

November 22, 2024

To: [Post2028@bpa.gov](mailto:Post2028@bpa.gov)

**Subject:** Comments on BPA's PoC Block Contract Template

1. The posted glossary of contract definitions is incomplete; additional comments are likely once the glossary is completed.
2. The Block template does not adequately distinguish formally "Dedicated" non-federal resources from resources identified as serving New Large Single Loads (NLSLs), but not dedicated per statute, e.g., under Northwest Power Act §5(b)(1)(B). The defined terms, body of the contract, and Exhibit A should be revised to distinguish (a) Dedicated resources that affect the Customer's Net Requirements (NR) from (b) non-federal resources that are "identified" to meet reasonable purposes of the Provider of Choice (PoC) contact (e.g., service to NLSLs), but are not formally "Dedicated" pursuant to statutory options. Unlike Dedicated resources, "Identified" resources should not affect either the Block Customer's NR or the Block Customer's rights and obligations regarding its Contract High Water Mark (CHWM) Block. The PoC contract should explicitly preserve the Customer's option (not obligation) to Dedicate post-1980 resources.
3. We are generally comfortable using Grant PUD's Dedicated share of Western Resource Adequacy Program (WRAP) QCCs to determine Dedicated peak resource values. Any new methodology adopted by BPA for determining Dedicated peak non-federal resource values should not interfere with the Customer's ability to comply with its (WRAP) obligations.
4. In the event of a Notice of Insufficiency, Customers should be able to use replacement non-federal resources without being required to Dedicate such resources.
5. Any amendments to the contracts to reflect BPA's participation in new organized markets, including day-ahead markets, should not be unilaterally imposed on Customers. Further discussion is necessary on the process for developing potential amendments.
6. Language requiring Customers to pay for "unused Shaping Capacity" should be deleted. Shaping Capacity is intended to be an energy-neutral call option, not a take-or-pay obligation. There is no definition of "total Shaping Capacity." Therefore, there is no billing determinant.

7. Moving the preschedule deadline for Shaping Capacity to two days prior to the day of delivery has not been discussed and there is a potentially significant degradation of the service. This proposed provision in Exhibit F should be suspended pending further discussion.
8. The PoC Block contract should not interfere with retail relationships among (a) the Customer, (b) NLSLs, and (c) non-federal resources serving NLSLs, as long as (1) all rights and obligations regarding the Block are preserved, and (2) the Customer notifies BPA that non-federal resources will serve all of its NLSLs. Such non-federal resources may be Dedicated or not, at the choice of the Customer.
9. Hourly matching of non-federal resources and NLSL loads is unnecessary for Block customers. Block Customers should be allowed to manage hourly differences between NLSL loads and non-federal resources as long as the Customer's Block rights and obligations are preserved. Block Customers should be allowed to purchase the output of a Consumer's owned or contracted-for resource that is not needed or scheduled by the NLSL, and replace Identified and/or Dedicated resources as necessary based on retail arrangements.
10. BPA should explain and document its prior decision that NR power is not available to serve NLSLs of planned product Customers. Grant PUD's understanding is that NLSLs are requirements loads, but subject to separate rates (i.e., NR instead of PF). Grant PUD is unaware of the justification for a prohibition on the sale of NR power to planned product customers for NLSLs.

Please see the attached comments and redline edits to the Block contract template.

Thank you for your consideration of these comments. Please contact Andrew Munro at [amunro@gcpud.org](mailto:amunro@gcpud.org) if you have any questions.

(Attachment)

## 10/31/24 – Draft POC Block Template

### PROVIDER OF CHOICE DRAFT BLOCK CONTRACT TEMPLATE October 31, 2024 Version

This is the draft Block Template. Stakeholder feedback and comments are requested.

#### To Provide Comments:

- Use “Review” menu to ensure Track Changes is on; provide redlined contract edits.
- Add “New Comment” to use a comment box to provide suggested edits, comments, questions, or rationale for redlines.
- Stakeholders can provide comments on the Master template or in the individual Load Following, Block and Slice/Block templates.
- Please note the version dates of the provisions; they represent the most recent version shared at workshop. For some sections shared at workshops in late September through October 2024, BPA is still working on revisions based on comments received and will re-share those sections at a future workshop. It is not necessary to re-submit comments or edits on these sections.
- Please provide review on this or associated individual templates by **Wednesday, November 27, 2024**.
- Send comments to: [post2028@bpa.gov](mailto:post2028@bpa.gov) and copy your Power Account Executive.

#### Key:

Style	Key
Black non-italicized text	Draft contract language
<i>Pink italicized text</i>	Notes/directions to staff who will tailor the template for an individual customer’s contract. Pink text will be deleted in a final contract offer.
<i>Blue italicized text</i>	Notes to the reviewers (customers and others.)
<b>Red text</b>	Where a drafter must ‘fill-in-the-blank.’ Red text will be converted to black text and will become part of the final contract.
<b><i>Red italicized text</i></b>	The version date in parentheses indicates the last date that the section was updated and integrated into the template. This text is hidden; to make it visible, click on the show/hide paragraph symbol (¶).
Grey shaded text	Language that has not yet been shared at workshops or is not ready for stakeholder comment. It is intended to be for reference only and is not intended to be reviewed.
Yellow shaded text	Section references that will need to be double checked. BPA acknowledges that not all section references are highlighted yellow, and there <u>are</u> section references that are incorrect in this draft October 31 template. BPA will go through the entire contract to ensure section references are accurate.

# 10/31/24 – Draft POC Block Template

Contract No. «##»PS-«#####»  
**DRAFT** 11/21/2024 9:24 AM  
11/16/2024 11:56 AM 11/4/2024 1:18 PM  
*{When finalized, delete date here and move it to the author information line at the bottom of signature page.}*

**POWER SALES AGREEMENT**  
 executed by the  
**BONNEVILLE POWER ADMINISTRATION**  
 and  
**«FULL NAME OF CUSTOMER»**

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**Commented [LLP1]:** The currently posted definitions workbook (dated 4.1.24) is incomplete. Some terms in this template are not defined. Additional redlines are possible when definitions are available.

## 10/31/24 – Draft POC Block Template

- Exhibit D Additional Products and Special Provisions
- Exhibit E Metering
- Exhibit F Scheduling
  - Option 1: Include for customers not served by Transfer Service*
- Exhibit G This Exhibit Intentionally Left Blank
  - END Option 1*
  - Option 2: Include for customers served by Transfer Service*
- Exhibit G Terms Related to Transfer Service
  - END Option 2*
- Exhibit H Renewable Energy Certificates and Environmental Attributes
- Exhibit I Notices and Contact Information
- Exhibit J Additional Resource and Energy Storage Device Requirements

This POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and «FULL NAME OF CUSTOMER» («Customer Name»), hereinafter individually referred to as “Party” and collectively referred to as the “Parties”. «Customer Name» is a «public utility district, people’s utility district, non-profit corporation, municipal corporation, public body formed under tribal law, federal agency», organized and authorized under the laws of the State of «State», to purchase and distribute electric power to serve retail consumers from its distribution system within its service area. *Drafter’s Note: modify the previous sentence for tribal utilities and federal agencies to reflect their legal status independent of the state.*

### RECITALS

*Option: Include this first recital for customers that had a Regional Dialogue contract and include that RD contract number.*

«Customer Name»’s power sales agreement Contract No. «##PB»-«#####» continues through September 30, 2028, and power deliveries under this Agreement begin on October 1, 2028. All obligations and liabilities accrued under Contract No. «##PB»-«#####» are preserved until satisfied. *End Option*

BPA is a functionally separated organization with distinct administrative and decision-making activities for BPA’s power and transmission functions. References in this Agreement to Power Services or Transmission Services are solely for the purpose of clarifying which BPA function is responsible for such.

BPA is authorized to market electric power to qualified entities eligible to purchase such power. Under section 5(b)(1) of the Northwest Power Act, BPA is obligated to offer a power sales agreement to any eligible customer for the sale and purchase of electric power to serve the customer’s regional consumer load not served by the customer’s resources.

In the final Provider of Choice Policy, BPA adopted a tiered rate pricing construct for electric power sold under section 5(b) of the Northwest Power Act to provide pricing signals and to encourage the timely development of regional power resource infrastructure to meet regional consumer loads under this Agreement.

**Commented [RMM2]:** Proposed edits to the Recitals were shared at the Oct. 22 workshop.

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This Agreement effectuates a Contract High Water Mark for «Customer Name» that establishes the amount of power «Customer Name» may purchase from BPA at Tier 1 Rates.

The Parties agree:

*Option 1: Include the following for customers who do NOT need RUS approval.*

1. **TERM**

This Agreement takes effect on the date signed by the Parties and expires on September 30, 2044. Performance by BPA and «Customer Name» shall commence on October 1, 2028, with the exception of those actions required prior to that date that are included in:

*END Option 1*

*Option 2: Include the following for customers who must obtain RUS approval to execute this Agreement.*

1. **TERM**

This Agreement takes effect on the date signed by the Parties and expires on September 30, 2044, subject to approval of the United States Department of Agriculture Rural Utilities Service. Performance by BPA and «Customer Name» shall commence on October 1, 2028, with the exception of those actions required prior to that date that are included in:

*END Option 2*

(1) sections 3.3 through 3.6 of section 3, Power Purchase Obligation;

(2) section 9, Elections to Purchase Power Priced at Tier 2 Rates;

(3) section 14, Delivery;

(4) section 17, Information Exchange and Confidentiality;

(5) section 18, Conservation and Renewables;

(6) section 19, Resource Adequacy;

(7) section 22, Governing Law and Dispute Resolution;

(8) section 25, Termination;

(9) Exhibit A, Net Requirements and Resources;

(10) Exhibit B, High Water Marks and Contract Demand Quantities;

(11) Exhibit C, Purchase Obligations;

(12) section 2 of Exhibit D, Additional Products and Special Provisions; and

*Drafter's Note: Include for customers served by Transfer Service*

**Commented [RMM3]:** The Term clause was shared at the April 10 and May 6 workshops.

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(13) Exhibit G, Principles of Non-Federal Transfer Service.  
*END for customers served by Transfer Service*

Until October 1, 2028, section 22, Governing Law and Dispute Resolution will only apply to the extent there is a dispute regarding actions required in the above referenced sections and exhibits.

All obligations and liabilities accrued under this Agreement are preserved until satisfied.

### 2. DEFINITIONS

Capitalized terms below shall have the meaning stated. Capitalized terms that are not listed below are either defined within the section or exhibit in which the term is used, or if not so defined, shall have the meaning stated in BPA's applicable Wholesale Power Rate Schedules, including the General Rate Schedule Provisions (GRSPs). Definitions in **bold** indicate terms that are defined in the TRM and that the Parties agree should conform to the TRM as it may be revised. The Parties agree that if such definitions are revised pursuant to the TRM, they shall promptly amend this Agreement to incorporate such revised definitions from the TRM, to the extent they are applicable.

**Commented [RMM4]:** Please see the [Definitions Tracker](#) posted on the external website.

*Option 1: Include if customer does not choose Shaping Capacity:*

### 3. BLOCK POWER PURCHASE OBLIGATION WITHOUT SHAPING CAPACITY

#### 3.1 Purchase Obligation

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase, Firm Requirements Power in specific amounts to serve «Customer Name»'s forecasted Net Requirement listed in Exhibit A. The annual, monthly, Diurnal, and hourly amounts of Firm Requirements Power priced at Tier 1 Rates and Tier 2 Rates that «Customer Name» shall purchase from BPA are listed in Exhibit C.

**Commented [RMM5]:** Section 3.1 was shared at workshop on Sept. 17 and Oct. 22.

On a planning basis «Customer Name» shall serve the portion of its Total Retail Load that is not served with Firm Requirements Power with Dedicated Resources listed in Exhibit A. Such amounts listed in Exhibit A are not intended to govern how «Customer Name» shall operate its Dedicated Resources.

**Commented [LLP6]:** Dedicated Resources are Specified or Unspecified, but both are "dedicated" in Exhibit A to serve load, due either to statutory requirements or to the Customer's election. There is actually a third category of resources, which are not "dedicated" but are "identified" for the purposes of planning under the POC contract. For example, post-1980 non-federal resources serving NLSLs do not have to be "Dedicated", but should probably be "identified" in order to assure BPA that the Customer recognizes that federal power is not serving those loads. Check Exhibit A to be sure.

*End Option 1*

*Option 2: Include if customer chooses Shaping Capacity:*

### 3. BLOCK POWER PURCHASE OBLIGATION WITH SHAPING CAPACITY

#### 3.1 Purchase Obligation

From October 1, 2028, and continuing through September 30, 2044, BPA shall sell and make available, and «Customer Name» shall purchase, Firm Requirements Power in specific amounts, including Shaping Capacity in accordance with section 1.4 of Exhibit C, to serve «Customer Name»'s

**Commented [RMM7]:** Section 3.1 was shared at workshop on Sept. 17 and Oct. 22.

**Commented [LLP8]:** This language makes Shaping Capacity a purchase obligation, contrary to the concept of Shaping Capacity as an option that the Customer may or may not call on. What does "shall purchase" mean if the product is a call option?

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forecasted Net Requirement listed in Exhibit A. The annual, monthly Diurnal and hourly amounts of Firm Requirements Power priced at Tier 1 Rates and Tier 2 Rates are listed in Exhibit C.

On a planning basis «Customer Name» shall serve the portion of its Total Retail Load that is not served with Firm Requirements Power with Dedicated Resources listed in Exhibit A. Such amounts listed in Exhibit A are not intended to govern how «Customer Name» shall operate its Dedicated Resources.

End Option 2

### 3.2 Take or Pay

«Customer Name» shall pay for the Firm Requirements Power it is obligated to purchase and that BPA makes available under section 3.1, at the rates BPA establishes in a 7(i) Process pursuant to the PRDM, as applicable to such power, whether or not «Customer Name» took delivery of such power.

### 3.3 Application of Dedicated Resources

«Customer Name» shall serve a portion of its Total Retail Load with the Dedicated Resources listed in Exhibit A as follows:

- (1) Specified Resources that are Generating Resources, listed in section 2.1 of Exhibit A, and
- (2) Committed Power Purchase Amounts, listed in section 3.1 of Exhibit A.

«Customer Name» shall use its Dedicated Resources to serve its Total Retail Load and the Parties shall specify amounts of such Dedicated Resources in Exhibit A as stated below for each specific resource and type. BPA shall use the amounts listed in Exhibit A to determine «Customer Name»'s Net Requirement for each Fiscal Year. The amounts listed are not intended to govern how «Customer Name» operates its Specified Resources.

#### 3.3.1 Specified Resources

##### 3.3.1.1 Application of Specified Resources

«Customer Name» shall use the output of all Specified Resources, listed in section 2 of Exhibit A, to serve «Customer Name»'s Total Retail Load.

##### 3.3.1.2 Determining Specified Resource Amounts

For each Specified Resource listed in section 2 of Exhibit A, BPA, in consultation with «Customer Name», shall determine firm energy amounts for each Diurnal period and peak amounts for each month beginning with the later of the date the resource was dedicated to load or October 1, 2028, through the earlier of the date the resource will be permanently removed or September 30, 2044. BPA shall

**Commented [LLP9]:** Customer may serve TRL with post-1980 resources that are not "Dedicated", if the Customer chooses not to Dedicate.

**Commented [RMM10]:** Section 3.2, Take or Pay was shared at workshop on June 10, Sept. 17, and Oct. 22.

**Commented [LLP11]:** This is another example of language describing the "obligation to purchase", and should be reviewed and rewritten when Shaping Capacity is clearly defined as an energy-neutral call option within each month.

**Commented [RMM12]:** Section 3.3 was shared at the Sept. 9 and Oct. 9 workshops.

**Commented [LLP13]:** There is no definition for CPP Amounts in the Definitions workbook. The definition needs to work wherever CPP is used.

**Commented [LLP14]:** Net Req'ts do not recognize or take into account resources that are not Dedicated. This sentence does not identify WHICH resource amounts in Exhibit A are NOT subtracted from TRL. Exhibit A should be re-examined to ensure that NLSLs are deducted from TRL but resource serving NLSLs are not deducted, because that would cause double-counting and understate Net Requirements.



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determine such amounts consistent with the 5(b)/9(c) Policy. BPA shall incorporate the peak amounts for each month for each Specified Resource listed in section 2 of Exhibit A consistent with section 3.4.

### 3.3.2 Committed Power Purchase Amounts

#### 3.3.2.1 Application of Committed Power Purchase Amounts

To serve «Customer Name»'s Above-CHWM Load that it commits to meet with Dedicated Resources in Exhibit C, «Customer Name» shall provide and use Committed Power Purchase Amounts to meet an amount of its load not met with its Specified Resources listed in section 2 of Exhibit A.

**Commented [LLP15]:** “Commit” is a new term, in addition to “Dedicated”. Is “commit” the same as “Commit”? This creates confusion. Suggestion: change “commits” to “agrees”.

