: _____
Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

EXHIBIT C
START-UP TESTING

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT D
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD IN SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit B ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.22, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 "Annual Minimum Net Output" means the sum of the Monthly Minimum Net Output multiplied by twelve (12).

1.2 "As-built Supplement" means the supplement to Exhibit B provided by Seller in accordance with Section 4.4 following completion of construction of the Facility, describing the Facility as actually built.

1.3 "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4 "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5 "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.5.1 (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer (“LPE”) acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2 (facilities with nameplate under 500 kW exempt from following requirement) Start-Up Testing of the Facility has been completed in accordance with Section 1.27;

1.5.3 (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4 (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed, all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.5.5 (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.6 “Contract Month” means each calendar month of each Contract Year.

1.7 “Contract Price” means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.8 “Contract Year” means each twelve (12) month calendar year beginning January 1 and ending December 31, or portion thereof commencing upon the date set forth in Section 2.1.1.

1.9 “Effective Date” has the meaning set forth in Section 2.1.

1.10 “Environmental Attributes” means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the

Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, and any Green Tag Reporting Rights to such Environmental Attributes.

1.11 "Facility" has the meaning set forth in the Recitals.

1.12 "Forward Replacement Price" means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PGE in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PGE in causing replacement energy to be delivered to the Point of Delivery. If PGE elects not to make such a purchase, costs of purchasing replacement Net Output shall be at the Mid-C Index Price for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PGE in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.13 "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of interconnection facilities required to accommodate deliveries of Seller's Net Output.

1.14 "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.15 "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.16 "Lost Energy Value" means for a Contract Month: zero, unless the Contract Month's Net Output is less than the Monthly Minimum Net Output and the Contract Month's mean Mid-C Index Price is greater than the Contract Price, in which case Lost Energy Value equals: (Monthly Minimum Net Output - Net Output for the

Contract Month) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

1.17 “Mid-C Index Price” means the Day Ahead Intercontinental Exchange (“ICE”) for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.18 “Mid-Columbia” means an area which includes points at any of the switchyards associated with the following four hydro projects: Rocky Reach, Rock Island, Wanapum and Priest Rapids. These switchyards include: Rocky Reach, Rock Island, Wanapum, McKenzie, Valhalla, Columbia, Midway and Vantage. Mid-Columbia shall also include points in the “Northwest Hub,” as defined by Bonneville Power Administration. For scheduling purposes, the footprint described above shall dictate the delivery point name for the then current Western Electricity Coordinating Council (“WECC”) scheduling protocols. If the footprint changes during the Term, a mutually agreed upon footprint that describes an area containing the most liquidity for trading purposes shall apply.

1.19 "Monthly Minimum Net Output" shall have the meaning provided in Section 4.2 of this Agreement.

1.20 “Nameplate Capacity Rating” means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.21 “Net Dependable Capacity” means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.22 "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.23 “Off-Peak Hours” has the meaning provided in the Schedule.

1.24 “On-Peak Hours” has the meaning provided in the Schedule.

1.25 "Point of Delivery" means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, as specified in the Generation Interconnection Agreement.

1.26 “Prime Rate” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with

\$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.27 "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.28 "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit C.

1.29 "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit E, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.30 "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.31 "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit D.

1.32 "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.33 "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.34 "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, Seller shall pay damages equal to the Lost Energy Value. In calculating the Lost Energy Value for use in this section, the Monthly Minimum Net Output shall be prorated if necessary when applied to the period of time between the Commercial Operation Date and the date specified in 2.2.1.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 9 or 11.2, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output").

3.1.11 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.12 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.13 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.2 Seller shall deliver to PGE from the Facility for each Contract Year Net Output equal to or greater than the Monthly Minimum Net Output (either (a) if Seller does not select the Alternative Minimum Amount as defined in Exhibit A of this Agreement, seventy-five percent (75%) of its average annual Net Output divided by twelve (12) or (b) if selected by Seller, the Alternative Minimum Amount designated for each month), provided that such Monthly Minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract Month(s) that the Facility was prevented from generating electricity for reasons of Force Majeure.

4.3 Seller agrees that if Seller does not deliver the Monthly Minimum Net Output each Contract Month, PGE will suffer losses equal to the Lost Energy Value. As damages for Seller's failure to deliver the Monthly Minimum Net Output (subject to adjustment for reasons of Force Majeure as provided in Section 4.2) in any Contract Year, notwithstanding any other provision of this Agreement, the purchase price payable by PGE for future deliveries shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period, in monthly amounts (not more than 24 months), of such reduction so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. For QF Facilities sized at 100 kW or smaller, the provisions of this section shall not apply.

4.4 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit B or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.10 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.5 To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

4.6 Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Annual Minimum Net Output / 8760). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: METERING

7.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

7.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

7.3 PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

7.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 8: BILLINGS, COMPUTATIONS AND PAYMENTS

8.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise.

8.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 9: DEFAULT, REMEDIES AND TERMINATION

9.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

9.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

9.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.

9.1.3 Seller's failure to deliver the Annual Minimum Net Output for two consecutive Contract Years.

9.1.4 If Seller is no longer a Qualifying Facility.

9.1.5 Failure of PGE to make any required payment pursuant to Section 8.1.

9.2 In the event of a default hereunder, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party, and, except for damages related to a default pursuant to Section 9.1.3 by a QF sized at 100 kW or smaller, may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such termination shall be effective upon the date of delivery of notice, as provided in Section 20.1. The rights provided in this Section 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

9.3 If this Agreement is terminated as provided in this Section 9 PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

9.4 If this Agreement is terminated as a result of Seller's default, Seller shall pay PGE the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Forward Replacement Price for the Monthly Minimum Net Output that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination. Accounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PGE for the same.

9.5 In the event PGE terminates this Agreement pursuant to this Section 9, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

9.6 Sections 9.1 9.3 9.4 9.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single

limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to:

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
MONTHLY MINIMUM NET OUTPUT

In this Exhibit, Seller may designate an alternative Monthly Minimum Net Output to seventy-five (75%) percent of annual average Net Output specified in Section 3.1.9 of the Agreement ("Alternative Minimum Amount"). Such Alternative Minimum Amount, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.

EXHIBIT B
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

EXHIBIT D
START-UP TESTING

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT E
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD IN SYSTEM VARIABLE RESOURCE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.20, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year), minus up to 200 hours of Planned Maintenance.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, in its discretion require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2. (facilities with nameplate under 500 kW exempt from following requirement) Start-Up Testing of the Facility has been completed in accordance with Section 1.26;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.5.5. PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as selected by Seller in Section 5 and specified in the Schedule.

1.7. "Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, and any Green Tag Reporting Rights to such Environmental Attributes.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of interconnection facilities required to accommodate deliveries of Seller's Net Output.

1.12. "Generation Unit" means each separate electrical generator that contributes towards Nameplate Capacity Rating included on Exhibit A. For solar facilities, the number of Generation Units shall be one.

1.13. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.14. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.15. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

1.16. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the

Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.17. "Minimum Net Output" means seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours of assumed Planned Maintenance).

1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.20. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.21. "Number of Units" means the number of Generation Units in the Facility described in Exhibit A.

1.22. "Off-Peak Hours" has the meaning provided in the Schedule.

1.23. "On-Peak Hours" has the meaning provided in the Schedule.

1.24. "Operational Hours" for the Facility means the total across all Generation Units of the number of hours each of the Facility's Generation Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather or seasonal conditions, the time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, 200 hours of Planned Maintenance during a Contract Year for each Generation Unit and hours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example, in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit or Event of Force Majeure, the Operational Hours for a wind farm with 5 separate two MW turbines would be 43,800 for a Contract Year.

1.25. "Planned Maintenance" means outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.26. "Point of Delivery" means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, as specified in the Generation Interconnection Agreement.

1.27. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.28. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.29. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.

1.30. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply

1.31. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.32. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.33. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.34. "Start-Up Lost Energy Value" means for the period prior to initiation of delivery: zero, unless the Net Output is less than Minimum Net Output and the mean Mid-C Index Price is greater than the Contract Price, in which case Start-Up Lost Energy Value equals: (Minimum Net Output – Net Output) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

1.35. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.36. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, if PGE is resource deficient (as defined by the Commission) PGE may terminate this agreement in accordance with Section 10. Otherwise, Seller shall pay PGE the Start-Up Lost Energy Value.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 9 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18

C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1 Ninety percent (90%) beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; or

3.1.10.2 Ninety percent (9%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3 Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.

3.1.11 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year (“Maximum Net Output”).

3.1.12 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.14 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard Contract in PGE’s Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard Contract in PGE’s Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller’s continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission’s request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.

4.2 PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

4.5 Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be

acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: METERING

7.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

7.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

7.3 PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

7.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 8: BILLINGS, COMPUTATIONS AND PAYMENTS

8.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise.

8.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 9: DEFAULT, REMEDIES AND TERMINATION

9.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

9.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

9.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.

9.1.3 Seller's failure to meet the MAP established in Section 3.1.10 – Guarantee of Mechanical Availability for any single Contract Year or Seller's failure to provide any written report required by that section.

9.1.4 If Seller is no longer a Qualifying Facility.

9.1.5 Failure of PGE to make any required payment pursuant to Section 8.1.

9.2 In the event of a default hereunder, except for pursuant to Section 9.1.3, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, except for damages related to a default pursuant to Section 9.1.3 by a QF sized at 100 kW or smaller, the non-defaulting party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 20. The rights provided in this Section 10 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

If this Agreement is terminated as provided in this Section 10 PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

9.4 In the event PGE terminates this Agreement pursuant to this Section 9, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

9.5 Sections 9.1, 9.3, 9.4, 10, and 19.2 shall survive termination of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE 11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not

contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect

the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations

concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT C
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements

EXHIBIT D
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD OFF SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit B ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.22, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "Annual Minimum Net Output" means the sum of the Monthly Minimum Net Output multiplied by twelve (12).

1.2. "As-built Supplement" means the supplement to Exhibit B provided by Seller in accordance with Section 4.4 following completion of construction of the Facility, describing the Facility as actually built.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer (“LPE”) acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement (certifications required under this Section 1.4 can be provided by one or more LPEs);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.27;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;

1.5.5. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.5.6. PGE has received a copy of the Generation Interconnection and Transmission Agreement.

1.6. “Contract Month” means each calendar month of each Contract Year.

1.7. “Contract Price” means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.8. "Contract Year" means each twelve (12) month calendar year beginning January 1 and ending December 31, or portion thereof commencing upon the date set forth in Section 2.1.1..

1.9. “Effective Date” has the meaning set forth in Section 2.1.

1.10. “Environmental Attributes” means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the

Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard and any Green Tag Reporting Rights to such Environmental Attributes.

1.11. "Facility" has the meaning set forth in the Recitals.

1.12. "Forward Replacement Price" means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PGE in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PGE in causing replacement energy to be delivered to the Point of Delivery. If PGE elects not to make such a purchase, costs of purchasing replacement Net Output shall be at the Mid-C Index Price for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PGE in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.13. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

1.14. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.15. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.16. "Lost Energy Value" means for a Contract Month: zero, unless the Contract Month's Net Output is less than the Monthly Minimum Net Output and the Contract Month's mean Mid-C Index Price is greater than the Contract Price, in which case Lost Energy Value equals: (Monthly Minimum Net Output - Net Output for the Contract Month) X (the lower of: the mean Contract Price; or the mean Mid-C Index

Price – mean Contract Price) minus Transmission Curtailment Replacement Energy Cost if any for like period.

1.17. “Mid-C Index Price” means the Day Ahead Intercontinental Exchange (“ICE”) for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.18. “Mid-Columbia” means an area which includes points at any of the switchyards associated with the following four hydro projects: Rocky Reach, Rock Island, Wanapum and Priest Rapids. These switchyards include: Rocky Reach, Rock Island, Wanapum, McKenzie, Valhalla, Columbia, Midway and Vantage. Mid-Columbia shall also include points in the “Northwest Hub,” as defined by Bonneville Power Administration. For scheduling purposes, the footprint described above shall dictate the delivery point name for the then current Western Electricity Coordinating Council (“WECC”) scheduling protocols. If the footprint changes during the Term, a mutually agreed upon footprint that describes an area containing the most liquidity for trading purposes shall apply.

1.19. “Monthly Minimum Net Output” shall have the meaning specified in Section 4.2 of this Agreement.

1.20. “Nameplate Capacity Rating” means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.21. “Net Dependable Capacity” means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.22. “Net Output” means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.23. “Off-Peak Hours” has the meaning provided in the Schedule.

1.24. “On-Peak Hours” has the meaning provided in the Schedule.

1.25. “Point of Delivery” means the PGE System.

1.26. “Prime Rate” means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.27. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.28. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit C.

1.29. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit E, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.30. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.31. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit D.

1.32. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.33. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.34. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.35. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.36. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery or a generating facility limitation by a Transmission Provider (for any reason other than Force Majeure).

1.37. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the difference between Dow Jones Mid C Index Price – Contract Price X curtailed energy for periods of Transmission Curtailment.

1.38. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.39. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, Seller shall pay damages equal to the Lost Energy Value. In calculating the Lost Energy Value for use in this section, the Monthly Minimum Net Output shall be prorated if necessary when applied to the period of time between the Commercial Operation date and the date specified in 2.2.1.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 8 or 11.2, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller will schedule and deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.11 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.12 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.13 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output from the Facility. Seller's Net Output shall be scheduled and delivered to PGE at the Point of Delivery in accordance with Section 4.5. PGE shall pay Seller the Contract Price for all scheduled and delivered Net Output.

4.2 Seller shall schedule and deliver to PGE from the Facility for each Contract Year Net Output equal to or greater than the Monthly Minimum Net Output (either (a) if Seller does not select the Alternative Minimum Amount as defined in Exhibit A of this Agreement, seventy-five percent (75%) of its average annual Net Output divided by twelve (12) or (b) if selected by Seller, the Alternative Minimum Amount designated for each month), provided that such Monthly Minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract Month(s) that the Facility was prevented from generating electricity for reasons of Force Majeure.

4.3 Seller agrees that if Seller does not deliver the Monthly Minimum Net Output each Contract Month for reasons other than Transmission Curtailment, PGE will suffer losses equal to the Lost Energy Value. As damages for Seller's failure to deliver the Monthly Minimum Net Output (subject to adjustment for reasons of Force Majeure as provided in Section 4.2) in any Contract Year, notwithstanding any other provision of this Agreement the purchase price payable by PGE for future deliveries shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period, in monthly amounts (not more than 24 months), of such reduction so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility for QF Facilities sized at 100 kW or smaller, the provisions of this section shall not apply.

4.4 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit B or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.10 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating of the Facility to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.5 All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. Deliveries shall not be made on a dynamic basis, and Seller shall insure that all deliveries of energy under this Agreement will be equal on any less-than-hourly basis to the amounts scheduled in the final schedule for the whole hour. Seller shall bear the cost of any transmission services, including but not limited to imbalance services, necessary to insure that energy deliveries under this Agreement are equal on any less-than-hourly basis to the amount of energy scheduled for each hour in the final schedule. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g., 1:30 to 2:00). The final E-Tag shall be the controlling evidence of the Parties' final schedule. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.

4.6 Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility or transmission to PGE's electric system is

curtailed, disconnected, suspended or interrupted, in whole or in part. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance that could affect the generation, scheduling or delivery of energy to PGE, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than ten (10) days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Annual Minimum Net Output / 8760). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.

7.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within ten (10) days of notice.

8.1.3 Seller's failure to deliver the Annual Minimum Net Output for two consecutive Contract Years.

8.1.4 If Seller is no longer a Qualifying Facility.

8.1.5 Failure of PGE to make any required payment pursuant to Section 8.1.

8.2 In the event of a default hereunder, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party, and, except for damages related to a default pursuant to Section 9.1.3, by a QF sized at 100 kW or smaller, may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such termination shall be effective upon the date of delivery of notice, as provided in Section 20.1. The rights provided in this Section 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

8.3 If this Agreement is terminated as provided in this Section 8, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

8.4 If this Agreement is terminated as a result of Seller's default, Seller shall pay PGE the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Forward Replacement Price for the Annual Minimum Net Output that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination plus any cost incurred for transmission purchased by PGE to deliver the replacement power to the Point of Delivery and the estimated administrative cost to the utility to acquire replacement power. Accounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PGE for the same.

8.5 In the event PGE terminates this Agreement pursuant to this Section 8, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the

Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

8.6 Sections 8.1, 8.3, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1 Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Sections 4.5 of this Agreement.

9.2 If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.5 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof

to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received

such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, “Force Majeure” or “an event of Force Majeure” means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes Transmission Curtailment, the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other

Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
QF Contracts, 3WTC0306
PGE - 121 SW Salmon St.
Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____

Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
MONTHLY MINIMUM NET OUTPUT

In this Exhibit, Seller may designate an alternative Monthly Minimum Net Output to seventy-five (75%) percent of annual average Net Output specified in Section 3.1.9 of the Agreement ("Alternative Minimum Amount"). Such Alternative Minimum Amount, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.

EXHIBIT B
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement with interconnecting utility

Firm Transmission Agreement between Seller and Transmission Provider

EXHIBIT D
START-UP TESTING

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT E
SCHEDULE
[Attach currently in-effect Schedule 201]

**STANDARD RENEWABLE OFF SYSTEM INTEGRATED VARIABLE RESOURCE
POWER PURCHASE AGREEMENT**

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.20, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year), minus up to 200 hours of Planned Maintenance.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.26;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;

1.5.5. PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.5.6. PGE has received a copy of the Generation Interconnection and Transmission Agreement.

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard, and any Green Tag Reporting Rights to such Environmental Attributes.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

1.12. "Generation Unit" means each separate electrical generator that contributes toward Nameplate Capacity Rating included in Exhibit A. For solar facilities, the number of Generation Units shall be one.

1.13. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.14. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.15. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

1.16. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.17. "Minimum Net Output" means seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours of assumed Planned Maintenance).

1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.20. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.21. "Number of Units" means the number of Generation Units in the Facility described in Exhibit A.

1.22. "Off-Peak Hours" has the meaning provided in the Schedule.

1.23. "On-Peak Hours" has the meaning provided in the Schedule.

1.24. "Operational Hours" for the Facility means the total across all Generation Units of the number of hours each of the Facility's Generation Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather conditions, season and the time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, two hundred (200) hours of Planned Maintenance during a Contract Year for each Generation Unit and hours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example, in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit or Event of Force Majeure, the Operational Hours for a wind farm with five (5) separate two (2) MW turbines would be 43,800 for a Contract Year.

1.25. "Planned Maintenance" means outages scheduled ninety (90) days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.26. "Point of Delivery" means the PGE System.

1.27. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with

\$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.28. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.29. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.

1.30. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.31. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance

1.32. "Start-Up Lost Energy Value" means for the period prior to initiation of delivery: zero, unless the Net Output is less than Minimum Net Output and the mean Mid-C Index Price is greater than the Contract Price, in which case Start-Up Lost Energy Value equals: (Minimum Net Output – Net Output) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

1.33. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.34. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.35. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.36. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.37. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.38. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery or a generating facility limitation by a Transmission Provider (for any reason other than Force Majeure).

1.39. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

1.40. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.41. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, if PGE is resource deficient (as defined by the Commission) PGE may terminate this agreement in accordance with Section 8. Otherwise, Seller shall pay PGE the Start-Up Lost Energy Value.

2.3 This Agreement shall terminate on _____, ____ [date to be chosen by Seller], up to 20 years from the Effective Date, or the date the Agreement is terminated in accordance with Section 8 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours (“kWh”), which amount PGE will include in its resource planning.

3.1.10 Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages (“Guarantee of Mechanical Availability”):

3.1.10.1 Ninety percent (90%) beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; or

3.1.10.2 Ninety percent (90%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3 Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.

3.1.11 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year (“Maximum Net Output”). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.14 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE’s Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE’s Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller’s continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission’s request.

3.1.15 Seller warrants that it will comply with all requirements necessary for all renewable energy credits associated with Net Output to be issued, monitored, accounted for, and transferred by and through the Western Renewable Energy

Generation Information System consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0050.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.

4.2 PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.4 All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of energy schedules for accounting and operating purposes. Deliveries shall not be made on a dynamic basis, and Seller shall insure that all deliveries of energy under this Agreement will be equal on any less-than-hourly basis to the amounts scheduled in the final schedule for the whole hour. Seller shall bear the cost of any transmission services, including but not limited to imbalance services, necessary to insure that energy deliveries under this Agreement are equal on any less-than-hourly basis to the amount of energy scheduled for each hour in the final schedule. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g. 1:30 to 2:00). The final E-Tag shall be the controlling evidence of the Parties' final schedule. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.

4.5 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall provide and PGE shall acquire the Environmental Attributes

for the Contract Years specified in the Schedule. The Contract Price includes full payment for the Net Output and any Environmental Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement ("Seller-Retained RECs") Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained RECs, and PGE shall not report under such program that such Seller-Retained RECs belong to it. With respect to Environmental Attributes transferred to PGE under this Agreement ("Transferred RECs"), PGE may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to it any of the Transferred RECs, and Seller shall not report under such program that such Transferred RECs belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6 CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be

acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.

7.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.

8.1.3 Seller's failure to meet the MAP established in Section 3.1.10 – Guarantee of Mechanical Availability for any single Contract Year or Seller's failure to provide any written report required by that section.

