

NON-FIRM POWER PURCHASE AGREEMENT

BETWEEN

**STATE OF OREGON, acting by and through the OREGON STATE BOARD OF
HIGHER EDUCATION on behalf of, OREGON STATE UNIVERSITY
[a new non-standard Oregon, Non-Firm Qualifying Facility with 10,000 kW Facility
Capacity Rating, or Less]**

AND

PACIFICORP

Section 1: Definitions.....	2
Section 2: Term; Commercial Operation Date.....	5
Section 3: Representations and Warranties.....	5
Section 4: Delivery of Power.....	8
Section 5: Purchase Prices.....	8
Section 6: Operation and Control.....	8
Section 7: Metering.....	9
Section 8: Billings, Computations, and Payments.....	10
Section 9: Defaults and Remedies.....	10
Section 10: Indemnification and Liability.....	12
Section 11: Insurance.....	13
Section 12: Force Majeure.....	13
Section 13: Several Obligations.....	14
Section 14: Appropriation of Funds.....	14
Section 15: Choice of Law.....	15
Section 16: Partial Invalidation.....	15
Section 17: Waiver.....	15
Section 18: Governmental Jurisdictions and Authorizations.....	15
Section 19: Repeal of PURPA.....	15
Section 20: Successors and Assigns.....	15
Section 21: Entire Agreement.....	16
Section 22: Notices.....	16

NON-FIRM POWER PURCHASE AGREEMENT

THIS NON-FIRM POWER PURCHASE AGREEMENT, entered into this 23rd day of November, 2010 is between the State of Oregon, acting by and through the Oregon State Board of Higher Education on behalf of Oregon State University, "**Seller**" and PacifiCorp (d/b/a Pacific Power & Light Company), an Oregon corporation acting in its regulated utility capacity, "**PacifiCorp**." (Seller and PacifiCorp are referred to individually as a "**Party**" or collectively as the "**Parties**").

RECITALS

A. Seller intends to construct, own, operate and maintain a gas-fired generation facility for the generation of electric power, including interconnection facilities, located in Corvallis, Benton County, Oregon with a Facility Capacity Rating of 6,500-kilowatts (kW) as further described in **Exhibit A** and **Exhibit B** ("**Facility**"); and

B. Seller has elected to forgo a PacifiCorp Oregon Schedule 37 standard power purchase agreement in favor of negotiating the terms of this Agreement. This Agreement shall not establish any precedent regarding PacifiCorp's treatment of future Qualifying Facilities owned by the State of Oregon or otherwise; and

C. Seller will commence delivery of Net Output under this Agreement on the Commercial Operation Date ("**Scheduled Initial Delivery Date**"); and

D. Seller estimates that the average annual generation from the Facility will be 48,607,663 kilowatt-hours (kWh); and

E. Seller shall sell Net Output surplus to its needs at the Facility site to PacifiCorp and purchase partial electric requirements service from PacifiCorp, in accordance with the terms and conditions of this Agreement; and

F. Seller estimates that the average annual Net Output from the Facility surplus to its needs and sold to PacifiCorp under this Agreement will be 895,975 kilowatt-hours (kWh), which amount of energy PacifiCorp will include in its resource planning; and

G. This Agreement is a "New QF Contract" under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol.

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"** shall be a supplement to **Exhibit A** and **Exhibit B**, provided by Seller following completion of construction of the Facility, describing the Facility as actually built.

1.2 **"Average Annual Generation"** shall have the meaning set forth in Section 4.2.

1.3 **"Billing Period"** means, unless otherwise agreed to, the time period between PacifiCorp's consecutive readings of its power purchase billing meter at the Facility in the normal course of PacifiCorp's business. Such periods typically range between twenty-seven (27) and thirty-four (34) days and will not necessarily coincide with calendar months.

1.4 **"Commercial Operation Date"** means the date that the Facility is deemed by PacifiCorp to be fully operational and reliable, which shall require, among other things, that all of the following events have occurred:

1.4.1 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating (a) the Facility Capacity Rating of the Facility at the anticipated Commercial Operation Date; and (b) 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;

1.4.2 The Facility has completed Start-Up Testing;

1.4.3 PacifiCorp has received a certificate addressed to PacifiCorp from a Licensed Professional Engineer stating that, (a), 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 PacifiCorp's electric system, or (b) if the Facility is interconnected with another electric utility that will wheel Net Output to PacifiCorp, all required interconnection facilities have been completed and tested and are in place to allow for such wheeling;

1.4.4 PacifiCorp has received a certificate addressed to PacifiCorp from the Oregon State University Engineering Manager stating that Seller has obtained all Required Facility Documents and if requested by PacifiCorp,

in writing, Seller has provided copies of all Required Facility Documents to PacifiCorp; and

1.4.5 PacifiCorp has received an executed copy of **Exhibit F**—Seller’s Authorization to Release Generation Data to PacifiCorp

1.4.6 PacifiCorp Transmission has granted Network Resource status to the Facility in accordance with its Open Access Transmission Tariff (OATT).

1.5 “**Commission**” means the Oregon Public Utilities Commission.

1.6 “**Contract Price**” means the applicable price for Net Output, stated in Section 5.1.

1.7 “**Contract Year**” means a twelve (12) month period commencing at 00:00 hours Pacific Prevailing Time (“PPT”) on January 1 and ending on 24:00 hours PPT on December 31; *provided, however*, that the first Contract Year shall commence on the Commercial Operation Date and end on the next succeeding December 31, and the last Contract Year shall end on the Termination Date.