#### 3.3.2.2 Determining Committed Power Purchase Amounts

Consistent with «Customer Name»'s elections for service to its Above-CHWM Load, by September 15, 2028, and by each September 15 thereafter, BPA shall calculate and fill in the tables in section 3.1 of Exhibit A with «Customer Name»'s Committed Power Purchase Amounts for the upcoming Fiscal Year. Upon termination or expiration of this Agreement any Committed Power Purchase Amounts listed in Exhibit A shall expire, and «Customer Name» shall have no further obligation to apply Committed Power Purchase Amounts.

**Commented [LLP16]:** How can BPA “calculate and fill in” without Customer- provided information on unDedicated Resources?

### 3.4 Peak Amount Methodologies

**Commented [RMM17]:** Section 3.4 will be shared at a November workshop.

#### 3.4.1 Standard for Calculating Resource Peak Amounts

The peak amounts for «Customer Name»'s Specified Resources will be stated at a future time in Exhibit A. Such resource peak amounts will be developed contemporaneously and consistent with the determination of peak energy amounts pursuant to Section 3.4.2. If BPA determines it is necessary to update such resource peak amounts in order to incorporate different resource peaking capability determination standards, then BPA may, consistent with BPA's 5(b)/9(c) Policy and in accordance with section 3.4.3, develop and apply such revised resource peaking capability determination standards.

**Commented [LLP18]:** When will this “contemporaneous development” of resource peaks occur in 3.4.1 and 3.4.2? What if the Customer disagrees with BPA's methodology?

#### 3.4.2 Method for Determining Peak Energy Amounts

The amounts of peaking energy «Customer Name» has purchased to meet its firm power load will be stated at a future time in Exhibit A. Until such time that peak energy amounts are stated in Exhibit A, the amounts of peaking energy available to «Customer Name» are as provided in Exhibit C. After a public process, BPA may adopt a methodology for calculating the amounts of peaking energy available to «Customer Name» under this Agreement. Before peak energy amounts may be applied in Exhibit A, BPA shall: (1) complete a process to adopt a methodology, pursuant to section 3.4.3, which shall

**Commented [LLP19]:** What is “peak energy”? The term is not defined in the Definitions workbook.

**Commented [LLP20]:** Where are these “peaking energy amounts” in Exhibit C?

**Commented [LLP21]:** Note: track Exhibit C's transition to Exhibit A.

**Commented [LLP22]:** Add: “Such methodology shall support regional resource adequacy programs and not interfere with the Customer's ability to participate in and comply with such programs.”

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include a calculation of «Customer Name»'s total peak load, «Customer Name»'s peaking energy capability from its resources, and BPA's peaking energy capability for the Federal system, and (2) upon completion of such process, in consultation with «Customer Name», calculate the peak energy amounts in accordance with the methodology adopted and enter such amounts into Exhibit A. The application of any such methodology shall not by itself reduce BPA's obligation to provide peaking energy otherwise available under this Agreement to less than «Customer Name»'s net requirement peak stated in Exhibit A. BPA and «Customer Name» shall take such actions and make such modifications needed to timely implement any such methodology.

### 3.4.3 Process for Modifying Peak Amounts

Any methodology for determining the peak energy capability of Specified Resources as described in section 3.4.1, or «Customer Name»'s peak energy amounts available from BPA under this Agreement, as described in section 3.4.2, will be developed by BPA in a public process, including consultation with «Customer Name» and other interested parties, a formal public comment process, and a record of decision. Except as otherwise agreed by «Customer Name» and BPA, any such methodology shall not require modification of the peak amount of any Specified Resource, or the peak energy amounts listed in Exhibit A, until the first Fiscal Year of the Rate Period following BPA's written notice to implement the revised peaking capability standard, which shall be given to «Customer Name» at least 180 days before the start of such Fiscal Year.

**Commented [LLP23]:** When will the first such public process occur?

### 3.5 Changes to Dedicated Resources

*Reviewer's Note: BPA is reconsidering the overall timing associated with the Net Requirements process and may propose moving this June 30 date to May 31<sup>st</sup>.*

**Commented [RMM24]:** Section 3.5 was shared at workshop on Sept. 17. (Section 3.5.2 was shared separately from the rest of 3.5).

#### 3.5.1 Specified Resource Additions to Meet Above-CHWM Load

With written notice to BPA by June 30, 2028, and by June 30 of each Fiscal Year thereafter, «Customer Name» may elect to add Specified Resources to section 2 of Exhibit A to meet any obligations «Customer Name» may have in Exhibit C to serve its Above-CHWM Load with Dedicated Resources. Amounts for such Specified Resources shall be determined in accordance with section 3.3.1.2. BPA shall revise Exhibit A consistent with «Customer Name»'s elections.

**Commented [LLP25]:** This memorializes the Customer's option to Dedicate post-1980 resources; the rest of the contract should clearly take into account this option, not only in Exhibit A.

#### 3.5.2 Specified Resources Added to Tier 1 Allowance Amount

At any time over the term of the Agreement and by written notice to BPA, «Customer Name» may request for BPA to add Specified Resources that meet the qualifying criteria in section 3.5.2.1 to its Tier 1 Allowance Amount in section 2 of Exhibit A. BPA shall review such request and revise Exhibit A as soon as reasonably practical to include such resources, provided that BPA determines in its sole

**Commented [RMM26]:** Section 3.5.2, Specified Resources Added to Tier 1 Allowance Amount has been shared at July 16, Sept. 9, and Oct. 9 workshops.

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discretion that the Specified Resources meet such qualifying criteria. Any qualifying Specified Resource included in the Tier 1 Allowance Amount shall remain in the Tier 1 Allowance Amount for the term of the Agreement unless the resource is removed consistent with section 3.5.6. Any qualifying Specified Resource included in the Tier 1 Allowance Amount shall be treated as an Existing Resource for purposes of temporary resource removal as provided in section 10. «Customer Name»'s qualifying Specified Resources included in the Tier 1 Allowance Amount may be subject to charges pursuant to the applicable Wholesale Power Rate Schedules and GRSPs.

### 3.5.2.1 Tier 1 Allowance Amount Limit

«Customer Name»'s Tier 1 Allowance Amount shall be limited to the amount stated in section 2 of Exhibit A, and shall not exceed the lesser of 5 MW or 50 percent of «Customer Name»'s CHWM reflected as a megawatt value. Such value will be considered the Tier 1 Allowance Amount limit. If BPA changes «Customer Name»'s CHWM consistent with section 1.2 of Exhibit B, then BPA shall recalculate «Customer Name»'s Tier 1 Allowance Amount limit and update Exhibit A if necessary. If «Customer Name» has a reduction to its CHWM, then BPA shall determine whether a reduction in the Tier 1 Allowance Amount limit is appropriate. In the event that BPA reduces «Customer Name»'s Tier 1 Allowance Amount limit, BPA will determine on a case-by-case basis the treatment of «Customer Name»'s resource(s).

### 3.5.2.2 Qualifying Specified Resources For Tier 1 Allowance Amount

Any Specified Resource «Customer Name» elects to add to its Tier 1 Allowance Amount must meet the following qualifying criteria:

- (1) the Specified Resource is a New Resource; and,
- (2) the Specified Resource is connected to «Customer Name»'s distribution system, regardless of voltage, and does not encumber capacity of BPA or Third-Party Transmission Provider facilities between the Specified Resource and «Customer Name» load; and,
- (3) the Specified Resource reduces «Customer Name»'s Total Retail Load.

### 3.5.3 Resource Additions for a BPA Insufficiency Notice

If BPA provides «Customer Name» a notice of insufficiency and reduces its purchase obligation, in accordance with section 23.2, then «Customer Name» may add Dedicated Resources to replace amounts of Firm Requirements Power BPA will not be providing due to

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insufficiency. The Parties shall revise Exhibit A to reflect such additions.

**Commented [LLP27]:** Customer should also be able to add new non-dedicated Resources after such a notice of insufficiency. There is no 23.2.

### 3.5.4 Decrements for 9(c) Export

If BPA determines, in accordance with section 23.6, that an export of a Specified Resource listed in section 2 of Exhibit A requires a reduction in the amount of Firm Requirements Power BPA sells «Customer Name» then BPA shall notify «Customer Name» of the amount and duration of the reduction in «Customer Name»'s Firm Requirements Power purchases from BPA. Within 20 days of such notification «Customer Name» may add a Specified Resource to section 2 of Exhibit A in the amount of such decrement. If «Customer Name» does not add a Specified Resource to meet such decrement, then within 30 days of such notification BPA shall add Committed Power Purchase Amounts to section 3.2 of Exhibit A in the amount and for the duration of such decrement.

### 3.5.5 Temporary Resource Removal

By September 15, 2028, and by September 15 of each Fiscal Year thereafter, BPA shall revise «Customer Name»'s Dedicated Resource amounts listed in the tables of Exhibit A consistent with «Customer Name»'s resource removal elections made in accordance with section 10.

### 3.5.6 Permanent Discontinuance of Resources

«Customer Name» may permanently remove a Specified Resource listed in section 2 of Exhibit A, consistent with the 5(b)/9(c) Policy on statutory discontinuance for permanent removal. If BPA makes a determination that «Customer Name»'s Specified Resource has met BPA's standards for a permanent removal, then BPA shall revise Exhibit A accordingly. If «Customer Name» does not replace such resource with another Dedicated Resource, then «Customer Name»'s additional Firm Requirements Power purchases under this Agreement, as a result of such a resource removal, may be subject to additional rates or charges as established in the Wholesale Power Rate Schedules and GRSPs.

### 3.5.7 Resource Additions for Annexed Loads

If «Customer Name» acquires an Annexed Load after the Effective Date, «Customer Name» shall add Dedicated Resources to Exhibit A to serve amounts of such load for which «Customer Name» did not receive a CHWM addition pursuant to section 1.2.2 of Exhibit B. «Customer Name» shall serve such load with Dedicated Resources for the remainder of the Rate Period during which «Customer Name» acquires such load. For all Rate Periods after the Rate Period when «Customer Name» acquires an Annexed Load, «Customer Name» may serve such load with Dedicated Resources pursuant to «Customer Name»'s elections to apply Dedicated Resources or purchase Firm Requirements Power at Tier 2 Rates as stated in Exhibit C.

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### 3.5.8 Resource Additions/Removals for NLSLs

3.5.8.1 To serve an NLSL listed in Exhibit D that is added after the Effective Date, «Customer Name» may add Dedicated Resources to section 4 of Exhibit A. «Customer Name» may discontinue serving its NLSL with the Dedicated Resources listed in section 4 of Exhibit A if BPA determines that «Customer Name»'s NLSL is no longer: (1) an NLSL, or (2) in «Customer Name»'s service territory.

**Commented [LLP28]:** There is no carve-out for resources that are not Dedicated per se, and nonDedicated resources may be the power supply for NLSLs. Customer must be able to serve the NLSL with identified but non-Dedicated Resources, including consumer-owned resources, and to change the source of the non-federal power supply.

3.5.8.2 If «Customer Name» elects to serve an NLSL with Dedicated Resources, then «Customer Name» shall specify in section 4 of Exhibit A the maximum monthly and Diurnal Dedicated Resource amounts that «Customer Name» plans to use to serve the NLSL. «Customer Name» shall establish such firm energy amounts for each month beginning with the date the resource was dedicated to load through the earlier of the date the resource will be removed or September 30, 2044. «Customer Name» shall serve the actual load of the NLSL up to such maximum amounts with such Dedicated Resource amounts. To the extent that the NLSL load is less than the maximum amount in any monthly or Diurnal period, «Customer Name» shall have no right or obligation to use such amounts to serve the non-NLSL portion of its Total Retail Load. Specific arrangements to match such resources to the NLSL on an hourly basis shall be established in Exhibit D.

**Commented [LLP29]:** Customer should also have the right to substitute one undedicated resource for another undedicated resource.

**Commented [LLP30]:** This is not possible with variable loads. Does BPA expect that the Customer's specification of maximum monthly and diurnal amounts are in any sense binding, or this just indicative information? Will Customer be held to such indicative information?

### 3.5.9 PURPA Resources

If «Customer Name» is required by the Public Utility Regulatory Policies Act (PURPA) to acquire output from a Generating Resource and plans to use that output to serve its Total Retail Load, then such output shall be added as a Specified Resource pursuant to Exhibit A.

**Commented [LLP31]:** Why is this constraint necessary? Why should the customer (or end-use consumer) be forced to not use the capacity and energy not used by the NLSL to serve other loads? What if the Customer wants to hold the obligation and the NLSL agrees? What purpose is served with this limitation? The contract should not limit options at the retail level as long as the obligation to purchase Block is preserved.

**Commented [LLP32]:** Impractical. Hourly matching should be deleted for Block and Slice/Block customers.

### 3.6 Consumer-Owned Resources

Except for any Consumer-Owned Resources serving a Planned NLSL or NLSL, which «Customer Name» has applied to load consistent with section 23.3, «Customer Name» shall apply the output of Consumer-Owned Resources as follows:

**Commented [RMM33]:** Section 3.6, Consumer Owned Resources was shared at workshop on Sept. 9 and Oct. 9.

#### 3.6.1 Existing Consumer-Owned Resources

«Customer Name» has designated, in sections 7.1, 7.2, or 7.3 of Exhibit A, the extent that each existing Consumer-Owned Resource as of the Effective Date will or will not serve On-Site Consumer Load. Such designation shall apply for the term of this Agreement.

**Commented [LLP34R33]:** This section 3.6 should distinguish between LF and Planned Product customers. Block customers may prefer to make one-on-one arrangements with consumers that include the right/obligation of the Customer to take energy that is excess to the immediate needs of the consumer (e.g., during load outages). Such arrangements should not interfere with the Planned Product Customer's obligations to BPA, but may be optimal from the consumer's and customer's perspectives.

**Commented [LLP35]:** Why are 3.6.1 and 3.6.2 needed? What if Customer and Consumer have agreed that Customer will purchase variable amounts of power from Consumer as requested? What if Consumer wants to start out with consumer-owned resource #4 and then switch to #5? This requires further discussion.

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### 3.6.2 New Consumer-Owned Resources

«Customer Name» shall designate the extent that each Consumer-Owned Resource commencing commercial operation after the Effective Date will or will not serve On-Site Consumer Load. «Customer Name» shall make such designation to BPA in writing within 120 days of energization of such resource. Such designation shall apply for the term of this Agreement.

Consistent with «Customer Name»'s designations, BPA shall list Consumer-Owned Resources serving On-Site Consumer Load in section 7.1 of Exhibit A, Consumer-Owned Resources not serving On-Site Consumer Load in section 7.2 of Exhibit A, and Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load in section 7.3 of Exhibit A.

### 3.6.3 Application of Consumer-Owned Resources Serving On-Site Consumer Load

Power generated from Consumer-Owned Resources listed in section 7.1 of Exhibit A shall serve On-Site Consumer Load or be sold to «Customer Name».

#### INSERT THE REMAINDER OF §3.6.3 ONLY FOR LOAD-FOLLOWING CUSTOMERS.

«Customer Name» shall ensure that a Consumer-Owned Resource does not exceed the On-Site Consumer Load such resource serves. If a Consumer-Owned Resource exceeds the On-Site Consumer Load, then BPA may adjust «Customer Name»'s Total Retail Load used to bill for energy purchases to ensure «Customer Name» pays for energy that was otherwise displaced by the amount of generation of the Consumer-Owned Resource that exceeds the On-Site Consumer Load on any hour. BPA shall determine in its sole discretion whether to make any adjustment based on information «Customer Name» provides to BPA as follows:

- (1) Commensurate with «Customer Name»'s designation under section 3.6.2 above, «Customer Name» shall provide BPA information demonstrating that the Consumer-Owned Resource's proposed generation will not exceed the On-Site Consumer Load it is intended to serve on a monthly basis. Examples of such information include but are not limited to consumer load projections and monthly generation projections for the generating equipment to be installed.
- (2) If «Customer Name» has not provided sufficient information, or if the Consumer-Owned Resource exceeds On-Site Consumer Load, then «Customer Name» shall in accordance with section 15 and section 17.3 of this Agreement: (A) install metering on the On-Site Consumer Load, or (B) provide BPA

**Commented [LLP36]:** This language prohibits the sale and delivery of "surplus consumer-owned resources" to any other end-use consumer or to the Customer for service to other end-users. Added language helps ensure that the COR is not "stranded".

**Commented [LLP37]:** Such adjustments to TRL may have no bearing on the amount of power that BPA sells to the Customer. This language appears directed to Load Following service, not Block or Slice/Block, and should be deleted for Block and Slice/Block customers.



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hourly meter data of the On-Site Consumer Load on a monthly basis in a format specified by BPA.

«Customer Name» shall provide written notice to BPA of any significant changes to an On-Site Consumer Load amount within 60 days of the change.

«Customer Name» must ensure that the Consumer-Owned Resources do not cause negative flow through «Customer Name»'s Point of Delivery behind which the resource is located. If negative flow occurs, then «Customer Name» shall be responsible for any costs resulting from such flow.