8.1.4 If Seller is no longer a Qualifying Facility.

8.1.5 Failure of PGE to make any required payment pursuant to Section 7.1.

8.2 In the event of a default hereunder, except for pursuant to Section 8.1.3, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, except for damages related to a default pursuant to Section 8.1.3 by a QF sized at 100 kW or smaller, the non-defaulting Party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 20. The rights provided in this Section 8 are

cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

8.3 If this Agreement is terminated as provided in this Section 8, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

8.4 In the event PGE terminates this Agreement pursuant to this Section 8, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

8.5 Sections 8.1, 8.3, 8.4, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1 Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Sections 4.4 of this Agreement.

9.2 If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from,

or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of

written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be

required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT C
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT D
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD RENEWABLE IN SYSTEM NON-VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit B ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.22, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "Annual Minimum Net Output" means the sum of the Monthly Minimum Net Output multiplied by twelve (12).

1.2. "As-built Supplement" means the supplement to Exhibit B provided by Seller in accordance with Section 4.4 following completion of construction of the Facility, describing the Facility as actually built.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion, require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement (certifications required under this Section 1.4 can be provided by one or more LPEs);

1.5.2. (facilities with nameplate under 500 kW exempt from following requirement) Start-Up Testing of the Facility has been completed in accordance with Section 1.28;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed, all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.5.5. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "Contract Month" means each calendar month of each Contract Year.

1.8. "Contract Year" means each twelve (12) month calendar year beginning January 1 and ending December 31, or portion thereof commencing upon the date set forth in Section 2.1.1.

1.9. "Effective Date" has the meaning set forth in Section 2.1.

1.10. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standards, and any Green Tag Reporting Rights to such Environmental Attributes.

1.11. "Facility" has the meaning set forth in the Recitals.

1.12. "Forward Replacement Price" means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PGE in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PGE in causing replacement energy to be delivered to the Point of Delivery. If PGE elects not to make such a purchase, costs of purchasing replacement Net Output shall be at the Mid-C Index Price for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PGE in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.13. "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of interconnection facilities required to accommodate deliveries of Seller's Net Output.

1.14. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.15. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.16. "Lost Energy Value" means for a Contract Month: zero, unless the Contract Month's Net Output is less than the Monthly Minimum Net Output and the Contract Month's mean Mid-C Index Price is greater than the Contract Price, in which case Lost Energy Value equals: (Monthly Minimum Net Output - Net Output for the Contract Month) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

1.17. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.18. "Mid-Columbia" means an area which includes points at any of the switchyards associated with the following four hydro projects: Rocky Reach, Rock Island, Wanapum and Priest Rapids. These switchyards include: Rocky Reach, Rock Island, Wanapum, McKenzie, Valhalla, Columbia, Midway and Vantage. Mid-Columbia shall also include points in the "Northwest Hub," as defined by Bonneville Power Administration. For scheduling purposes, the footprint described above shall dictate the delivery point name for the then current Western Electricity Coordinating Council ("WECC") scheduling protocols. If the footprint changes during the Term, a mutually agreed upon footprint that describes an area containing the most liquidity for trading purposes shall apply.

1.19. "Monthly Minimum Net Output" shall have the meaning provided in Section 4.2 of this Agreement.

1.20. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.21. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.22. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes imbalance power, or power from an integrating entity.

1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

1.24. "On-Peak Hours" has the meaning provided in the Schedule.

1.25. "Point of Delivery" means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, as specified in the Generation Interconnection Agreement.

1.26. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.27. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.28. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit C.

1.29. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit E, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.30. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.31. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit D.

1.32. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.33. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.34. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.35. References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.4 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, Seller shall pay damages equal to the Lost Energy Value. In calculating the Lost Energy Value for use in this section, the Monthly Minimum Net Output shall be prorated if necessary when applied to the period of time between the Commercial Operation Date and the date specified in 2.2.1.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 9 or 11.2, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to

provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output").

3.1.11 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.12 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.13 Seller warrants that the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule and Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule. Seller will provide, upon request by PGE not more

frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Commission upon the Commission's request.

3.1.14 Seller warrants that it will comply with all requirements necessary for all renewable energy credits associated with Net Output to be issued, monitored, accounted for, and transferred by and through the Western Renewable Energy Generation System consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0050.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.2 Seller shall deliver to PGE from the Facility for each Contract Year Net Output equal to or greater than the Monthly Minimum Net Output (either (a) if Seller does not select the Alternative Minimum Amount as defined in Exhibit A of this Agreement, seventy-five percent (75%) of its average annual Net Output divided by twelve (12) or (b) if selected by Seller, the Alternative Minimum Amount designated for each month), provided that such Monthly Minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract Month(s) that the Facility was prevented from generating electricity for reasons of Force Majeure.

4.3 Seller agrees that if Seller does not deliver the Monthly Minimum Net Output each Contract Month, PGE will suffer losses equal to the Lost Energy Value. As damages for Seller's failure to deliver the Monthly Minimum Net Output (subject to adjustment for reasons of Force Majeure as provided in Section 4.2) in any Contract Year, notwithstanding any other provision of this Agreement, the purchase price payable by PGE for future deliveries shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period, in monthly amounts (not more than 24 months), of such reduction so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. For QF Facilities sized at 100 kW or smaller, the provisions of this section shall not apply.

4.4 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit B or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.10 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the

Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.5 To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

4.6 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall provide and PGE shall acquire the Environmental Attributes for the Contract Years specified in the Schedule. The Contract Price includes full payment for the Net Output and any Environmental Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement ("Seller-Retained RECs") Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained RECs, and PGE shall not report under such program that such Seller-Retained RECs belong to it. With respect to Environmental Attributes transferred to PGE under this Agreement ("Transferred RECs"), PGE may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to it any of the Transferred RECs, and Seller shall not report under such program that such Transferred RECs belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Annual Minimum Net Output / 8760). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: METERING

7.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

7.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

7.3 PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from

a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

7.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 8: BILLINGS, COMPUTATIONS AND PAYMENTS

8.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise.

8.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 9: DEFAULT, REMEDIES AND TERMINATION

9.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

9.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

9.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.

9.1.3 Seller's failure to deliver the Annual Minimum Net Output for two consecutive Contract Years.

9.1.4 If Seller is no longer a Qualifying Facility.

9.1.5 Failure of PGE to make any required payment pursuant to Section 8.1.

9.2 In the event of a default hereunder, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party, and, except for damages related to a default pursuant to Section 9.1.3 by a QF sized at 100 kW or smaller, may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such termination shall be effective upon the date of delivery of notice, as provided in Section 20.1. The rights provided in this Section 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

9.3 If this Agreement is terminated as provided in this Section 9 PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

9.4 If this Agreement is terminated as a result of Seller's default, Seller shall pay PGE the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Forward Replacement Price for the Monthly Minimum Net Output that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination. Accounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PGE for the same.

9.5 In the event PGE terminates this Agreement pursuant to this Section 9, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

9.6 Sections 9.1 9.3 9.4 9.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective

insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld.

Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
MONTHLY MINIMUM NET OUTPUT

In this Exhibit, Seller may designate an alternative Monthly Minimum Net Output to seventy-five (75%) percent of annual average Net Output specified in Section 3.1.9 of the Agreement (“Alternative Minimum Amount”). Such Alternative Minimum Amount, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.

EXHIBIT B
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT D
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT E
SCHEDULE
[Attach currently in-effect Schedule 201]

**STANDARD RENEWABLE IN SYSTEM VARIABLE RESOURCE POWER
PURCHASE AGREEMENT**

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.20, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year), minus up to 200 hours of Planned Maintenance.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion, require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2. (facilities with nameplate under 500 kW exempt from following requirement) Start-Up Testing of the Facility has been completed in accordance with Section 1.26;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.5.5. PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.7. "Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction

credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard, and any Green Tag Reporting Rights to such Environmental Attributes.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of interconnection facilities required to accommodate deliveries of Seller's Net Output.

1.12. "Generation Unit" means each separate electrical generator that contributes towards Nameplate Capacity Rating included in Exhibit A. For solar facilities, the number of Generation Units shall be one.

1.13. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.14. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.15. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

1.16. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.17. "Minimum Net Output" means seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours of assumed Planned Maintenance).

1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.20. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.21. "Number of Units" means the number of Generating Units in the Facility described in Exhibit A.

1.22. "Off-Peak Hours" has the meaning provided in the Schedule.

1.23. "On-Peak Hours" has the meaning provided in the Schedule.

1.24. "Operational Hours" for the Facility means the total across all Generating Units of the number of hours each of the Facility's Generating Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather or seasonal conditions and the time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, 200 hours of Planned Maintenance during a Contract Year for each Generation Unit and hours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example, in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit of Event of Force Majeure, the Operational Hours for a wind farm with five separate two MW turbines would be 43,800 for a Contract Year..

1.25. "Planned Maintenance" means outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

1.26. "Point of Delivery" means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, as specified in the Generation Interconnection Agreement.

1.27. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or

reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.28. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.29. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.

1.30. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.31. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.32. "Start-Up Lost Energy Value" means for the period prior to initiation of delivery: zero, unless the Net Output is less than Minimum Net Output and the mean Mid-C Index Price is greater than the Contract Price, in which case Start-Up Lost Energy Value equals: (Minimum Net Output – Net Output) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

1.33. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

1.34. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.35. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.36. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, if PGE is resource deficient (as defined by the Commission) PGE may terminate this agreement in accordance with Section 10. Otherwise, Seller shall pay PGE the Start-Up Lost Energy Value.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 9 or 11, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this

Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1 Ninety percent (90%) beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; or

3.1.10.2 Ninety percent (99%) beginning in Contract Year three and extending throughout the remainder of the Term.

3.1.10.3 Annually, within 90 days of the end of each Contract Year Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.

3.1.11 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output").

3.1.12 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.14 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

3.1.15 Seller warrants that it will comply with all requirements necessary for all renewable energy credits associated with Net Output to be issued, monitored, accounted for, and transferred by and through the Western Renewable Energy Generation Information System consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0050.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.

4.2 PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered

Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

4.5 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall provide and PGE shall acquire the Environmental Attributes for the Contract Years specified in the Schedule. The Contract Price includes full payment for the Net Output and any Environmental Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement ("Seller-Retained RECs") Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained RECs, and PGE shall not report under such program that such Seller-Retained RECs belong to it. With respect to Environmental Attributes transferred to PGE under this Agreement ("Transferred RECs"), PGE may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to it any of the Transferred RECs, and Seller shall not report under such program that such Transferred RECs belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best

efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: METERING

7.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

7.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

7.3 PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

7.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 8: BILLINGS, COMPUTATIONS AND PAYMENTS

8.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise.

8.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 9: DEFAULT, REMEDIES AND TERMINATION

9.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

9.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

9.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within 10 days of notice.

9.1.3 Seller's failure to meet the MAP established in Section 3.1.10 – Guarantee of Mechanical Availability for any single Contract Year or Seller's failure to provide any written report required by that section.

9.1.4 If Seller is no longer a Qualifying Facility.

9.1.5 Failure of PGE to make any required payment pursuant to Section 9.1.

9.2 In the event of a default hereunder, except for pursuant to section 9.1.3, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, except for damages related to a default pursuant to Section 9.1.3 by a QF sized at 100 kW or smaller, the non-defaulting party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 20. The rights provided in this Section 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

9.3 If this Agreement is terminated as provided in this Section 9 PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement,

are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

9.4 In the event PGE terminates this Agreement pursuant to this Section 9, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

9.5 Sections 9.1, 9.3, 9.4, 10, and 19.2 shall survive termination of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM

CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT C
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements

EXHIBIT D
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD RENEWABLE OFF SYSTEM NON-VARIABLE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 20____, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit B ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.20, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit B provided by Seller in accordance with Section 4.4 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.3. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.4. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.4.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement (certifications required under this Section 1.4 can be provided by one or more LPEs);

1.4.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.27;

1.4.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.4.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;

1.4.5. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.4.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

1.5. "Contract Price" means the applicable price, including on-peak and off-peak prices, as specified in the Schedule.

1.6. "Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

1.7. "Effective Date" has the meaning set forth in Section 2.1.

1.8. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from

or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard, and any Green Tag Reporting Rights to such Environmental Attributes.

1.9. "Facility" has the meaning set forth in the Recitals.

1.10. "Forward Replacement Price" means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PGE in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PGE in causing replacement energy to be delivered to the Point of Delivery. If PGE elects not to make such a purchase, costs of purchasing replacement Net Output shall be Mid-C Index Price for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PGE in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

1.12. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.13. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.14. "Lost Energy Value" means for a Contract Year: zero, unless the Net Output is less than Minimum Net Output and the mean Dow Jones Mid C Index Price is greater than the Contract Price, in which case Lost Energy Value equals: (Minimum Net Output - Net Output) X (the lower of the mean Contract Price or the mean Mid-C Index Price - mean Contract Price) minus Transmission Curtailment Replacement Energy Cost if any for like period.

1.15. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.16. "Mid-Columbia" means an area which includes points at any of the switchyards associated with the following four hydro projects: Rocky Reach, Rock Island, Wanapum and Priest Rapids. These switchyards include: Rocky Reach, Rock Island, Wanapum, McKenzie, Valhalla, Columbia, Midway and Vantage. Mid-Columbia shall also include points in the "Northwest Hub," as defined by Bonneville Power Administration. For scheduling purposes, the footprint described above shall dictate the delivery point name for the then current Western Electricity Coordinating Council ("WECC") scheduling protocols. If the footprint changes during the Term, a mutually agreed upon footprint that describes an area containing the most liquidity for trading purposes shall apply.

1.17. "Minimum Net Output" shall have the meaning provided in Section 4.2 of this Agreement.

1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.20. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes imbalance power, or power from an integrating entity.

1.21. "Off-Peak Hours" has the meaning provided in the Schedule.

1.22. "On-Peak Hours" has the meaning provided in the Schedule.

1.23. "Point of Delivery" means the PGE System.

1.24. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.25. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the

exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.26. "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit C.

1.27. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit E, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.28. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.29. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit D.

1.30. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.31. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.32. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

1.33. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

1.34. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery or a generating facility limitation by a Transmission Provider (for any reason other than Force Majeure).

1.35. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the difference between Dow Jones Mid C Index Price – Contract Price X curtailed energy for periods of Transmission Curtailment.

1.36. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

1.37. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.4 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, Seller shall pay damages equal to the Lost Energy Value. In calculating the Lost Energy Value for use in this section, the Minimum Net Output shall be prorated and applied to the period of time between the Commercial Operation date and the date specified in 2.2.1.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], or the date the Agreement is terminated in accordance with Section 8 or 11.2, whichever is earlier ("Termination Date").

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller will schedule and deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.11 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.12 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.13 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production

Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Renewable Rates and Standard Renewable PPA in PGE's Schedule. Seller will provide, upon request by PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

3.1.14 Seller warrants that it will comply with all requirements necessary for all renewable energy credits associated with Net Output to be issued, monitored, accounted for, and transferred by and through the Western Renewable Energy Generation System to PGE consistent with the provisions of OAR 330-160-0005 through OAR 330-160-0050.

SECTION 4: DELIVERY OF POWER, PRICE AND ENVIRONMENTAL ATTRIBUTES

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output from the Facility. Seller's Net Output shall be scheduled and delivered to PGE at the Point of Delivery in accordance with Section 4.5. PGE shall pay Seller the Contract Price for all scheduled and delivered Net Output.

4.2 Seller shall schedule and deliver to PGE from the Facility for each Contract Year Net Output equal to or greater than the Minimum Net Output (either (a) if Seller does not select the Alternative Minimum Amount as defined in Exhibit A of this Agreement, a minimum of seventy-five percent (75%) of its average annual Net Output or (b) if selected by Seller, the Alternative Minimum Amount), provided that such Minimum Net Output for the final Contract Year shall be reduced pro rata to reflect the Commercial Operation Date, and further provided that such Minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract Year that the Facility was prevented from generating electricity for reasons of Force Majeure.

4.3 Seller agrees that if Seller does not deliver the Minimum Net Output each Contract Year for reasons other than Transmission Curtailment, PGE will suffer losses equal to the Lost Energy Value. As damages for Seller's failure to deliver the Minimum Net Output (subject to adjustment for reasons of Force Majeure as provided in Section 4.2) in any Contract Year, notwithstanding any other provision of this Agreement the purchase price payable by PGE for future deliveries shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period, in monthly amounts, of such reduction so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility

for QF Facilities sized at 100 kW or smaller, the provisions of this section shall not apply.

4.4 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit B or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.10 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating of the Facility to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.5 All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. Deliveries shall not be made on a dynamic basis, and Seller shall insure that all deliveries of energy under this Agreement will be equal on any less-than-hourly basis to the amounts scheduled in the final schedule for the whole hour. Seller shall bear the cost of any transmission services, including but not limited to imbalance services, necessary to insure that energy deliveries under this Agreement are equal on any less-than-hourly basis to the amount of energy scheduled for each hour in the final schedule. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g., 1:30 to 2:00). The final E-Tag shall be the controlling evidence of the Parties' final schedule. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.

4.6 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall provide and PGE shall acquire the Environmental Attributes for the Contract Years specified in the Schedule. The Contract Price includes full payment for the Net Output and any Environmental Attributes transferred to PGE under this Agreement. With respect to Environmental Attributes not transferred to PGE under this Agreement ("Seller-Retained RECs") Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Seller-Retained RECs, and PGE shall not report under such program that such Seller-Retained RECs belong to it. With respect to Environmental Attributes transferred

to PGE under this Agreement ("Transferred RECs"), PGE may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to it any of the Transferred RECs, and Seller shall not report under such program that such Transferred RECs belong to it.

SECTION 5: OPERATION AND CONTROL

5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility or transmission to PGE's electric system is curtailed, disconnected, suspended or interrupted, in whole or in part. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance that could affect the generation, scheduling or delivery of energy to PGE, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 6: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than ten (10) days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Minimum Net Output / 8760). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 7: BILLINGS, COMPUTATIONS AND PAYMENTS

7.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.

7.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 8: DEFAULT, REMEDIES AND TERMINATION

8.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

8.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

8.1.2 Seller's failure to provide default security, if required by Section 6, prior to delivery of any Net Output to PGE or within ten (10) days of notice.

8.1.3 Seller's failure to deliver the Minimum Net Output for two consecutive Contract Years.

8.1.4 If Seller is no longer a Qualifying Facility.

8.1.5 Failure of PGE to make any required payment pursuant to Section 7.1.

8.2 In the event of a default hereunder, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party, and, except for damages related to a default pursuant to Section 8.1.3, by a QF sized at 100 kW or smaller, may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such termination shall be effective upon the date of delivery of notice, as provided in Section 20.1. The rights provided in this Section 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

8.3 If this Agreement is terminated as provided in this Section 8, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

8.4 If this Agreement is terminated as a result of Seller's default, Seller shall pay PGE the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Forward Replacement Price for the Minimum Net Output that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination plus any cost incurred for transmission purchased by PGE to deliver the

replacement power to the Point of Delivery and the estimated administrative cost to the utility to acquire replacement power. Accounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PGE for the same.

8.5 In the event PGE terminates this Agreement pursuant to this Section 9, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

8.6 Sections 8.1, 8.3, 8.4, 8.5, 10, and 19.2 shall survive termination of this Agreement.

SECTION 9: TRANSMISSION CURTAILMENTS

9.1 Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Sections 4.5 of this Agreement.

9.2 If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.5 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account

of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11: INSURANCE

11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A- " by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE

with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 12: FORCE MAJEURE

12.1 As used in this Agreement, “Force Majeure” or “an event of Force Majeure” means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes Transmission Curtailment, the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

12.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

12.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

12.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

12.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

12.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 13: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 14: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 15: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 16: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 17: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 18: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 19: ENTIRE AGREEMENT

19.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

19.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 20: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
 QF Contracts, 3WTC0306
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

20.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 20.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
MINIMUM NET OUTPUT

In this Exhibit, Seller may designate an alternative Minimum Net Output to seventy-five (75%) percent of annual average Net Output specified in Section 3.1.9 of the Agreement (“Alternative Minimum Amount”). Such Alternative Minimum Amount, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.

EXHIBIT B

DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement with interconnecting utility

Firm Transmission Agreement between Seller and Transmission Provider

**EXHIBIT D
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT E
SCHEDULE
[Attach currently in-effect Schedule 201]

Application to Update Schedule 201
Qualifying Facility Information
Red Lined Version of the
Standard Power Purchase Agreements

**SCHEDULE 201
QUALIFYING FACILITY 10 MW or LESS
AVOIDED COST POWER PURCHASE INFORMATION**

PURPOSE

To provide information about Avoided Costs, Standard ~~Contracts~~ Power Purchase Agreements (PPA) and ~~negotiated~~ Negotiated Power Purchase Agreements, power purchase prices and price options for power delivered by a Qualifying Facility (QF) to the Company with nameplate capacity of 10,000 kW (10MW) or less.

AVAILABLE

To owners of QFs making sales of electricity to the Company in the State of Oregon (Seller).

APPLICABLE

For power purchased from small power production or cogeneration facilities that are QFs as defined in 18 Code of Federal Regulations (CFR) Section 292, that meet the eligibility requirements described herein and where the energy is delivered to the Company's system and made available for Company purchase pursuant to a Standard ~~Contract~~ Power Purchase Agreement PPA.

ESTABLISHING CREDITWORTHINESS

The Seller must establish creditworthiness prior to service under this schedule. For a Standard ~~Contract~~ Power Purchase Agreement (Standard Contract) PPA, a Seller may establish creditworthiness with a written acknowledgment that it is current on all existing debt obligations and that it was not a debtor in a bankruptcy proceeding within the preceding 24 months. If the Seller is not able to establish creditworthiness, the Seller must provide security ~~as~~ deemed sufficient by the Company as set ~~out~~ forth in the Standard ~~Contract~~ PPA.