1.8 “**Effective Date**” shall have the meaning set forth in Section 2.1.

1.9 “**Energy Delivery Schedule**” shall have the meaning set forth in Section 4.3.

1.10 “**Environmental Attributes**” shall have the meaning set forth in Section 5.2.

1.11 “**Facility**” shall have the meaning set forth in Recital A.

1.12 “**Facility Capacity Rating**” means the sum of the Nameplate Capacity Ratings for all generators comprising the Facility.

1.13 “**FERC**” means the Federal Energy Regulatory Commission, or its successor.

1.14 “**Generation Interconnection Agreement**” means the generation interconnection agreement to be entered into separately between Seller and PacifiCorp’s transmission or distribution department, as applicable, providing for the construction, operation, and maintenance of PacifiCorp’s interconnection facilities required to accommodate deliveries of Seller’s Net Output if the Facility is to be interconnected directly with PacifiCorp rather than another electric utility.

1.15 “**Licensed Professional Engineer**” means a person acceptable to PacifiCorp in its reasonable judgment who is licensed to practice engineering in the state of Oregon 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.

1.16 **"Nameplate Capacity Rating"** means the full-load electrical quantities assigned by the designer to a generator and its prime mover or other piece of electrical equipment, such as transformers and circuit breakers, under standardized conditions, expressed in amperes, kilovolt-amperes, kilowatts, volts, or other appropriate units. Usually indicated on a nameplate attached to the individual machine or device.

1.17 **"Net Output"** means all energy produced by the Facility, less station use and less transformation and transmission losses and other adjustments (e.g., Seller's load other than station use), if any. For purposes of calculating payment under this Agreement, Net Output of energy shall be the amount of energy flowing through the Point of Delivery.

1.18 **"PacifiCorp Transmission"** means PacifiCorp, an Oregon corporation, acting in its interconnection and transmission function capacity.

1.19 **"Point of Delivery"** means the high side of the Seller's step-up transformer(s) located at the point of interconnection between the Facility and PacifiCorp's distribution/transmission system, as specified in the Generation Interconnection Agreement, or, if the Facility is not interconnected directly with PacifiCorp, the point at which another utility will deliver the Net Output to PacifiCorp as specified in **Exhibit B**.

1.20 **"Prime Rate"** means the publicly announced prime rate for commercial loans to large businesses with the highest credit rating in the United States in effect from time to time quoted by JPMorgan Chase & Co. If a JPMorgan Chase & Co. prime rate is not available, the applicable Prime Rate shall be the announced prime 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, New York, selected by the Party to whom interest based on the Prime Rate is being paid.

1.21 **"Prudent Electrical Practices"** means any of the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry or any of the practices, methods or acts, which, in the exercise of reasonable judgment in the light of the facts known at the time a decision is made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Electrical Practices is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts.

1.22 **"QF"** means **"Qualifying Facility,"** as that term is defined in the FERC regulations (codified at 18 CFR Part 292) in effect on the Effective Date.

1.23 **"Required Facility Documents"** means all licenses, permits, authorizations, and agreements, including a Generation Interconnection Agreement or equivalent, necessary for construction, operation, and maintenance of the Facility consistent with the terms of this Agreement, including without limitation those set forth in **Exhibit C**.

1.24 **"Schedule 37"** means the Schedule 37 of Pacific Power & Light Company's Commission-approved tariffs, providing pricing options for Qualifying Facilities of 10,000 kW

or less, which is in effect on the Effective Date of this Agreement. Page one of Schedule 37 is attached hereto as **Exhibit G**.

1.25 “**Scheduled Commercial Operation Date**” means January 15, 2011.

1.26 “**Scheduled Initial Delivery Date**” shall have the meaning set forth in Recital B.

1.27 “**Start-Up Testing**” means the completion of required factory and start-up tests as set forth in **Exhibit E** hereto.

1.28 “**Termination Date**” shall have the meaning set forth in Section 2.4.

SECTION 2: TERM; COMMERCIAL OPERATION DATE

2.1 This Agreement shall become effective after execution by both Parties (“**Effective Date**”).

2.2 **Time is of the essence for this Agreement**, and Seller's ability to meet certain requirements prior to the Commercial Operation Date and to deliver Net Output by the Scheduled Commercial Operation Date is critically important. Therefore,

2.2.1 PacifiCorp acknowledges that Seller has provided PacifiCorp with a copy of an executed Generation Interconnection Agreement, or wheeling agreement, as applicable, which is consistent with all material terms and requirements of this Agreement.

2.2.2 Upon completion of construction, Seller, in accordance with Section 6.1, shall provide PacifiCorp with an As-built Supplement acceptable to PacifiCorp;

2.3 Seller shall cause the Facility to achieve Commercial Operation on or before the Scheduled Commercial Operation Date.

2.4 Except as otherwise provided herein, this Agreement shall terminate on June 30, 2020 (“**Termination Date**”). Notwithstanding any other provision in this Agreement, either Party may terminate this Agreement for convenience by providing the other Party with 90-calendar-day advance written notice.