### 3.6.4 Application of Consumer-Owned Resources Serving Load Other than On-Site Consumer Load

«Customer Name» shall ensure that power generated from Consumer-Owned Resources listed in section 7.2 of Exhibit A, which serves load other than On-Site Consumer Load, is scheduled for delivery and:

(1) sold to another utility in the Region to serve its Total Retail Load, (2) purchased by «Customer Name» to serve its Total Retail Load (consistent with section 3.3), (3) marketed as an export, or (4) any combination of (1), (2), and (3) above.

### 3.6.5 Application of Consumer-Owned Resources Serving Both On-Site Consumer Load and Load Other than On-Site Consumer Load

If «Customer Name» designates a Consumer-Owned Resource to serve both On-Site Consumer Load and load other than On-Site Consumer Load, then «Customer Name» shall select either Option A or Option B below.

#### 3.6.5.1 Option A: Maximum Consumer-Owned Resource Amounts Serving On-Site Consumer Load

If «Customer Name» selects this Option A, then «Customer Name» shall specify, in section 7.3 of Exhibit A, the maximum hourly amounts of an identified On-Site Consumer Load that are to be served with power generated by an identified Consumer-Owned Resource. Such amounts shall be specified as Diurnal megawatt amounts, by month, and shall apply in all years for the term of this Agreement. Such amounts are not subject to change in accordance with section 3.6.6.

On any hour that the On-Site Consumer Load is less than the specified maximum hourly amounts, all such On-Site Consumer Load shall be served by «Customer Name» with the identified Consumer-Owned Resource or with power other than Firm Requirements Power. Any hourly amounts of the identified On-Site Consumer Load in excess of the

**Commented [LLP38]:** This is helpful, but only applies to "load other than On-Site Consumer Load", which is too limiting. A consumer-owned resource may not be "on-site" with the end-use load. This language should be revised to avoid interfering with retail arrangements that do not affect the Block.

**Commented [LLP39]:** This is unrealistic and impractical, and would require hourly matching of end-use consumer loads and resources in amounts specified in advance for all hours of the POC contract. Hourly matching of NLSL loads and non-federal resources should be a retail matter and not involve BPA.

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specified maximum hourly amounts will be served with Firm Requirements Power. Any power generated from the identified Consumer-Owned Resource in excess of the specified maximum hourly amounts will be applied to load other than On-Site Consumer Load in accordance with section 3.6.4.

**Commented [LLP40]:** Block and Slice/Block customers are currently required to use non-federal power to serve such end-use loads. Hourly matching appears to be copy/paste from the Load Following template and should be deleted from the Block template.

### 3.6.5.2 Option B: Maximum Firm Requirements Power Serving On-Site Consumer Load

If «Customer Name» selects this Option B, then «Customer Name» shall specify, in section 7.3 of Exhibit A, the maximum hourly amounts of an identified On-Site Consumer Load that are to be served with Firm Requirements Power. Such amounts shall be specified as Diurnal megawatt amounts, by month, and shall apply in all years for the term of this Agreement. Such amounts are not subject to change in accordance with section 3.6.6.

**Commented [LLP41]:** Option B is explicitly prohibited for planned product customers, so 3.6.5.2 should be deleted from this template.

On any hour that On-Site Consumer Load is less than the specified maximum hourly amounts, all such On-Site Consumer Load shall be served with Firm Requirements Power. «Customer Name» shall serve any hourly amounts of the identified On-Site Consumer Load in excess of the specified maximum hourly amounts with power generated by the identified Consumer-Owned Resource or with power other than Firm Requirements Power. Any power generated from the identified Consumer-Owned Resource in excess of the amounts required to be used to serve the On-Site Consumer Load shall be applied to load other than On-Site Consumer Load in accordance with section 3.6.4.

### 3.6.6 Changes to Consumer-Owned Resources

Prior to each Fiscal Year «Customer Name» shall notify BPA in writing of any changes in ownership, expected resource output, or other characteristic of Consumer-Owned Resources identified in section 7 of Exhibit A. If a Consumer-Owned Resource has permanently ceased operation and «Customer Name» notifies BPA of such cessation, then BPA shall revise section 7 of Exhibit A to reflect such change as long as BPA agrees the determination is reasonable.

### 3.6.7 Application of Consumer-Owned Resources Serving a Planned NLSL or NLSL

If «Customer Name» is serving a Planned NLSL or an NLSL with Consumer-Owned Resource amounts pursuant to section 23.3 and section 1 of Exhibit D, then BPA shall list such resources in section 7.4 of Exhibit A. Requirements for «Customer Name»'s application of Consumer-Owned Resources serving Planned NLSLs and NLSL are included in section 23.3 and section 1 of Exhibit D.

**Commented [RMM42]:** Section 3.6.7 was shared (with other NLSL sections) on Oct. 15.



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4. THIS SECTION INTENTIONALLY LEFT BLANK

5. THIS SECTION INTENTIONALLY LEFT BLANK

6. PUBLIC RATE DESIGN METHODOLOGY

6.1 BPA has adopted a tiered rate construct for the term of this Agreement. BPA has established the tiered rate design in the PRDM and shall apply the PRDM in accordance with its terms, which shall govern BPA’s establishment, review and revision of all rates for power sold under this Agreement, pursuant to section 7(i) of the Northwest Power Act.

6.2 The recitation of language from the PRDM in this Agreement is not intended to incorporate such language into this Agreement. The PRDM’s language may be revised, but only in accordance with the requirements of PRDM section 9. If language of the PRDM is revised, then BPA will unilaterally amend this Agreement to accordingly modify any such language recited in this Agreement.

6.3 Any disputes over the meaning of the PRDM or rates or whether the Administrator is correctly implementing the PRDM or rates, including but not limited to matters of whether the Administrator is correctly interpreting, applying, and otherwise adhering or conforming to the PRDM or rate, shall (1) be resolved pursuant to any applicable procedures set forth in the PRDM; (2) if resolved by the Administrator as part of a proceeding under section 7(i) of the Northwest Power Act, be reviewable as part of the United States Court of Appeals for the Ninth Circuit’s review under section 9I(5) of the Northwest Power Act of the rates or rate matters determined in such section 7(i) proceeding (after FERC final confirmation and approval, and subject to any further review by the United States Supreme Court); and (3) if resolved by the Administrator outside such a section 7(i) proceeding, and such decision is a final action, be reviewable by the United States Court of Appeals for the Ninth Circuit under section 9(e)(5) of the Northwest Power Act (subject to any further review by the United States Supreme Court). The remedies available to «Customer Name» through such judicial review shall be «Customer Name»’s sole and exclusive remedy for such disputes, except as provided in the next paragraph.

Any knowing failure of BPA to abide by the PRDM, or any BPA repudiation of its obligation here and under the PRDM to revise the PRDM only in accordance with the PRDM section 9 revision processes, would be a matter of contract to be resolved as would any other claim of breach of contract under this Agreement. For purposes of this paragraph, when there is a dispute between BPA and «Customer Name» concerning what the PRDM means or requires, a “knowing failure” shall occur only in the event the United States Court of Appeals for the Ninth Circuit or, upon further review, the United States Supreme Court rules against BPA on its position as to what the PRDM means or requires and BPA thereafter persists in its prior position.

**Commented [RMM43]:** The section 6, PRDM language was shared at workshop on May 6 and Oct. 9. BPA received comments during and after the Oct 9 workshop that have not yet been addressed. Further discussions will be scheduled.

**Commented [LLP44]:** The PRDM does not discuss a charge for not using Shaping Capacity, so it would appear that no such charge is possible until the PRDM is revised to incorporate such a charge, including application of the charge to unused capacity held to serve Load Following customers. If a charge is proposed by BPA, the Customer should have an immediate right to stop purchasing Shaping Capacity without having to go through the product switching process.

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6.4 BPA shall not publish a Federal Register Notice regarding BPA rates or the PRDM that prohibits, limits, or restricts «Customer Name»’s right to submit testimony or brief issues on rate matters regarding the meaning or implementation of the PRDM or establishment of BPA rates pursuant to it, provided however for purposes of BPA’s conformance to this paragraph a “rate matter” shall not include budgetary and program level issues.

### 7. **CONTRACT HIGH WATER MARKS**

BPA shall establish «Customer Name»’s CHWM in the FY 2026 CHWM Calculation Process by September 30, 2026 and revise Exhibit B to state «Customer Name»’s CHWM. Once established, BPA may only adjust «Customer Name»’s CHWM as permitted pursuant to Exhibit B. After any adjustment, BPA shall revise Exhibit B to state «Customer Name»’s adjusted CHWM.

**Commented [RMM45]:** Section 7, CHWMs was shared at the Sept. 18, 2024 workshop. BPA received comments during and after the Sept. 18 workshop. Further discussion will be scheduled at a workshop soon.

### 8. **APPLICABLE RATES**

Purchases under this Agreement are subject to the following rate schedules, or their successors: Priority Firm Power (PF), New Resource Firm Power (NR), and Firm Power Products and Services (FPS), as applicable. Billing determinants for any purchases will be included in each rate schedule. Power purchases and services sold under this Agreement are subject to the applicable rates and charges in BPA’s Wholesale Power Rate Schedules, established in accordance with the PRDM, as applicable, and its GRSPs (or their successors) established during a 7(i) Process.

**Commented [RMM46]:** The LF, Block and Slice/Block versions of section 8 were shared at the Sept. 17 workshop. BPA anticipates further discussion on this section at a workshop in November, 2024.

#### 8.1 **Applicability of Tier 1 and Tier 2 Rates**

BPA shall establish PF power rates that include rate schedules for purchase amounts at Tier 1 Rates and purchase amounts at Tier 2 Rates. Tier 1 Rates and Tier 2 Rates shall apply to «Customer Name»’s purchases as follows:

- (1) Tier 1 Rates shall apply to «Customer Name»’s purchases of Tier 1 Block Amounts, as specified in section 1 of Exhibit C.
- (2) Tier 2 Rates shall apply to «Customer Name»’s purchases of Tier 2 Block Amounts, if any, in accordance with the terms of section 2 of Exhibit C.

### 9. **ELECTIONS TO PURCHASE POWER PRICED AT TIER 2 RATES**

#### 9.1 **Tier 2 Rate Alternatives**

Subject to the requirements of this section 9 and Exhibit C and pursuant to the PRDM, «Customer Name» shall have the right to purchase Firm Requirements Power at a Tier 2 Long-Term Rate, Tier 2 Short-Term Rate and Tier 2 Vintage Rate.

#### 9.2 **Above-CHWM Load Service Options and Tier 2 Rate Elections**

BPA shall calculate «Customer Name»’s Above-CHWM Load in the Above-CHWM Load Process ahead of each Rate Period.

**Commented [RMM47]:** Section 9 was shared at the Oct. 9 workshop.

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«Customer Name» has the option to serve its Above-CHWM Load with:  
(1) Firm Requirements Power purchased from BPA at a Tier 2 Rate or rates,  
(2) Dedicated Resources, or (3) a specific combination of both (1) and (2).

Within sixty calendar days after BPA publishes, to its publicly available website, customer's final CHWMs from the FY 2026 CHWM Calculation Process, «Customer Name» shall determine and provide written notice to BPA of its Above-CHWM Load service election, including its election to purchase Firm Requirements Power at Tier 2 Rates, consistent with section 2.1 of Exhibit C.

BPA shall update Exhibit C to state «Customer Name»'s Tier 2 Rate purchase elections and the amount of its purchase obligation of Firm Requirements Power at Tier 2 Rates.

### 9.3 Amounts of Tier 2 Flat Across All Hours

Amounts of Firm Requirements Power sold by BPA at Tier 2 Rates and purchased by «Customer Name» shall be equal in all hours of the year.

## 10. TIER 2 REMARKETING AND RESOURCE REMOVAL

Under this section 10, «Customer Name» does not have temporary resource removal or remarketing rights for its Dedicated Resources in Exhibit A added pursuant to section 3.5.4 or section 3.5.8. In addition, under this section 10, «Customer Name» does not have temporary resource removal or remarketing rights for any Dedicated Resource amounts or amounts of Firm Requirements Power purchased at Tier 2 Rates that would otherwise be eligible for removal or remarketing due to the addition of resources under section 3.5.4.

**Commented [RMM48]:** Section 10, Block and Slice/Block versions were shared at the Oct. 9 workshop. Further discussion is scheduled for a workshop in November 2024.

### 10.1 New Resource Removal and Remarketing of Tier 2 Rate Purchase Amounts

By July 31, 2028 and by each July 31 thereafter, BPA shall calculate «Customer Name»'s New Resource Removal and remarketing of Tier 2 Rate purchase amounts for the upcoming Fiscal Year, if applicable. If «Customer Name»'s Net Requirement Prior to Resource Removal for the upcoming Fiscal Year is less than the sum of: (1) «Customer Name»'s CHWM, (2) «Customer Name»'s Tier 2 Rate purchase amounts, as stated in Exhibit C, and (3) «Customer Name»'s New Resource amounts serving Above-CHWM Load as stated in Exhibit A, then, except as permitted in section 10.1.3 and in the following order:

- (1) «Customer Name» shall temporarily remove its eligible New Resource amounts, and
- (2) BPA shall remarket «Customer Name»'s Tier 2 Rate purchase amounts.

Any removal of eligible New Resource amounts or remarketing of Tier 2 Rate purchase amounts shall apply until either: (1) the removed New Resource amounts plus the remarketed Tier 2 Rate purchase amounts equal the

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amount by which «Customer Name»'s New Resource amounts plus its Tier 2 Rate purchase amounts exceed its Net Requirement Prior to Resource Removal, or (2) all of «Customer Name»'s New Resources are removed and all of its Tier 2 Rate purchase amounts are remarketed.

- 10.1.1 If «Customer Name» has more than one New Resource, then by August 15, 2028 and each August 15 thereafter, «Customer Name» shall notify BPA of the order and associated amounts of «Customer Name»'s New Resources that «Customer Name» shall remove for the upcoming Fiscal Year to the extent necessary to comply with this section 10.1.
- 10.1.2 If «Customer Name» fails to notify BPA in accordance with section 10.1.1, then BPA shall determine the order and associated amounts of «Customer Name»'s New Resource removal for the upcoming Fiscal Year to comply with this section 10.1.
- 10.1.3 If compliance with the requirements of this section 10.1 would cause «Customer Name» to remove part or all of any New Resource amounts that «Customer Name» uses to fulfill a state or federal renewable resource standard or other comparable legal obligation, then «Customer Name» may request for BPA to remarket the same amount of Tier 2 Rate purchase amounts until all of «Customer Name»'s Tier 2 Rate purchase amounts are remarketed. Following such remarketing, «Customer Name» may either temporarily remove New Resources applied to the Tier 1 Allowance or Existing Resources to the extent necessary to comply with this section 10.1, provided that the hourly, monthly, and Diurnal amounts removed shall be equal to the hourly, monthly, and Diurnal amounts provided by the New Resources that «Customer Name» would have otherwise been obligated to remove.

*Reviewer's Note: Section 10.1.4 may be deleted entirely due to PRDM 4.2.2 Marginal Energy True-Up*

- 10.1.4 **Existing Resource Removal in Second Year of Rate Period**  
By July 31, 2029 and by each July 31 of a Forecast Year thereafter, BPA shall calculate «Customer Name»'s Existing Resource Removal for the upcoming Fiscal Year, if applicable. «Customer Name» shall remove Existing Resources when its Net Requirement Prior to Resource Removal for the second year of the Rate Period is less than its Net Requirement Prior to Resource Removal for the first Fiscal Year of the same Rate Period. The Existing Resource amount removed shall be the lessor of: (1) the greater of zero or «Customer Name»'s CHWM minus its Net Requirement Prior to Resource Removal for the second year of the Rate Period, or (2) the greater of zero or «Customer Name»'s Net Requirement Prior to Resource Removal for the first year of the Rate Period minus its Net Requirement Prior to Resource Removal for the second year of the Rate Period. Expressed as a formula, the Existing Resource removal

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amount in the second year of the applicable Rate Period is calculated as follows:

$$\text{ExResRemAmt} = \min((\max(0, \text{CHWM} - \text{NRPRR2})), (\max(0, \text{NRPRR1} - \text{NRPRR2})))$$

where:

ExResRemAmt = Existing Resource Removal Amount

NRPRR1 = Net Requirement Prior to Resource Removal Year 1 of the applicable Rate Period

NRPRR2 = Net Requirement Prior to Resource Removal Year 2 of the applicable Rate Period

If Existing Resource Removal is applicable in the upcoming Fiscal Year and «Customer Name» has more than one Existing Resource, then by August 15, then «Customer Name» shall notify BPA of the order and associated amounts of «Customer Name»'s Existing Resources that «Customer Name» shall remove for the upcoming Fiscal Year to the extent necessary to comply with this section 10.1.4.

### 10.2 Partial Resource Removal

When only a portion of an eligible Dedicated Resource is removed pursuant to section 10.1, such resources shall be removed proportionally to maintain the same annual shape for the resource as established in Exhibit A.