POWER PURCHASE INFORMATION

A Seller may call the Power Production Coordinator at (503) 464-8000 to obtain more information about being a Seller or how to apply for service under this schedule.

POWER PURCHASE AGREEMENT PPA

In accordance with terms set ~~out~~ forth in this schedule and the Commission's Rules as applicable, the Company will purchase any Energy in excess of station service (power necessary to produce generation) and amounts attributable to conversion losses, which are made available from the Seller's generation.

A Seller must execute a ~~Power Purchase Agreement~~ with the Company prior to delivery of power to the Company. The agreement will have a term of up to 20 years as selected by the QF.

A QF with a nameplate capacity rating of 10 MW or less as defined herein may elect the option of a Standard ~~Contract~~ PPA.

Any Seller may elect to negotiate a ~~Power Purchase Agreement~~ PPA with the Company. Such negotiation will comply with the requirements of the Federal Energy Regulatory Commission (FERC), and the Commission including the guidelines in Order No. 07-360, and Schedule 202. Negotiations for power purchase pricing will be based on the filed Avoided Costs in effect at that time.

**Effective for service
on and after February 20, 2014**

SCHEDULE 201 (Continued)

STANDARD ~~CONTRACTS-PPA~~ (Nameplate capacity of 10 MW or less)

A Seller choosing a Standard ~~Contract PPA~~ will complete all informational and price option selection requirements in the applicable Standard ~~Contract (Appendix 1 to this schedule) PPA~~ and submit the executed Agreement to the Company prior to service under this schedule. The Standard ~~Contract PPA~~ is available at www.portlandgeneral.com. The available Standard ~~Contracts-PPAs~~ are:

- ~~Standard In System Non-Variable Contract~~ Power Purchase Agreement
- ~~Standard Contract-Off System Non-Variable~~ Power Purchase Agreement
- ~~Standard In System Variable Resources Contract~~ Power Purchase Agreement
- ~~Standard Contract for Off System Intermittent-Integrated Variable Resources~~ Power Purchase Agreement
- ~~Standard Renewable In System Non-Variable~~ Power Purchase Agreement
- ~~Standard Renewable Off System Non-Variable~~ Power Purchase Agreement
- ~~Standard Renewable In System Variable Resources~~ Power Purchase Agreement
- ~~Standard Renewable Off System Integrated Variable Resources~~ Power Purchase Agreement

~~The Standard Contracts-PPAs~~ applicable to ~~Intermittent-Variable~~ Resources are available only to QFs utilizing wind, solar or run of river hydro as the primary motive force.

GUIDELINES FOR 10 MW OR LESS FACILITIES ELECTING STANDARD PPA

~~In order to~~ execute the Standard ~~Contract PPA~~ the Seller must complete all of the general project information requested in the applicable Standard ~~Contract PPA~~.

When all information required in the Standard ~~Contract PPA~~ has been received in writing from the Seller, the Company will respond within 15 business days with a draft Standard ~~Contract PPA~~.

The Seller may request in writing that the Company prepare a final draft Standard ~~Contract PPA~~. The Company will respond to this request within 15 business days. In connection with such request, the QF must provide the Company with any additional or clarified project information that the Company reasonably determines to be necessary for the preparation of a final draft Standard ~~Contract PPA~~.

When both parties are in full agreement as to all terms and conditions of the draft Standard ~~Contract PPA~~, the Company will prepare and forward to the Seller a final executable version of the agreement within 15 business days. Following the Company's execution, a ~~completely~~ executed copy will be returned to the Seller. Prices and other terms and conditions in the ~~power purchase agreement PPA~~ will not be final and binding until the Standard ~~Contract PPA~~ has been executed by both parties.

OFF SYSTEM ~~POWER PURCHASE AGREEMENT PPA~~

A Seller with a facility that interconnects with an electric system other than the Company's electric system may enter into a ~~power purchase agreement PPA~~ with the Company after following the applicable ~~standard-Standard~~ or ~~negotiated-Negotiated contract-PPA~~ guidelines and making the arrangements necessary for transmission of power to the Company's system.

SCHEDULE 201 (Continued)

BASIS FOR POWER PURCHASE PRICE

AVOIDED COST SUMMARY

The power purchase rates are based on the Company's Avoided Costs. Avoided Costs are defined in 18 CFR 292.101(6) as "the incremental costs to an electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, such utility would generate itself or purchase from another source."

The Avoided Costs as listed in Tables 1 and 2 below include monthly On- and Off-Peak prices.

ON-PEAK PERIOD

The On-Peak period is 6:00 a.m. until 10:00 p.m., Monday through Saturday.

OFF-PEAK PERIOD

The Off-Peak period is 10:00 p.m. until 6:00 a.m., Monday through Saturday, and all day on Sunday.

Avoided Costs are based on forward market price estimates through December 2014, the period of time during which the Company's Avoided Costs are associated with incremental purchases of Energy and capacity from the market. For the period 2015 through 2030, the Avoided Costs reflect the fully allocated costs of a natural gas fueled combined cycle combustion turbine (CCCT) including fuel and capital costs. The CCCT Avoided Costs are based on the variable cost of Energy plus capitalized Energy costs at a 93% capacity factor based on a natural gas price forecast, with prices modified for shrinkage and transportation costs.

PRICING ~~OPTIONS~~ FOR STANDARD ~~CONTRACTS~~ PPA

Pricing ~~options~~ represent the purchase price per MWh the Company will pay for electricity delivered to a Point of Delivery (POD) within the Company's service territory pursuant to a Standard ~~Contract~~ PPA up to the nameplate rating of the QF in any hour. Any Energy delivered in excess of the nameplate rating will be purchased at the applicable Off-Peak Prices for the selected pricing option.

The Standard ~~Contract~~ PPA pricing will be based on the Avoided Cost in effect at the time the agreement is executed.

~~Under the Fixed Price Option, t~~The Company will pay Seller the Off-Peak Avoided Cost pursuant to Tables ~~1b, 2b, 3b, 4b, 5b, or 6b~~ for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any PPA year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard Contract; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller the On-Peak Avoided Cost pursuant to Table 1 ~~a, 2a, 3a, 4a, 5a, or 6a~~ for all other ~~Net O~~output. (See ~~Appendix 1,~~ the ~~Standard Contract~~ PPA for defined terms.)

SCHEDULE 201 (Continued)

PRICING ~~OPTIONS~~ FOR STANDARD ~~CONTRACTS-PPA~~ (Continued)

~~Four pricing options are available for Standard Contracts. The pricing options include one Fixed Rate Option and three Market Based Options.~~

1) **Standard Fixed Price Option**

The Standard Fixed Price Option is based on Avoided Costs including forecasted natural gas prices. It is available to all QFs.

This option is available for a maximum term of 15 years. ~~Sellers with contracts exceeding 15 years will make a one-time election at execution to select a Market-Based Option for all years up to five in excess of the initial 15. Under the Fixed Price Option, p~~Prices will be as established at the time the Standard ~~Contract-PPA~~ is executed and will be equal to the Avoided Costs in Tables 1a and 1b, 2a and 2b, or 3a and 3c,2 depending on the type of QF, effective at execution ~~for a term of up to 15 years.~~

The capacity contribution to peak for the avoided proxy resource on which Avoided Costs for the Standard Fixed Price Option are based and Base Load QF resources (Tables 1a and 1b) is assumed to be 100%.

The Standard Fixed Avoided Cost Price for Wind QFs (Tables 2a and 2b) includes integration costs and integration charges, both at \$3.99/MWh (\$2018), for a net zero effect. If the Wind QF is off system, the Seller is paid the integration charges in Table 7 in addition to the prices listed in Tables 2a and 2b.

Sellers with contracts exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

TABLE 1a												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	61.12	58.27	52.09	43.99	37.53	35.13	54.43	62.06	55.00	52.74	54.48	58.78
2021	83.08	82.73	81.25	79.21	79.28	79.32	79.11	79.15	79.34	79.80	83.82	85.55
2022	86.66	86.03	84.34	82.31	82.46	82.52	82.71	82.73	82.93	83.42	88.08	90.31
2023	91.20	90.41	88.76	86.86	86.34	86.36	86.66	86.48	86.85	87.37	92.37	95.36
2024	96.86	95.81	93.35	91.39	90.70	90.78	91.16	91.09	91.49	92.15	95.30	98.71
2025	99.69	97.48	94.10	92.12	92.10	92.18	92.56	92.48	92.85	93.52	96.54	100.08
2026	100.47	99.38	96.00	93.83	93.32	93.40	93.80	93.72	94.12	94.68	98.25	101.90
2027	101.02	99.29	96.15	93.26	93.22	93.29	93.66	93.56	93.97	94.55	99.45	102.71
2028	101.10	99.49	95.85	93.39	93.31	93.37	93.58	93.64	93.87	94.58	102.56	105.58
2029	107.98	107.22	103.29	100.04	100.08	100.00	100.54	100.64	100.90	101.50	107.20	110.79
2030	112.59	109.12	104.07	99.81	99.56	99.58	100.09	100.18	100.44	101.29	110.03	113.81
2031	115.26	111.15	106.88	103.09	103.23	103.23	104.04	104.14	104.41	105.06	111.68	115.10
2032	117.17	112.98	108.63	104.76	104.90	104.90	105.73	105.83	106.11	106.77	113.52	117.00
2033	119.82	115.54	111.10	107.17	107.31	107.31	108.16	108.26	108.54	109.21	116.10	119.64
2034	122.26	117.90	113.38	109.36	109.51	109.51	110.37	110.48	110.77	111.45	118.47	122.08

TABLE 1												
Avoided Costs												
Fixed Price Option												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013								49.44	42.31	36.96	37.98	41.04
2014	39.69	37.26	33.40	34.23	29.30	25.96	39.97	45.81	42.92	38.83	40.69	43.06
2015	42.51	39.92	35.78	36.67	31.39	27.84	42.80	49.06	45.96	41.59	43.58	46.12
2016	45.84	43.04	38.57	39.52	33.83	29.97	46.16	52.92	49.57	44.85	46.99	49.74
2017	49.18	46.16	41.36	42.39	36.27	32.13	49.52	56.78	53.18	48.11	50.41	53.37
2018	51.97	48.79	43.72	44.80	38.32	33.94	52.34	60.02	56.22	50.85	53.28	56.40
2019	52.98	49.74	44.58	45.68	39.08	34.62	53.36	61.18	57.31	51.84	54.31	57.49
2020	54.01	50.71	45.46	46.58	39.86	35.31	54.40	62.36	58.42	52.85	55.37	58.61
2021	94.39	94.07	93.13	92.04	92.10	92.10	92.61	92.75	92.68	93.20	94.11	95.55
2022	96.83	97.06	96.81	95.64	95.53	95.47	96.00	96.22	96.53	97.24	99.22	101.56
2023	103.96	104.17	104.47	103.28	103.17	103.39	103.72	103.81	103.94	104.91	106.61	107.00
2024	107.88	107.12	105.18	103.63	103.57	103.63	103.94	104.20	104.42	105.38	106.99	107.67
2025	108.72	107.70	107.13	105.71	105.48	105.57	106.05	106.07	106.51	107.25	108.55	109.32
2026	109.48	108.65	107.97	106.68	106.30	106.57	106.84	107.02	107.11	108.23	109.56	110.38
2027	110.46	110.28	109.19	108.17	107.74	108.15	108.43	108.69	108.78	109.42	111.30	111.85
2028	111.58	111.33	109.75	108.58	108.13	108.54	108.81	109.08	109.41	110.05	112.10	112.59
2029	113.60	113.53	113.37	111.97	111.57	111.91	112.20	112.48	112.95	113.59	115.25	115.81
2030	117.21	116.96	116.10	114.77	114.45	114.89	115.18	115.48	115.96	116.65	118.74	119.27
2031	119.39	119.54	118.61	117.13	116.85	117.55	117.87	118.18	118.85	119.90	122.68	126.78
2032	121.58	121.74	120.79	119.28	118.99	119.71	120.03	120.35	121.04	122.10	124.94	129.11
2033	123.82	123.98	123.01	121.47	121.18	121.91	122.24	122.56	123.26	124.34	127.23	131.48
2034	125.65	125.82	124.83	123.27	122.97	123.71	124.05	124.38	125.09	126.19	129.13	133.46

**Effective for service
on and after February 20, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD PPA (Continued)

Standard Fixed Price Option (Continued)

TABLE 1b												
Avoided Costs												
Standard Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	53.92	51.66	46.15	31.05	22.57	17.61	32.64	46.96	43.50	46.77	48.01	51.78
2021	43.71	43.36	41.88	39.84	39.91	39.95	39.74	39.78	39.97	40.43	44.45	46.18
2022	46.52	45.90	44.20	42.18	42.33	42.38	42.58	42.60	42.80	43.29	47.95	50.18
2023	50.16	49.37	47.72	45.82	45.30	45.32	45.62	45.44	45.81	46.33	51.34	54.32
2024	55.29	54.25	51.79	49.83	49.14	49.22	49.60	49.52	49.92	50.59	53.74	57.15
2025	57.19	54.98	51.60	49.62	49.59	49.67	50.06	49.98	50.35	51.02	54.04	57.58
2026	57.15	56.06	52.68	50.51	50.00	50.08	50.48	50.40	50.80	51.36	54.93	58.58
2027	56.86	55.13	51.99	49.10	49.07	49.13	49.50	49.41	49.81	50.39	55.29	58.55
2028	56.09	54.48	50.84	48.38	48.30	48.36	48.57	48.63	48.86	49.57	57.55	60.57
2029	62.10	61.34	57.41	54.16	54.20	54.12	54.66	54.76	55.02	55.62	61.33	64.92
2030	65.82	62.35	57.31	53.05	52.79	52.82	53.33	53.42	53.68	54.53	63.27	67.05
2031	67.60	63.48	59.21	55.42	55.56	55.56	56.37	56.47	56.75	57.39	64.02	67.43
2032	68.90	64.70	60.35	56.48	56.63	56.63	57.46	57.56	57.84	58.49	65.24	68.73
2033	70.29	66.02	61.58	57.64	57.79	57.79	58.63	58.73	59.02	59.69	66.57	70.12
2034	71.62	67.26	62.74	58.72	58.87	58.87	59.73	59.84	60.13	60.81	67.83	71.44

TABLE 2												
Avoided Costs												
Fixed Price Option												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013								34.41	34.41	32.38	33.14	35.69
2014	33.48	32.34	30.53	18.83	15.89	12.21	24.71	32.69	34.61	33.81	35.33	37.40
2015	36.25	35.02	33.05	20.41	17.22	13.24	26.77	35.40	37.46	36.61	38.25	40.48
2016	38.77	37.44	35.34	21.78	18.37	14.11	28.60	37.84	40.06	39.14	40.91	43.30
2017	41.60	40.17	37.91	23.34	19.67	15.08	30.66	40.60	42.99	42.00	43.89	46.47
2018	44.42	42.90	40.49	24.88	20.96	16.06	32.73	43.36	45.92	44.86	46.88	49.64
2019	45.29	43.74	41.29	25.39	21.40	16.41	33.39	44.21	46.82	45.74	47.80	50.61
2020	46.18	44.61	42.11	25.92	21.85	16.77	34.06	45.08	47.74	46.64	48.73	51.60
2021	38.36	38.05	37.10	36.01	36.08	36.07	36.58	36.73	36.66	37.17	38.09	39.52
2022	39.96	40.19	39.93	38.77	38.66	38.59	39.13	39.35	39.65	40.37	42.34	44.69
2023	45.85	46.06	46.36	45.17	45.07	45.29	45.61	45.71	45.83	46.81	48.50	48.89
2024	48.71	47.94	46.01	44.45	44.39	44.45	44.77	45.02	45.25	46.21	47.81	48.49
2025	48.26	47.24	46.68	45.26	45.03	45.12	45.59	45.61	46.05	46.80	48.09	48.86
2026	48.31	47.47	46.79	45.51	45.12	45.39	45.66	45.84	45.93	47.05	48.39	49.20
2027	47.96	47.78	46.68	45.67	45.24	45.65	45.93	46.19	46.28	46.91	48.80	49.35
2028	47.93	47.68	46.10	44.92	44.48	44.88	45.16	45.43	45.76	46.40	48.44	48.94
2029	48.78	48.70	48.54	47.14	46.74	47.09	47.37	47.66	48.13	48.77	50.43	50.99
2030	51.19	50.95	50.08	48.76	48.43	48.87	49.17	49.47	49.94	50.63	52.72	53.25
2031	52.16	52.31	51.38	49.90	49.61	50.31	50.64	50.94	51.62	52.67	55.45	59.54
2032	53.11	53.27	52.32	50.81	50.53	51.24	51.57	51.88	52.57	53.63	56.47	60.64
2033	54.09	54.25	53.28	51.75	51.45	52.18	52.51	52.83	53.53	54.62	57.50	61.75
2034	55.09	55.26	54.27	52.71	52.41	53.15	53.49	53.82	54.53	55.63	58.57	62.90

**Effective for service
on and after February 20, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)
Standard Fixed Price Option (Continued)

TABLE 2a												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	44.43	53.18	44.93	26.68	27.18	27.33	41.83	51.08	46.68	43.18	44.93	50.68
2015	46.36	44.02	38.95	32.30	27.00	25.03	40.87	47.13	41.33	39.48	40.91	44.44
2016	45.93	43.62	38.61	32.04	26.81	24.86	40.50	46.69	40.96	39.13	40.54	44.03
2017	48.52	46.08	40.79	33.85	28.32	26.26	42.79	49.32	43.27	41.34	42.83	46.51
2018	52.38	49.75	44.05	36.58	30.62	28.41	46.21	53.25	46.73	44.65	46.26	50.22
2019	55.26	52.49	46.49	38.62	32.35	30.02	48.76	56.17	49.31	47.12	48.81	52.99
2020	56.97	54.12	47.94	39.84	33.38	30.98	50.28	57.91	50.85	48.59	50.33	54.63
2021	41.45	41.10	39.61	37.58	37.65	37.69	37.48	37.52	37.70	38.17	42.19	43.92
2022	44.22	43.60	41.90	39.88	40.03	40.08	40.28	40.29	40.49	40.99	45.65	47.87
2023	47.82	47.03	45.38	43.48	42.96	42.98	43.28	43.11	43.47	43.99	49.00	51.98
2024	52.90	51.85	49.40	47.44	46.75	46.83	47.21	47.13	47.53	48.19	51.35	54.75
2025	54.76	52.54	49.16	47.18	47.16	47.24	47.62	47.54	47.91	48.59	51.61	55.14
2026	54.66	53.58	50.20	48.02	47.52	47.60	47.99	47.91	48.32	48.87	52.44	56.10
2027	54.33	52.60	49.46	46.57	46.53	46.60	46.97	46.87	47.28	47.86	52.76	56.02
2028	53.51	51.90	48.26	45.80	45.72	45.78	45.99	46.05	46.28	46.99	54.97	57.99
2029	59.48	58.72	54.79	51.54	51.57	51.49	52.03	52.13	52.40	52.99	58.70	62.29
2030	63.14	59.67	54.62	50.37	50.11	50.13	50.64	50.74	51.00	51.85	60.59	64.36
2031	64.86	60.74	56.47	52.68	52.82	52.82	53.64	53.74	54.01	54.65	61.28	64.69
2032	66.10	61.90	57.55	53.69	53.83	53.83	54.66	54.76	55.04	55.69	62.45	65.93
2033	67.46	63.18	58.75	54.81	54.95	54.95	55.80	55.90	56.19	56.85	63.74	67.29
2034	68.73	64.37	59.85	55.83	55.98	55.98	56.84	56.95	57.24	57.92	64.94	68.55

* ~~"First of Month" means the first such monthly issuance.~~

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

———Standard Fixed Price Option (Continued)

MARKET BASED PRICE OPTIONS (Continued)

TABLE 2b												
Avoided Costs												
Standard Fixed Price Option for Wind QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	34.43	47.68	39.18	11.53	6.18	5.68	18.08	33.33	36.83	35.93	37.68	43.68
2015	39.42	37.64	33.22	20.08	12.92	8.57	20.35	32.82	30.41	33.72	34.67	37.69
2016	39.59	37.81	33.39	20.24	13.08	8.73	20.51	32.99	30.58	33.89	34.84	37.86
2017	41.65	39.78	35.13	21.30	13.76	9.18	21.58	34.70	32.17	35.65	36.65	39.83
2018	44.41	42.41	37.46	22.75	14.74	9.87	23.06	37.02	34.32	38.02	39.09	42.47
2019	47.37	45.25	39.99	24.33	15.80	10.62	24.65	39.51	36.64	40.58	41.72	45.31
2020	49.77	47.51	42.00	26.90	18.42	13.46	28.49	42.81	39.35	42.62	43.86	47.63
2021	39.48	39.13	37.65	35.61	35.68	35.72	35.51	35.55	35.74	36.20	40.22	41.95
2022	42.21	41.59	39.89	37.87	38.02	38.07	38.27	38.29	38.49	38.98	43.64	45.87
2023	45.77	44.98	43.33	41.43	40.91	40.93	41.23	41.05	41.42	41.94	46.95	49.93
2024	50.82	49.78	47.32	45.36	44.67	44.75	45.13	45.05	45.45	46.12	49.27	52.68
2025	52.63	50.42	47.04	45.06	45.03	45.11	45.50	45.42	45.79	46.46	49.48	53.02
2026	52.50	51.41	48.03	45.86	45.35	45.43	45.83	45.75	46.15	46.71	50.28	53.93
2027	52.12	50.39	47.25	44.36	44.33	44.39	44.76	44.67	45.07	45.65	50.55	53.81
2028	51.26	49.65	46.01	43.55	43.47	43.53	43.74	43.80	44.03	44.74	52.72	55.74
2029	57.18	56.42	52.49	49.24	49.28	49.20	49.74	49.84	50.10	50.70	56.41	60.00
2030	60.80	57.33	52.29	48.03	47.77	47.80	48.31	48.40	48.66	49.51	58.25	62.03
2031	62.48	58.36	54.09	50.30	50.44	50.44	51.25	51.35	51.63	52.27	58.90	62.31
2032	63.69	59.49	55.14	51.27	51.42	51.42	52.25	52.35	52.63	53.28	60.03	63.52
2033	64.98	60.71	56.27	52.33	52.48	52.48	53.32	53.42	53.71	54.38	61.26	64.81
2034	66.20	61.84	57.32	53.30	53.45	53.45	54.31	54.42	54.71	55.39	62.41	66.02

ables 3 and 4 below list applicable rates for Options 2 (Deadband Index Gas Price Option) and 3 (Index Gas Price Option) for the period through 2014. The monthly On- and Off-Peak prices will be applied for all Market Based Price Options.