SECTION 3: REPRESENTATIONS AND WARRANTIES

3.1 PacifiCorp represents, covenants, and warrants to Seller that:

3.1.1 PacifiCorp is duly organized and validly existing under the laws of the State of Oregon.

- 3.1.2 PacifiCorp has the requisite corporate power and authority to enter into this Agreement and to perform according to the terms of this Agreement.
 - 3.1.3 PacifiCorp has taken all corporate actions required to be taken by it to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.
 - 3.1.4 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 PacifiCorp or any valid order of any court, or any regulatory agency or other body having authority to which PacifiCorp is subject.
 - 3.1.5 This Agreement is a valid and legally binding obligation of PacifiCorp, enforceable against PacifiCorp in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).
- 3.2 Seller represents, covenants, and warrants to PacifiCorp that:
- 3.2.1 Seller is an agency of the State of Oregon.
 - 3.2.2 Seller has the requisite power and authority to enter into this Agreement and to perform according to the terms hereof, including all required regulatory authority to make wholesale sales from the Facility.
 - 3.2.3 Seller has taken all actions required to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.
 - 3.2.4 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.
 - 3.2.5 This Agreement is a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and except as the enforceability of this Agreement may be subject to general

principles of equity, whether or not such enforceability is considered in a proceeding at equity or in law).

3.2.6 The Facility is and shall for the term of this Agreement continue to be a QF, and Seller will operate the Facility in a manner consistent with its FERC QF certification. Seller has provided to PacifiCorp the appropriate QF certification (which may include a FERC self-certification) prior to PacifiCorp's execution of this Agreement. At any time during the term of this Agreement, PacifiCorp may require Seller to provide PacifiCorp with evidence satisfactory to PacifiCorp in its reasonable discretion that the Facility continues to qualify as a QF under all applicable requirements and, if PacifiCorp is not satisfied that the Facility qualifies for such status, a written legal opinion from an attorney who is (a) in good standing in the state of Oregon, and (b) who has no economic relationship, association or nexus with the Seller or the Facility, stating that the Facility is a QF and providing sufficient proof (including copies of all documents and data as PacifiCorp may request) demonstrating that Seller has maintained and will continue to maintain the Facility as a QF.

3.2.7 Compliance with Partial Stipulation in Commission Proceeding No. UM-1129. 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 provided in PacifiCorp's Schedule 37 tariff approved by the Commission at the time this Agreement is executed. Seller will provide, upon request by PacifiCorp not more frequently than every 36 months, such documentation and information as reasonably may be required to establish Seller's continued compliance with such Definition. PacifiCorp 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 PacifiCorp will provide all such confidential information to the Public Utility Commission of Oregon upon the Commission's request.

3.3 Notice. If at any time during this Agreement, any Party obtains actual knowledge of any event or information which would have caused any of the representations and warranties in this Section 3 to have been materially untrue or misleading when made, such Party shall provide the other Party with written notice of the event or information, the representations and warranties affected, and the action, if any, which such Party intends to take to make the representations and warranties true and correct. The notice required pursuant to this Section shall be given as soon as practicable after the occurrence of each such event.

SECTION 4: DELIVERY OF POWER

4.1 Commencing on the Commercial Operation Date, unless otherwise provided herein, Seller will sell and PacifiCorp will purchase all Net Output from the Facility surplus to Seller's retail load, as further described in **Exhibit B**.

4.2 Average Annual Generation. Seller estimates that the Facility will generate, on average, 48,607,663 kWh per Contract Year (895,975 kWh/year in excess of Seller's retail load) ("**Average Annual Generation**"). Seller may, upon at least six months prior written notice, modify the Average Annual Generation every other Contract Year.

4.3 Energy Delivery Schedule. Seller has provided an estimated monthly schedule of Net Output surplus to Seller's retail load expected to be delivered by the Facility ("**Energy Delivery Schedule**"), attached hereto as **Exhibit D**.

SECTION 5: PURCHASE PRICES

5.1 Net Output. For all Net Output delivered to the Point of Delivery, PacifiCorp shall pay Seller 93% of the market index price for day-ahead firm energy at Mid-Columbia, as published in *Intercontinental Exchange (ICE) Day Ahead Power Price Report*, for the On-Peak and Off-Peak periods. If the ICE index or any replacement of that index ceases to be published during the term of this Agreement, PacifiCorp shall select as a replacement a substantially equivalent index that, after any appropriate or necessary adjustments, provides the most reasonable substitute for the index in question. PacifiCorp's selection shall be subject to Seller's consent, which Seller shall not unreasonably withhold, condition or delay.

5.2 Environmental Attributes. PacifiCorp waives any claim to Seller's ownership of Environmental Attributes under this Agreement. Environmental Attributes include, but are not limited to, Green Tags, Green Certificates, Renewable Energy Credits (RECs) and Tradable Renewable Certificates (TRCs) (as those terms are commonly used in the regional electric utility industry) directly associated with the production of energy from the Seller's Facility.

SECTION 6: OPERATION AND CONTROL

6.1 As-Built Supplement. Upon completion of initial (and any subsequent) construction of the Facility, Seller shall provide PacifiCorp an As-built Supplement to specify the actual Facility as built. The As-built Supplement must be reviewed and approved by PacifiCorp for the purpose of ensuring that the drawings are sufficiently detailed and accurate for PacifiCorp's use in administering this Agreement, which approval shall not unreasonably be withheld, conditioned or delayed.

6.2 Incremental Utility Upgrades. At start-up (and at any other time upon at least six month's prior written notice), Seller may increase Net Output, if such increase is due to normal variances in estimated versus actual performance, changed Facility operations, or improvements

in Facility efficiency. Seller may not increase Net Output under this Agreement by installing additional generating units.