### 10.3 Responsibilities for Remarketing Tier 2 Rate purchase amounts and Disposition of Dedicated Resource

«Customer Name» shall be subject to applicable charges or credits, as established in a 7(i) Process, associated with BPA's remarketing of Tier 2 Rate purchase amounts of Firm Requirements Power.

Except as specified in section 10.4, «Customer Name» shall be responsible for the disposition of any amounts of its Dedicated Resources, whether Specified Resources or Committed Power Purchase Amounts that are removed or reduced pursuant to this Agreement.

### 10.4 Removal of Resources Taking RSS

If «Customer Name» purchases RSS for any New Resources that are partially or entirely removed pursuant to sections 10.1 or 10.2 above, then the following shall apply:

10.4.1 «Customer Name» shall continue to supply the entire amount of any such resources consistent with applicable provisions stated in Exhibit D.

10.4.2 BPA shall remarket the amounts of any such resources that are removed pursuant to section 10.1 in the same manner BPA remarkets Tier 2 Rate purchase amounts in section 10.3. BPA shall revise

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Exhibit A to identify the amounts of any such resources that are removed. BPA shall continue to provide RSS in accordance with applicable provisions in Exhibit D to any amounts of such resources that remain in Exhibit A after resource removal.

### 11. **RIGHT TO CHANGE PURCHASE OBLIGATION**

**Commented [RMM49]:** Section 11, Right to Change Purchase Obligation was shared at workshop on Oct. 15.

#### 11.1 **One-Time Right to Change Purchase Obligation**

Under this Agreement «Customer Name» shall have a one-time right to request a change in its purchase obligation, identified in section 3, to another purchase obligation available from BPA, including (*Drafter's Note: Delete product customer is currently purchasing and adjust so that it reads X, Y, or Z.*) «Load Following, »«Annual Flat Block, »«Diurnally Shaped Monthly Block, »«Flat Monthly Block, »«Flat Monthly Block with 10% Shaping Capacity, » «Flat Monthly Block with PNR Shaping Capacity, » «or» «Flat Monthly Block with PNR Shaping Capacity with PLVS, »«or»«Slice/Block, if available».

Unless otherwise agreed by the Parties, any «Customer Name» Above-CHWM Load service elections, Dedicated Resource additions, and other elections made under this Agreement shall continue to be applicable under the new purchase obligation, provided that BPA may update such terms and conditions consistent with the then-current terms of the new purchase obligation, and additional costs may apply for service under the new purchase obligation as described in section 11.6.

#### 11.2 **Notice and Conditions to Change Purchase Obligation**

No sooner than October 1, 2028, «Customer Name» may provide written notice to BPA to request a change to its purchase obligation. Such notice to BPA must be at least three years prior to the start of the Rate Period the purchase obligation change would be effective. «Customer Name»'s notice shall state: (1) the purchase obligation request, and (2) the Rate Period «Customer Name» requests the change to be effective. The latest date that «Customer Name» may provide notice to request a change to its purchase obligation is September 30, 2037 for a purchase obligation change effective on October 1, 2040.

#### 11.3 **Limitations Due to Peak Load Increase**

After receiving «Customer Name»'s notice under section 11.2, BPA shall evaluate the impact of «Customer Name»'s request on BPA's peak load obligation relative to the forecast of BPA's total monthly Qualified Capacity Contribution (QCC) values, or successor capacity requirements, for the first Fiscal Year the purchase obligation change would become effective. If BPA receives multiple requests from customers to change their purchase obligation that would be effective the same Rate Period, then BPA shall evaluate: (1) the impact of each customer's request individually and (2) the aggregate total impact of all customers' requests.

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If BPA determines that the purchase obligation change(s) would increase BPA's peak load obligation in any one month by an amount greater than: (1) the QCC values of «Customer Name»'s Dedicated Resource(s), or (2) the aggregate of all change-requesting customers' Dedicated Resources, then BPA may:

- (A) approve «Customer Name»'s request but defer the date on which «Customer Name»'s new purchase obligation change would become effective to the start of a subsequent Rate Period; or
- (B) approve «Customer Name»'s request and directly assign any costs associated with BPA meeting the difference in net peak load obligations and QCC to requesting customers as outlined in section 11.6 below; or
- (C) deny «Customer Name»'s request to change its purchase obligation.

If BPA determines that the purchase obligation change(s) would not increase BPA's peak load obligation in any one month by an amount greater than: (1) the QCC values of «Customer Name»'s Dedicated Resource(s), or (2) the aggregate of all change-requesting customers' Dedicated Resources then BPA may approve «Customer Name»'s request to change its purchase obligation.

BPA shall provide customers with an opportunity to comment on any customer(s) request to change their purchase obligation.

### 11.4 Restrictions on Changing Purchase Obligation to the Slice/Block Product

If during the term of this Agreement, all customer purchases of the Slice/Block product become reduced to zero percent, then BPA will retire the Slice/Block product as a purchase obligation option under this contract. After such retirement, «Customer Name»'s right to change its purchase obligation will be limited to the Load Following or Block product options as outlined in section 3.1.

### 11.5 Changes to Block Purchase Obligation

If «Customer Name» requests and BPA completes a change from one Block purchase obligation to a different Block purchase obligation as outlined in section 3.1 and section 1 of Exhibit C, then «Customer Name»'s will have exercised their one-time right time right to change its purchase obligation as stated above in section 11.1.

### 11.6 Charges to Change Purchase Obligation

In addition to the limitations established in sections 11.1, 11.2 and 11.3 above, «Customer Name» may be subject to charges, in addition to the rates for the new service, as a result of changing its purchase obligation. Such additional charges shall recover all additional costs that: (1) will be incurred by BPA to serve «Customer Name» under its new purchase obligation compared to its existing purchase obligation, and (2) would otherwise result

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in a rate impact on all other customers receiving service under a CHWM Contract. If «Customer Name» makes a request to change its purchase obligation, then BPA shall notify «Customer Name» of any such additional charges. BPA shall not be required to make a payment to «Customer Name» as a result of «Customer Name» changing its purchase obligation.

### 11.7 Change Confirmation

Within 30 days of BPA's presentation to «Customer Name» of the additional charges determined in section 11.6, and «Customer Name»'s maximum Slice Percentage calculated pursuant to section 11.9, if applicable. «Customer Name» shall provide BPA with written notice whether it will proceed with its request to change its purchase obligation.

### 11.8 Amendment to Reflect New Purchase Obligation

Following «Customer Name»'s confirmation of its decision to change its purchase obligation, the Parties shall amend this Agreement to replace the terms of «Customer Name»'s current purchase obligation with the terms of the new purchase obligation.

### 11.9 Available Slice Product and Slice Percentage

The total Firm Slice Amount BPA offers to all customers purchasing the Slice/Block Product shall not exceed twenty five percent of the sum of CHWMs established in the FY 2026 CHWM Process. If «Customer Name» requests to change to the Slice/Block Product, then BPA shall calculate «Customer Name»'s amount of available Slice Product for changes to the Slice/Block product as follows:

- (1) BPA shall calculate the total amount of available Slice Product in Average Megawatts for purchase by all customers requesting a change to the Slice/Block Product by subtracting (1) the sum of existing Slice/Block Product customers' CHWMs multiplied by fifty percent, from (2) twenty five percent of the sum of initial CHWMs established in the FY 2026 CHWM Process.

Expressed as a formula:

Available Slice Product = (25% (sum of initial FY 2026 CHWMs)) – (50% (existing Slice/Block customer's CHMW))

BPA shall compare the amount of available Slice Product to fifty percent of the sum of initial CHWMs for all customers requesting a change to the Slice/Block Product to determine the maximum Slice Percentage BPA shall offer to «Customer Name».

*Option: Include for cooperative customers:*

BPA may reduce «Customer Name»'s Slice Percentage to 0.5% pursuant to section 24.8 of this Agreement.

*End Option*



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- (2) If the available Slice Product calculated pursuant to section 11.9(1) is equal to or exceeds fifty percent of the sum of CHWMs for all customers requesting a change to Slice/Block Product, then BPA shall not limit the request.

BPA shall notify «Customer Name» of the available amounts of Slice Product available in accordance with section 11.7. «Customer Name» shall provide a change confirmation to BPA pursuant to section 11.7. «Customer Name»'s Slice Percentage in each Fiscal Year shall be calculated pursuant to section 5.3.

- (3) If the available Slice Product calculated pursuant to section 11.9(1) is less than fifty percent of the sum of CHWMs for all customers requesting a change to the Slice/Block Product, then BPA shall limit the maximum Slice Percentage of those customers requesting a change to Slice/Block Product on a pro rata basis.

BPA shall notify «Customer Name» of the amounts of Slice Product and «Customer Name» shall provide BPA with a change confirmation pursuant to section 11.7. «Customer Name»'s Slice Percentage in each Fiscal Year shall be calculated pursuant to section 5.3.

If the amount of available Slice Product increases in the future, then BPA, in its sole discretion, may offer Slice Customers with a maximum Slice Percentage that was reduced under section 11.9(3) to less than fifty percent of its CHWM, a pro rata adjustment to increase the maximum Slice Percentage.

If BPA determines it will offer an increase under this section 11.9(3), BPA shall notify such Slice Customers of a potential increase to available Slice Product within 30 days of BPA's receipt of a customer notice pursuant to section 11.2. BPA shall notify such Slice Customers of an actual increase to available Slice Product within 30 days of BPA's receipt of change confirmation, confirming a customer request to leave the Slice/Block Product, that increases available Slice Product pursuant to section 11.7. BPA will identify the Rate Period in which the maximum Slice Percentage will be effective following BPA's receipt of a change confirmation.

BPA may offer the pro rata increase to such Slice customers without consideration of the effective date of the respective Slice Customer purchase obligation changes to the Slice/Block Product.

## 12. BILLING CREDITS AND RESIDENTIAL EXCHANGE

### 12.1 Billing Credits

If «Customer Name» develops a Generating Resource or engages in conservation activities independently undertaken to serve its loads, then «Customer Name» agrees that it shall forego any request for, and BPA is not

**Commented [RMM50]:** Section 12, Billing Credits and Residential Exchange was shared at the May 6 and June 10 workshops.

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obligated to include, billing credits, as defined in section 6(h) of the Northwest Power Act, on «Customer Name»'s bills under this Agreement. This section does not apply to any billing credit contracts in effect as of the Effective Date.

- 12.2 **Agreement to Waive Exchange Costs of Existing Resources**  
«Customer Name» agrees it will not seek and shall not receive residential exchange benefits pursuant to section 5(c) of the Northwest Power Act. «Customer Name»'s agreement in this section 12.2 is a material precondition to BPA offering and executing this Agreement.

### 13. **SCHEDULING**

«Customer Name» shall schedule power in accordance with Exhibit F.

**Commented [RMM51]:** Section 13, Scheduling was shared at workshop on July 23 and Sept. 17.

### 14. **DELIVERY**

#### 14.1 **Definitions**

14.1.1 “Primary Points of Receipt” means the points on the Region’s transmission system where Firm Requirements Power is forecasted to be made available by Power Services to «Customer Name» for purposes of obtaining a long-term firm transmission contract.

14.1.2 “Scheduling Points of Receipt” means the points on the Region’s transmission system where Firm Requirements Power is made available by Power Services to «Customer Name» for purposes of acquiring transmission service and transmission scheduling.

#### 14.2 **Transmission Service**

*Option 1: Include the following for customers who are NOT served by transfer.*

14.2.1 «Customer Name» is responsible for acquiring transmission service to deliver power from the Scheduling Points of Receipt.  
*End option 1*

*Option 2: Include the following for customers who ARE served by transfer.*

14.2.1 «Customer Name» is responsible for acquiring transmission service to deliver power from the Scheduling Points of Receipt, subject to the provisions included in section 14.6.  
*End option 2*

14.2.2 «Customer Name» shall provide at least 180 days’ notice to Power Services prior to changing Balancing Authority Areas.

14.2.3 At «Customer Name»'s request, Power Services shall provide «Customer Name» with Primary Points of Receipt and other information needed to enable «Customer Name» to acquire long-term

**Commented [RMM52]:** Section 14, Delivery was shared at workshop on July 23 and Sept. 17.

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firm transmission for delivery of power sold under this Agreement. If required by a transmission provider for purposes of transmission scheduling, then Power Services shall provide «Customer Name» with Scheduling Points of Receipt. Power Services has the right to provide power to «Customer Name» at Scheduling Points of Receipt that are different than the Primary Points of Receipt. If BPA does provide power to «Customer Name» at Scheduling Points of Receipt that are different than the Primary Points of Receipt, then BPA shall reimburse «Customer Name» for any incremental, direct, non-administrative costs incurred by «Customer Name» to comply with delivering Firm Requirements Power from such Scheduling Points of Receipt to «Customer Name»'s load if the following conditions, as outlined in (1) or (2) below, have been met:

- (1) If «Customer Name» has long-term Point to Point (PTP) transmission service (as defined in BPA's Open Access Transmission Tariff or its successor) for delivery of Firm Requirements Power to its load:
  - (A) «Customer Name» has requested long-term firm transmission service to deliver its Firm Requirements Power using the Primary Points of Receipt and other information provided by Power Services; and
  - (B) «Customer Name» has submitted a request to redirect its long-term firm PTP transmission service to deliver Firm Requirements Power from the Scheduling Point of Receipt on a firm basis, but that request was not granted; and
  - (C) «Customer Name»'s transmission schedule was curtailed due to non-firm status under PTP transmission service or «Customer Name» can provide proof of the reimbursable costs incurred to replace the curtailed schedule.
- (2) If «Customer Name» has long-term Network Integration Transmission Service (as defined in BPA's Open Access Transmission Tariff or its successor) for delivery of Firm Requirements Power to its load:
  - (A) «Customer Name» has requested long-term firm transmission service to deliver its Firm Requirements Power using the Primary Points of Receipt and other information provided by Power Services; and
  - (B) «Customer Name»'s transmission schedule was curtailed due to non-firm status under its secondary service status and «Customer Name» can provide proof of the

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reimbursable costs incurred to replace the curtailed schedule.

14.2.4 [Placeholder for future language addressing DAM for delivery]

### 14.3 Liability for Delivery

«Customer Name» waives any claims against BPA arising under this Agreement for non-delivery of power to any points beyond the applicable Scheduling Points of Receipt, except for reimbursement of costs as described in section 14.2.3. BPA shall not be liable under this Agreement for any third-party claims related to the delivery of power after it leaves the Scheduling Points of Receipt. Neither Party shall be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for Transfer Service.

### 14.4 Real Power Losses

BPA is responsible for the real power losses necessary to deliver Firm Requirements Power to «Customer Name»'s PODs listed in Exhibit E.

### 14.5 Metering Losses

BPA shall adjust measured amounts of power to account for metering losses, if any, that occur between «Customer Name»'s PODs and the respective POMs, as specified in Exhibit E.

*Option: Include section 14.6 for customers served by Transfer Service.*

### 14.6 Delivery by Transfer

Subject to the limitations in this section, BPA agrees to acquire and pay for Transfer Service assessed by the Third-Party Transmission Provider to deliver Firm Requirements Power and Surplus Firm Power to «Customer Name»'s transfer PODs, as listed in Exhibit E, in an amount not to exceed «Customer Name»'s Total Retail Load on an hourly basis.

BPA shall pass through to «Customer Name» the cost of Transfer Service assessed by the Third-Party Transmission Provider for power sold at the NR Rate, including ancillary services and real power losses, in accordance with any applicable BPA Wholesale Power Rate Schedules and GRSPs.

#### 14.6.1 Ancillary Services

BPA shall acquire and pay for ancillary services needed to deliver Firm Requirements Power to «Customer Name»'s Transfer Service PODs listed in Exhibit E, subject to the following limitations:

- (1) «Customer Name» shall reimburse BPA for load regulation service or its replacement at the applicable Transmission Services rate, or its successor.

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- (2) BPA shall pay for the ancillary service(s) charged by a Third-Party Transmission Provider to deliver Firm Requirements Power to the PODs listed in Exhibit E, only if «Customer Name» is also purchasing such ancillary service(s) from Transmission Services to deliver Firm Requirements Power to the PODs in Exhibit E. If at any time «Customer Name» is not purchasing a specific ancillary service from Transmission Services to deliver Firm Requirements Power to one or more of the PODs listed in Exhibit E, then «Customer Name» shall pay Power Services a charge for such ancillary service to deliver power to the POD(s) in accordance with the applicable BPA Wholesale Power Rate Schedules and GRSPs.

«Customer Name» agrees to pay certain charges and BPA shall apply certain credits related to an energy imbalance market or a day ahead market associated with «Customer Name»'s load served by Transfer Service, consistent with the terms of the applicable BPA Wholesale Power Rate Schedules and GRSPs. Such charges and credits shall include, but are not limited to, those associated with «Customer Name»'s load served by Transfer Service Eligible Resources that «Customer Name» is responsible for scheduling or operating.