TABLE 3												
Avoided Costs												
On-Peak Resource Sufficiency Rate (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013								49.44	42.31	36.96	37.98	41.04
2014	39.69	37.26	33.40	34.23	29.30	25.96	39.97	45.81	42.92	38.83	40.69	43.06
2015	42.51	39.92	35.78	36.67	31.39	27.84	42.80	49.06	45.96	41.59	43.58	46.12
2016	45.84	43.04	38.57	39.52	33.83	29.97	46.16	52.92	49.57	44.85	46.99	49.74
2017	49.18	46.16	41.36	42.39	36.27	32.13	49.52	56.78	53.18	48.11	50.41	53.37
2018	51.97	48.79	43.72	44.80	38.32	33.94	52.34	60.02	56.22	50.85	53.28	56.40
2019	52.98	49.74	44.58	45.68	39.08	34.62	53.36	61.18	57.31	51.84	54.31	57.49
2020	54.01	50.71	45.46	46.58	39.86	35.31	54.40	62.36	58.42	52.85	55.37	58.61

TABLE 4												
Avoided Costs												
Off-Peak Resource Sufficiency Rate (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013								34.41	34.41	32.38	33.14	35.69
2014	33.48	32.34	30.53	18.83	15.89	12.21	24.71	32.69	34.61	33.81	35.33	37.40
2015	36.25	35.02	33.05	20.41	17.22	13.24	26.77	35.40	37.46	36.61	38.25	40.48
2016	38.77	37.44	35.34	21.78	18.37	14.11	28.60	37.84	40.06	39.14	40.91	43.30
2017	41.60	40.17	37.91	23.34	19.67	15.08	30.66	40.60	42.99	42.00	43.89	46.47
2018	44.42	42.90	40.49	24.88	20.96	16.06	32.73	43.36	45.92	44.86	46.88	49.64
2019	45.29	43.74	41.29	25.39	21.40	16.41	33.39	44.21	46.82	45.74	47.80	50.61
2020	46.18	44.61	42.11	25.92	21.85	16.77	34.06	45.08	47.74	46.64	48.73	51.60

**Effective for service
on and after February 20, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Standard Fixed Price Option (Continued)~~MARKET BASED PRICE OPTIONS (Continued)~~

~~Under the Fixed Price Option, the Company will pay Seller the Off-Peak Avoided Cost pursuant to Table 2 for: (a) all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any Contract Year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard Contract; (d) Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. The Company will pay the Seller the On-Peak Avoided Cost pursuant to Table 1 for all other output. (See Appendix 1, the Standard Contract for defined terms.)~~

~~MARKET BASED PRICE OPTIONS:~~

~~Market Based Price Options include Option 2, Deadband Index Gas Price; Option 3, Index Gas Price; and Option 4, The Intercontinental Exchange Mid-Columbia Daily on- and off-peak Electricity Firm Price Index (ICE-Mid-C Firm Index). The price components for pricing Options 2 and 3 are defined as follows:~~

On-Peak Price:	P_{Peak}
Off-Peak Price:	P_{Off}
Variable Operating and Maintenance, Fixed Costs, and Gas Transportation (Table 6):	VFG
Capacity Value (Table 7):	G
Heat Rate:	HR = 6,732 BTU/kWh
Losses:	1.9%
Forecasted Gas Price (Table 5):	GP_F
First of Month* Northwest Pipeline Corp. Canadian Border Index as Reported in <u>Platts</u> <u>Inside FERC's Gas Market Report</u>	GP_{Sumas}
First of Month* one-month spot price averages for AECO/NIT transactions as Reported in <u>Canadian Gas Price Reporter</u> <u>Natural Gas Market Report</u> (in US dollars):	GP_{AECO}
Monthly Indexed Gas Price:	$GP_{MI} = (GP_{Sumas} + GP_{AECO})/2$
Deadband Gas Index:	GP_{DB}

~~Where:~~

~~_____ If $GP_{MI} > GP_F$~~

~~_____ $GP_{DB} = \text{Minimum of } (GP_{MI} \text{ or } 1.1 * GP_F)$~~

— Otherwise
 — $GP_{DB} = \text{Maximum of } (GP_{MI} \text{ or } .9 * GP_F)$

TABLE 3a												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	61.12	58.27	52.09	43.99	37.53	35.13	54.43	62.06	55.00	52.74	54.48	58.78
2021	45.68	45.33	43.84	41.81	41.88	41.92	41.71	41.75	41.93	42.40	46.42	48.15
2022	48.53	47.91	46.21	44.19	44.34	44.39	44.59	44.60	44.80	45.30	49.96	52.18
2023	52.21	51.42	49.77	47.87	47.35	47.37	47.67	47.50	47.86	48.38	53.39	56.37
2024	57.37	56.32	53.87	51.91	51.22	51.30	51.68	51.60	52.00	52.66	55.82	59.22
2025	59.32	57.10	53.72	51.74	51.72	51.80	52.18	52.10	52.47	53.15	56.17	59.70
2026	59.31	58.23	54.85	52.67	52.17	52.25	52.64	52.56	52.97	53.52	57.09	60.75
2027	59.07	57.34	54.20	51.31	51.27	51.34	51.71	51.61	52.02	52.60	57.50	60.76
2028	58.34	56.73	53.09	50.63	50.55	50.61	50.82	50.88	51.11	51.82	59.80	62.82
2029	64.40	63.64	59.71	56.46	56.49	56.41	56.95	57.05	57.32	57.91	63.62	67.21
2030	68.16	64.69	59.64	55.39	55.13	55.15	55.66	55.76	56.02	56.87	65.61	69.38
2031	69.98	65.86	61.59	57.80	57.94	57.94	58.76	58.86	59.13	59.77	66.40	69.81
2032	71.31	67.11	62.76	58.90	59.04	59.04	59.87	59.97	60.25	60.90	67.66	71.14
2033	72.77	68.49	64.06	60.12	60.26	60.26	61.11	61.21	61.50	62.16	69.05	72.60
2034	74.15	69.79	65.27	61.25	61.40	61.40	62.26	62.37	62.66	63.34	70.36	73.97

Effective for service
 on and after February 20, 2014

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Standard Fixed Price Option (Continued)

~~MARKET BASED PRICE OPTIONS (Continued)~~

TABLE 3b												
Avoided Costs												
Standard Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	53.92	51.66	46.15	31.05	22.57	17.61	32.64	46.96	43.50	46.77	48.01	51.78
2021	43.71	43.36	41.88	39.84	39.91	39.95	39.74	39.78	39.97	40.43	44.45	46.18
2022	46.52	45.90	44.20	42.18	42.33	42.38	42.58	42.60	42.80	43.29	47.95	50.18
2023	50.16	49.37	47.72	45.82	45.30	45.32	45.62	45.44	45.81	46.33	51.34	54.32
2024	55.29	54.25	51.79	49.83	49.14	49.22	49.60	49.52	49.92	50.59	53.74	57.15
2025	57.19	54.98	51.60	49.62	49.59	49.67	50.06	49.98	50.35	51.02	54.04	57.58
2026	57.15	56.06	52.68	50.51	50.00	50.08	50.48	50.40	50.80	51.36	54.93	58.58
2027	56.86	55.13	51.99	49.10	49.07	49.13	49.50	49.41	49.81	50.39	55.29	58.55
2028	56.09	54.48	50.84	48.38	48.30	48.36	48.57	48.63	48.86	49.57	57.55	60.57
2029	62.10	61.34	57.41	54.16	54.20	54.12	54.66	54.76	55.02	55.62	61.33	64.92
2030	65.82	62.35	57.31	53.05	52.79	52.82	53.33	53.42	53.68	54.53	63.27	67.05
2031	67.60	63.48	59.21	55.42	55.56	55.56	56.37	56.47	56.75	57.39	64.02	67.43
2032	68.90	64.70	60.35	56.48	56.63	56.63	57.46	57.56	57.84	58.49	65.24	68.73
2033	70.29	66.02	61.58	57.64	57.79	57.79	58.63	58.73	59.02	59.69	66.57	70.12
2034	71.62	67.26	62.74	58.72	58.87	58.87	59.73	59.84	60.13	60.81	67.83	71.44

2)

Index Gas Price Option

The Index Gas Price Option is the simple average of the First of Month gas indices for Sumas and AECO trading hubs used in establishing the Avoided Costs. The Sumas Gas Index will be as reported in Platts Inside FERC's Gas Market Report. The AECO Gas Index will be as reported in the Canadian Gas Price Reporter Natural Gas Market Report (in US dollars).

The price paid per MWh will be:

$$P_{Peak} = GP_{MI} * HR / 1,000 / (1 - Losses) + VFG + C$$

$$P_{Off} = GP_{MI} * HR / 1,000 / (1 - Losses) + VFG$$

Under the Index Gas Price, the Company will pay Seller the Off-Peak Prices for: (a) for all Net Output delivered prior to the Commercial Operation Date; (b) all Net Output deliveries greater than Maximum Net Output in any Contract Year; (c) any generation subject to and as adjusted by the provisions of Section 4.3 of the Standard Contract; (d) for Net Output delivered in the Off-Peak Period; and (e) deliveries above the nameplate capacity in any hour. All other purchases will be at On-Peak prices. (See Appendix 1, the Standard Contract for defined terms.)

3) **Mid C Index Price Option**

Under this option, prices paid per MWh will be based on the ICE-Mid-C Firm Index plus 0.211 ¢ per kWh for wholesale wheeling.

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**Effective for service
on and after February 20, 2014**

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

~~MARKET-BASED PRICE OPTIONS (Continued)~~**2) Renewable Fixed Price Option**

The Renewable Fixed Price Option is based on Renewable Avoided Costs. It is available only to Renewable QFs that generate electricity from a renewable energy source that may be used by the Company to comply with the Oregon Renewable Portfolio Standard as set forth in ORS 469A.005 to 469A.210.

This option is available for a maximum term of 15 years. Prices will be as established at the time the Standard PPA is executed and will be equal to the Avoided Costs in Tables 4a and 4b, 5a and 5b, or 6a and 6b, depending on the type of QF, effective at execution. A Renewable QF choosing the Renewable Fixed Price Option must cede all Renewable Energy Certificates and all other Environmental Attributes generated by the facility to the Company during the deficiency period starting in 2020.

The Renewable Avoided Cost price during the deficiency period (starting in 2020) reflects an increase for avoided integration of \$3.99/MWh (\$2018).

The Renewable Avoided Cost price for wind QFs reflects a reduction by an integration charge of \$3.99/MWh (\$2018). This reduction cancels out the increase noted above during the deficiency period starting in 2020. If the QF Wind QF is off system, the Seller is paid the integration charges in Table 7 in addition to the prices listed in Tables 5a and 5b.

Sellers with contracts exceeding 15 years will receive pricing equal to the Mid-C Index Price for all years up to five in excess of the initial 15.

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Renewable Fixed Price Option (Continued)

~~Table 5 contains the gas pricing components for Option 1 (Fixed Price Option) and Option 2 (Deadband Index Gas Price Option).~~

TABLE 5												
Forecasted Gas Price - GP _F (\$/MMBTU) - Without Transportation												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	5.56	5.52	5.38	5.23	5.24	5.24	5.31	5.33	5.32	5.39	5.52	5.73
2022	5.79	5.83	5.79	5.62	5.61	5.60	5.67	5.70	5.75	5.85	6.13	6.47
2023	6.64	6.67	6.71	6.54	6.53	6.56	6.60	6.62	6.64	6.78	7.02	7.07
2024	7.05	6.94	6.66	6.44	6.43	6.44	6.49	6.52	6.55	6.69	6.92	7.02
2025	6.99	6.84	6.76	6.56	6.52	6.54	6.61	6.61	6.67	6.78	6.96	7.07
2026	6.99	6.87	6.78	6.59	6.54	6.58	6.62	6.64	6.65	6.81	7.01	7.12
2027	6.95	6.92	6.77	6.62	6.56	6.62	6.66	6.69	6.71	6.80	7.07	7.15
2028	6.94	6.91	6.68	6.52	6.45	6.51	6.55	6.59	6.64	6.73	7.02	7.09
2029	7.07	7.06	7.04	6.83	6.78	6.83	6.87	6.91	6.98	7.07	7.30	7.38
2030	7.41	7.38	7.26	7.07	7.02	7.08	7.12	7.17	7.24	7.33	7.63	7.71
2031	7.56	7.58	7.44	7.23	7.19	7.29	7.34	7.38	7.48	7.63	8.03	8.61
2032	7.70	7.72	7.58	7.37	7.32	7.43	7.47	7.52	7.62	7.77	8.18	8.77
2033	7.84	7.86	7.72	7.50	7.46	7.56	7.61	7.66	7.76	7.91	8.33	8.93

TABLE 4a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	110.96	110.94	110.27	110.67	113.50	112.71	112.43	112.33	111.19	110.33	111.07	110.17
2021	113.45	113.66	112.32	113.27	115.79	115.12	114.61	115.06	113.73	112.83	113.98	112.81
2022	115.87	115.76	114.08	115.61	118.24	117.33	116.93	116.90	115.93	115.04	116.30	115.03
2023	118.52	118.14	116.39	118.22	120.38	119.73	119.43	119.10	118.36	117.33	118.85	117.87
2024	120.08	120.21	118.48	120.27	122.67	121.77	121.68	121.44	121.28	119.17	120.06	120.17
2025	122.82	123.11	121.17	123.25	126.29	125.25	124.41	124.53	123.80	121.82	122.85	122.54
2026	125.83	125.53	124.24	126.17	130.11	127.03	127.04	127.39	127.14	124.44	126.06	125.22
2027	128.29	127.90	126.44	128.31	133.59	129.53	129.20	130.48	129.45	126.96	128.10	127.68
2028	130.68	129.75	127.97	130.93	135.83	131.54	132.16	132.17	131.40	129.63	130.58	129.89
2029	133.40	133.19	130.84	133.83	142.67	135.11	135.17	135.18	135.22	132.25	132.97	132.87
2030	136.15	135.90	133.88	136.43	146.30	139.26	137.36	137.25	138.47	134.83	135.33	135.37
2031	138.67	138.23	136.79	139.75	149.10	143.07	139.93	140.76	140.94	137.57	138.55	138.16
2032	140.80	140.35	138.89	141.90	151.40	145.27	142.07	142.92	143.11	139.68	140.67	140.28
2033	144.07	143.61	142.12	145.19	154.90	148.64	145.37	146.23	146.43	142.92	143.94	143.54
2034	147.01	146.54	145.02	148.15	158.05	151.67	148.34	149.22	149.42	145.84	146.88	146.47

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Renewable Fixed Price Option (Continued)

TABLE 4b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Base Load QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	59.57	59.79	61.16	60.06	57.06	57.27	57.53	58.56	59.35	60.44	60.26	60.65
2021	61.57	60.88	62.38	61.17	58.60	58.64	59.22	59.52	60.55	62.35	60.20	61.71
2022	62.46	62.17	64.15	62.14	59.45	59.78	61.11	60.25	61.70	63.51	61.19	62.84
2023	63.29	63.33	65.41	63.80	59.88	60.91	62.14	61.65	62.79	64.80	62.12	64.11
2024	63.85	63.91	66.70	63.71	60.26	62.68	61.65	61.97	63.30	65.11	64.00	64.56
2025	65.15	65.14	68.08	64.68	60.34	63.09	62.95	63.83	63.92	66.54	66.09	65.54
2026	65.53	66.33	68.47	65.19	61.03	64.01	63.86	64.48	63.86	67.45	66.33	66.37
2027	67.71	67.69	69.31	66.85	60.98	65.19	65.48	64.93	65.29	69.40	67.14	67.59
2028	68.66	69.20	71.42	68.49	60.54	66.63	66.77	65.60	66.82	69.99	67.94	69.66
2029	69.19	69.91	72.73	69.82	56.36	66.99	67.94	66.73	68.08	70.78	69.92	70.87
2030	70.29	71.09	74.22	70.05	56.23	67.61	68.62	68.76	68.60	72.12	71.56	72.33
2031	71.80	72.85	75.23	70.47	57.37	67.52	70.07	70.21	68.84	73.33	73.18	72.51
2032	72.99	74.06	76.48	71.64	58.32	68.64	71.23	71.37	69.98	74.54	74.39	73.71
2033	74.59	75.68	78.16	73.20	59.59	70.14	72.79	72.94	71.51	76.17	76.02	75.32
2034	76.04	77.15	79.67	74.62	60.75	71.50	74.20	74.35	72.90	77.65	77.49	76.79

Table 6 contains the Variable O&M and Fixed Costs that are derived from a natural gas-fired CGGT.

TABLE 6												
Variable O&M, Fixed Costs and Gas Transportation Forecast - VFG (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	0.19	0.19	0.18	0.16	0.16	0.16	0.17	0.17	0.18	0.18	0.19	0.21
2022	0.18	0.18	0.16	0.14	0.14	0.14	0.15	0.15	0.15	0.16	0.18	0.20
2023	0.19	0.19	0.19	0.17	0.16	0.16	0.17	0.18	0.18	0.19	0.23	0.27
2024	0.28	0.28	0.29	0.27	0.27	0.27	0.28	0.28	0.28	0.30	0.33	0.34
2025	0.32	0.31	0.27	0.24	0.24	0.25	0.25	0.26	0.26	0.28	0.30	0.32
2026	0.31	0.29	0.28	0.26	0.25	0.26	0.26	0.26	0.27	0.28	0.31	0.32
2027	0.29	0.27	0.26	0.24	0.23	0.24	0.24	0.24	0.25	0.26	0.29	0.30
2028	0.27	0.26	0.24	0.23	0.22	0.23	0.23	0.24	0.24	0.25	0.28	0.29
2029	0.25	0.25	0.22	0.20	0.19	0.20	0.21	0.21	0.22	0.23	0.26	0.27
2030	0.27	0.27	0.26	0.24	0.23	0.24	0.24	0.25	0.26	0.27	0.30	0.31
2031	0.28	0.28	0.26	0.24	0.24	0.25	0.25	0.26	0.26	0.28	0.31	0.32
2032	0.29	0.29	0.27	0.25	0.24	0.26	0.26	0.27	0.28	0.30	0.35	0.42
2033	0.29	0.29	0.28	0.25	0.25	0.26	0.27	0.27	0.28	0.30	0.35	0.43

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Renewable Fixed Price Option (Continued)

~~MARKET BASED PRICE OPTIONS (Continued)~~

TABLE 5a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	44.43	53.18	44.93	26.68	27.18	27.33	41.83	51.08	46.68	43.18	44.93	50.68
2015	46.36	44.02	38.95	32.30	27.00	25.03	40.87	47.13	41.33	39.48	40.91	44.44
2016	45.93	43.62	38.61	32.04	26.81	24.86	40.50	46.69	40.96	39.13	40.54	44.03
2017	48.52	46.08	40.79	33.85	28.32	26.26	42.79	49.32	43.27	41.34	42.83	46.51
2018	52.38	49.75	44.05	36.58	30.62	28.41	46.21	53.25	46.73	44.65	46.26	50.22
2019	55.26	52.49	46.49	38.62	32.35	30.02	48.76	56.17	49.31	47.12	48.81	52.99
2020	70.23	70.21	69.54	69.95	72.77	71.98	71.70	71.60	70.46	69.60	70.34	69.44
2021	71.82	72.02	70.69	71.64	74.15	73.48	72.97	73.43	72.09	71.20	72.35	71.18
2022	73.43	73.32	71.64	73.18	75.80	74.90	74.50	74.47	73.49	72.61	73.87	72.59
2023	75.14	74.76	73.01	74.84	77.01	76.36	76.05	75.73	74.98	73.96	75.47	74.50
2024	76.13	76.26	74.53	76.31	78.72	77.82	77.72	77.49	77.33	75.22	76.10	76.21
2025	77.89	78.17	76.24	78.31	81.36	80.32	79.47	79.59	78.87	76.88	77.91	77.60
2026	80.02	79.73	78.44	80.37	84.30	81.23	81.23	81.59	81.34	78.64	80.25	79.42
2027	81.60	81.21	79.75	81.62	86.90	82.84	82.51	83.79	82.77	80.27	81.41	80.99
2028	83.09	82.17	80.38	83.34	88.24	83.95	84.57	84.59	83.81	82.04	82.99	82.30
2029	84.89	84.68	82.34	85.32	94.16	86.60	86.67	86.67	86.71	83.74	84.46	84.36
2030	86.71	86.45	84.43	86.99	96.86	89.81	87.91	87.81	89.03	85.38	85.88	85.92
2031	88.27	87.83	86.39	89.35	98.69	92.67	89.52	90.35	90.54	87.17	88.14	87.76
2032	89.73	89.28	87.82	90.83	100.32	94.20	91.00	91.85	92.04	88.61	89.60	89.21
2033	91.71	91.25	89.76	92.83	102.54	96.28	93.01	93.88	94.07	90.56	91.58	91.18
2034	93.48	93.01	91.49	94.62	104.52	98.14	94.81	95.69	95.89	92.31	93.35	92.94

Table 7 represents the variable C in the formulas for Option 2 (Deadband Index Gas Price Option) and Option 3 (Index Gas Price Option).