6.3 Seller shall operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement (if applicable), Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time. PacifiCorp shall have no obligation to purchase Net Output from the Facility to the extent the interconnection between the Facility and PacifiCorp'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 non-compliance with the Generation Interconnection Agreement. PacifiCorp shall have the right to inspect the Facility to confirm that Seller is operating the Facility in accordance with the provisions of this Section 6.3 upon reasonable notice to Seller. Seller is solely responsible for the operation and maintenance of the Facility. PacifiCorp 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.

6.4 Scheduled Outages. Seller may cease operation of the entire Facility or individual units, if applicable, for maintenance or other purposes. Seller shall exercise reasonable efforts to notify PacifiCorp of planned outages at least ninety (90) days prior.

6.5 Unplanned Outages. In the event of an unscheduled outage or curtailment exceeding twenty-five (25) percent of the Facility Capacity Rating (other than curtailments due to lack of motive force) expected to last more than 48 hours, Seller reasonably shall notify PacifiCorp of the unscheduled outage or curtailment, the time when such has occurred or will occur, and the anticipated duration.

SECTION 7: METERING

7.1 PacifiCorp shall design, furnish, install, own, inspect, test, maintain and replace all metering equipment required pursuant to the Generation Interconnection Agreement, if applicable.

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, or, if the Net Output is to be wheeled to PacifiCorp by another utility, metering will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such other utility. All quantities of energy 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 energy flowing into PacifiCorp's system at the Point of Delivery.

7.3 PacifiCorp shall periodically inspect, test, repair and replace the metering equipment as provided in the Generation Interconnection Agreement, if applicable. If the Net

Output is to be wheeled to PacifiCorp by another utility, meter inspection, testing, repair and replacement will be performed in accordance with the terms of PacifiCorp's interconnection agreement with such utility. If any of the inspections or tests discloses an error exceeding two percent (2%), 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) Billing Periods, 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 following the repair of the meter.

SECTION 8: BILLINGS, COMPUTATIONS, AND PAYMENTS

8.1 On or before the thirtieth (30th) day following the end of each Billing Period, PacifiCorp shall send to Seller payment for Seller's deliveries of Net Output to PacifiCorp, together with computations supporting such payment. PacifiCorp may offset any such payment to reflect amounts owing from Seller to PacifiCorp pursuant to this Agreement, the Generation Interconnection Agreement, or any other agreement between PacifiCorp and the Oregon State Board of Higher Education on behalf of Oregon State University.

8.2 Corrections. PacifiCorp shall have up to eighteen months to adjust any payment made pursuant to Section 8.1. In the event PacifiCorp determines it has overpaid Seller, PacifiCorp may adjust Seller's future payment accordingly in order to recapture any overpayment in a reasonable time.

8.3 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: DEFAULTS AND REMEDIES

9.1 Events of Default. The following events shall constitute defaults under this Agreement:

9.1.1 Breach of Material Term. Failure of a Party to perform any material obligation imposed upon that Party by this Agreement (including but not limited to failure by Seller to meet any deadline set forth in Section 2) or breach by a Party of a representation or warranty set forth in this Agreement.

9.1.2 Default on Other Agreements. Seller's failure to cure any default under any commercial or financing agreements or instrument (including the

Generation Interconnection Agreement) within the time allowed for a cure under such agreement or instrument.

9.1.3 Insolvency. A Party (a) makes an assignment for the benefit of its creditors; (b) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy or similar law for the protection of creditors, or has such a petition filed against it and such petition is not withdrawn or dismissed within sixty (60) days after such filing; (c) becomes insolvent; or (d) is unable to pay its debts when due.

9.1.4 Delayed Commercial Operations. Seller's failure to achieve the Commercial Operation Date by the Scheduled Commercial Operation Date.

9.2 Notice; Opportunity to Cure.

9.2.1 Notice. In the event of any default hereunder, the non-defaulting Party must notify the defaulting Party in writing of the circumstances indicating the default and outlining the requirements to cure the default.

9.2.2 Opportunity to Cure. A Party defaulting under Section 9.1.1 or 9.1.4 shall have thirty (30) days to cure after receipt of proper notice from the non-defaulting Party. For such a default *not* resulting from failure of Seller to meet any deadline set forth in Section 2, this thirty (30) day period shall be extended by an additional ninety (90) days if (a) the failure cannot reasonably be cured within the thirty (30) day period despite diligent efforts, (b) the default is capable of being cured within the additional ninety (90) day period, and (c) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently and continuously proceeding to cure the failure. For such a default resulting from failure of Seller to meet any deadline set forth in Section 2, this thirty (30) day period shall be extended to one (1) year from receipt of proper notice if (a) the failure cannot reasonably be cured within the thirty (30) day period despite diligent efforts, (b) the default is capable of being cured within the one (1) year period, and (c) the defaulting Party commences the cure within the original thirty (30) day period and is at all times thereafter diligently and continuously proceeding to cure the failure.

9.3 Termination.

9.3.1 Notice of Termination. If a default described herein has not been cured within the prescribed time, above, the non-defaulting Party may terminate this Agreement at its sole discretion by delivering written notice to the other Party and may pursue any and all legal or equitable remedies

provided by law or pursuant to this Agreement; *provided, however* that PacifiCorp shall not terminate for a default under Section 9.1.4 unless PacifiCorp is in a resource deficient state during the period Commercial Operation is delayed. 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. Further, the Parties may by mutual written agreement amend this Agreement in lieu of a Party's exercise of its right to terminate.