The Parties shall negotiate the terms and conditions necessary to implement this section 14.6.1 and pass through any energy imbalance market or day ahead market charges or credits. The Parties will include such terms and conditions in Exhibit D.

### 14.6.2 Low Voltage Delivery

Low voltage delivery is transmission service over the Low Voltage Segment by any Third-Party Transmission Provider's system. "Low Voltage Segment" means the facilities of a Third-Party Transmission Provider that are below 34.5 kV. For low voltage delivery to identified PODs in Exhibit E, «Customer Name» shall pay Power Services the applicable Transfer Service Delivery Charge rate, or its successor, consistent with the applicable BPA Wholesale Power Rate Schedules and GRSPs. BPA shall pass through to «Customer Name» any costs associated with delivery to identified PODs in Exhibit E over a Low Voltage Segment that is not subject to the Transfer Service Delivery Charge.

### 14.6.3 Direct Assignment Costs

«Customer Name» shall pay BPA for all directly assigned costs, consistent with Transmission Services' "BPA Facility Ownership and Cost Assignment Guidelines" and the "Final Supplemental Guidelines for Direct Assignment of Facilities Costs Incurred Under Transfer Agreements", or their successors. Such costs include, but not limited to: facility, system and generation interconnection study costs, construction costs, upgrade costs, and expansion costs, or other capital costs for facilities directly associated with service to any «Customer

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«Name» PODs assessed by the Third-Party Transmission Provider to BPA.

### 14.6.4 Penalties Assessed By the Third-Party Transmission Provider

BPA has the right to pass through to «Customer Name» any penalty charges assessed by the Third-Party Transmission Provider that are associated with BPA's acquisition of Transfer Service to the PODs identified in Exhibit E, except where the penalty is solely a result of a BPA error. Such charges may include, but are not limited to, power factor penalties or excessive energy imbalance penalties.

### 14.6.5 Removal of PODs

BPA may terminate deliveries at a POD if «Customer Name» consents to the termination or if the Parties determine that «Customer Name»'s requirements for power at such point may be adequately supplied under reasonable conditions and circumstances at different POD(s):  
(1) directly from the Federal Columbia River Transmission System,  
(2) indirectly from the facilities of another transmission owner/operator, or (3) both.

### 14.6.6 Annexed Loads

BPA shall arrange and pay for Transfer Service to serve «Customer Name»'s Annexed Load subject to the limitations in this section 14.6. «Customer Name» shall provide BPA written notice of any Annexed Load acquired greater than one Average Megawatt as soon as possible, but no later than 180 days prior to the commencement of service to the Annexed Load. However, BPA's obligation to provide Transfer Service to «Customer Name»'s Annexed Load shall be limited by the megawatt caps and process for Annexed Load and new public customers set forth in BPA's Provider of Choice Final Policy, March 2024, or any revision of that policy.

### 14.6.7 Non-Federal Deliveries

Subject to the limitations in this section 14.6 and Exhibit G, BPA agrees to acquire and pay the Third-Party Transmission Provider for Transfer Service to deliver Transfer Service Eligible Resources to «Customer Name»'s transfer PODs, as listed in Exhibit E, in an amount not to exceed «Customer Name»'s Total Retail Load on an hourly basis.

If «Customer Name» has or is acquiring a Transfer Service Eligible Resource, and «Customer Name» has requested that BPA assist in the acquisition of transmission services for such resource, then the Parties shall revise Exhibit G to include specific terms and conditions under which BPA will obtain Transfer Service on a Third-Party Transmission Provider's system for delivery of that resource to «Customer Name»'s system. The terms of the agreement BPA offers to «Customer Name» shall not be subject to section 22, Governing Law and Dispute Resolution. BPA shall develop the terms and conditions

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consistent with the principles of service specified in section XX of Exhibit G.

BPA shall pass through to «Customer Name» the cost of Transfer Service assessed by the Third-Party Transmission Provider for any Transfer Service Eligible Resource serving (1) a Planned NLSL or an NLSL or (2) a portion of «Customer Name»'s Total Retail Load that «Customer Name» is obligated to serve with BPA provided electric power pursuant to this Agreement.

### 14.6.8 Unavailability of Firm Transmission Service

14.6.8.1 BPA shall acquire and pay for «Customer Name»'s firm Transfer Service when firm transmission is available. If a Third-Party Transmission Provider: (1) has indicated that long-term firm transmission service necessary to deliver power to any portion of «Customer Name»'s load served by Transfer Service is unavailable and (2) identifies upgrades are necessary to deliver power to «Customer Name» on firm transmission to such load on a long-term basis, then BPA shall attempt to acquire non-firm transmission from the Third-Party Transmission Provider to serve «Customer Name»'s load on an interim basis until the identified upgrades are completed and firm transmission is available.

- (1) If a Third-Party Transmission Provider has indicated that neither firm nor non-firm transmission service necessary to deliver power to any portion of «Customer Name»'s load served by Transfer Service is available, then (A) BPA shall have no obligation to deliver power under this Agreement to serve such load until that Third-Party Transmission Provider is able to provide transmission service, and (B) «Customer Name» shall not continue forward and serve the load in excess of available transmission service from that Third-Party Transmission Provider.
- (2) If a Third-Party Transmission Provider identifies upgrades necessary to deliver power on firm transmission to any portion of «Customer Name»'s load served by Transfer Service on a long-term basis and «Customer Name» declines to pay any costs or deposits that the Third-Party Transmission Provider requires to proceed with the upgrades consistent with section 14.6.3, then (A) BPA shall have no obligation to deliver power under this Agreement to serve such load, and (B) «Customer Name» shall not continue forward and serve the load in excess of available transmission service from that Third-Party Transmission Provider.

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(3) Notwithstanding the above, if a Third-Party Transmission Provider has determined transmission service is unavailable and «Customer Name» continues forward and serves the load in excess of the available transmission service, then BPA shall pass through to «Customer Name» any charges related to transmission service to «Customer Name»'s load that the Third-Party Transmission Provider has indicated is unavailable.

14.6.8.2 Prior to any deliveries using non-firm transmission to any portion of «Customer Name»'s load served by Transfer Service, BPA will inform «Customer Name» of the terms of service associated with such non-firm transmission arrangements and the Parties shall include such terms in Exhibit D.

14.6.8.3 BPA shall not be liable for any damages incurred by «Customer Name» associated with the Third-Party Transmission Provider's inability to provide firm or non-firm transmission, BPA's inability to acquire transmission service, curtailment of non-firm transmission service, or unserved load.

### 14.6.9 Changes to «Customer Name»'s Third-Party Transmission Provider Transmission Needs

As soon as possible, «Customer Name» shall notify and coordinate with BPA for any anticipated changes that would require «Customer Name» needing additional transmission from a Third-Party Transmission Provider. In the event that multiple customers require and request capacity on the same Third-Party Transmission Provider system, BPA shall address requests, including those in section 14.6.8, on a first come first served basis.

If «Customer Name» fails to notify and coordinate with BPA for any transmission needs greater than one megawatt, then BPA, in its sole discretion, may pass through any Third-Party Transmission Provider costs, including the cost of Transfer Service, related to the transmission needs that «Customer Name» failed to communicate.

14.6.10 [Placeholder for future language addressing DAM for delivery specific to transfer]  
*END Option 14.6 for Transfer Service Customers.*



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*Drafter's Note: Include section 14.7 for customers served by Transfer Service with load interconnected to multiple transmission systems:*

### 14.7 Delivery of Non-Federal Resources Over Multiple Transmission Systems

#### 14.7.1 Notice of Transmission System Delivery Plan

If «Customer Name» is applying a Transfer Service Eligible Resource and the load is located on multiple transmission systems, then by September 1, 2027, «Customer Name» shall provide written notice to BPA of its Transmission System Delivery Plan(s) for service beginning October 1, 2028.

Beginning September 1, 2028, and by September 1 every year thereafter, «Customer Name» shall provide written notice to BPA of: (1) its Transmission System Delivery Plan for any new Transfer Service Eligible Resource(s) or (2) any changes to its Transmission System Delivery Plan for its current Transfer Service Eligible Resource(s). Such updated Transmission System Delivery Plans shall be for service to load beginning October 1 of the following calendar year.

«Customer Name»'s Transmission System Delivery Plan(s) under this section 14.7 shall adhere to the following requirements:

- (1) the maximum potential output of all «Customer Name»'s Transfer Service Eligible Resources on a transmission system shall not exceed BPA's forecast of «Customer Name»'s minimum load on that transmission system in any given hour.
- (2) «Customer Name»'s Dedicated Resources for a specific load, such as an NLSL or On-Site Consumer Load, shall be delivered over the transmission system where the load is located.

If «Customer Name»'s updated Transmission System Delivery Plan(s) is not acceptable to BPA, then BPA shall provide notice to «Customer Name» and the Parties shall attempt to negotiate a revised Transmission System Delivery Plan(s). If the Parties cannot agree upon an acceptable Transmission System Delivery Plan(s), then the resource cannot be used to serve «Customer Name»'s load.

#### 14.7.2 Delivery of Non-Federal Resources According to Delivery Plan

By March 31, 2028 BPA shall update Exhibit A with «Customer Name»'s accepted Transmission System Delivery Plan for each Transfer Service Eligible Resource. By March 31 every year thereafter, if «Customer Name» notifies BPA of any changes to «Customer Name»'s Transmission System Delivery Plan(s) according to section 14.7.1 above, then BPA shall update Exhibit A with «Customer Name»'s accepted new Transmission System Delivery Plan(s).

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«Customer Name» shall apply its Transfer Service Eligible Resource to serve its load consistent with the Transmission System Delivery Plans. «Customer Name» shall be subject to charges associated with Delivery Plan, if any, in accordance with the applicable BPA Wholesale Power Rate Schedules and GRSPs established during the 7(i) Process.

*End Option 14.7 for customers served by Transfer Service interconnected to multiple transmission systems.*

### 15. **METERING**

**Commented [RMM53]:** Section 15, Metering was shared at the June 10 and July 16 workshops.

#### 15.1 **Requirements for Meters**

For purposes of forecasting, planning, or billing and pursuant to the requirements of section 17.5, BPA may require «Customer Name» to provide BPA some or all of «Customer Name»'s load data. Additionally, for purposes of forecasting, planning or billing, BPA may require «Customer Name» to provide BPA access to load meter data.

If, during the term of this Agreement, BPA determines that the load data BPA has requested and «Customer Name» has provided to BPA is not adequate or verifiable, or if BPA determines that either load or resource meter data is needed to administer this Agreement, then «Customer Name» shall allow BPA to install BPA owned meters, at BPA's expense, to collect such data.

For all new meters and for all existing meters listed in Exhibit E, used by BPA for forecasting, planning, or billing, the following requirements shall apply.

##### 15.1.1 **BPA Owned Meters**

At BPA's expense, BPA shall operate, maintain, and replace, as necessary, all metering equipment owned by BPA that is needed to forecast, plan, or bill for «Customer Name»'s power needs under this Agreement consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA. «Customer Name» authorizes BPA to maintain and replace any BPA owned metering equipment on «Customer Name» facilities that is reasonably necessary to forecast, plan, or bill for power. With reasonable notice from BPA, and for the purpose of implementing this provision, «Customer Name» shall grant BPA reasonable physical access to BPA owned meters at BPA's request, consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

If, at any time, either Party determines that a BPA owned meter is defective or inaccurate, then BPA shall adjust, repair, or replace the

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meter to provide accurate metering as soon as practical consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

### 15.1.2 Non-BPA Owned Meters

#### 15.1.2.1 Non-BPA Owned Meters Owned by «Customer Name»

At «Customer Name»'s expense, «Customer Name» shall operate, maintain, and replace, as necessary, all non-BPA metering equipment that is owned by «Customer Name» that is needed by BPA to forecast, plan, or bill for «Customer Name»'s power needs under this Agreement. For the purpose of inspection, «Customer Name» shall grant BPA reasonable physical access to «Customer Name»'s meters at BPA's request, consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

If, at any time, BPA or «Customer Name» determines that a «Customer Name» owned meter listed in Exhibit E is defective or inaccurate, then «Customer Name» shall adjust, repair, or replace the meter, or shall make commercially reasonable efforts to arrange for the completion of such actions, to provide accurate metering as soon as practical. BPA shall have the right to witness any meter tests conducted by «Customer Name» on «Customer Name» owned meters listed in Exhibit E, consistent with «Customer Name»'s Network Operating Agreement, BPA's Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

#### 15.1.2.2 Non-BPA Owned Meters Not Owned by «Customer Name»

For non-BPA owned meters not owned by «Customer Name» needed by BPA to forecast, plan, or bill for power under this Agreement, «Customer Name» shall make commercially reasonable efforts to arrange for such meters to be operated, maintained and replaced, as necessary.

If, at any time, it is determined that a non-BPA owned meter not owned by «Customer Name» listed in Exhibit E is defective or inaccurate, then «Customer Name» shall make commercially reasonable efforts to arrange to adjust, repair, or replace the meter, to provide accurate metering as soon as practical. To the extent possible, BPA may witness any meter tests on non-BPA owned meters not owned by «Customer Name» listed in Exhibit E, consistent with

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«Customer Name»’s Network Operating Agreement, BPA’s Metering Application Requirements, or their successors, or other agreements «Customer Name» has with BPA.

### 15.1.2.3 Non-BPA Owned Meters Owned by a Third-Party Transmission Provider

For non-BPA owned meters owned by a Third-Party Transmission Provider for which BPA holds a transmission contract for service to «Customer Name» load, the metering arrangements shall be between BPA and the Third-Party Transmission Provider.

### 15.1.3 New Meters

A separate agreement addressing the location, cost responsibility, access, maintenance, testing, and liability of the Parties with respect to new meters shall be between «Customer Name» and Transmission Services.

All new and replaced meters installed by either Party shall meet the American National Standard Institute standards and the Requirements for Instrument Transformers, or their replacement as specified in BPA’s applicable metering procedures and requirements posted to BPA’s publicly accessible metering services website as of the date of installation.

### 15.2 Metering an NLSL

Any loads that are monitored by BPA for an NLSL determination and any NLSLs shall be metered pursuant to section 23.3.4.

### 15.3 Metering Exhibit

«Customer Name» shall provide meter data specified in section 17.3. BPA shall list «Customer Name»’s PODs, POMs, Interchange Points as applicable, and related information in Exhibit E.

## 16. BILLING AND PAYMENT

### 16.1 Billing

BPA shall electronically bill «Customer Name» monthly for all products and services, including any charges and credits incurred, provided during the preceding month(s). However, if electronic transmittal of the bill is not possible, then BPA shall mail a physical copy of the bill to «Customer Name». BPA may send «Customer Name» an estimated bill followed by a final bill. The Issue Date is the date BPA sends the bill to «Customer Name».

*Option 1: Include the following for all customers except Federal customers utilizing IPAC*

### 16.2 Payment

«Customer Name» shall pay all bills electronically in accordance with instructions on the bill. Payment of all bills, whether estimated or final,

**Commented [RMM54]:** Section 16, Billing and Payment language was shared at the April 10, June 10, July 16, Sept. 17 and Oct. 22 workshops.

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must be received by the 20<sup>th</sup> day after the Issue Date of the bill (Due Date). If the 20<sup>th</sup> day is a Saturday, Sunday, or federal holiday, then the Due Date is the next Business Day.

If «Customer Name» has made payment on an estimated bill then:

- (1) if the amount of the final bill exceeds the amount of the estimated bill, then «Customer Name» shall pay BPA the difference between the estimated bill and final bill by the final bill's Due Date; or
- (2) if the amount of the final bill is less than the amount of the estimated bill, then BPA shall pay «Customer Name» the difference between the estimated bill and final bill by the 20<sup>th</sup> day after the final bill's Issue Date. If the 20<sup>th</sup> day is a Saturday, Sunday, or federal holiday, BPA shall pay the difference by the next Business Day.

### 16.3 Late Payments

If «Customer Name» has not paid its bill in full by the Due Date, BPA shall apply a daily interest charge to any unpaid balance equal to the higher of:

- (1) the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) plus four percent, divided by 365; or
- (2) the Prime Rate times 1.5, divided by 365.

*End Option 1*

*Option 2: Include the following for Federal customers utilizing IPAC*

### 16.2 Payment

«Customer Name» shall pay all bills electronically in accordance with instructions on the bill. Payment of all bills, whether estimated or final, must be received by the 20<sup>th</sup> day after the Issue Date of the bill (Due Date). If the 20<sup>th</sup> day is a Saturday, Sunday, or federal holiday, then the Due Date is the next Business Day. Subject to the availability of funds, BPA shall collect the amount due by the Due Date from «Customer Name» through Intra-Governmental Payment and Collection (IPAC) system, or its successor.