TABLE 7												
Capacity Value - C (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03
2022	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87
2023	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11
2024	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18
2025	60.46											
2026	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18
2027	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50
2028	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65
2029	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82
2030	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02
2031	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23
2032	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47
2033	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Renewable Fixed Price Option (Continued)

~~MARKET BASED PRICE OPTIONS (Continued)~~

TABLE 5b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Wind QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	34.43	47.68	39.18	11.53	6.18	5.68	18.08	33.33	36.83	35.93	37.68	43.68
2015	39.42	37.64	33.22	20.08	12.92	8.57	20.35	32.82	30.41	33.72	34.67	37.69
2016	39.59	37.81	33.39	20.24	13.08	8.73	20.51	32.99	30.58	33.89	34.84	37.86
2017	41.65	39.78	35.13	21.30	13.76	9.18	21.58	34.70	32.17	35.65	36.65	39.83
2018	44.41	42.41	37.46	22.75	14.74	9.87	23.06	37.02	34.32	38.02	39.09	42.47
2019	47.37	45.25	39.99	24.33	15.80	10.62	24.65	39.51	36.64	40.58	41.72	45.31
2020	55.42	55.64	57.01	55.91	52.91	53.12	53.38	54.41	55.20	56.29	56.11	56.50
2021	57.34	56.65	58.15	56.94	54.37	54.41	54.99	55.29	56.32	58.12	55.97	57.48
2022	58.15	57.86	59.84	57.83	55.14	55.47	56.80	55.94	57.39	59.20	56.88	58.53
2023	58.90	58.94	61.02	59.41	55.49	56.52	57.75	57.26	58.40	60.41	57.73	59.72
2024	59.38	59.44	62.23	59.24	55.79	58.21	57.18	57.50	58.83	60.64	59.53	60.09
2025	60.59	60.58	63.52	60.12	55.78	58.53	58.39	59.27	59.36	61.98	61.53	60.98
2026	60.88	61.68	63.82	60.54	56.38	59.36	59.21	59.83	59.21	62.80	61.68	61.72
2027	62.97	62.95	64.57	62.11	56.24	60.45	60.74	60.19	60.55	64.66	62.40	62.85
2028	63.83	64.37	66.59	63.66	55.71	61.80	61.94	60.77	61.99	65.16	63.11	64.83
2029	64.27	64.99	67.81	64.90	51.44	62.07	63.02	61.81	63.16	65.86	65.00	65.95
2030	65.27	66.07	69.20	65.03	51.21	62.59	63.60	63.74	63.58	67.10	66.54	67.31
2031	66.68	67.73	70.11	65.35	52.25	62.40	64.95	65.09	63.72	68.21	68.06	67.39
2032	67.78	68.85	71.27	66.43	53.11	63.43	66.02	66.16	64.77	69.33	69.18	68.50
2033	69.28	70.37	72.85	67.89	54.28	64.83	67.48	67.63	66.20	70.86	70.71	70.01
2034	70.62	71.73	74.25	69.20	55.33	66.08	68.78	68.93	67.48	72.23	72.07	71.37

Table 7 represents the variable C in the formulas for Option 2 (Deadband Index Gas Price Option) and Option 3 (Index Gas Price Option).

TABLE 7												
Capacity Value - C (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03
2022	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87
2023	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11
2024	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18
2025	60.46											
2026	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18
2027	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50
2028	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65
2029	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82
2030	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02
2031	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23
2032	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47
2033	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Renewable Fixed Price Option (Continued)

~~MARKET BASED PRICE OPTIONS (Continued)~~

TABLE 6a												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
On-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	48.13	56.88	48.63	30.38	30.88	31.03	45.53	54.78	50.38	46.88	48.63	54.38
2015	50.13	47.79	42.72	36.07	30.77	28.80	44.64	50.90	45.10	43.25	44.68	48.21
2016	49.77	47.46	42.45	35.88	30.65	28.70	44.34	50.53	44.80	42.97	44.38	47.87
2017	52.43	49.99	44.70	37.76	32.23	30.17	46.70	53.23	47.18	45.25	46.74	50.42
2018	56.37	53.74	48.04	40.57	34.61	32.40	50.20	57.24	50.72	48.64	50.25	54.21
2019	59.33	56.56	50.56	42.69	36.42	34.09	52.83	60.24	53.38	51.19	52.88	57.06
2020	74.38	74.36	73.69	74.10	76.92	76.13	75.85	75.75	74.61	73.75	74.49	73.59
2021	76.05	76.25	74.92	75.87	78.38	77.71	77.20	77.66	76.32	75.43	76.58	75.41
2022	77.74	77.63	75.95	77.49	80.11	79.21	78.81	78.78	77.80	76.92	78.18	76.90
2023	79.53	79.15	77.40	79.23	81.40	80.75	80.44	80.12	79.37	78.35	79.86	78.89
2024	80.60	80.73	79.00	80.78	83.19	82.29	82.19	81.96	81.80	79.69	80.57	80.68
2025	82.45	82.73	80.80	82.87	85.92	84.88	84.03	84.15	83.43	81.44	82.47	82.16
2026	84.67	84.38	83.09	85.02	88.95	85.88	85.88	86.24	85.99	83.29	84.90	84.07
2027	86.34	85.95	84.49	86.36	91.64	87.58	87.25	88.53	87.51	85.01	86.15	85.73
2028	87.92	87.00	85.21	88.17	93.07	88.78	89.40	89.42	88.64	86.87	87.82	87.13
2029	89.81	89.60	87.26	90.24	99.08	91.52	91.59	91.59	91.63	88.66	89.38	89.28
2030	91.73	91.47	89.45	92.01	101.88	94.83	92.93	92.83	94.05	90.40	90.90	90.94
2031	93.39	92.95	91.51	94.47	103.81	97.79	94.64	95.47	95.66	92.29	93.26	92.88
2032	94.94	94.49	93.03	96.04	105.53	99.41	96.21	97.06	97.25	93.82	94.81	94.42
2033	97.02	96.56	95.07	98.14	107.85	101.59	98.32	99.19	99.38	95.87	96.89	96.49
2034	98.90	98.43	96.91	100.04	109.94	103.56	100.23	101.11	101.31	97.73	98.77	98.36

Table 7 represents the variable C in the formulas for Option 2 (Deadband Index Gas Price Option) and Option 3 (Index Gas Price Option).

TABLE 7												
Capacity Value - C (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03
2022	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87
2023	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11
2024	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18
2025	60.46											
2026	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18
2027	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50
2028	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65
2029	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82
2030	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02
2031	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23
2032	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47
2033	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73

SCHEDULE 201 (Continued)

PRICING OPTIONS FOR STANDARD CONTRACTS (Continued)

Renewable Fixed Price Option (Continued)

~~MARKET BASED PRICE OPTIONS (Continued)~~

TABLE 6b												
Renewable Avoided Costs												
Renewable Fixed Price Option for Solar QF												
Off-Peak Forecast (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	38.13	51.38	42.88	15.23	9.88	9.38	21.78	37.03	40.53	39.63	41.38	47.38
2015	43.19	41.41	36.99	23.85	16.69	12.34	24.12	36.59	34.18	37.49	38.44	41.46
2016	43.43	41.65	37.23	24.08	16.92	12.57	24.35	36.83	34.42	37.73	38.68	41.70
2017	45.56	43.69	39.04	25.21	17.67	13.09	25.49	38.61	36.08	39.56	40.56	43.74
2018	48.40	46.40	41.45	26.74	18.73	13.86	27.05	41.01	38.31	42.01	43.08	46.46
2019	51.44	49.32	44.06	28.40	19.87	14.69	28.72	43.58	40.71	44.65	45.79	49.38
2020	59.57	59.79	61.16	60.06	57.06	57.27	57.53	58.56	59.35	60.44	60.26	60.65
2021	61.57	60.88	62.38	61.17	58.60	58.64	59.22	59.52	60.55	62.35	60.20	61.71
2022	62.46	62.17	64.15	62.14	59.45	59.78	61.11	60.25	61.70	63.51	61.19	62.84
2023	63.29	63.33	65.41	63.80	59.88	60.91	62.14	61.65	62.79	64.80	62.12	64.11
2024	63.85	63.91	66.70	63.71	60.26	62.68	61.65	61.97	63.30	65.11	64.00	64.56
2025	65.15	65.14	68.08	64.68	60.34	63.09	62.95	63.83	63.92	66.54	66.09	65.54
2026	65.53	66.33	68.47	65.19	61.03	64.01	63.86	64.48	63.86	67.45	66.33	66.37
2027	67.71	67.69	69.31	66.85	60.98	65.19	65.48	64.93	65.29	69.40	67.14	67.59
2028	68.66	69.20	71.42	68.49	60.54	66.63	66.77	65.60	66.82	69.99	67.94	69.66
2029	69.19	69.91	72.73	69.82	56.36	66.99	67.94	66.73	68.08	70.78	69.92	70.87
2030	70.29	71.09	74.22	70.05	56.23	67.61	68.62	68.76	68.60	72.12	71.56	72.33
2031	71.80	72.85	75.23	70.47	57.37	67.52	70.07	70.21	68.84	73.33	73.18	72.51
2032	72.99	74.06	76.48	71.64	58.32	68.64	71.23	71.37	69.98	74.54	74.39	73.71
2033	74.59	75.68	78.16	73.20	59.59	70.14	72.79	72.94	71.51	76.17	76.02	75.32
2034	76.04	77.15	79.67	74.62	60.75	71.50	74.20	74.35	72.90	77.65	77.49	76.79

Table 7 represents the variable C in the formulas for Option 2 (Deadband Index Gas Price Option) and Option 3 (Index Gas Price Option).

TABLE 7												
Capacity Value - C (\$/MWH)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03	56.03
2022	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87	56.87
2023	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11	58.11
2024	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18	59.18
2025	60.46											
2026	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18	61.18
2027	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50	62.50
2028	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65	63.65
2029	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82	64.82
2030	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02	66.02
2031	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23	67.23
2032	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47	68.47
2033	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73	69.73

SCHEDULE 201 (Continued)

WIND INTEGRATION

TABLE 7	
Wind Integration	
Year	Cost
2014	3.70
2015	3.77
2016	3.84
2017	3.91
2018	3.99
2019	4.07
2020	4.15
2021	4.23
2022	4.31
2023	4.39
2024	4.47
2025	4.56
2026	4.65
2027	4.74
2028	4.83
2029	4.92
2030	5.02
2031	5.12
2032	5.21
2033	5.31
2034	5.42

SCHEDULE 201 (Continued)**MONTHLY SERVICE CHARGE**

Each separately metered QF ~~not associated with a retail Customer account~~ will be charged \$10.00 per month.

INSURANCE REQUIREMENTS

The following insurance requirements are applicable to Sellers with a Standard ~~Contract~~PPA:

- 1) QFs with nameplate capacity ratings greater than 200 kW are required to secure and maintain a prudent amount of general liability insurance. The Seller must certify to the Company that it is maintaining general liability insurance coverage for each QF at prudent amounts. A prudent amount will be deemed to mean liability insurance coverage for both bodily injury and property damage liability in the amount of not less than \$1,000,000 each occurrence combined single limit, which limits may be required to be increased or decreased by the Company as the Company determines in its reasonable judgment, that economic conditions or claims experience may warrant.
- 2) Such insurance will include an endorsement naming the Company as an additional insured insofar as liability arising out of operations under this schedule and a provision that such liability policies will not be canceled or their limits reduced without 30 days' written notice to the Company. The Seller will furnish the Company with certificates of insurance together with the endorsements required herein. The Company will have the right to inspect the original policies of such insurance.
- 3) QFs with a design capacity of 200 kW or less are encouraged to pursue liability insurance on his/her/their own. The Oregon Public Utility Commission in Order No. 05-584 determined that it is inappropriate to require QFs that have a design capacity of 200 kW or less to obtain general liability insurance.

TRANSMISSION AGREEMENTS

If the QF is located outside the Company's service territory, the Seller is responsible for the transmission of power at its cost to the Company's service territory.

INTERCONNECTION REQUIREMENTS

Except as otherwise provided in a generation Interconnection Agreement between the Company and Seller, if the QF is located within the Company's service territory, switching equipment capable of isolating the QF from the Company's system will be accessible to the Company at all times. At the Company's option, the Company may operate the switching equipment described above if, in the sole opinion of the Company, continued operation of the QF in connection with the utility's system may create or contribute to a system emergency.

The QF owner interconnecting with the Company's distribution system must comply with all requirements for interconnection as established pursuant to Commission rule, in the Company's Rules and Regulations (Rule C) or the Company's Interconnection Procedures contained in its FERC Open Access Transmission Tariff (OATT), as applicable. The Seller will bear full responsibility for the installation and safe operation of the interconnection facilities.

SCHEDULE 201 (Continued)**INTERCONNECTION REQUIREMENTS (Continued)****DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE THE STANDARD RATES AND STANDARD CONTRACT PPA**

A QF will be eligible to receive the standard rates and Standard Contract PPA if the nameplate capacity of the QF, together with any other electric generating facility using the same motive force, owned or controlled by the same Person(s) or Affiliated Person(s), and located at the Same Site, does not exceed 10 MW.

Definition of Person(s) or Affiliated Person(s)

As used above, the term “same person(s)” or “affiliated person(s)” means a natural person or persons or any legal entity or entities sharing common ownership, management or acting jointly or in concert with or exercising influence over the policies or actions of another person or entity. However, two facilities will not be held to be owned or controlled by the same person(s) or affiliated person(s) solely because they are developed by a single entity.

Furthermore, two facilities will not be held to be owned or controlled by the same person(s) or affiliated person(s) if ~~the facilities at issue are independent family-owned or community-based projects, such common person or persons is a “passive investor” whose ownership interest in the QF is primarily related to utilizing production tax credits, green tag values and MACRS depreciation as the primary ownership benefit. A unit of Oregon local government may also be a “passive investor” if the local governmental unit demonstrates that it will not have an equity ownership interest in or exercise any control over the management of the QF and that its only interest is a share of the cash flow from the QF, which share will not exceed 20%. The 20% cash flow share limit may only be exceeded for good cause shown and only with the prior approval of the Commission.~~

Definition of Same Site

For purposes of the foregoing, generating facilities are considered to be located at the same site as the QF for which qualification for the standard rates and Standard Contract PPA is sought if they are located within a five-mile radius of any generating facilities or equipment providing fuel or motive force associated with the QF for which qualification for the standard rates and standard contract PPA is sought.

Definition of Shared Interconnection and Infrastructure

QFs otherwise meeting the above-described separate ownership test and thereby qualified for entitlement to the standard rates and Standard Contract PPA will not be disqualified by utilizing an interconnection or other infrastructure not providing motive force or fuel that is shared with other QFs qualifying for the standard rates and Standard Contract PPA so long as the use of the shared interconnection complies with the interconnecting utility’s safety and reliability standards, interconnection contract agreement requirements and Prudent Electrical Practices as that term is defined in the interconnecting utility’s approved Standard Contract PPA.

OTHER DEFINITIONS

Mid-C Index Price

As used in this schedule, the daily Mid-C Index Price shall be the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

**Effective for service
on and after February 20, 2014**

SCHEDULE 201 (Concluded)OTHER DEFINITIONS (Continued)

~~DEFINITION OF A SMALL COGENERATION FACILITY OR SMALL POWER PRODUCTION FACILITY ELIGIBLE TO RECEIVE THE STANDARD RATES AND STANDARD CONTRACT (Continued)~~

Definition of Environmental Attributes

As used in this schedule, Environmental Attributes shall mean any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standards, and any Green Tag Reporting Rights to such Environmental Attributes.

~~Dispute Resolution~~ **DISPUTE RESOLUTION**

Upon request, the QF will provide the purchasing utility with documentation verifying the ownership, management and financial structure of the QF in reasonably sufficient detail to allow the utility to make an initial determination of whether or not the QF meets the above-described criteria for entitlement to the standard rates and Standard ~~Contract~~ PPA. ~~Any disputes concerning a QF's entitlement to the standard rates and Standard Contract will~~ be presented to the Commission for resolution.

SPECIAL CONDITIONS

1. Delivery of energy by Seller will be at a voltage, phase, frequency, and power factor as specified by the Company.
2. If the Seller also receives retail Electricity Service from the Company at the same location, any payments under this schedule will be credited to the Seller's retail Electricity Service bill. At the option of the Customer, any net credit over \$10.00 will be paid by check to the Customer.
3. Unless required by state or federal law, if the 1978 Public Utility Regulatory Policies Act (PURPA) is repealed, Contracts-PPAs entered into pursuant to this schedule will not terminate prior to the Standard or negotiated-Negotiated contract's-PPA's termination date if the 1978 Public Utility Regulatory Policies Act (PURPA) is repealed.

TERM OF AGREEMENT

Not less than one year and not to exceed 20 years.

**Effective for service
on and after February 20, 2014**

**STANDARD OFF SYSTEM INTEGRATED VARIABLE RESOURCES POWER
PURCHASE AGREEMENT**

THIS AGREEMENT, entered into this _____ day, _____ 201~~4~~, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.201~~9~~, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Base Hours" is defined as the total number of hours each Contract Year (8,760 or 8,784 for leap year), minus up to 200 hours of Planned Maintenance.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2. Start-Up Testing of the Facility has been completed in accordance with Section 1.32690;

~~4.1.1.~~ 1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

~~4.1.2.~~ 1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;

~~4.1.3.~~ 1.5.5. PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

~~4.1.4.~~ 1.5.6. PGE has received a copy of the executed Generation Interconnection and Transmission Agreements.

~~4.2.~~ 1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, ~~as selected by Seller in Section 5 and~~ as specified in the Schedule.

~~4.3.~~ 1.7. "Contract Year" means each twelve (12) month period commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

~~4.4.~~ 1.8. "Effective Date" has the meaning set forth in Section 2.1.

~~4.5.~~ 1.9. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard, and any Green Tag Reporting Rights to such Environmental Attributes.

~~4.6.~~ 1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

~~4.7.~~ 1.12. "Generation Unit" means each separate electrical generator that contributes toward Nameplate Capacity Rating included in Exhibit A. For solar facilities, the number of Generation Units shall be one.

~~4.8.~~ 1.13. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

~~4.9.~~ 1.14. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

~~4.10.~~ 1.15. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

1.16. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.17. "Minimum Net Output" shall mean seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours (assumed Planned Maintenance)).

~~4.44.~~ 1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

~~4.42.~~ 1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

~~1.20.19~~ "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

~~4.43.~~ 1.21. "Number of Units" means the number of Generation Units in the ~~Facility~~ described in Exhibit A.

~~4.44.~~ 1.22. "Off-Peak Hours" has the meaning provided in the Schedule.

~~1.23.2~~ "On-Peak Hours" has the meaning provided in the Schedule.

~~4.45.—1.24.~~ "Operational Hours" for the Facility means the total across all Generation Units of the number of hours ~~the each of the~~ Facility's Generation Units are potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather conditions, season and time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, 200—but not more than, 200 hours of Planned Maintenance during a Contract Year for each Generation Unit and hHours during which an event of Force Majeure exists, ~~that prevent the Facility from producing or delivering power shall be considered Operational Hours.~~ a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example in the absence of any Planned Maintenance beyond 200 hours on any turbineGeneration Unit, or Event of Force MajeureMajeure, the Operational HHours for a wind farm with 5 separate two MW turbines would be 43,800 for a Cecontract yYear.;

1.25. "Planned Maintenance" means Outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

~~4.46.~~ 1.26. "Point of Delivery" means the PGE System.

~~4.47.~~ 1.27. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate

is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

~~4.48.~~ 1.28. "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

~~1.29.8~~ "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.

~~4.19.~~ 1.30. "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

~~4.20.~~ 1.31. "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

~~1.32.~~ ~~4.29~~ "Start-Up Lost Energy Value" means for ~~the period a Contract Year~~ prior to initiation of delivery: zero, unless the Net Output is less than Minimum Net Output and the mean Mid-C Index Price is greater than the Contract Price, in which case Startup Lost Energy Value equals: (Minimum Net Output - Net Output) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

~~4.24.~~ 1.33. "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

~~4.22.~~ 1.34. "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

~~4.23.~~ 1.35. "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

~~1.24.~~ 1.36. "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

~~1.25.~~ 1.37. "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

~~1.26.~~ 1.38. "Transmission Curtailment" means a limitation on Seller's ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery or a generating facility limitation by a Transmission Provider (for any reason other than Force Majeure).

~~1.27.~~ 1.39. "Transmission Curtailment Replacement Energy Cost" means the greater of zero or the amount calculated as: ((~~Dow Jones~~ Mid-C Index Price – Contract Price) X curtailed energy) for periods of Transmission Curtailment.

~~1.28.~~ 1.40. "Transmission Provider(s)" means the signatory (other than the Seller) to the Transmission Agreement.

~~1.29.~~ 1.41. "Transmission Services" means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1. This Agreement shall become effective upon execution by both Parties ("Effective Date").

2.2. Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1. By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2. By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3. In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, if PGE is resource deficient (as defined by the Commission) PGE may terminate this agreement in accordance with Section 89. Otherwise, Seller shall pay PGE the Startup Lost Energy Value.