- 9.3.2 In the event this Agreement is terminated because of Seller's default (or Seller's option pursuant to Section 2.4) and Seller wishes to again sell Net Output to PacifiCorp following such termination, PacifiCorp 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 Termination Date (as set forth in Section 2.4). At such time Seller and PacifiCorp agree to execute a written document ratifying the terms of this Agreement.

SECTION 10: INDEMNIFICATION AND LIABILITY

10.1 Indemnities.

- 10.1.1 Indemnity by Seller. Subject to the Oregon Tort Claims Act (ORS 30.260 through 30.300) and the Oregon Constitution, Article XI, Section 7, Seller shall release, indemnify and hold harmless PacifiCorp, its directors, officers, agents, and representatives against and from any and all loss, fines, penalties, 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 (a) the energy delivered by Seller under this Agreement to and at the Point of Delivery, (b) any facilities on Seller's side of the Point of Delivery, (c) Seller's operation and/or maintenance of the Facility, or (d) arising from 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 PacifiCorp, Seller or others, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of PacifiCorp, its directors, officers, employees, agents or representatives.
- 10.1.2 Indemnity by PacifiCorp. PacifiCorp shall release, indemnify and hold harmless Seller, its directors, officers, agents, Lenders and representatives against and from any and all loss, fines, penalties, 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 the energy delivered by Seller under this Agreement after the Point of Delivery, 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, excepting only such loss, claim, action or suit as may be caused solely by the fault or gross negligence of Seller, its directors, officers, employees, agents, Lenders or representatives.

10.2 No Dedication. 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 PacifiCorp as an independent public utility corporation or Seller as an independent individual or entity.

10.3 No Consequential Damages. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES, WHETHER SUCH DAMAGES ARE ALLOWED OR PROVIDED BY CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, STATUTE OR OTHERWISE.

SECTION 11: INSURANCE

To protect against and from loss by reason of injury to persons or damage to property based upon and arising out of the activity under this Agreement, Seller agrees to maintain general liability insurance or self-insurance consistent with Seller's institutional practice. Such insurance or self-insurance shall not exclude coverage for Seller's liability undertaken pursuant to 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 PacifiCorp 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 fuel or motive force resources to operate the Facility or changes in market conditions that affect the price of energy or transmission. 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 event of Force Majeure, after which such Party shall recommence performance of such obligation, provided that:

12.1.1 the non-performing Party, shall, within two (2) weeks after the occurrence of the Force Majeure, give the other Party written notice describing the particulars of the occurrence; and

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

12.1.3 the non-performing Party uses its best efforts to remedy its inability to perform.

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

12.3 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.

12.4 PacifiCorp may terminate the Agreement if Seller fails to remedy Seller's inability to perform, due to an event of Force Majeure, within six months after the occurrence of the event.

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: APPROPRIATION OF FUNDS

Seller's authority and obligation to make any payment or incur any expense required by this Agreement are contingent on Seller receiving funding, appropriations, grant funds, expenditure limitations, allotments, or other expenditure authority sufficient to allow Seller, in the exercise of its reasonable administrative discretion, to meet its payment obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, section 7, of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Seller represents that it has sufficient appropriations and expenditure limitations for the current biennium to make all payments and to satisfy all of Seller's performance obligations under this Agreement. Seller shall employ its best, good-faith efforts to request and seek funding, appropriations, grant funds, expenditure limitations, allotments, or other expenditure authority sufficient to allow Seller to perform its obligations throughout the term of this Agreement.

SECTION 15: 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 16: PARTIAL INVALIDITY

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.

SECTION 17: 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 18: GOVERNMENTAL JURISDICTIONS 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 PacifiCorp.

SECTION 19: REPEAL OF PURPA

This Agreement shall not terminate upon the repeal of the PURPA, unless such termination is mandated by federal or state law.

SECTION 20: 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, conditioned or delayed. Notwithstanding the foregoing, either Party may assign this Agreement without the other Party's consent to a lender

as part of a financing transaction or 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 21: ENTIRE AGREEMENT

21.1 This Agreement supersedes all prior agreements, proposals, representations, negotiations, discussions or letters, whether oral or in writing, regarding the subject matter of this Agreement. No modification of this Agreement shall be effective unless it is in writing and signed by both Parties.

21.2 By executing this Agreement, each Party releases the other from any claims, known or unknown, that may have arisen prior to the execution of this Agreement with respect to the Facility and any predecessor facility proposed to have been constructed on the site of the Facility and using the same motive force.

SECTION 22: NOTICES

22.1 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.

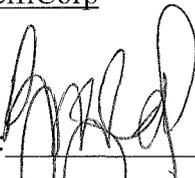
Notices	PacifiCorp	Seller
All Notices	PacifiCorp 825 NE Multnomah Street Portland, OR 97232 Attn: Contract Administration, Suite 600 Phone: (503) 813 - 5380 Facsimile: (503) 813 - 6291 Duns: 00-790-9013 Federal Tax ID Number: 93-0246090	Oregon State University Maintenance and Energy Operations Manager 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-4395 Facsimile 541 737-4657 Duns Federal Tax ID Number: 48-1278540
All Invoices:	(same as street address above) Attn: Back Office, Suite 700 Phone: (503) 813 - 5578 Facsimile: (503) 813 - 5580	Oregon State University Maintenance and Energy Operations Manager 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-4395 Facsimile 541 737-4657
Scheduling:	(same as street address above) Attn: Resource Planning, Suite 600 Phone: (503) 813 - 6090 Facsimile: (503) 813 - 6265	Oregon State University Maintenance and Energy Operations Manager 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-4395 Facsimile 541 737-4657
Payments:	(same as street address above) Attn: Back Office, Suite 700	Oregon State University Attention Accounting Department 130 Oak Creek Building