### 16.3 This section intentionally left blank.

*End Option 2*

### 16.4 Failure to Pay

If «Customer Name» has not paid its bill in full by the Due Date, then BPA shall notify «Customer Name» of nonpayment. «Customer Name» shall have 45 days after receipt of the written notice to cure its nonpayment by making payment in full. If «Customer Name» does not provide full payment within the 45-day cure period, then BPA shall send an additional written notice of nonpayment to «Customer Name». «Customer Name» shall then have three Business Days after receipt of the additional written notice to provide payment. If «Customer Name» has not provided payment within three

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Business Days after receipt of the additional written notice and BPA determines in its sole discretion that «Customer Name» is unable to make the payments owed, then BPA may terminate this Agreement pursuant to section 25.1. Written notices sent under this section 16.4 must comply with Exhibit I.

### 16.5 Disputed Bills

16.5.1 If «Customer Name» disputes any portion of a charge or credit on «Customer Name»'s estimated or final bills, «Customer Name» shall provide written notice to BPA with a copy of the bill noting the disputed amounts. Notwithstanding whether any portion of the bill is in dispute, «Customer Name» shall pay the entire bill by the Due Date. This section 16.5.1 does not allow «Customer Name» to challenge the validity of any BPA rate.

16.5.2 Unpaid amounts on a bill (including both disputed and undisputed amounts) are subject to the late payment charges provided above. Notice of a disputed charge on a bill does not constitute BPA's agreement that a valid claim under contract law has been stated.

*Option 1: Include the following for all customers except Federal customers utilizing IPAC*

16.5.3 If the Parties agree, or if after a final determination of a dispute pursuant to section 22, «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate shall equal the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which payment was due) divided by 365.

*End Option 1*

*Option 2: Include the following for Federal customers utilizing IPAC*

16.5.3 If the Parties agree, or if after a final determination of a dispute pursuant to section 22 it is determined, «Customer Name» is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund available to «Customer Name» through the IPAC system, or its successor.

*End Option 2*

## 17. INFORMATION EXCHANGE AND CONFIDENTIALITY

### 17.1 General Requirements

Upon request, each Party shall provide the other Party any information that is necessary to administer this Agreement and to forecast «Customer Name»'s Total Retail Load, forecast BPA system load, comply with NERC reliability standards, prepare bills, resolve billing disputes, administer Transfer Service, forecast and monitor large loads and NLSLs, and otherwise

**Commented [RMM55]:** Section 17, Information Exchange and Confidentiality language has been shared at the June 10, July 16, Sept. 18 workshops.

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implement this Agreement. For example, this obligation includes, but is not limited to: (1) load and resource data relating to large loads and NLSLs; (2) transmission and power scheduling information; (3) load and resource metering information (such as customer system one-line and metering diagrams, loss factors, historical hourly load and resource data, etc.); and, (4) Energy Storage Device data.

In addition, «Customer Name» shall provide information BPA requests about Dedicated Resources for purposes of meeting: (1) BPA’s statutory obligations under section 7(b) of the Northwest Power Act and (2) regional resource adequacy programs and market participation.

The Parties shall make best efforts to provide information requested under this section 17.1 within the time frame specified in the request. If «Customer Name» fails to provide BPA with information «Customer Name» is required to provide pursuant to this Agreement and the absence of such information makes it impossible for BPA to perform a calculation, make a determination, or take an action required under this Agreement, then BPA may suspend its obligation to perform such calculation, make such determination, or take such action until «Customer Name» has provided such information to BPA.

### 17.2 Reports

17.2.1 Within 30 days after final approval of «Customer Name»’s annual financial report and statements by «Customer Name»’s authorized officer, «Customer Name» shall either e-mail them to BPA at [kslrf@bpa.gov](mailto:kslrf@bpa.gov) or, if any of the information is publicly available, then «Customer Name» shall notify BPA of its availability.

17.2.2 Within 30 days after its submittal to the Energy Information Administration (EIA), or its successor, «Customer Name» shall e-mail a copy of its Annual Form EIA-861 Reports to BPA at [kslrf@bpa.gov](mailto:kslrf@bpa.gov). If «Customer Name» is not required to submit such reports to the EIA, then this requirement does not apply.

17.2.3 By November 30, 2028, and by November 30 each year thereafter, «Customer Name» shall provide to the Pacific Northwest Utilities Conference Committee (PNUCC), or its successor, forecasted loads, Energy Storage Devices, and resources data to facilitate a region-wide assessment of loads and resources in a format, length of time, and level of detail specified in PNUCC’s Northwest Regional Forecast Data Request.

After consultation with the Resource Adequacy Advisory Committee, or a successor, BPA may require «Customer Name» to submit additional data to the Northwest Power and Conservation Council (Council) that BPA determines is necessary for the Council to perform a regional resource adequacy assessment.

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The requirements of this section 17.2.3 are waived if «Customer Name»: (1) purchases all the power to serve its Total Retail Load from BPA and (2) uses no Energy Storage Device(s) to serve its Total Retail Load.

«Customer Name» may require PNUCC or Council to execute a commercially reasonable non-disclosure agreement consistent with the terms of section 17.8 before providing such entities the data and information required pursuant to this section 17.2.3, as applicable.

- 17.2.4 If «Customer Name» is required by applicable law, their transmission provider, or directive (i.e. utility board resolution) to prepare and publish long-term integrated resource plans or resource forecasts, then Power Services may request and «Customer Name» shall provide Power Services with updated copies of such.

### 17.3 Meter Data

17.3.1 In accordance with section 15 and Exhibit E, the Parties shall notify each other of any changes to PODs, POMs, Interchange Points and related information for which each Party is responsible. «Customer Name» shall ensure BPA has access to all data from load, Energy Storage Device, and resource meters that BPA determines are necessary to administer this Agreement including to forecast, plan, schedule, and bill under this Agreement. Access to these data shall be on a schedule agreed to by the Parties. Meter data include, but are not limited to: «Customer Name»'s actual amounts of energy used, expended, or stored for loads, resources, and Energy Storage Devices, and the physical attributes of «Customer Name»'s meters.

17.3.2 «Customer Name» consents to allow Power Services to receive the following information from Transmission Services and BPA's metering function: (1) «Customer Name»'s meter data, as specified in section 17.3.1, section 15, and Exhibit E, and (2) notification of outages or load shifts.

17.3.3 When the following events are planned to occur on «Customer Name»'s system that will affect the load measured by the meters listed in Exhibit E, then «Customer Name» shall provide BPA with advance notice by e-mailing BPA at: (1) [mdm@bpa.gov](mailto:mdm@bpa.gov) and (2) the contacts shown in Exhibit I: (1) installation of a new meter, (2) changes or updates to an existing meter not owned by BPA, (3) any planned line or planned meter outages, and (4) any planned load shifts from one POD to another.

«Customer Name» shall follow all applicable metering procedures and requirements posted to BPA's publicly accessible metering services website. Such requirements include, but are not limited to, specifying



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the number of required advance days' notice for the events listed above.

This section 17.3.3 is not intended to apply to retail meters not listed in Exhibit E.

17.3.4 If an unplanned load shift or outage occurs, materially affecting the load measured by the meters listed in Exhibit E, then «Customer Name» shall e-mail BPA at: (1) [mdm@bpa.gov](mailto:mdm@bpa.gov), and (2) the contacts shown in Exhibit I within 72 hours after the event.

### 17.4 Data for Determining CHWM

Upon request, «Customer Name» shall provide to BPA any load and resource information that BPA determines is reasonably necessary to calculate «Customer Name»'s CHWM. This may include historical load data not otherwise available to BPA and other data necessary to allow BPA to adjust for weather normalization.

### 17.5 Hourly Total Retail Load Data

BPA shall notify «Customer Name» by June 30, 2027, if BPA determines that it does not have adequate hourly meter data to calculate «Customer Name»'s Total Retail Load. If BPA sends such notification, «Customer Name» shall e-mail the following hourly data to BPA at [kslf@bpa.gov](mailto:kslf@bpa.gov) according to the schedule below. «Customer Name» shall submit such data in a comma-separated-value (csv) format with the time/date stamp in one column and load amounts, with units of measurement specified, in another column.

17.5.1 By December 31, 2027, «Customer Name» shall send to BPA «Customer Name»'s actual hourly Total Retail Load data for Fiscal Year 2018 through Fiscal Year 2027.

17.5.2 By December 31, 2028, and by December 31 of each year thereafter, «Customer Name» shall send BPA «Customer Name»'s actual hourly Total Retail Load data for the immediately preceding Fiscal Year.

### 17.6 Total Retail Load Forecast

By June 30, 2028, and by June 30 of each year thereafter, «Customer Name» shall provide BPA a forecast of «Customer Name»'s monthly energy and «Customer Name»'s system coincidental peak of «Customer Name»'s Total Retail Load for the upcoming ten Fiscal Years. [Forecasts that are consistent with «Customer Name»'s most recent Integrated Resource Plan \(or similar study\) will carry a presumption of reasonableness.](#) «Customer Name» shall e-mail the forecast to BPA at [kslf@bpa.gov](mailto:kslf@bpa.gov), in a comma-separated-value (csv) format. «Customer Name» shall send the csv file with the following data elements in separate columns:

- (1) four-digit calendar year,
- (2) three-character month identifier,

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- (3) monthly energy forecast,
- (4) unit measurement of monthly energy forecast,
- (5) monthly «Customer Name»-system coincidental peak forecast, and
- (6) unit measurement of monthly «Customer Name»-system coincidental peak forecast.

**Commented [LLP56]:** This forecast should specify the unit of measurement (MWh or aMW).

**Commented [LLP57]:** Ditto.

**Commented [LLP58]:** Presumably “unit measurement” means either kW or MW. Define coincidental as “hourly Customer peak”. Identify which data is required to be submitted hourly.

**Commented [LLP59]:** Specify kW or MW, or other unit of measurement if necessary.

### 17.7 Transparency of Net Requirements Process

#### 17.7.1 Data Made Publicly Available

By July 31, 2028, and by July 31 every year thereafter, BPA shall make the following information publicly available to «Customer Name» and all other BPA regional utility customers with a CHWM:

- (1) «Customer Name»’s measured Total Retail Load data for the previous Fiscal Year in monthly energy amounts and monthly customer-system peak amounts,
- (2) BPA’s forecast of «Customer Name»’s Total Retail Load, for the upcoming Fiscal Year, in monthly energy amounts and monthly customer-system peak amounts, and
- (3) «Customer Name»’s Dedicated Resource energy and peak amounts for the upcoming Fiscal Year and the previous Fiscal Year.

**Commented [LLP60]:** Why is this “customer-system” rather than Customer Name? Please explain the difference between “customer-system” and “customer”.

#### 17.7.2 Waiver of Confidentiality and Comment Process

«Customer Name» waives all claims of confidentiality regarding the data described above. «Customer Name» may provide comments regarding the published data to BPA within ten Business Days after notification. After reviewing any comments and no later than 60 days from the date BPA originally releases such data, BPA shall make available a final set of data and an explanation of any changes to «Customer Name» and all other customers with a CHWM.

### 17.8 Confidentiality

Before «Customer Name» provides information to BPA that is confidential, or is otherwise subject to privilege or nondisclosure, «Customer Name» shall clearly designate such information as confidential. BPA shall notify «Customer Name» as soon as practicable of any request received under the Freedom of Information Act (FOIA), or under any other federal law or court or administrative order, for any confidential information. BPA shall only release such confidential information to comply with FOIA or if required by any other federal law or court or administrative order. BPA shall limit the use and dissemination of confidential information within BPA to employees who need it for purposes of administering this Agreement.

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### 17.9 Resources Not Used to Serve Total Retail Load

«Customer Name» shall list in section 6 of Exhibit A all Generating Resources and Contract Resources «Customer Name» owns that are: (1) not Specified Resources listed in section 2 of Exhibit A, and (2) greater than 1 megawatt of nameplate capability. At BPA's request «Customer Name» shall provide BPA with additional data if needed to verify the information listed in section 6 of Exhibit A.

### 18. UNCONTROLLABLE FORCES

18.1 A Party shall not be in breach of an obligation under this Agreement to the extent its failure to fulfill the obligation is due to an Uncontrollable Force. "Uncontrollable Force" means an event beyond the reasonable control, and without the fault or negligence, of the Party claiming the Uncontrollable Force, that prevents that Party from performing its obligations under this Agreement and which that Party could not have avoided by the exercise of reasonable care, diligence and foresight. Uncontrollable Forces include each event listed below, to the extent it satisfies the foregoing criteria, but are not limited to these listed events:

- (1) any curtailment or interruption of firm transmission service on BPA's or a Third-Party Transmission Provider's System that prevents delivery of Firm Requirements Power sold under this Agreement to «Customer Name»;
- (2) any failure of «Customer Name»'s distribution or transmission facilities that prevents «Customer Name» from delivering power to end-users;
- (3) strikes, work stoppage, or terrorist acts;
- (4) floods, earthquakes, other natural disasters, epidemics, or pandemics; and
- (5) final orders or injunctions issued by a court or regulatory body having subject matter jurisdiction which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court having subject matter jurisdiction.

18.2 Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

18.3 If an Uncontrollable Force prevents a Party from performing any of its obligations under this Agreement, such Party shall:

**Commented [RMM61]:** The Uncontrollable Forces language was shared at the April 10, May 6, June 10 workshops. At those workshops, Uncontrollable Forces was shared as section 21

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- (1) promptly notify the other Party of such Uncontrollable Force by any means practicable and confirm such notice in writing as soon as reasonably practicable;
- (2) use commercially reasonable efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligation hereunder as soon as reasonably practicable;
- (3) keep the other Party apprised of such efforts on an ongoing basis; and
- (4) provide written notice of the resumption of performance.

Written notices sent under this section must comply with Exhibit I.

18.4 The Parties shall keep each other apprised of the status of any Uncontrollable Force once invoked.

### 19. **GOVERNING LAW AND DISPUTE RESOLUTION**

*Option: Include for Tribal customers* «Customer Name» agrees that it will not assert as a defense to any claim by BPA hereunder, its sovereign immunity, and said immunity is hereby expressly waived for any obligations, liabilities, or duties owed by «Customer Name» to the Bonneville Power Administration, United States Department of Energy, under this Agreement. *End Tribal Option* This Agreement shall be interpreted consistent with and governed by federal law. «Customer Name» and BPA shall identify issue(s) in dispute arising out of this Agreement and make a good faith effort to negotiate a resolution of such disputes before either may initiate litigation or arbitration. Such good faith effort shall include discussions or negotiations between the Parties' executives or managers. Pending resolution of a contract dispute or contract issue between the Parties or through formal dispute resolution of a contract dispute arising out of this Agreement, the Parties shall continue performance under this Agreement unless to do so would be impossible or impracticable. Unless the Parties engage in binding arbitration as provided for in this section 19, the Parties reserve their rights to individually seek judicial resolution of any dispute arising under this Agreement.

#### 19.1 **Judicial Resolution**

Final actions subject to section 9(e) of the Northwest Power Act are not subject to arbitration under this Agreement and shall remain within the exclusive jurisdiction of the United States Court of Appeals for the Ninth Circuit. Such final actions include, but are not limited to, the establishment and the implementation of rates and rate methodologies. Any dispute regarding any rights or obligations of «Customer Name» or BPA under any rate or rate methodology, or BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. For purposes of this section 19, BPA policy means any written document adopted by BPA as a final action in a decision record or record of decision that establishes a policy of general application or makes a determination under an

**Commented [RMM62]:** Governing Law and Dispute Resolution was shared and discussed at the April 10 and May 6 workshops. When it was shared at those workshops, it was numbered as section 22.

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applicable statute or regulation. If BPA determines that a dispute is excluded from nonbinding arbitration under this section 19, then «Customer Name» may apply to the federal court having jurisdiction for an order determining whether such dispute is subject to nonbinding arbitration under this section 19.

### 19.2 Arbitration

Any contract dispute or contract issue between the Parties arising out of this Agreement, which is not excluded by section 19.1 above, shall be subject to arbitration, as set forth below.

«Customer Name» may request that BPA engage in binding arbitration to resolve any dispute. If «Customer Name» requests such binding arbitration and BPA determines in its sole discretion that binding arbitration of the dispute is appropriate under BPA's Binding Arbitration Policy or its successor, then BPA shall engage in such binding arbitration, provided that the remaining requirements of this section 19.2 and sections 19.3 and 19.4 are met. BPA may request that «Customer Name» engage in binding arbitration to resolve any dispute. In response to BPA's request, «Customer Name» may agree to binding arbitration of such dispute, provided that the remaining requirements of this section 19.2 and sections 19.3 and 19.4 are met. Before initiating binding arbitration, the Parties shall draft and sign an agreement to engage in binding arbitration, which shall set forth the precise issue in dispute, the amount in controversy and the maximum monetary award allowed, pursuant to BPA's Binding Arbitration Policy or its successor.

Nonbinding arbitration shall be used to resolve any dispute arising out of this contract that is not excluded by section 19.1 above and is not resolved via binding arbitration, unless «Customer Name» notifies BPA that it does not wish to proceed with nonbinding arbitration.

### 19.3 Arbitration Procedure

Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The Parties agree that a fundamental purpose for arbitration is the expedient resolution of disputes; therefore, the Parties shall make best efforts to resolve an arbitrable dispute within one year of initiating arbitration. The rules for arbitration shall be agreed to by the Parties.