2.3. This Agreement shall terminate on _____, ____ [date to be chosen by Seller], ~~up to 20 years from the Effective Date,~~ or the date the Agreement is terminated in accordance with Section 98 or 112, whichever is earlier (“Termination Date”).

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1. Seller and PGE represent, covenant, and warrant as follows:

3.1.1. Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2. Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3. Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4. Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5. Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

~~3.1.4~~ 3.1.6. Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

~~3.1.5~~ 3.1.7. Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

~~3.1.6~~ 3.1.8. Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.4 3.1.9. Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours (“kWh”), which amount PGE will include in its resource planning.

3.1.5 3.1.10. Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages (“Guarantee of Mechanical Availability”):

3.1.5.1 3.1.10.1. ~~Ninety-one~~ percent (910%) ~~for beginning in~~ the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; ~~and~~

3.1.5.2 3.1.10.2. ~~Ninety-five~~ percent (905%) beginning in Contract Year ~~twethree~~ and extending throughout the remainder of the Term.

3.1.5.3 3.1.10.3. Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.

3.1.11. Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year (“Maximum Net Output”). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.12. By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13. PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.14. Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE’s Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE’s Schedule. Seller will provide, upon request by PGEBuyer not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller’s continued compliance with such Definition. PGEBuyer agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except PGEBuyer will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission’s request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1. Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.

4.2. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3. Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.4. All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. Deliveries shall not be made on a dynamic basis, and Seller shall insure that all deliveries of energy under this Agreement will be equal on any ~~less-than~~-hourly basis to the amounts scheduled in the final schedule for the whole hour. Seller shall bear the cost of any transmission services, including but not limited to imbalance services, necessary to insure that energy deliveries under this Agreement are equal on any ~~less-than~~-hourly basis to the amount of energy scheduled for each hour in the final schedule. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g., 1:30 to 2:00). The final E-Tag shall be the controlling evidence of the Parties' final schedule. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.

4.5. Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: CONTRACT PRICE

~~PGE shall pay Seller for the price options 5.1, 5.2, 5.3 or 5.4, as selected below, pursuant to the Schedule. Seller shall indicate which price option it chooses by marking its choice below with an X. If Seller chooses the option in Section 5.1, it must mark below with a second X a single second option from Section 5.2, 5.3, or 5.4 for all Contract Years in excess of 15 until the end of the Term. Except as provided herein, Sellers selection is for the Term and shall not be changed during the Term.~~

- ~~5.1 _____ Fixed Price for Non Variable or Integrated Variable Resources~~
- ~~5.2 _____ Deadband Index Gas Price~~
- ~~5.3 _____ Index Gas Price~~
- ~~5.4 _____ Mid-C Index Rate Price~~

SECTION 56: OPERATION AND CONTROL

~~65.1.~~ Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

~~56.2.~~ Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

~~56.3.~~ If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 67: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably

acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 78: BILLINGS, COMPUTATIONS AND PAYMENTS

87.1. On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.

87.2. Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 98: DEFAULT, REMEDIES AND TERMINATION

98.1. In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

98.1.1. Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

98.1.2. Seller's failure to provide default security, if required by Section 76, prior to delivery of any Net Output to PGE or within 10 days of notice.

98.1.3. Seller's failure to meet the MAP established in Section 3.1.10 – Guarantee of Mechanical Availability for any single Contract Year or Seller's failure to provide any written report required by that section.

98.1.4. If Seller is no longer a Qualifying Facility.

98.1.5. Failure of PGE to make any required payment pursuant to Section 87.1.

98.2. In the event of a default hereunder, except for pursuant to Section 8.1.3, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party. In addition, and except for damages related to a default pursuant to Section 98.1.3 by a QF sized at 100 kW or smaller, the non-defaulting party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such-A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 240. The rights provided in this Section 98 are

cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

98.3. If this Agreement is terminated as provided in this Section 98, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

98.4. In the event PGE terminates this Agreement pursuant to this Section 98, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

98.5. Sections 98.1, 98.3, 98.4, 104, and 2019.2 shall survive termination of this Agreement.

SECTION 940: TRANSMISSION CURTAILMENTS

409.1. Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Sections 4.4 of this Agreement.

409.2. If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.4 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 140: INDEMNIFICATION AND LIABILITY

10.44.1. Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

10.44.2. PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss,

claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

1044.3. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

1044.4. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 121: INSURANCE

112.1. Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "B+A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

112.2. Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "B+A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of

written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

112.3. Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 132: FORCE MAJEURE

132.1. As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

132.2. If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

132.2.1. the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

132.2.2. the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

132.2.3. the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

132.3. No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

123.4. Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 143: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 154: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 165: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 176: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 187: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be

required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 198: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 2019: ENTIRE AGREEMENT

2019.1. This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

2019.2. By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 204: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
QF Contracts, 3WTC **BR0306**
PGE - 121 SW Salmon St.
Portland, Oregon 97204

210.2. The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 204.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT C
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT D
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD IN SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 201~~4~~, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit B ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.~~2249~~, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1 "Annual Minimum Net Output" means the sum of the Monthly Minimum Net Output multiplied by twelve (12).

1.24 "As-built Supplement" means the supplement to Exhibit B provided by Seller in accordance with Section 4.4 following completion of construction of the Facility, describing the Facility as actually built.

1.32 "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.43 "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.54 "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

1.54.1 (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer (“LPE”) acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement (certifications required under this Section 1.54 can be provided by one or more LPEs);

1.54.2 (facilities with nameplate under 500 kW exempt from following requirement) Start-Up Testing of the Facility has been completed in accordance with Section 1.27;

1.54.3 (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.54.4 (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed, all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.54.5 (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.65 Contract Month” means each calendar month of each Contract Year.

1.76 “Contract Price” means the applicable price, including on-peak and off-peak prices, as ~~selected by Seller in Section 5 and~~ specified in the Schedule.

1.86 "Contract Year" means each twelve (12) month ~~period—calendar year beginning January 1 and ending December 31, or portion thereof commencing upon the date set forth in Section 2.1.1. during the Term—commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.~~

1.97 “Effective Date” has the meaning set forth in Section 2.1.

1.108 "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, and any Green Tag Reporting Rights to such Environmental Attributes.

1.119 "Facility" has the meaning set forth in the Recitals.

1.120 "Forward Replacement Price" means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PGE in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PGE in causing replacement energy to be delivered to the Point of Delivery. If PGE elects not to make such a purchase, costs of purchasing replacement Net Output shall be at the Mid-C Index Price for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PGE in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

1.134 "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of ~~PGE's~~ interconnection facilities required to accommodate deliveries of Seller's Net Output.

1.142 "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

1.153 "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.16 "Lost Energy Value" means for a Contract ~~Month~~Year: zero, unless the Contract Month's Net Output is less than the Monthly Minimum Net Output and the Contract Month's mean ~~Dow Jones~~ Mid-C Index Price is greater than the Contract Price, in which case Lost Energy Value equals: (Monthly Minimum Net Output - Net Output for the Contract Month) X (the lower of: the mean Contract Price; or the ~~M~~mean ~~Dow Jones~~ Mid-C Index Price – mean Contract Price).

1.174 "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.185 "Mid-Columbia" means an area which includes points at any of the switchyards associated with the following four hydro projects: Rocky Reach, Rock Island, Wanapum and Priest Rapids. These switchyards include: Rocky Reach, Rock Island, Wanapum, McKenzie, Valhalla, Columbia, Midway and Vantage. Mid-Columbia shall also include points in the "Northwest Hub," as defined by Bonneville Power Administration. For scheduling purposes, the footprint described above shall dictate the delivery point name for the then current Western Electricity Coordinating Council ("WECC") scheduling protocols. If the footprint changes during the Term, a mutually agreed upon footprint that describes an area containing the most liquidity for trading purposes shall apply.

1.196 "Monthly Minimum Net Output" shall have the meaning provided in Section 4.2 of this Agreement.

1.2047 "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

1.218 "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.2249 "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

1.230 "Off-Peak Hours" has the meaning provided in the Schedule.

1.244 "On-Peak Hours" has the meaning provided in the Schedule.

1.252 "Point of Delivery" means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's distribution or transmission system, as specified in the Generation Interconnection Agreement.

1.263 "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

1.274 "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

1.28 "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit C.

1.295 "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit E, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

1.3026 "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

1.3127 "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit D.

1.328 "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

1.3329 "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

1.340 "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

~~1.31~~—References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties (“Effective Date”).

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.54 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, Seller shall pay damages equal to the Lost Energy Value. In calculating the Lost Energy Value for use in this section, the Monthly Minimum Net Output shall be prorated if necessary when ~~and~~ applied to the period of time between the Commercial Operation Date and the date specified in 2.2.1.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], ~~up to 20 years from the Effective Date~~, or the date the Agreement is terminated in accordance with Section 910 or 112.2, whichever is earlier (“Termination Date”).

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission (“FERC”) self-certification to PGE prior to PGE’s execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence

satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output").

3.1.11 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.12 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.13 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule. Seller will provide, upon request by Buyer-PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's

continued compliance with such Definition. ~~Buyer-PGE~~ agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except ~~Buyer-PGE~~ will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery. PGE shall pay Seller the Contract Price for all delivered Net Output.

4.2 ~~Provided Seller has elected the Contract Price options in Section 5.1, 5.2, or 5.3,~~ Seller shall deliver to PGE from the Facility for each Contract Year Net Output equal to or greater than the Monthly Minimum Net Output (either (a) if Seller does not select the Alternative Minimum Amount as defined in Exhibit A of this Agreement, ~~a minimum of~~ seventy-five percent (75%) of its average annual Net Output divided by twelve (12) or (b) if selected by Seller, the Alternative Minimum Amount designated for each month), provided ~~that such Minimum Net Output for the final Contract Year shall be reduced pro rata to reflect the Commercial Operation Date, and further provided that~~ such Monthly Minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract ~~Year~~ Month(s) that the Facility was prevented from generating electricity for reasons of Force Majeure. ~~PGE shall pay Seller the Contract Price for all delivered Net Output.~~

4.3 ~~Provided Seller has elected the Contract Price options in Section 5.1, 5.2, or 5.3,~~ Seller agrees that if Seller does not deliver the Monthly Minimum Net Output each Contract ~~Year~~ Month, PGE will suffer losses equal to the Lost Energy Value. As damages for Seller's failure to deliver the Monthly Minimum Net Output (subject to adjustment for reasons of Force Majeure as provided in Section 4.2) in any Contract Year, notwithstanding any other provision of this Agreement, the purchase price payable by PGE for future deliveries shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period, in monthly amounts (not more than 24 months), of such reduction so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility. For QF Facilities sized at 100 kW or smaller, the provisions of this section shall not apply.

4.4 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit B or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.10 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the

event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.5 To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

4.6 Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: CONTRACT PRICE

~~PGE shall pay Seller for the price options 5.1, 5.2, 5.3 or 5.4, as selected below, pursuant to the Schedule. Seller shall indicate which price option it chooses by marking its choice below with an X. If Seller chooses the option in Section 5.1, it must mark below with a second X a single second option from Section 5.2, 5.3, or 5.4 for all Contract Years in excess of 15 until the end of the Term. Except as provided herein, Seller's selection is for the Term and shall not be changed during the Term.~~

~~5.1 _____ Fixed Price for Non-Variable Resources~~

~~5.2 _____ Deadband Index Gas Price~~

~~5.3 _____ Index Gas Price~~

~~5.4 _____ Mid-C Index Rate Price~~

SECTION 65: OPERATION AND CONTROL

~~56.1~~ Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

56.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

56.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 67: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Annual Minimum Net Output / 8760). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 78: METERING

78.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

78.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

78.3 PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual

period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

78.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 89: BILLINGS, COMPUTATIONS AND PAYMENTS

89.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise.

89.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 940: DEFAULT, REMEDIES AND TERMINATION

940.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

940.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

940.1.2 Seller's failure to provide default security, if required by Section 67, prior to delivery of any Net Output to PGE or within 10 days of notice.

940.1.3 Seller's failure to deliver the Annual Minimum Net Output for two consecutive Contract Years.

940.1.4 If Seller is no longer a Qualifying Facility.

940.1.5 Failure of PGE to make any required payment pursuant to Section 89.1.

940.2 In the event of a default hereunder, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party, and, except for damages related to a default pursuant to Section 940.1.3 by a QF sized at 100 kW or smaller, may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to

the need to procure replacement power. Such termination shall be effective upon the date of delivery of notice, as provided in Section 204.1. The rights provided in this Section 940 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

940.3 If this Agreement is terminated as provided in this Section 940 PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

940.4 If this Agreement is terminated as a result of Seller's default, Seller shall pay PGE the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Forward Replacement Price for the Monthly Minimum Net Output that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination. Accounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PGE for the same.

940.5 In the event PGE terminates this Agreement pursuant to this Section 940, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

940.6 Sections 940.1 940.3 940.4 940.5, 1044, and 1920.2 shall survive termination of this Agreement.

SECTION 1044: INDEMNIFICATION AND LIABILITY

104.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

104.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or

economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

104.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

104.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 112: INSURANCE

112.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "B+A-" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

112.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "B+A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

112.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE

with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION 123: FORCE MAJEURE

123.1 As used in this Agreement, “Force Majeure” or “an event of Force Majeure” means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

123.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

123.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

123.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

123.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

123.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

123.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 134: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 145: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 156: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 167: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 178: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 189: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 1920: ENTIRE AGREEMENT

1920.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

1920.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 204: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to: _____

To PGE: Contracts Manager
QF Contracts, 3WTC **BR0306**
PGE - 121 SW Salmon St.
Portland, Oregon 97204

204.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section **204**.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
MONTHLY MINIMUM NET OUTPUT

In this Exhibit, Seller may designate an alternative Monthly Minimum Net Output to seventy-five (75%) percent of annual average Net Output specified in Section 3.1.9 of the Agreement (“Alternative Minimum Amount”). Such Alternative Minimum Amount, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.

EXHIBIT B
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT D
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT E
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD OFF SYSTEM NON-VARIABLE POWER PURCHASE AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 201~~4~~, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit B ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.22~~19~~, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "Annual Minimum Net Output" means the sum of the Monthly Minimum Net Output multiplied by twelve (12).

1.1.1.2. "As-built Supplement" means the supplement to Exhibit B provided by Seller in accordance with Section 4.4 following completion of construction of the Facility, describing the Facility as actually built.

1.2.1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.3.1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.4.1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, at its discretion require, among other things, that all of the following events have occurred:

~~1.4.1.1.5.1.~~ (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer (“LPE”) acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in amounts required by this Agreement and in accordance with all other terms and conditions of this Agreement (certifications required under this Section 1.4 can be provided by one or more LPEs);

~~1.4.2.1.5.2.~~ Start-Up Testing of the Facility has been completed in accordance with Section 1.27;

~~1.4.3.1.5.3.~~ (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

~~1.4.4.1.5.4.~~ (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that all required interconnection facilities have been constructed and all required interconnection tests have been completed;

~~1.4.5.1.5.5.~~ (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

~~1.4.6.1.5.6.~~ PGE has received a copy of the Generation Interconnection and Transmission Agreement.

~~1.5.1.6.~~ “Contract Month” means each calendar month of each Contract Year.

1.7. “Contract Price” means the applicable price, including on-peak and off-peak prices, ~~as selected by Seller in Section 5 and~~ as specified in the Schedule.

~~1.6.1.8.~~ “Contract Year” means each twelve (12) month ~~period~~ calendar year beginning January 1 and ending December 31, or portion thereof during the Term commencing upon the date set forth in Section 2.1.1. Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

~~1.7.1.9.~~ “Effective Date” has the meaning set forth in Section 2.1.

~~4.8.1.10.~~ "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, including the Oregon Renewable Portfolio Standard and any Green Tag Reporting Rights to such Environmental Attributes.

~~4.9.1.11.~~ "Facility" has the meaning set forth in the Recitals.

~~4.10.1.12.~~ "Forward Replacement Price" means the price at which PGE, acting in a commercially reasonable manner, purchases for delivery at the Point of Delivery a replacement for any Net Output that Seller is required to deliver under this Agreement plus (i) costs reasonably incurred by PGE in purchasing such replacement Net Output, and (ii) additional transmission charges, if any, reasonably incurred by PGE in causing replacement energy to be delivered to the Point of Delivery. If PGE elects not to make such a purchase, costs of purchasing replacement Net Output shall be at the Dow Jones Mid-C Index Price for such energy not delivered, plus any additional cost or expense incurred as a result of Seller's failure to deliver, as determined by PGE in a commercially reasonable manner (but not including any penalties, ratcheted demand or similar charges).

~~4.11.1.13.~~ "Generation Interconnection Agreement" means an agreement governing the interconnection of the Facility with _____ electric system.

~~4.12.1.14.~~ "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

~~4.13.1.15.~~ "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

1.16. "Lost Energy Value" means for a Contract ~~Year~~Month: zero, unless the Contract Month's Net Output is less than the Monthly Minimum Net Output and the Contract Month's mean ~~Dow Jones~~Mid-C Index Price is greater than the Contract Price, in which case Lost Energy Value equals: (Monthly Minimum Net Output - Net Output for the Contract Month) X (the lower of: the mean Contract Price; or the mean ~~Dow Jones~~Mid-C Index Price - mean Contract Price) minus Transmission Curtailment Replacement Energy Cost if any for like period.

~~1.14.~~1.17. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the Seller agree to select an alternative successor index representative of the Mid-C trading hub.

~~1.15.~~1.18. "Mid-Columbia" means an area which includes points at any of the switchyards associated with the following four hydro projects: Rocky Reach, Rock Island, Wanapum and Priest Rapids. These switchyards include: Rocky Reach, Rock Island, Wanapum, McKenzie, Valhalla, Columbia, Midway and Vantage. Mid-Columbia shall also include points in the "Northwest Hub," as defined by Bonneville Power Administration. For scheduling purposes, the footprint described above shall dictate the delivery point name for the then current Western Electricity Coordinating Council ("WECC") scheduling protocols. If the footprint changes during the Term, a mutually agreed upon footprint that describes an area containing the most liquidity for trading purposes shall apply.

~~1.16.~~1.19. "Monthly Minimum Net Output" shall have the meaning specified in Section 4.2 of this Agreement.

~~1.17.~~1.20. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

~~1.18.~~1.21. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

~~1.19.~~1.22. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

~~1.20.~~1.23. "Off-Peak Hours" has the meaning provided in the Schedule.

~~1.21.~~1.24. "On-Peak Hours" has the meaning provided in the Schedule.

~~1.22.~~1.25. "Point of Delivery" means the PGE System.

~~1.23.~~1.26. "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in

the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

~~4.24.1.27.~~ "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

~~4.25.1.28.~~ "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit C.

~~4.26.1.29.~~ "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit E, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply.

~~4.27.1.30.~~ "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

~~4.28.1.31.~~ "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit D.

~~4.29.1.32.~~ "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

~~4.30.1.33.~~ "Term" shall mean the period beginning on the Effective Date and ending on the Termination Date.

~~4.31.1.34.~~ "Test Period" shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

~~4.32.1.35.~~ "Transmission Agreement" means an agreement executed by the Seller and the Transmission Provider(s) for Transmission Services.

~~1.33.~~1.36. “Transmission Curtailment” means a limitation on Seller’s ability to deliver any portion of the scheduled energy to PGE due to the unavailability of transmission to the Point of Delivery or a generating facility limitation by a Transmission Provider (for any reason other than Force Majeure).

~~1.34.~~1.37. “Transmission Curtailment Replacement Energy Cost” means the greater of zero or the difference between Dow Jones Mid C Index Price – Contract Price X curtailed energy for periods of Transmission Curtailment.

~~1.35.~~1.38. “Transmission Provider(s)” means the signatory (other than the Seller) to the Transmission Agreement.

~~1.36.~~1.39. “Transmission Services” means any and all services (including but not limited to ancillary services and control area services) required for the firm transmission and delivery of Energy from the Facility to the Point of Delivery for a term not less than the Term of this Agreement.

~~1.37.~~ References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties (“Effective Date”).

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section ~~1.54~~ and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, Seller shall pay damages equal to the Lost Energy Value. In calculating the Lost Energy Value for use in this section, the Monthly Minimum Net Output shall be prorated if necessary when ~~and~~ applied to the period of time between the Commercial Operation date and the date specified in 2.2.1.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], ~~up to 20 years from the Effective Date~~, or the date the Agreement is terminated in accordance with Section ~~89~~ or ~~112.2~~, whichever is earlier (“Termination Date”).

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller will schedule and deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output"). The cost of delivering energy from the Facility to PGE is the sole responsibility of the Seller.

3.1.11 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.12 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.13 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard PPA in PGE's Schedule. Seller will provide, upon request by Buyer-PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. Buyer-PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except Buyer-PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output from the Facility. Seller's Net Output shall be scheduled and delivered to PGE at the Point of Delivery in accordance with Section 4.5. PGE shall pay Seller the Contract Price for all scheduled and delivered Net Output.