Notices	PacifiCorp	Seller
	Phone: (503) 813 - 5578 Facsimile: (503) 813 - 5580	Corvallis, Oregon 97331 Phone 541 737-2588 Facsimile 541 737-3013
Wire Transfer:	Bank One N.A. ABA: (to be provided in separate written communication to seller) ACCT: (to be provided in separate written communication to seller) NAME: PacifiCorp Wholesale	N/A
Credit and Collections:	(same as street address above) Attn: Credit Manager, Suite 700 Phone: (503) 813 - 5684 Facsimile: (503) 813 - 5609	Oregon State University Attention Accounting Department 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-2588 Facsimile 541 737-3013
With Additional Notices of an Event of Default or Potential Event of Default to:	(same as street address above) Attn: PacifiCorp General Counsel Phone: (503) 813-5029 Facsimile: (503) 813-6761	Oregon State University Attention Director of Facilities Services 130 Oak Creek Building Corvallis, Oregon 97331 Phone 541 737-7705 Facsimile 541 737-4810

22.2 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 22.

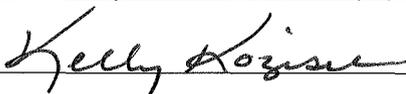
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names as of the date first above written.

PacifiCorp

By: 
Name: Bruce Griswold

Title: Director, Short-Term Origination
and QF Contracts

The State of Oregon, acting by and through
the State Board of Higher Education on
behalf of Oregon State University (Seller)

By: 
Name: Kelly Kozisek

Title: Procurement and Contract Manager

EXHIBIT A
DESCRIPTION OF SELLER'S FACILITY

Seller's Facility consists of one 5.5 MW gas-fired generator manufactured by Solar Turbines and one 1.0 MW back pressure steam turbine manufactured by Elliot. More specifically, each generator at the Facility is described as:

Type : inductive): Solar Taurus 60 gas turbine

Model: Kato 4p10.7-3050

Number of Phases: 3

Rated Output (kW): 4800 **Rated Output (kVA):** 6000

Rated Voltage (line to line): 13,800

Rated Current (A): 251 a Stator: __ N/A __ A; Rotor: __ N/A __ A

Maximum kW Output: 5750 kW **Maximum kVA Output:** 6388kVA

Minimum kW Output: 0 kW

Manufacturer's Guaranteed Cut-in Wind Speed [if applicable]: N/A

Type : inductive): Elliot back pressure steam turbine

Model: Kato AA28302000

Number of Phases: 3

Rated Output (kW): 1000 **Rated Output (kVA):** 1250

Rated Voltage (line to line): 7967/13800

Rated Current (A): 52.3 A Stator: __ N/A __ A; Rotor: __ N/A __ A

Maximum kW Output: 1000 kW **Maximum kVA Output:** 1250 kVA

Minimum kW Output: 0 kW

Manufacturer's Guaranteed Cut-in Wind Speed [if applicable]: N/A

Facility Capacity Rating (Nameplate Rating): 6.5 MW

Identify the maximum output of the generator(s) and describe any differences between that output and the Nameplate Capacity Rating: The difference between the gas turbine rated output and its maximum output is due to the changes in entering air temperature between winter and summer.

The expected average output from the generator 5950 kW

Station service requirements, and other loads served by the Facility, if any, are described as follows: The OSU Energy Center serves the parasitic loads from the plant, approximately 450 kW, and all of the campus loads that are connected to the campus power grid that is served from the Energy Center metering point.

Location of the Facility: The Facility on the OSU campus at 3452 Jefferson in Corvallis in Benton County, Oregon. The location is more particularly described as follows:

Oregon State University campus in Corvallis, Oregon part of tax lot 100 on Assessor's Map 11-5-34

Power factor requirements:

Rated Power Factor (PF) or reactive load (kVAR): 0.8 PF

EXHIBIT B

SELLER'S INTERCONNECTION FACILITIES

[Seller to provide its own diagram and description]

POINT OF DELIVERY / SELLER'S INTERCONNECTION FACILITIES

Instructions to Seller:

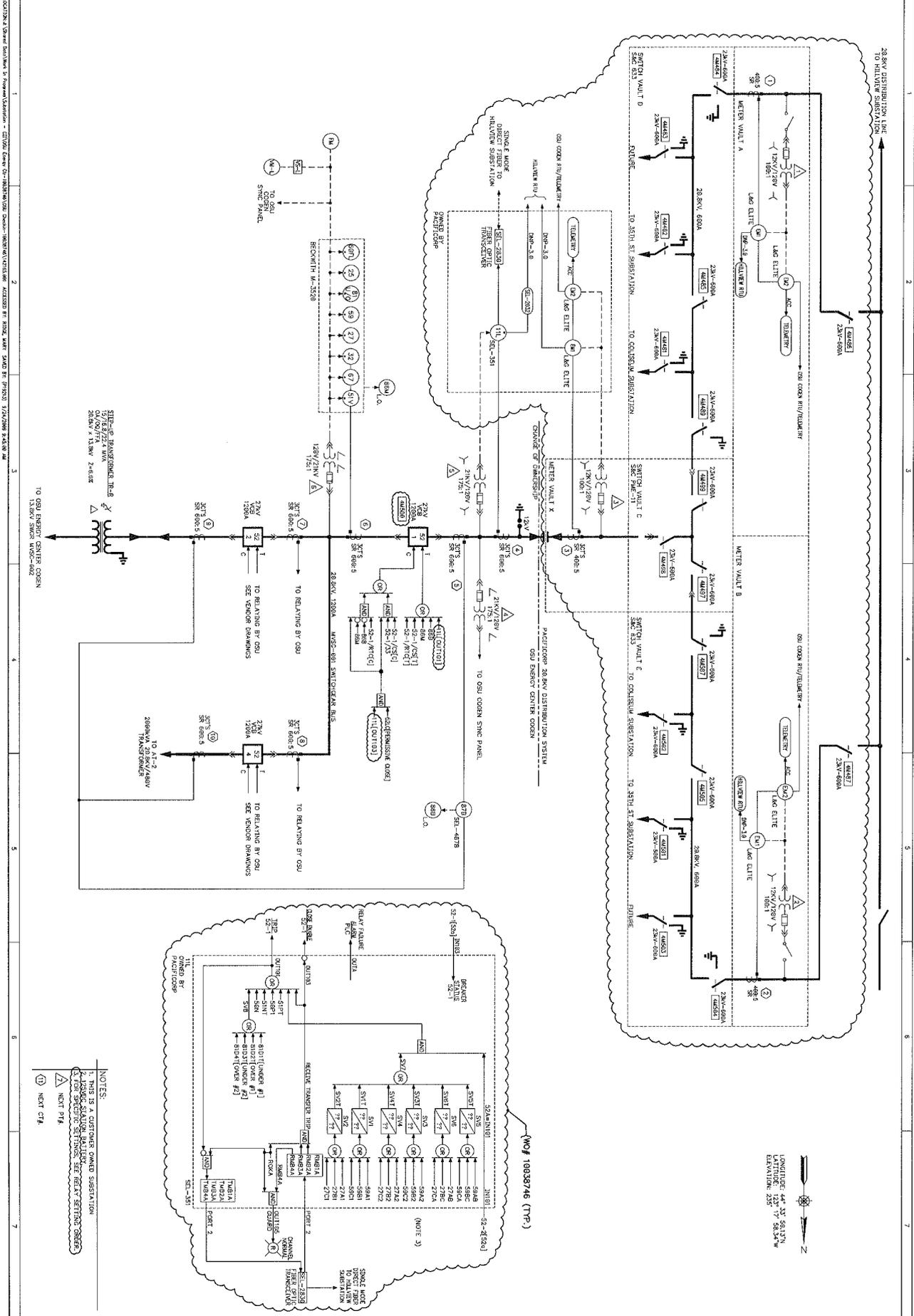
1. Include description of point of metering, and Point of Delivery:

The Point of Delivery shall be a virtual point of delivery ("POIv"), defined as the combined contemporaneous flow (kW) at: (1) the interconnection point located on 35th Street between Jefferson Way and Washington Way on the Energy Center site (POI#1); and (2) the interconnection point located at the same site on 30th Street (POI#2). Energy delivered to Seller at POI#1 shall be the energy metered at the point of metering in Meter Vault A (labeled by a "1" inside a hexagon) shown on the attached PacifiCorp one-line drawing No. 142165.001 dated 9/22/2009. Energy delivered to Seller at POI#2 shall be the energy metered at the point of metering in Meter Vault B (labeled by a "2" inside a hexagon) shown on the attached PacifiCorp one-line drawing No. 142165.001.

When the hourly net flow of energy at POIv (which equals the sum of flows at POI#1 and POI#2, combined) is from Seller to PacifiCorp, PacifiCorp shall pay Seller the contract price in Section 5 multiplied by the net energy received by PacifiCorp and Seller's retail consumption shall be zero. When the hourly net flow of energy at POIv (which equals the sum of flows at POI#1 and POI#2, combined) is from PacifiCorp to Seller, Seller shall pay PacifiCorp the retail rate times net energy received by Seller and energy purchased by PacifiCorp under this Agreement shall be zero.

Other Generation at OSU. As of the Effective Date, Seller is not generating electricity onto Seller's side of the Point of Delivery from any source other than the Facility. Seller shall not for the term of this Agreement generate electricity onto Seller's side of the Point of Delivery from any source other than the Facility without first obtaining written approval from PacifiCorp in the form of an amendment to this Exhibit B that, to PacifiCorp's reasonable satisfaction, results in accurate measurement of the Net Output from the Facility in satisfaction of PURPA and does not result in PacifiCorp at any time purchasing energy from the Facility in an amount greater than the energy produced by the Facility, less station use and less transformation and transmission losses and other adjustments (e.g., Seller's load other than station use), if any.

2. Provide interconnection single line drawing of Facility including any transmission facilities on Seller's side of the Point of Delivery.