### 19.4 Arbitration Remedies

The payment of monies shall be the exclusive remedy available in any arbitration proceeding pursuant to this section 19. This shall not be interpreted to preclude the Parties from agreeing to limit the object of arbitration to the determination of facts. Under no circumstances shall specific performance be an available remedy against BPA.

### 19.5 Finality

19.5.1 In binding arbitration, the arbitration award shall be final and binding on the Parties, except that either Party may seek judicial

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review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof.

19.5.2 In nonbinding arbitration, the arbitration award is not binding on the Parties. Each Party shall notify the other Party within 30 calendar days, or such other time as the Parties otherwise agreed to, whether it accepts or rejects the arbitration award. Subsequent to nonbinding arbitration, if either Party rejects the arbitration award, either Party may seek judicial resolution of the dispute, provided that such suit is brought no later than 395 calendar days after the date the arbitration award was issued.

### 19.6 Arbitration Costs

Each Party shall be responsible for its own costs of arbitration, including legal fees. Unless otherwise agreed to by the Parties, the arbitrator(s) may apportion all other costs of arbitration between the Parties in such manner as the arbitrator(s) deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

## 20. STATUTORY PROVISIONS

### 20.1 Retail Rate Schedules

«Customer Name» shall make its retail rate schedules available to BPA, as required by section 5(a) of the Bonneville Project Act, P.L. 75-329, within 30 days of each of «Customer Name»'s retail rate schedule effective dates. This requirement may be satisfied by «Customer Name» informing BPA of its public website where such information is posted and kept current.

**Commented [RMM63]:** Retail Rate Schedules was shared at workshop April 10 and June 10. When this was shared at workshop, it was shared as section 23.1 as a Statutory Provision.

### 20.2 Insufficiency and Allocations

If BPA determines, consistent with section 5(b) of the Northwest Power Act and other applicable statutes, that it will not have sufficient resources on a planning basis to serve its loads after taking all actions required by applicable laws then BPA shall give «Customer Name» a written notice that BPA may restrict service to «Customer Name». Such notice shall be consistent with BPA's insufficiency and allocations methodology, published in the Federal Register on March 20, 1996, and shall state the effective date of the restriction, the amount of «Customer Name»'s load to be restricted and the expected duration of the restriction. BPA shall not change that methodology without the written agreement of all public body, cooperative, federal agency and investor-owned utility customers in the Region purchasing electric power from BPA under section 5(b) of the Northwest Power Act. Such restriction shall take effect no sooner than five years after BPA provides notice to «Customer Name». If BPA imposes a restriction under this provision then the amount of Firm Requirements Power that BPA is obligated to provide and that «Customer Name» is obligated to purchase

**Commented [RMM64]:** Insufficiency and Allocations language was shared at workshop April 10 and June 10. When this was shared at workshop, it was shared as section 23.2 as a Statutory Provision.

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pursuant to section 3 and Exhibit C shall be reduced to the amounts available under such allocation methodology for restricted service.

### 20.3 **New** Large Single Loads and CF/CTs

#### 20.3.1 Customer Notice of Large Loads and Determination of an NLSL

«Customer Name» shall provide reasonable notice to BPA of any expected increase in a single load that may qualify as a Potential NLSL, Planned NLSL, or [Actual](#) NLSL.

Pursuant to this section 20.3, BPA shall determine if any load associated with a single facility that is capable of growing ten Average Megawatts or more in a consecutive 12-month period is a Potential NLSL or an NLSL. Pursuant to this section 20.3, the Parties shall determine if any load associated with a single facility is a Planned NLSL.

*Reviewer's Note: Section 2.# will point to the definition of Potential NLSL.*

«Customer Name»'s Potential NLSLs, Planned NLSLs, and [Actual](#) NLSL shall be subject to monitoring as determined necessary by BPA. For the purposes of section 2.«, this section 20.3, and section 1 of Exhibit D, ten Average Megawatts means 87,600,000 kilowatt-hours for any ~~year~~ [consecutive 12-month period](#).

In accordance with BPA's NLSL Policy and the terms of this section 20.3, BPA may determine that a load is an [Actual](#) NLSL as follows:

20.3.1.1 BPA shall determine an increase in production load to be an NLSL if any load associated with a new facility, an existing facility, or an expansion of an existing facility, which is not contracted for, or committed to (CF/CT), as determined by the Administrator, by a public body, cooperative, investor-owned utility, or federal agency customer prior to September 1, 1979, and which will result in an increase in power requirements of such customer of ten Average Megawatts (87,600,000 kilowatt-hours) or more in any consecutive 12-month period.

20.3.1.2 For the sole purpose of computing the increase in energy consumption between any two consecutive 12-month periods of comparison under this section 20.3.1, BPA shall determine if the reductions in the end-use consumer's load associated with a facility during the first 12-month period of comparison are due to unusual events reasonably beyond the control of the end-use consumer, and, if so, BPA shall compute the energy consumption as if such reductions had not occurred.

**Commented [RMM65]:** This NLSL and CF/CT language was shared at the Oct. 15 workshop. When it was shared on Oct. 15, it was numbered as section 23.3.

**Commented [LLP66]:** This change is intended to match the definition of NLSL.

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20.3.1.3 The Parties may agree that the applicable increase in load of installed production equipment at a facility will equal or exceed ten Average Megawatts consumption over any 12 consecutive months and that such production load shall constitute an Actual NLSL. Any such agreement shall constitute a binding NLSL determination, and BPA shall add the NLSL to section 1 of Exhibit D. Alternatively, the Parties may agree that the load at a facility is expected to become an NLSL during the facility's next consecutive 12-month monitoring period and is a Planned NLSL.

20.3.1.4 Unless the Parties agree pursuant to section 20.3.1.3 above, BPA shall determine whether a new load or an increase in existing load at a facility is an Actual NLSL. If BPA determines that the load at a facility is an NLSL, then BPA shall notify «Customer Name» and BPA shall add the NLSL to section 1 of Exhibit D if such is not already in Exhibit D after the facility determination pursuant to section 20.3.2.

20.3.1.5 BPA shall list «Customer Name»'s CF/CT loads, Potential NLSLs, Planned NLSLs, and Actual NLSLs in section 1 of Exhibit D.

### 20.3.2 Determination of a Facility

BPA shall make a written determination as to what constitutes a single facility, for the purpose of identifying an NLSL, based on the following criteria:

- (1) whether the load is operated by a single end-use consumer;
- (2) whether the load is in a single location;
- (3) whether the load serves a manufacturing process which produces a single product or type of product;
- (4) whether separable portions of the load are interdependent;
- (5) whether the load is separately metered from other loads;
- (6) whether the load is contracted for, served or billed as a single load under «Customer Name»'s customary billing and service policy or practices;
- (7) consideration of the facts from previous similar situations; and
- (8) any other factors the Parties determine to be relevant.



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### 20.3.3 Access and Metering

Upon BPA request, «Customer Name» shall provide physical access to its substations and other service locations where BPA needs to perform inspections or gather information for purposes of implementing section 3(13) of the Northwest Power Act. Such BPA inspections may include but are not limited to those needed to make a facility, final NLSL, or CF/CT determination. «Customer Name» shall coordinate with the end-use consumer to provide BPA, at reasonable times, physical access to inspect a facility for these purposes.

For any loads that are monitored by BPA for an NLSL determination, and for any loads at any facility that is determined by BPA to be an NLSL, BPA may, in its sole discretion, install BPA owned meters. If the Parties agree, «Customer Name» may install meters meeting specifications BPA provides to «Customer Name». «Customer Name» and BPA shall enter into a separate agreement for the location, ownership, cost responsibility, access, maintenance, testing, replacement and liability of the Parties with respect to such meters. «Customer Name» shall coordinate with BPA and the end-use consumer to arrange for metering locations that allow accurate measurement of the facility's load. «Customer Name» shall arrange for BPA to have physical access to such meters and «Customer Name» shall ensure BPA has access to all meter data for loads that are monitored under this section 20.3 and section 1 of Exhibit D that BPA determine are necessary to forecast, plan, schedule, and bill for power.

### 20.3.4 Billing for Large Loads Capable of Growing By More Than 10 aMW in 12-Month Monitoring Period

If BPA does not determine at the outset that an increase in load is a Planned NLSL or an Actual NLSL, then BPA shall bill «Customer Name» for the increase in load at a facility at the applicable PF rates during any consecutive 12-month monitoring period.

If BPA later determines that the increase in load is an NLSL, then BPA shall revise «Customer Name»'s bills to reflect the difference between the assessed PF rates and the applicable NR rates in effect for the monitoring period in which the increase takes place. «Customer Name» shall pay that bill with simple interest computed daily from the start of the monitoring period to the date the payment is made. The daily interest rate shall equal the Prime Rate (as reported in the Wall Street Journal or successor publication in the first issue published during the month in which the monitoring period began) divided by 365. After BPA's NLSL determination, «Customer Name» shall make a service request or election for the NLSL pursuant to section 20.3.6.

If BPA concludes in its sole judgment that «Customer Name» has not fulfilled its obligations, or has not been able to obtain access or

**Commented [LLP67]:** The timing here is unclear: "at the outset" of what? It seems that such a determination could occur at any time due to required monitoring. Which PF rates are applicable to Planned, Potential and Actual NLSLs?

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information from the end-use consumer under this section 20.3 , then BPA may determine any large load capable of growing ten Average Megawatts or more in a consecutive 12-month period or any Potential NLSL subject to monitoring to be an NLSL, in which case «Customer Name» shall be billed and pay in accordance with the preceding paragraph. Such NLSL determination shall be final unless «Customer Name» proves to BPA's satisfaction that the applicable increase in load did not equal or exceed ten Average Megawatts in any 12-month monitoring period.

### 20.3.5 Load Status at the End of the Consecutive 12-Month Monitoring Period

At the end of each consecutive 12-month monitoring period of a facility's load, BPA will determine if the metered load at a facility has grown by ten Average Megawatts or more during the preceding consecutive 12-month monitoring period. To determine load growth for a facility determined to be a CF/CT, BPA will subtract the amount of firm energy contracted for, or committed for the facility, as stated in section 1 of Exhibit D, from the metered load at the facility for the preceding consecutive 12-month monitoring period.

#### 20.3.5.1 Load Growth By 10 Average Megawatts or More

If the load at a facility has grown by ten Average Megawatts or more in the preceding consecutive 12-month monitoring period, then the load is an NLSL. BPA shall notify «Customer Name» of the NLSL designation and shall update section 1 of Exhibit D. Any future increases in the load shall be part of the NLSL.

#### 20.3.5.2 Load Growth Less Than 10 Average Megawatts

If the load at a facility has grown by less than ten Average Megawatts in the preceding consecutive 12-month monitoring period, then BPA shall notify «Customer Name» that the load remains a Potential NLSL or Planned NLSL. To determine load growth for a facility determined to be a CF/CT, BPA will subtract the amount of firm energy contracted for, or committed for the facility, as stated in section 1 of Exhibit D, from the metered load at the facility for the preceding consecutive 12-month monitoring period. BPA may continue to monitor the load growth in the subsequent consecutive 12-month monitoring period. *«Option 1: Include for Load Following customers:»*BPA shall also determine if liquidated damages are applicable pursuant to section 1.8 of Exhibit D.»*«Option 2: Include for Block and Slice/Block customers.»*BPA shall also determine if liquidated damages are applicable pursuant to section 1.6 of Exhibit D.»

If a facility's load has grown by less than ten Average Megawatts in the preceding consecutive 12-month monitoring

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period(s), then BPA will track the cumulative total load from one monitoring period to the next. For purposes of this section 20.3 and section 1 of Exhibit D, the cumulative total load, including load increases and load reductions, from the prior 12-month monitoring period(s) will be referred to as the “cumulative prior load”. At the end of each 12-month monitoring period, BPA shall update section 1.5 of Exhibit D with the amount of «Customer Name»’s cumulative prior load and include the amount of cumulative prior load in the calculation of «Customer Name»’s Firm Requirements Power eligible for service at BPA’s PF rates for the subsequent consecutive 12-month monitoring period.

### 20.3.5.3 Facility Load Included in Customer’s Firm Requirement Power

For purposes of this section 20.3 and section 1 of Exhibit D, the amount of cumulative prior load of a Potential NLSL or Planned NLSL when BPA determines the facility to be an NLSL will be the fixed amount of «Customer Name»’s facility load that BPA will include in its calculation of «Customer Name»’s Firm Requirements Power eligible for service at BPA’s PF Rate(s). BPA may adjust the fixed amount of «Customer Name»’s facility load that BPA will include in its calculation of «Customer Name»’s Firm Requirements Power eligible for service at BPA’s PF Rate(s) if «Customer Name»’s facility load reduces by 10 aMW below the fixed amount.

Upon BPA’s determination that a monitored load is an NLSL, all measured amounts of such NLSL that exceed the facility’s load that is included in «Customer Name»’s Firm Requirements Power calculation shall be part of «Customer Name»’s NLSL, which will be served in accordance with this section 20.3 and section 1 of Exhibit D.

BPA shall update the table in section 1.5.2 of Exhibit D with the fixed amount of facility load to be included in the calculation of «Customer Name»’s Firm Requirements Power eligible for service at BPA’s PF Rate(s).

**Commented [LLP68]:** Reduces over what period? An hour? A Day? A month? A rolling 12-month period? This should be clarified.

### 20.3.6 Service Options for Planned NLSLs and Actual NLSLs

«Customer Name» waives its right to have BPA serve its NLSLs at the NR rate. «Customer Name» shall serve all Planned NLSLs and Actual NLSLs with Dedicated Resource or Consumer-Owned Resource amounts added in Exhibit A that are not already being used to serve «Customer Name»’s Total Retail Load in the Region. «Customer Name» agrees to provide such Dedicated Resource or Consumer Owned Resource amounts on a continuous basis as identified in Exhibit A. Under no circumstances will BPA be obligated to acquire

**Commented [LLP69]:** The justification for this required waiver is unknown. See comment above.

**Commented [LLP70]:** This language could impede the choice of non-federal resources used to serve NLSLs, which may be served with unDedicated Resources or Consumer-Owned Resources. An end-user may want to pay for a given existing non-federal resource, and then change its mind if a new non-federal resource becomes available. The Customer would then notify BPA of the change in non-federal resource, and the “not already used” language would be unnecessary.

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firm power for service to «Customer Name»'s Planned NLSLs and NLSLs.

*Reviewer's Note: The Block and Slice/Block versions of sections 20.3.7 and 20.3.8 are the same as those sections in the Load Following template, but they have been renumbered from what was shared at the workshop on Oct. 15.*

### 20.3.7 Submittal of Initial Forecast

If «Customer Name» is serving any Planned NLSLs or NLSLs with Dedicated Resource or Consumer-Owned Resource amounts, then by June 30 of each year, unless another date is agreed to by the Parties, «Customer Name» shall provide BPA with forecasted energy amounts for such resources for each Diurnal period and peak amounts for each month to serve any Planned NLSLs and NLSLs for the upcoming Fiscal Year. BPA shall use «Customer Name»'s initial forecast to determine the Dedicated Resource or Consumer-Owned Resource amounts required to serve the Planned NLSLs and NLSLs. However, if BPA determines «Customer Name»'s initial forecast to be unreasonable, then BPA may replace «Customer Name»'s initial forecast with a final forecast that BPA develops. If «Customer Name» is serving any Planned NLSLs or NLSLs with Dedicated Resource or Consumer-Owned Resource amounts, then BPA shall revise section 4 of Exhibit A to ~~capture~~include such amounts by September 1 of each year.

### 20.3.8 Consumer-Owned Resources Serving a Planned NLSL or an Actual NLSL

#### 20.3.8.1 Consumer-Owned Resources

«Customer Name»'s consumer may serve a Planned NLSL or an Actual NLSL with a Consumer-Owned Resource if the following criteria are met:

- (1) the Consumer-Owned Resource and its expected generation amounts are indicated in section 7.4 of Exhibit A as serving a specific Planned NLSL or Actual NLSL;
- (2) the Consumer-Owned Resource is physically located within «Customer Name»'s service territory;
- (3) the Consumer-Owned Resource is within the same Balancing Area Authority as the Planned NLSL or NLSL; and
- (4) the Consumer-Owned Resource is metered, regardless of nameplate size, and the meter data is communicated in accordance with section 15 and section 17 of the body of this Agreement.

**Commented [LLP71]:** The section on NLSL Service Study, Summary Report and NLSL Service Election is missing. Further comments will be necessary when that language is added.

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If «Customer Name» serves a Planned NLSL or an NLSL with a Consumer-Owned Resource, then «Customer Name» may be required to purchase NR Support Services pursuant to requirements in the applicable Wholesale Power Rate Schedules and GRSPs.

For purposes of determining «Customer Name»'s monthly power billing determinants, the facility load will be calculated by subtracting the actual generation from «Customer Name»'s Consumer-Owned Resource(s) identified in section 7.4 of Exhibit A from the metered hourly load of any Planned NLSL or NLSL listed in Exhibit D.