4.2 ~~Provided Seller has elected the Contract Price options in Section 5.1, 5.2, or 5.3,~~ Seller shall schedule and deliver to PGE from the Facility for each Contract Year Net Output equal to or greater than the Monthly Minimum Net Output (either (a) if Seller does not select the Alternative Minimum Amount as defined in Exhibit A of this Agreement, a minimum of seventy-five percent (75%) of its average annual Net Output divided by twelve (12) or (b) if selected by Seller, the Alternative Minimum Amount designated for each month), provided ~~that such Minimum Net Output for the final Contract Year shall be reduced pro rata to reflect the Commercial Operation Date, and further provided that such~~ Monthly Minimum Net Output shall be reduced on a pro-rata basis for any periods during a Contract ~~Year~~ Month(s) that the Facility was prevented from generating electricity for reasons of Force Majeure. ~~PGE shall pay Seller the Contract Price for all scheduled and delivered Net Output.~~

4.3 ~~Provided Seller has elected the Contract Price options in Section 5.1, 5.2, or 5.3,~~ Seller agrees that if Seller does not deliver the Monthly Minimum Net Output each Contract ~~Year~~ Month for reasons other than Transmission Curtailment, PGE will suffer losses equal to the Lost Energy Value. As damages for Seller's failure to deliver the Monthly Minimum Net Output (subject to adjustment for reasons of Force Majeure

as provided in Section 4.2) in any Contract Year, notwithstanding any other provision of this Agreement the purchase price payable by PGE for future –deliveries shall be reduced until Lost Energy Value is recovered. PGE and Seller shall work together in good faith to establish the period, in monthly amounts (not more than 24 months), of such reduction so as to avoid Seller's default on its commercial or financing agreements necessary for its continued operation of the Facility for QF Facilities sized at 100 kW or smaller, the provisions of this section shall not apply.

4.4 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit B or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.10 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating of the Facility to greater than 10,000 kW, then Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

4.5 All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain hourly real-time schedule coordination; provided, however, that in the absence of such coordination, the hourly schedule established by the exchange of preschedules shall be considered final. Seller and PGE shall maintain records of hourly energy schedules for accounting and operating purposes. Deliveries shall not be made on a dynamic basis, and Seller shall insure that all deliveries of energy under this Agreement will be equal on any less-than-hourly basis to the amounts scheduled in the final schedule for the whole hour. Seller shall bear the cost of any transmission services, including but not limited to imbalance services, necessary to insure that energy deliveries under this Agreement are equal on any less-than-hourly basis to the amount of energy scheduled for each hour in the final schedule. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g., 1:30 to 2:00). The final E-Tag shall be the controlling evidence of the Parties' final schedule. Seller shall make commercially reasonable efforts to schedule in any hour an amount equal to its expected Net Output for such hour. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records and to imbalance information kept by the Transmission Provider.

4.6 Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: CONTRACT PRICE

~~PGE shall pay Seller for the price options 5.1, 5.2, 5.3 or 5.4, as selected below, pursuant to the Schedule. Seller shall indicate which price option it chooses by marking its choice below with an X. If Seller chooses the option in Section 5.1, it must mark below with a second X a single second option from Section 5.2, 5.3, or 5.4 for all Contract Years in excess of 15 until the end of the Term. Except as provided herein, Seller's selection is for the Term and shall not be changed during the Term.~~

- ~~5.1 _____ Fixed Price for Non-Variable or Integrated Variable Resource
5.2 _____ Deadband Index Gas Price
5.3 _____ Index Gas Price
5.4 _____ Mid-C Index Rate Price~~

SECTION 56: OPERATION AND CONTROL

~~6.1~~ 5.1 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility or transmission to PGE's electric system is curtailed, disconnected, suspended or interrupted, in whole or in part. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

~~6.2~~ 5.2 Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

~~6.3~~ 5.3 If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance that could affect the generation, scheduling or delivery of energy to PGE, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 67: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than ten (10) days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that

shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Annual Minimum Net Output / 8760). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 78: BILLINGS, COMPUTATIONS AND PAYMENTS

~~8.1~~ 7.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement and any other agreement related to the Facility between the Parties or otherwise.

~~8.2~~ 7.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 89: DEFAULT, REMEDIES AND TERMINATION

~~9.1~~ 8.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

~~9.1.1~~ 8.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

~~9.1.2~~ 8.1.2 Seller's failure to provide default security, if required by Section ~~67~~, prior to delivery of any Net Output to PGE or within ten (10) days of notice.

~~9.1.3~~ 8.1.3 Seller's failure to deliver the Annual Minimum Net Output for two consecutive Contract Years.

~~9.1.4~~ 8.1.4 If Seller is no longer a Qualifying Facility.

~~9.1.5~~ 8.1.5 Failure of PGE to make any required payment pursuant to Section 8.1.

~~9.1.6~~ ~~Seller's failure to accurately schedule Net Output, as required by Section 4.5, where there is a demonstrated pattern of scheduling errors. Scheduling errors may include: scheduled energy that differs from Net Output by more than 10% for multiple monthly periods, or in cases where net deviations result in demonstrated excess payments by PGE to the Seller.~~

~~9.2~~ 8.2 In the event of a default hereunder, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice

to the other Party, and, except for damages related to a default pursuant to Section 9.1.3, by a QF sized at 100 kW or smaller, may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such termination shall be effective upon the date of delivery of notice, as provided in Section ~~204~~1. The rights provided in this Section 9 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

~~9.3~~ 8.3 If this Agreement is terminated as provided in this Section ~~89~~, PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

~~9.4~~ 8.4 If this Agreement is terminated as a result of Seller's default, Seller shall pay PGE the positive difference, if any, obtained by subtracting the Contract Price from the sum of the Forward Replacement Price for the Annual Minimum Net Output that Seller was otherwise obligated to provide for a period of twenty-four (24) months from the date of termination plus any cost incurred for transmission purchased by PGE to deliver the replacement power to the Point of Delivery and the estimated administrative cost to the utility to acquire replacement power. Accounts owed by Seller pursuant to this paragraph shall be due within five (5) business days after any invoice from PGE for the same.

~~9.5~~ 8.5 In the event PGE terminates this Agreement pursuant to this Section ~~89~~, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

~~9.6~~ 8.6 Sections ~~89.1~~, ~~89.3~~, ~~89.4~~, ~~89.5~~, ~~104~~, and ~~1920.2~~ shall survive termination of this Agreement.

SECTION ~~940~~: TRANSMISSION CURTAILMENTS

~~940.1~~ Seller shall give PGE notice as soon as reasonably practicable of any Transmission Curtailment that is likely to affect Seller's ability to deliver any portion of energy scheduled pursuant to Sections 4.5 of this Agreement.

~~940.2~~ If as the result of a Transmission Curtailment, Seller does not deliver any portion of energy (including real-time adjustments), scheduled pursuant to Section 4.5 of this Agreement, Seller shall pay PGE the Transmission Curtailment Replacement Energy Cost for the number of MWh of energy reasonably determined by PGE as the difference between (i) the scheduled energy that would have been delivered to PGE under this Agreement during the period of Transmission Curtailment and (ii) the actual energy, if any, that was delivered to PGE for the period.

SECTION 104: INDEMNIFICATION AND LIABILITY

41.4 10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

41.2 10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

41.3 10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

41.4 10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 112: INSURANCE

42.4 11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-B+" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or

their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

~~12.2~~ 11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "B+A-" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

~~12.3~~ 11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION ~~12.3~~: FORCE MAJEURE

12.3.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes Transmission Curtailment, the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

123.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

123.2.1 the non-performing Party, shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

123.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

123.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

123.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

123.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 134: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 145: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 156: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 167: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 178: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 189: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 1920: ENTIRE AGREEMENT

1920.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

1920.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 204: NOTICES

204.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to:

To PGE: Contracts Manager
 QF Contracts, 3WTC ~~BR03~~06
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

201.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 201.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
MONTHLY MINIMUM NET OUTPUT

In this Exhibit, Seller may designate an alternative Monthly Minimum Net Output to seventy-five (75%) percent of annual average Net Output specified in Section 3.1.9 of the Agreement (“Alternative Minimum Amount”). Such Alternative Minimum Amount, if provided, shall exceed zero, and shall be established in accordance with Prudent Electrical Practices and documentation supporting such a determination shall be provided to PGE upon execution of the Agreement. Such documentation shall be commercially reasonable, and may include, but is not limited to, documents used in financing the project, and data on output of similar projects operated by seller, PGE or others.

EXHIBIT B
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement with interconnecting utility

Firm Transmission Agreement between Seller and Transmission Provider

**EXHIBIT D
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements.

EXHIBIT E
SCHEDULE
[Attach currently in-effect Schedule 201]

STANDARD IN SYSTEM VARIABLE RESOURCE POWER PURCHASE

AGREEMENT

THIS AGREEMENT, entered into this _____ day, _____ 2017, is between _____ ("Seller") and Portland General Electric Company ("PGE") (hereinafter each a "Party" or collectively, "Parties").

RECITALS

Seller intends to construct, own, operate and maintain a _____ facility for the generation of electric power located in _____ County, _____ with a Nameplate Capacity Rating of _____ kilowatt ("kW"), as further described in Exhibit A ("Facility"); and

Seller intends to operate the Facility as a "Qualifying Facility," as such term is defined in Section 3.1.3, below.

Seller shall sell and PGE shall purchase the entire Net Output, as such term is defined in Section 1.2017, below, from the Facility in accordance with the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

SECTION 1: DEFINITIONS

When used in this Agreement, the following terms shall have the following meanings:

1.1. "As-built Supplement" means the supplement to Exhibit A provided by Seller in accordance with Section 4.3 following completion of construction of the Facility, describing the Facility as actually built.

1.2. "Base Hours" is defined as the total number of hours in each Contract Year (8,760 or 8,784 for leap year), minus up to 200 hours of Planned Maintenance.

1.3. "Billing Period" means a period between PGE's readings of its power purchase billing meter at the Facility in the normal course of PGE's business. Such periods typically vary and may not coincide with calendar months.

1.4. "Cash Escrow" means an agreement by two parties to place money into the custody of a third party for delivery to a grantee only after the fulfillment of the conditions specified.

1.5. "Commercial Operation Date" means the date that the Facility is deemed by PGE to be fully operational and reliable. PGE may, in its discretion require, among other things, that all of the following events have occurred:

1.5.1. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from a Licensed Professional Engineer ("LPE") acceptable to PGE in its reasonable judgment stating that the Facility is able to generate electric power reliably in accordance with the terms and conditions of this Agreement (certifications required under this Section 1.5 can be provided by one or more LPEs);

1.5.2. (facilities with nameplate under 500 kW exempt from following requirement) Start-Up Testing of the Facility has been completed in accordance with Section 1.26;

1.5.3. (facilities with nameplate under 500 kW exempt from following requirement) After PGE has received notice of completion of Start-Up Testing, PGE has received a certificate addressed to PGE from an LPE stating that the Facility has operated for testing purposes under this Agreement uninterrupted for a Test Period at a rate in kW of at least 75 percent of average annual Net Output divided by 8,760 based upon any sixty (60) minute period for the entire testing period. The Facility must provide ten (10) working days written notice to PGE prior to the start of the initial testing period. If the operation of the Facility is interrupted during this initial testing period or any subsequent testing period, the Facility shall promptly start a new Test Period and provide PGE forty-eight (48) hours written notice prior to the start of such testing period;

1.5.4. (facilities with nameplate under 500 kW exempt from following requirement) PGE has received a certificate addressed to PGE from an LPE stating that in accordance with the Generation Interconnection Agreement, all required interconnection facilities have been constructed all required interconnection tests have been completed; and the Facility is physically interconnected with PGE's electric system.

1.5.5. PGE has received a certificate addressed to PGE from an LPE stating that Seller has obtained all Required Facility Documents and, if requested by PGE in writing, has provided copies of any or all such requested Required Facility Documents;

1.6. "Contract Price" means the applicable price, including on-peak and off-peak prices, as selected by Seller in Section 5 and specified in the Schedule.

1.7. "Contract Year" means each twelve (12) month period ~~during the Term~~ commencing upon the Commercial Operation Date or its anniversary during the Term, except the final contract year will be the period from the last anniversary of the Commercial Operation Date during the Term until the end of the Term.

1.8. "Effective Date" has the meaning set forth in Section 2.1.

1.9. "Environmental Attributes" means any and all current or future credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical or other substance attributable to the Facility during the Term, or otherwise attributable to the generation, purchase, sale or use of energy from or by the Facility during the Term, including without limitation any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur or carbon, with particulate matter, soot or mercury, or implementing the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator, or any State or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, and any Green Tag Reporting Rights to such Environmental Attributes.

1.10. "Facility" has the meaning set forth in the Recitals.

1.11. "Generation Interconnection Agreement" means the generation interconnection agreement to be entered into separately between Seller and PGE, providing for the construction, operation, and maintenance of ~~PGE's~~ interconnection facilities required to accommodate deliveries of Seller's Net Output.

~~1.11.~~1.12. "Generation Unit" means each separate electrical generator that contributes towards Nameplate Capacity Rating included on Exhibit A. For solar facilities, the number of Generation Units shall be one.

~~1.12.~~1.13. "Letter of Credit" means an engagement by a bank or other person made at the request of a customer that the issuer will honor drafts or other demands for payment upon compliance with the conditions specified in the letter of credit.

~~1.13.~~1.14. "Licensed Professional Engineer" or "LPE" means a person who is licensed to practice engineering in the state where the Facility is located, who has no economic relationship, association, or nexus with the Seller, and who is not a representative of a consulting engineer, contractor, designer or other individual involved in the development of the Facility, or of a manufacturer or supplier of any equipment installed in the Facility. Such Licensed Professional Engineer shall be licensed in an appropriate engineering discipline for the required certification being made and be acceptable to PGE in its reasonable judgment.

~~1.14.~~1.15. "Mechanical Availability Percentage" or "MAP" shall mean that percentage for any Contract Year for the Facility calculated in accordance with the following formula:

$$\text{MAP} = 100 \times (\text{Operational Hours}) / (\text{Base Hours} \times \text{Number of Units})$$

1.16. "Mid-C Index Price" means the Day Ahead Intercontinental Exchange ("ICE") for the bilateral OTC market for energy at the Mid-C Physical for On Peak Power and Off Peak Power. In the event ICE no longer publishes this index, PGE and the

Seller agree to select an alternative successor index representative of the Mid-C trading hub.

1.17. "Minimum Net Output" means seventy-five percent (75%) of Nameplate Capacity Rating X thirty percent (30%) for a wind or other renewable QF or fifty percent (50%) for a solar QF X (whole months since the date selected in Section 2.2.1 / 12) X (8760 hours – 200 hours of assumed Planned Maintenance).

~~1.15.~~1.18. "Nameplate Capacity Rating" means the maximum capacity of the Facility as stated by the manufacturer, expressed in kW, which shall not exceed 10,000 kW.

~~1.16.~~1.19. "Net Dependable Capacity" means the maximum capacity the Facility can sustain over a specified period modified for seasonal limitations, if any, and reduced by the capacity required for station service or auxiliaries.

1.20. "Net Output" means all energy expressed in kWhs produced by the Facility, less station and other onsite use and less transformation and transmission losses. Net Output does not include any environmental attributes, imbalance power, or power from an integrating entity.

~~1.17.~~1.21. "Number of Units" means the number of Generation Units in the Facility described in Exhibit A.

~~1.18.~~1.22. "Off-Peak Hours" has the meaning provided in the Schedule.

~~1.19.~~1.23. "On-Peak Hours" has the meaning provided in the Schedule.

1.24. "Operational Hours" for the Facility means the total across all Generation Units of the number of hours each of the Facility's Generation Units are is-potentially capable of producing power at its Nameplate Capacity Rating regardless of actual weather or seasonal conditions, the time of day or night, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the Point of Delivery in a Contract Year. During up to, but not more than, 200 hours of Planned Maintenance during a Contract Year for each Generation Unit and Hhours during which an event of Force Majeure exists, a Generation Unit shall be considered potentially capable of delivering such power to the Point of Delivery. For example, in the absence of any Planned Maintenance beyond 200 hours on any Generation Unit or Event of Force Majeure, the Operational Hours for a wind farm with 5 separate two MW turbines would be 43,800 for a Contract Year. that prevent the Facility from producing or delivering power shall be considered Operational Hours.

~~1.20.~~1.25. "Planned Maintenance" means outages scheduled 90 days in advance, with PGE's prior written consent, which shall not be unreasonably withheld.

~~1.21.~~1.26. "Point of Delivery" means the high side of the generation step up transformer(s) located at the point of interconnection between the Facility and PGE's

distribution or transmission system, as specified in the Generation Interconnection Agreement.

~~4.22.1.27.~~ "Prime Rate" means the publicly announced prime rate or reference rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by Citibank, N.A. If a Citibank, N.A. prime rate is not available, the applicable Prime Rate shall be the announced prime rate or reference rate for commercial loans in effect from time to time quoted by a bank with \$10 billion or more in assets in New York City, N.Y., selected by the Party to whom interest based on the prime rate is being paid.

~~4.23.1.28.~~ "Prudent Electrical Practices" means those practices, methods, standards and acts engaged in or approved by a significant portion of the electric power industry in the Western Electricity Coordinating Council that at the relevant time period, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with good business practices, reliability, economy, safety and expedition, and which practices, methods, standards and acts reflect due regard for operation and maintenance standards recommended by applicable equipment suppliers and manufacturers, operational limits, and all applicable laws and regulations. Prudent Electrical Practices are not intended to be limited to the optimum practice, method, standard or act to the exclusion of all others, but rather to those practices, methods and acts generally acceptable or approved by a significant portion of the electric power generation industry in the relevant region, during the relevant period, as described in the immediate preceding sentence.

~~4.24.1.29.~~ "Required Facility Documents" means all licenses, permits, authorizations, and agreements necessary for construction, operation, interconnection, and maintenance of the Facility including without limitation those set forth in Exhibit B.

~~4.25.1.30.~~ "Schedule" shall mean PGE Schedule 201 filed with the Oregon Public Utilities Commission ("Commission") in effect on the Effective Date of this Agreement and attached hereto as Exhibit D, the terms of which are hereby incorporated by reference. In the event of a conflict between this Agreement and the Schedule, this Agreement shall apply

~~4.26.1.31.~~ "Senior Lien" means a prior lien which has precedence as to the property under the lien over another lien or encumbrance.

~~4.27.1.32.~~ "Start-Up Testing" means the completion of applicable required factory and start-up tests as set forth in Exhibit C.

~~4.28.1.33.~~ "Step-in Rights" means the right of one party to assume an intervening position to satisfy all terms of an agreement in the event the other party fails to perform its obligations under the agreement.

~~4.29.1.34.~~ "Start-Up Lost Energy Value" means for the period prior to initiation of delivery: zero, unless the Net Output is less than Minimum Net Output and the mean

Mid-C Index Price is greater than the Contract Price, in which case Start-Up Lost Energy Value equals: (Minimum Net Output – Net Output) X (the lower of: the mean Contract Price; or the mean Mid-C Index Price – mean Contract Price).

~~1.30-1.35.~~ “Term” shall mean the period beginning on the Effective Date and ending on the Termination Date.

~~1.34-1.36.~~ “Test Period” shall mean a period of sixty (60) days or a commercially reasonable period determined by the Seller.

References to Recitals, Sections, and Exhibits are to be the recitals, sections and exhibits of this Agreement.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective upon execution by both Parties (“Effective Date”).

2.2 Time is of the essence of this Agreement, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to complete all requirements to establish the Commercial Operation Date is critically important. Therefore,

2.2.1 By _____ [*date to be determined by the Seller*] Seller shall begin initial deliveries of Net Output; and

2.2.2 By _____ [*date to be determined by the Seller*] Seller shall have completed all requirements under Section 1.5 and shall have established the Commercial Operation Date.

2.2.3 In the event Seller is unable to meet the requirements of Sections 2.2.1 and 2.2.2, if PGE is resource deficient (as defined by the Commission) PGE may terminate this agreement in accordance with Section 10. Otherwise, Seller shall pay PGE the Start-Up Lost Energy Value.

2.3 This Agreement shall terminate on _____, _____ [*date to be chosen by Seller*], ~~up to 20 years from the Effective Date,~~ or the date the Agreement is terminated in accordance with Section ~~940~~ or ~~1142~~, whichever is earlier (“Termination Date”).

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 Seller and PGE represent, covenant, and warrant as follows:

3.1.1 Seller warrants it is a _____ duly organized under the laws of _____.

3.1.2 Seller warrants that the execution and delivery of this Agreement does not contravene any provision of, or constitute a default under, any indenture, mortgage, or

other material agreement binding on Seller or any valid order of any court, or any regulatory agency or other body having authority to which Seller is subject.

3.1.3 Seller warrants that the Facility is and shall for the Term of this Agreement continue to be a "Qualifying Facility" ("QF") as that term is defined in the version of 18 C.F.R. Part 292 in effect on the Effective Date. Seller has provided the appropriate QF certification, which may include a Federal Energy Regulatory Commission ("FERC") self-certification to PGE prior to PGE's execution of this Agreement. At any time during the Term of this Agreement, PGE may require Seller to provide PGE with evidence satisfactory to PGE in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements.

3.1.4 Seller warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and Seller is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.5 Seller warrants that during the Term of this Agreement, all of Seller's right, title and interest in and to the Facility shall be free and clear of all liens and encumbrances other than liens and encumbrances arising from third-party financing of the Facility other than workers', mechanics', suppliers' or similar liens, or tax liens, in each case arising in the ordinary course of business that are either not yet due and payable or that have been released by means of a performance bond acceptable to PGE posted within eight (8) calendar days of the commencement of any proceeding to foreclose the lien.

3.1.6 Seller warrants that it will design and operate the Facility consistent with Prudent Electrical Practices.

3.1.7 Seller warrants that the Facility has a Nameplate Capacity Rating not greater than 10,000 kW.

3.1.8 Seller warrants that Net Dependable Capacity of the Facility is _____ kW.

3.1.9 Seller estimates that the average annual Net Output to be delivered by the Facility to PGE is _____ kilowatt-hours ("kWh"), which amount PGE will include in its resource planning.

3.1.10 Seller represents and warrants that the Facility shall achieve the following Mechanical Availability Percentages ("Guarantee of Mechanical Availability"):

3.1.10.1 ~~Ninety-one~~ percent (91%) for beginning in the first Contract Year and extending through the Term for the Facility, if the Facility was operational and sold electricity to PGE or another buyer prior to the Effective Date of this Agreement; and

3.1.10.2 ~~Ninety-five~~ percent (95%) beginning in Contract Year ~~three~~ and extending throughout the remainder of the Term.