OSU ENERGY CENTER PLANT CORVALLIS, OREGON ONE LINE DIAGRAM		PROTECTION & CONTROL		NO. DATE		REVISIONS		ENGINEER DES./ DR. CHECKED APPROVED			
REVISION 6	142165.001	PROJECT 10038746	DESIGNED BY JEFF W. JOHNSON/PJT	NO. 1	DATE 09/22/86	1	DESCRIPTION	ENGINEER	DES./ DR.	CHECKED	APPROVED
SHEET 1 OF 1		SCALE: NONE		PROJECT DRG. DR. J. JOHNSON/PJT		APPROVAL DRG. DR. J. JOHNSON/PJT		APPROVAL DRG. DR. J. JOHNSON/PJT		APPROVAL DRG. DR. J. JOHNSON/PJT	

NOTES:
 1. THIS IS A CUSTOMER OWNED SUBSTATION.
 2. ALL WORK SHALL BE IN ACCORDANCE WITH THE SPECIFICATIONS FOR THE PROJECT.
 3. FOR SPECIFIC DETAILS, SEE REFLECTING DRAWINGS.
 4. NEXT P# 1#
 5. NEXT P# 2#
 6. NEXT P# 3#

LONGITUDE: 122° 51' 58.31" W
 LATITUDE: 44° 33' 58.13" N
 ELEVATION: 239

EXHIBIT C
REQUIRED FACILITY DOCUMENTS

REQUIRED OF ALL FACILITIES:

QF Certification QF10-431-000

Interconnection Agreement – Provided March 8, 2010

List any required easements and permits –

 City of Corvallis Building Permit # BLD 08-00014

 Oregon Department of Environmental Quality Air Contaminant Discharge Permit
 #02-2298-ST-01

EXHIBIT D
SELLER'S ENERGY DELIVERY SCHEDULE

Month	Average Energy (kWh)
January	79,417
February	47,546
March	100,296
April	87,363
May	35,059
June	18,501
July	76,887
August	50,878
September	108,542
October	77,594
November	80,869
December	133,023

Seller provide an estimate of the average monthly Net Output of the Facility surplus to Seller's retail loads, and explain the basis for the estimate.

EXHIBIT E

START-UP TESTING

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): **[Seller identify appropriate tests]**

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

Required start-up tests 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 PacifiCorp'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. Synchronizing tests (manual and auto);
4. Load rejection tests in incremental stages from 5, 25, 50, 75 and 100 percent load;
5. Heat runs;
6. Tests required by manufacturer of equipment;
7. Excitation and voltage regulation operation tests;
8. Governor system steady state stability test;
9. Phase angle and magnitude of all PT and CT secondary voltages and currents to protective relays, indicating instruments and metering;
10. Auto stop/start sequence;
11. Level control system tests; and



Facilities Services; 130 Oak Creek Building, Corvallis, Oregon 97331-2001
T 541-737-2969 | F 541-737-3013 | <http://faweb1.baf.orst.edu/towow/>

EXHIBIT F
Seller Authorization to Release Generation Data to PacifiCorp

Transmission Services
Attn: Director, Transmission Services
825 NE Multnomah, Suite 1600
Portland, OR 97232

RE: Oregon State University Interconnection Request

Dear Sir:

Oregon State University hereby voluntarily authorizes PacifiCorp's Transmission business unit to share Oregon State University's generator interconnection information and generator meter data with Marketing Affiliate employees of PacifiCorp Energy, including, but not limited to those in the Commercial and Trading group. Oregon State University acknowledges that PacifiCorp did not provide it any preferences, either operational or rate-related, in exchange for this voluntary consent.

A handwritten signature in black ink that reads "Larrie Eastby". The signature is written in a cursive, flowing style.

Name

University Engineering Manager
Title

July 9, 2010
Date

EXHIBIT G
Page 1 of Schedule 37

(Note: Prices in Schedule 37 are not applicable to this Agreement as Seller has elected to forgo a Schedule 37 standard power purchase agreement and the Parties have negotiated the prices in this Agreement. Schedule 37 is referred to in Section 3.2.7 of this Agreement.)

PACIFIC POWER & LIGHT COMPANY
AVOIDED COST PURCHASES FROM QUALIFYING
FACILITIES OF 10,000 KW OR LESS

OREGON
SCHEDULE 37
Page 1

Available

To owners of Qualifying Facilities making sales of electricity to the Company in the State of Oregon.

Applicable

For power purchased from Qualifying Facilities with a nameplate capacity of 10,000 kW or less or that, 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, has a nameplate capacity of 10,000 kW or less. Owners of these Qualifying Facilities will be required to enter into a written power sales contract with the Company.

Definitions

Cogeneration Facility

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

Qualifying Facilities

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

Small Power Production Facility

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

On-Peak Hours or Peak Hours

On-peak hours are defined as 6:00 a.m. to 10:00 p.m. Pacific Prevailing Time Monday through Saturday, excluding NERC holidays.

Due to the expansions of Daylight Saving Time (DST) as adopted under Section 110 of the U.S. Energy Policy Act of 2005, the time periods shown above will begin and end one hour later for the period between the second Sunday in March and the first Sunday in April and for the period between the last Sunday in October and the first Sunday in November.

Off-Peak Hours

All hours other than On-Peak.

West Side Gas Market Index

The monthly indexed gas price shall be the average of the price indexes published by Platts in "Inside FERC's Gas Market Report" monthly price report for Northwest Pipeline Corp. Rock Mountains, Northwest Pipeline Corp. Canadian Border, and Rockies/Northwest Stanfield, OR.

Excess Output

Excess output shall mean any increment of Net Output delivered at a rate, on an hourly basis, exceeding the Facility Nameplate Capacity. PacifiCorp shall pay Seller the Off-peak Price as described and calculated under pricing option 5 for all Excess Output.

(Continued)

Issued:	October 20, 2008	P.U.C. OR No. 35
Effective:	With service rendered on and after November 5, 2007	Seventh Revision of Sheet No. 37-1 Canceling Sixth Revision of Sheet No. 37-1

Issued By
Andrea L. Kelly, Vice President, Regulation