3.1.10.3 Annually, within 90 days of the end of each Contract Year, Seller shall send to PGE a detailed written report demonstrating and providing evidence of the actual MAP for the previous Contract Year.

3.1.11 Seller will deliver from the Facility to PGE at the Point of Delivery Net Output not to exceed a maximum of _____ kWh of Net Output during each Contract Year ("Maximum Net Output").

3.1.12 By the Commercial Operation Date, Seller has entered into a Generation Interconnection Agreement for a term not less than the term of this Agreement.

3.1.13 PGE warrants that it has not within the past two (2) years been the debtor in any bankruptcy proceeding, and PGE is and will continue to be for the Term of this Agreement current on all of its financial obligations.

3.1.14 Seller warrants that (i) the Facility satisfies the eligibility requirements specified in the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard Contract in PGE's Schedule and (ii) Seller will not make any changes in its ownership, control or management during the term of this Agreement that would cause it to not be in compliance with the Definition of a Small Cogeneration Facility or Small Power Production Facility Eligible to Receive the Standard Rates and Standard Contract in PGE's Schedule. Seller will provide, upon request by ~~Buyer~~PGE not more frequently than every 36 months, such documentation and information as may be reasonably required to establish Seller's continued compliance with such Definition. ~~Buyer~~PGE agrees to take reasonable steps to maintain the confidentiality of any portion of the above described documentation and information that the Seller identifies as confidential except ~~Buyer~~PGE will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

SECTION 4: DELIVERY OF POWER AND PRICE

4.1 Commencing on the Effective Date and continuing through the Term of this Agreement, Seller shall sell to PGE the entire Net Output delivered from the Facility at the Point of Delivery.

4.2 PGE shall pay Seller the Contract Price for all delivered Net Output.

4.3 Upon completion of construction of the Facility, Seller shall provide PGE an As-built Supplement to specify the actual Facility as built. Seller shall not increase the Nameplate Capacity Rating above that specified in Exhibit A or increase the ability of the Facility to deliver Net Output in quantities in excess of the Net Dependable Capacity, or the Maximum Net Output as described in Section 3.1.11 above, through any means including, but not limited to, replacement, modification, or addition of existing equipment, except with prior written notice to PGE. In the event Seller increases the Nameplate Capacity Rating of the Facility to no more than 10,000 kW pursuant to this section, PGE shall pay the Contract Price for the additional delivered Net Output. In the event Seller increases the Nameplate Capacity Rating to greater than 10,000 kW, then

Seller shall be required to enter into a new power purchase agreement for all delivered Net Output proportionally related to the increase of Nameplate Capacity above 10,000 kW.

~~4.4 All energy shall be scheduled according to the most current North America Energy Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) scheduling rules and practices. The Parties' respective representatives shall maintain accurate dynamic schedule coordination; provided, however, that in the absence of such coordination, the schedule established by the exchange of preschedules shall be considered final. The final schedule shall be provided by Seller to PGE no later than 20 minutes prior to delivery for the first 30 minutes of an hour (e.g., 1:00 to 1:30) and 15 minutes prior to delivery for the second 30 minutes of the hour (e.g., 1:30 to 2:00). Seller and PGE shall maintain records of energy schedules for delivery for accounting and operating purposes. The final E-Tag shall be the controlling evidence of the Parties' schedule. Seller shall be obligated to meet a certain minimum scheduling accuracy level which shall measure the level of variation between the final schedule(s) for the applicable interval and the Net Output delivered for that same interval. The actual final schedules provided by Seller shall meet or exceed the scheduling accuracy level of 30-Minute Persistence Scheduling. For purposes of this section, the accuracy level of 30-Minute Persistence Scheduling is the accuracy level that would be achieved if Seller's final schedule(s) for the next schedule interval is the Seller's instantaneous actual generation from the Facility 30 minutes prior. For example, under 30-Minute Persistence Scheduling, the Seller's schedule for 2:00 to 2:30 is the Seller's Facility's actual instantaneous generation at 1:30 and the Seller's schedule for 2:30 to 3:00 is the Seller's Facility's actual instantaneous generation at 2:00. Seller shall maintain a minimum of two years records of Net Output and shall agree to allow PGE to have access to such records.~~

~~4.54.4~~ To the extent not otherwise provided in the Generation Interconnection Agreement, all costs associated with the modifications to PGE's interconnection facilities or electric system occasioned by or related to the interconnection of the Facility with PGE's system, or any increase in generating capability of the Facility, or any increase of delivery of Net Dependable Capacity from the Facility, shall be borne by Seller.

~~4.64.5~~ Seller may report under §1605(b) of the Energy Policy Act of 1992 or under any applicable program as belonging to Seller any of the Environmental Attributes produced with respect to the Facility, and PGE shall not report under such program that such Environmental Attributes belong to it.

SECTION 5: CONTRACT PRICE

~~PGE shall pay Seller for the price options 5.1, 5.2, 5.3 or 5.4, as selected below, pursuant to the Schedule. Seller shall indicate which price option it chooses by marking its choice below with an X. If Seller chooses the option in Section 5.1, it must mark below with a second X a single second option from Section 5.2, 5.3, or 5.4 for all~~

~~Contract Years in excess of 15 until the end of the Term. Except as provided herein, Sellers selection is for the Term and shall not be changed during the Term.~~

~~5.1 _____ Fixed Price Variable Resource~~

~~5.2 _____ Deadband Index Gas Price~~

~~5.3 _____ Index Gas Price~~

~~5.4 _____ Mid-C Index Rate Price~~

SECTION 56: OPERATION AND CONTROL

~~5.1~~ Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, and Prudent Electrical Practices. PGE shall have no obligation to purchase Net Output from the Facility to the extent the interconnection of the Facility to PGE's electric system is disconnected, suspended or interrupted, in whole or in part, pursuant to the Generation Interconnection Agreement, or to the extent generation curtailment is required as a result of Seller's noncompliance with the Generation Interconnection Agreement. Seller is solely responsible for the operation and maintenance of the Facility. PGE shall not, by reason of its decision to inspect or not to inspect the Facility, or by any action or inaction taken with respect to any such inspection, assume or be held responsible for any liability or occurrence arising from the operation and maintenance by Seller of the Facility.

~~6.2~~ ~~5.2~~ Seller agrees to provide sixty (60) days advance written notice of any scheduled maintenance that would require shut down of the Facility for any period of time.

~~6.3~~ ~~5.3~~ If the Facility ceases operation for unscheduled maintenance, Seller immediately shall notify PGE of the necessity of such unscheduled maintenance, the time when such maintenance has occurred or will occur, and the anticipated duration of such maintenance. Seller shall take all reasonable measures and exercise its best efforts to avoid unscheduled maintenance, to limit the duration of such unscheduled maintenance, and to perform unscheduled maintenance during Off-Peak hours.

SECTION 67: CREDITWORTHINESS

In the event Seller: a) is unable to represent or warrant as required by Section 3 that it has not been a debtor in any bankruptcy proceeding within the past two (2) years; b) becomes such a debtor during the Term; or c) is not or will not be current on all its financial obligations, Seller shall immediately notify PGE and shall promptly (and in no less than 10 days after notifying PGE) provide default security in an amount reasonably acceptable to PGE in one of the following forms: Senior Lien, Step-in Rights, a Cash Escrow or Letter of Credit. The amount of such default security that shall be acceptable to PGE shall be equal to: (annual On Peak Hours) X (On Peak Price – Off Peak Price) X (Net Dependable Capacity). Notwithstanding the foregoing, in the event Seller is not current on construction related financial obligations, Seller shall notify PGE

of such delinquency and PGE may, in its discretion, grant an exception to the requirements to provide default security if the QF has negotiated financial arrangements with the construction loan lender that mitigate Seller's financial risk to PGE.

SECTION 78: METERING

8.4 7.1 PGE shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment at Seller's cost and as required pursuant to the Generation Interconnection Agreement.

8.2 7.2 Metering shall be performed at the location and in a manner consistent with this Agreement and as specified in the Generation Interconnection Agreement. All Net Output purchased hereunder shall be adjusted to account for electrical losses, if any, between the point of metering and the Point of Delivery, so that the purchased amount reflects the net amount of power flowing into PGE's system at the Point of Delivery.

8.3 7.3 PGE shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement. If any of the inspections or tests discloses an error exceeding two (2%) percent of the actual energy delivery, either fast or slow, proper correction, based upon the inaccuracy found, shall be made of previous readings for the actual period during which the metering equipment rendered inaccurate measurements if that period can be ascertained. If the actual period cannot be ascertained, the proper correction shall be made to the measurements taken during the time the metering equipment was in service since last tested, but not exceeding three (3) months, in the amount the metering equipment shall have been shown to be in error by such test. Any correction in billings or payments resulting from a correction in the meter records shall be made in the next monthly billing or payment rendered. Such correction, when made, shall constitute full adjustment of any claim between Seller and PGE arising out of such inaccuracy of metering equipment.

8.4 7.4 To the extent not otherwise provided in the Generation Interconnection Agreement, all of PGE's costs relating to all metering equipment installed to accommodate Seller's Facility shall be borne by Seller.

SECTION 89: BILLINGS, COMPUTATIONS AND PAYMENTS

89.1 On or before the thirtieth (30th) day following the end of each Billing Period, PGE shall send to Seller payment for Seller's deliveries of Net Output to PGE, together with computations supporting such payment. PGE may offset any such payment to reflect amounts owing from Seller to PGE pursuant to this Agreement, the Generation Interconnection Agreement, and any other agreement related to the Facility between the Parties or otherwise.

89.2 Any amounts owing after the due date thereof shall bear interest at the Prime Rate plus two percent (2%) from the date due until paid; provided, however, that the interest rate shall at no time exceed the maximum rate allowed by applicable law.

SECTION 940: DEFAULT, REMEDIES AND TERMINATION

940.1 In addition to any other event that may constitute a default under this Agreement, the following events shall constitute defaults under this Agreement:

940.1.1 Breach by Seller or PGE of a representation or warranty, except for Section 3.1.4, set forth in this Agreement.

940.1.2 Seller's failure to provide default security, if required by Section 67, prior to delivery of any Net Output to PGE or within 10 days of notice.

940.1.3 Seller's failure to meet the MAP established in Section 3.1.10 – Guarantee of Mechanical Availability for any single Contract Year or Seller's failure to provide any written report required by that section.

940.1.4 If Seller is no longer a Qualifying Facility.

940.1.5 Failure of PGE to make any required payment pursuant to Section 89.1.

940.2 In the event of a default hereunder, except for pursuant to Section 940.1.3, the non-defaulting party may immediately terminate this Agreement at its sole discretion by delivering written notice to the other Party, and, In addition, except for damages related to a default pursuant to Section 940.1.3 by a QF sized at 100 kW or smaller, the non-defaulting party may pursue any and all legal or equitable remedies provided by law or pursuant to this Agreement including damages related to the need to procure replacement power. Such-A termination hereunder shall be effective upon the date of delivery of notice, as provided in Section 204. The rights provided in this Section 10 are cumulative such that the exercise of one or more rights shall not constitute a waiver of any other rights.

40.3 If this Agreement is terminated as provided in this Section 10 PGE shall make all payments, within thirty (30) days, that, pursuant to the terms of this Agreement, are owed to Seller as of the time of receipt of notice of default. PGE shall not be required to pay Seller for any Net Output delivered by Seller after such notice of default.

940.4 In the event PGE terminates this Agreement pursuant to this Section 940, and Seller wishes to again sell Net Output to PGE following such termination, PGE in its sole discretion may require that Seller shall do so subject to the terms of this Agreement, including but not limited to the Contract Price until the Term of this Agreement (as set forth in Section 2.3) would have run in due course had the Agreement remained in effect. At such time Seller and PGE agree to execute a written document ratifying the terms of this Agreement.

940.5 Sections 940.1, 940.3, 940.4, 104, and 1920.2 shall survive termination of this Agreement.

SECTION 104: INDEMNIFICATION AND LIABILITY

~~11.4~~ 10.1 Seller agrees to defend, indemnify and hold harmless PGE, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with Seller's delivery of electric power to PGE or with the facilities at or prior to the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of PGE, its directors, officers, employees, agents or representatives.

~~11.2~~ 10.2 PGE agrees to defend, indemnify and hold harmless Seller, its directors, officers, agents, and representatives against and from any and all loss, claims, actions or suits, including costs and attorney's fees, both at trial and on appeal, resulting from, or arising out of or in any way connected with PGE's receipt of electric power from Seller or with the facilities at or after the Point of Delivery, or otherwise arising out of this Agreement, including without limitation any loss, claim, action or suit, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction or economic loss of property belonging to PGE, Seller or others, excepting to the extent such loss, claim, action or suit may be caused by the negligence of Seller, its directors, officers, employees, agents or representatives.

~~11.3~~ 10.3 Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a Party to this Agreement. No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or any portion thereof to the other Party or to the public, nor affect the status of PGE as an independent public utility corporation or Seller as an independent individual or entity.

~~11.4~~ 10.4 NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

SECTION 11.2: INSURANCE

~~12.4~~ 11.1 Prior to the connection of the Facility to PGE's electric system, provided such Facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, with an insurance company or companies rated not lower than "A-B+" by the A. M. Best Company, insurance policies for bodily injury and property damage liability. Such insurance shall include provisions or endorsements naming PGE, its directors, officers and employees as additional insureds; provisions that such insurance is primary insurance with respect to the interest of PGE and that any insurance or self-insurance maintained by PGE is excess and not contributory insurance with the insurance required hereunder; a cross-liability or severability of insurance interest clause; and provisions that such policies shall not be canceled or their limits of liability reduced without thirty (30) days' prior written notice to PGE. Initial limits of liability for all requirements under this section shall be \$1,000,000 million single

limit, which limits may be required to be increased or decreased by PGE as PGE determines in its reasonable judgment economic conditions or claims experience may warrant.

~~42.2~~ 11.2 Prior to the connection of the Facility to PGE's electric system, provided such facility has a design capacity of 200 kW or more, Seller shall secure and continuously carry for the Term hereof, in an insurance company or companies rated not lower than "A-B+" by the A. M. Best Company, insurance acceptable to PGE against property damage or destruction in an amount not less than the cost of replacement of the Facility. Seller promptly shall notify PGE of any loss or damage to the Facility. Unless the Parties agree otherwise, Seller shall repair or replace the damaged or destroyed Facility, or if the facility is destroyed or substantially destroyed, it may terminate this Agreement. Such termination shall be effective upon receipt by PGE of written notice from Seller. Seller shall waive its insurers' rights of subrogation against PGE regarding Facility property losses.

~~42.3~~ 11.3 Prior to the connection of the Facility to PGE's electric system and at all other times such insurance policies are renewed or changed, Seller shall provide PGE with a copy of each insurance policy required under this Section, certified as a true copy by an authorized representative of the issuing insurance company or, at the discretion of PGE, in lieu thereof, a certificate in a form satisfactory to PGE certifying the issuance of such insurance. If Seller fails to provide PGE with copies of such currently effective insurance policies or certificates of insurance, PGE at its sole discretion and without limitation of other remedies, may upon ten (10) days advance written notice by certified or registered mail to Seller either withhold payments due Seller until PGE has received such documents, or purchase the satisfactory insurance and offset the cost of obtaining such insurance from subsequent power purchase payments under this Agreement.

SECTION ~~123~~: FORCE MAJEURE

123.1 As used in this Agreement, "Force Majeure" or "an event of Force Majeure" means any cause beyond the reasonable control of the Seller or of PGE which, despite the exercise of due diligence, such Party is unable to prevent or overcome. By way of example, Force Majeure may include but is not limited to acts of God, fire, flood, storms, wars, hostilities, civil strife, strikes, and other labor disturbances, earthquakes, fires, lightning, epidemics, sabotage, restraint by court order or other delay or failure in the performance as a result of any action or inaction on behalf of a public authority which by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid and by the exercise of due diligence, it shall be unable to overcome, subject, in each case, to the requirements of the first sentence of this paragraph. Force Majeure, however, specifically excludes the cost or availability of resources to operate the Facility, changes in market conditions that affect the price of energy or transmission, wind or water droughts, and obligations for the payment of money when due.

123.2 If either Party is rendered wholly or in part unable to perform its obligation under this Agreement because of an event of Force Majeure, that Party shall be excused from whatever performance is affected by the event of Force Majeure to the extent and for the duration of the Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

123.2.1 the non-performing Party shall, promptly, but in any case within one (1) week after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

123.2.2 the suspension of performance shall be of no greater scope and of no longer duration than is required by the Force Majeure; and

123.2.3 the non-performing Party uses its best efforts to remedy its inability to perform its obligations under this Agreement.

123.3 No obligations of either Party which arose before the Force Majeure causing the suspension of performance shall be excused as a result of the Force Majeure.

123.4 Neither Party shall be required to settle any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to the Party's best interests.

SECTION 134: SEVERAL OBLIGATIONS

Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation or liability between the Parties. If Seller includes two or more parties, each such party shall be jointly and severally liable for Seller's obligations under this Agreement.

SECTION 145: CHOICE OF LAW

This Agreement shall be interpreted and enforced in accordance with the laws of the state of Oregon, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

SECTION 156: PARTIAL INVALIDITY AND PURPA REPEAL

It is not the intention of the Parties to violate any laws governing the subject matter of this Agreement. If any of the terms of the Agreement are finally held or determined to be invalid, illegal or void as being contrary to any applicable law or public policy, all other terms of the Agreement shall remain in effect. If any terms are finally held or determined to be invalid, illegal or void, the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any applicable law and the intent of the Parties to this Agreement.

In the event the Public Utility Regulatory Policies Act (PURPA) is repealed, this Agreement shall not terminate prior to the Termination Date, unless such termination is mandated by state or federal law.

SECTION 167: WAIVER

Any waiver at any time by either Party of its rights with respect to a default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing, and such waiver shall not be deemed a waiver with respect to any subsequent default or other matter.

SECTION 178: GOVERNMENTAL JURISDICTION AND AUTHORIZATIONS

This Agreement is subject to the jurisdiction of those governmental agencies having control over either Party or this Agreement. Seller shall at all times maintain in effect all local, state and federal licenses, permits and other approvals as then may be required by law for the construction, operation and maintenance of the Facility, and shall provide upon request copies of the same to PGE.

SECTION 1849: SUCCESSORS AND ASSIGNS

This Agreement and all of the terms hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties. No assignment hereof by either Party shall become effective without the written consent of the other Party being first obtained and such consent shall not be unreasonably withheld. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent as part of (a) a sale of all or substantially all of the assigning Party's assets, or (b) a merger, consolidation or other reorganization of the assigning Party.

SECTION 1920: ENTIRE AGREEMENT

1920.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding PGE's purchase of Net Output from the Facility. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

1920.2 By executing this Agreement, Seller releases PGE from any third party claims related to the Facility, known or unknown, which may have arisen prior to the Effective Date.

SECTION 204: NOTICES

20.1 All notices except as otherwise provided in this Agreement shall be in writing, shall be directed as follows and shall be considered delivered if delivered in person or when deposited in the U.S. Mail, postage prepaid by certified or registered mail and return receipt requested:

To Seller: _____

with a copy to:

To PGE: Contracts Manager
 QF Contracts, 3WTC ~~BR0306~~
 PGE - 121 SW Salmon St.
 Portland, Oregon 97204

201.2 The Parties may change the person to whom such notices are addressed, or their addresses, by providing written notices thereof in accordance with this Section 201.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the Effective Date.

PGE

By: _____
Name: _____
Title: _____
Date: _____

(Name Seller)

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

[Seller to Complete]

EXHIBIT B
REQUIRED FACILITY DOCUMENTS

[Seller list all permits and authorizations required for this project]

Sellers Generation Interconnection Agreement

**EXHIBIT C
START-UP TESTING**

[Seller identify appropriate tests]

Required factory testing includes such checks and tests necessary to determine that the equipment systems and subsystems have been properly manufactured and installed, function properly, and are in a condition to permit safe and efficient start-up of the Facility, which may include but are not limited to (as applicable):

1. Pressure tests of all steam system equipment;
2. Calibration of all pressure, level, flow, temperature and monitoring instruments;
3. Operating tests of all valves, operators, motor starters and motor;
4. Alarms, signals, and fail-safe or system shutdown control tests;
5. Insulation resistance and point-to-point continuity tests;
6. Bench tests of all protective devices;
7. Tests required by manufacturer of equipment; and
8. Complete pre-parallel checks with PGE.

Required start-up test are those checks and tests necessary to determine that all features and equipment, systems, and subsystems have been properly designed, manufactured, installed and adjusted, function properly, and are capable of operating simultaneously in such condition that the Facility is capable of continuous delivery into PGE's electrical system, which may include but are not limited to (as applicable):

1. Turbine/generator mechanical runs including shaft, vibration, and bearing temperature measurements;
2. Running tests to establish tolerances and inspections for final adjustment of bearings, shaft run-outs;
3. Brake tests;
4. Energization of transformers;
5. Synchronizing tests (manual and auto);
6. Stator windings dielectric test;
7. Armature and field windings resistance tests;
8. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
9. Heat runs;
10. Tests required by manufacturer of equipment;
11. Excitation and voltage regulation operation tests;
12. Open circuit and short circuit; saturation tests;
13. Governor system steady state stability test;
14. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
15. Auto stop/start sequence;
16. Level control system tests; and
17. Completion of all state and federal environmental testing requirements

EXHIBIT D
SCHEDULE
[Attach currently in-effect Schedule 201]