The generation from such Consumer-Owned Resources may not exceed the Planned NLSL or NLSL being served on any hour, unless «Customer Name» is a Planned Product customer and has agreed to purchase such excess generation. If «Customer Name» is a Load Following customer, BPA may adjust «Customer Name»'s power billing determinants to account for hourly excess Consumer-Owned Resource generation and may assess other charges or penalties in accordance with any applicable BPA Wholesale Power Rate Schedules and GRSPs.

### 20.3.8.2 On-Site Renewable Resource/Cogeneration Exception

For purposes of this section 20.3.10.2, on-site means within the physical footprint of the NLSL facility as determined by BPA in the facility determination process.

«Customer Name» may request for BPA to serve an NLSL at a PF Rate if the following criteria are met:

- (1) «Customer Name»'s end use consumer applies an on-site renewable resource or on-site cogeneration resource to reduce the load at an NLSL facility, that is otherwise not eligible to be served at a PF rate, to less than ten Average Megawatts in a consecutive 12-month period,
- (2) the on-site renewable resource or on-site cogeneration resource applied to the NLSL is behind «Customer Name»'s meter to the facility load, and
- (3) the on-site renewable resource or on-site cogeneration resource is continuously applied to serve the NLSL, consistent with BPA's NLSL policy included in BPA's Final Provider of Choice Contract ROD, September 2025, as amended or replaced.

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If «Customer Name» meets the criteria above and BPA grants «Customer Name»'s request for the on-site renewable/cogeneration exception, then BPA shall: (1) list the Consumer-Owned Resource serving the NLSL in section 7.4 of Exhibit A and (2) revise section 1 of Exhibit D to add the on-site renewable resource or cogeneration facility and the requirements for such service.

### 20.4 **Priority of Pacific Northwest Customers**

The provisions of sections 9(c) and 9(d) of the Northwest Power Act and the provisions of the Pacific Northwest Consumer Power Preference Act as amended by the Northwest Power Act are incorporated into this Agreement by reference. «Customer Name», together with other customers in the Region, shall have priority to electric power consistent with such provisions.

**Commented [RMM72]:** The Priority of Pacific Northwest Customers language was shared at workshop on Sept. 17. When this was shared at workshop, it was shared as section 23.4 as a Statutory Provision.

### 20.5 **Prohibition on Resale**

«Customer Name» shall not resell Firm Requirements Power except to serve «Customer Name»'s Total Retail Load or as otherwise permitted by federal law.

**Commented [RMM73]:** The Prohibition on Resale language was shared at workshop on Sept. 17. When this was shared at workshop, it was shared as section 23.5 as a Statutory Provision.

### 20.6 **Use of Regional Resources**

20.6.1 Within 60 days prior to the start of each Fiscal Year, «Customer Name» shall provide notice to BPA of any firm power from «Customer Name»'s Generating Resources, or a Contract Resource during its term, listed in Exhibit A that has been used to serve firm consumer load in the Region and that «Customer Name» plans to export for sale outside the Region in the next Fiscal Year. Firm power includes firm energy and firm peaking capability.

**Commented [RMM74]:** The Use of Regional Resources language was shared at workshop on Sept. 17. When this was shared at workshop, it was shared as section 23.6 as a Statutory Provision.

BPA may request and «Customer Name» shall provide within 30 days of such request, additional information on «Customer Name»'s sales and dispositions of non-federal resources if BPA has information that «Customer Name» may have made such an export and not notified BPA. BPA may request and «Customer Name» shall provide within 30 days of such request, information on the planned use of any or all of «Customer Name» Generating and Contract Resources.

During any Rate Period that «Customer Name» has no purchase obligation for Firm Requirements Power under section 3, «Customer Name» shall have no obligation to notify BPA of its exports under this section; provided, however, «Customer Name» shall provide notification of all applicable exports in Rate Periods when it has a purchase obligation.

20.6.2 «Customer Name» shall be responsible for monitoring any firm power from Generating Resources and Contract Resources it sells in the Region to ensure such firm power is planned to be used to serve firm consumer load in the Region.

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- 20.6.3 If «Customer Name» fails to report to BPA in accordance with section 20.6.1, above, any of its planned exports for sale outside the Region of firm power from a Generating Resource or a Contract Resource that has been used to serve firm consumer load in the Region, and BPA makes a finding that an export which was not reported was made, BPA shall decrement the amount of its Firm Requirements Power sold under this Agreement by the amount of the export that was not reported and by any continuing export amount. Decrements under the preceding sentence shall be first to power that would otherwise be provided at Tier 1 Rates. When applicable, such decrements shall be identified in section 3.2 of Exhibit A.
- 20.6.4 For purposes of this section 20.6, an export for sale outside the Region means a contract for the sale or disposition of firm power from a Generating Resource or a Contract Resource during its term that has been used to serve firm consumer load in the Region, which contract will be performed in a manner that such output is no longer used or not planned to be used solely to serve firm consumer load in the Region. Delivery of firm power outside the Region under a seasonal exchange agreement that is made consistent with BPA's 5(b)/9(c) Policy will not be considered an export. Firm power from a Generating Resource or a Contract Resource used to serve firm consumer load in the Region means the firm generating or load carrying capability of a Generating Resource or a Contract Resource as established under the resource planning criteria generally used within the Region.
- 20.6.5 For purposes of this section 20.6, if «Customer Name» has notified BPA that it has joined and is participating in an organized market using non-federal firm power produced by a Generating Resource or Contract Resource dedicated to supply its Total Retail Load as identified in Exhibit A, then to the extent the organized market operates geographically both within and outside the Region, «Customer Name»'s participation in such market will not be considered an export outside the Region, provided «Customer Name»'s dedicated non-federal power obligation remains unchanged from the amount identified in Exhibit A. «Customer Name»'s participation in an organized market shall not increase the firm energy requirements of «Customer Name» or other customers of the Administrator.

### 20.7 **BPA Appropriations Refinancing**

The Parties agree that the provisions of section 3201(i) of the Bonneville Power Administration Refinancing section of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (BPA Refinancing Act), P.L. 104-134, 110 Stat. 1321, 350, as stated in the United States Code on the Effective Date, are incorporated by reference and are a material term of this Agreement.

**Commented [RMM75]:** BPA Appropriations Refinancing was shared at workshop April 10 and June 10. When this was shared at workshop, it was shared as section 23.7 as a Statutory Provision.



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### 21. STANDARD PROVISIONS

#### 21.1 Amendments

Except where this Agreement explicitly allows for one Party to unilaterally amend a provision or exhibit, no amendment of this Agreement shall be of any force or effect unless set forth in writing and signed by authorized representatives of each Party.

**Commented [MM(P676)]:** Amendments was shared at the April 10 and June 10 workshops. When it was shared at workshop, it was shared as section 24., as a Standard Provision.

#### 21.2 Entire Agreement and Order of Precedence

This Agreement, including documents expressly incorporated by reference, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

**Commented [MM(P677)]:** Entire Agreement and Order of Precedence was shared at the April 10 and June 10 workshops. When it was shared at workshop, it was shared as section 24.2, as a Standard Provision.

*Option 1: Include the following for customers who do NOT need RUS approval:*

#### 21.3 Assignment

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld. Without limiting the foregoing, BPA's refusal to consent to assignment shall not be considered unreasonable if, in BPA's sole discretion: (1) the sale of power by BPA to the assignee would violate any applicable statute, or (2) such sale might adversely affect the tax-exempt status of bonds issued as part of an issue that finances or refinances the Columbia Generating Station or that such sale might limit the ability to issue future tax-exempt bonds to finance or refinance the Columbia Generating Station. «Customer Name» may not transfer or assign this Agreement to any of its retail consumers.

**Commented [MM(P678)]:** The Assignment provision was shared at the Oct. 15 workshop. When it was shared at workshop, it was shared as section 24.3, as a Standard Provision.

*End Option 1*

*Option 2: Include the following for customers who must obtain RUS approval to execute this Agreement:*

#### 21.3 Assignment

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without: (1) the other Party's written consent, which shall not be unreasonably withheld; and (2) the written consent of the United States Department of Rural Utilities Service. Without limiting the foregoing, BPA's refusal to consent to assignment shall not be considered unreasonable if, in BPA's sole discretion: (1) the sale of power by BPA to the assignee would violate any applicable statute, or (2) such sale might adversely affect the tax-exempt status of bonds issued as part of an issue that finances or refinances the Columbia Generating Station or that such sale might limit the ability to issue future tax-exempt bonds to finance or refinance the Columbia

**Commented [MM(P679)]:** The Assignment provision was shared at the Oct. 15 workshop. When it was shared at workshop, it was shared as section 24.3, as a Standard Provision.



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Generating Station. «Customer Name» may not transfer or assign this Agreement to any of its retail consumers.

*End Option 2*

### 21.4 **No Third-Party Beneficiaries**

This Agreement is made and entered into for the sole benefit of the Parties, and the Parties intend that no other person or entity shall be a direct or indirect beneficiary of this Agreement.

**Commented [MM(P680):** The No Third-Party Beneficiaries provision was shared at the April 10 and June 10 workshops. When it was shared at workshop, it was shared as section 24.4, as a Standard Provision

### 21.5 **Waivers**

No waiver of any provision or breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving Party, and any such waiver shall not be deemed a waiver of any other provision of this Agreement or of any other breach of this Agreement.

**Commented [MM(P681):** The Waivers provision was shared at the April 10 and June 10 workshops. When it was shared at workshop, it was shared as section 24.5, as a Standard Provision.

### 21.6 **BPA Policies**

Any reference in this Agreement to BPA policies, including any revisions, does not constitute agreement of «Customer Name» to such policy by execution of this Agreement, nor shall it be construed to be a waiver of the right of «Customer Name» to seek judicial review of any such policy.

**Commented [MM(P682):** BPA Policies provision was shared at the April 10 and June 10 workshops. When it was shared at workshop, it was shared as section 24.6, as a Standard Provision.

### 21.7 **Rate Covenant and Payment Assurance**

«Customer Name» agrees that it shall establish, maintain and collect rates or charges sufficient to assure recovery of its costs for power and energy and other services, facilities and commodities sold, furnished or supplied by it through any of its electric utility properties. BPA may require additional forms of payment assurance if: (1) BPA determines that such rates and charges may not be adequate to provide revenues sufficient to enable «Customer Name» to make the payments required under this Agreement, or (2) BPA identifies in a letter to «Customer Name» that BPA has other reasonable grounds to conclude that «Customer Name» may not be able to make the payments required under this Agreement. If «Customer Name» does not provide payment assurance satisfactory to BPA, then BPA may terminate this Agreement. Written notices sent under this section must comply with Exhibit I.

**Commented [MM(P683):** The Rate Covenant and Payment Assurance provision was shared at the April 10 and June 10 workshops. When it was shared at workshop, it was shared as section 24.7, as a Standard Provision.

*Option: Include this section ONLY for cooperatives and tribal utilities.*

### 21.8 **Bond Assurances**

BPA has advised «Customer Name» that: (1) the Columbia Generating Station has been financed and refinanced in large part by bonds that are intended to bear interest that is exempt from federal income tax under section 103 of the Internal Revenue Code of 1954, as amended, and Title XIII of the Tax Reform Act of 1986, and (2) the tax-exempt status of those bonds and other bonds issued together with those bonds might be jeopardized if «Customer Name» or any other nongovernmental person has a contract to purchase additional amounts of the output of the Columbia Generating Station.

**Commented [MM(P684):** The Bond Assurances provision was shared at the Oct. 15 workshop. When it was shared at workshop, it was shared as section 24.8, as a Standard Provision.

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To preserve the tax-exempt status of these bonds, during the term of this Agreement, if «Customer Name» changes its purchase obligation to Slice/Block pursuant to section 11, then BPA shall include terms in this Agreement that, under certain conditions, would limit «Customer Name»'s Slice Percentage to 0.5% and, as applicable, obligate «Customer Name» to pay direct assignment costs.

*End Section 21.8*

### 22. FUTURE AMENDMENT FOR DAY-AHEAD MARKET

If BPA decides, or has decided, to join a day-ahead market to serve «Customer Name»'s load, then BPA shall conduct a public process to discuss and determine: (1) any necessary amendments to the Provider of Choice power sales agreements, including any necessary to align with an updated Transmission Services tariff and settlements under an organized market, and (2) the anticipated timeline for executing such amendments. Following the conclusion of such public process, BPA shall issue the final amendment template and, based on the agreed-upon timeline, prepare and offer «Customer Name» a contract amendment using the amendment template, and the Parties will amend this Agreement. «Customer Name»'s agreement to such amendment consistent with this section 22 shall not be unreasonably withheld.

Following BPA joining a day ahead market to serve «Customer Name»'s load and the Parties amend this Agreement pursuant to this section, BPA shall also conduct a subsequent public process on the topic of settlements for the Slice Product in the day ahead market that BPA joins.

### 23. TERMINATION

BPA may terminate this Agreement if:

- (1) «Customer Name» fails to make payment as required by section 16.4, or
- (2) «Customer Name» fails to provide payment assurance satisfactory to BPA as required by section 21.7.

Such termination is without prejudice to any other remedies available to BPA under law.

*Reviewer's Note: If necessary, customers will still have the option to sign a hard copy of the Agreement.*

### 24. SIGNATURES

This Agreement may be executed in several counterparts, all of which taken together will constitute one single agreement, and may be executed by electronic signature and delivered electronically. The Parties have executed this Agreement as of the last date indicated below.

**Commented [MM(P685)]:** The Future Amendment for Day-Ahead Market provision was shared at the Oct. 15 workshop.

**Commented [MM(P686)]:** The Termination provision was shared at the Sept. 17 and Oct. 15 workshops. When it was shared at workshop, it was shared as section 25.

**Commented [MM(P687)]:** The Signatures clause was shared at the April 10 and May 6 workshops. When it was shared at workshop, it was shared as section 26.

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«FULL NAME OF CUSTOMER»

UNITED STATES OF AMERICA  
Department of Energy  
Bonneville Power Administration

By \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_  
*(Print/Type)*

Name \_\_\_\_\_  
*(Print/Type)*

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

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## Exhibit A NET REQUIREMENTS AND RESOURCES

**Commented [MM(P688)]:** Exhibit A in its entirety was shared at workshop on Sept. 17.

### 1. NET REQUIREMENTS

«Customer Name»'s Net Requirement equals its Total Retail Load minus «Customer Name»'s Dedicated Resources determined pursuant to section 3.3 of the body of this Agreement and listed in sections 2, 3, and 4 of this exhibit. The Parties shall not add or remove resource amounts to change «Customer Name»'s purchase obligations from BPA under section 3.1 of the body of this Agreement except in accordance with sections 3.5 and 10 of the body of this Agreement.

**Commented [LLP89]:** This Exhibit must clearly distinguish between Dedicated and not Dedicated non-federal resources. Only Dedicated resources reduce Net Requirements. Any Customer may have both dedicated and undedicated non-federal resources. If BPA has a reasonable need to know of such resources, they should be identified in manners that are independent of the calculation of "Net Requirements".

BPA shall annually calculate a forecast of «Customer Name»'s Net Requirement for the upcoming Fiscal Year as follows:

#### 1.1 Forecast of Total Retail Load

By September 15, 2028, and by each September 15 thereafter, BPA shall fill in the table below with «Customer Name»'s Total Retail Load forecast (submitted pursuant to section 17.6 of the body of this Agreement) for the upcoming Fiscal Year. BPA shall notify «Customer Name» by July 31 immediately preceding the start of the Fiscal Year ~~if whether~~ BPA determines that «Customer Name»'s submitted forecast is reasonable or not reasonable; if BPA determines that the forecast is not reasonable, BPA will provide «Customer Name» with supporting logic and documentation that fully takes into account section 17.6. If BPA determines that «Customer Name»'s submitted forecast is not reasonable, then BPA and «Customer Name» will make efforts in good faith to jointly develop a reasonable forecast. Absent such agreement on a reasonable forecast by September 1 immediately preceding the start of the Fiscal Year, BPA shall fill in the table below with a forecast BPA determines to be reasonable by September 15 immediately preceding the start of the Fiscal Year.

«Customer Name» may submit BPA's forecast to arbitration, which may be binding arbitration under a separate agreement or nonbinding arbitration as agreed to by the Parties, pursuant to section 22 of the body of the Agreement, the issue of the reasonableness of BPA's forecast of «Customer Name»'s Total Retail Load used by BPA to fill in the table below. Such arbitration shall not include issues of the interpretation or application of BPA's policies with respect to such forecast, including without limitation BPA's 5(b)/9(c) Policy.

*Drafter's Note: The table below will be blank at contract signing.*

Annual Forecast of Monthly Total Retail Load													annual aMW
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Fiscal Year 2029													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2030													
Energy (MWh)													
Peak (MW)													

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Annual Forecast of Monthly Total Retail Load													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Fiscal Year 2031													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2032													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2033													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2034													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2035													
Energy (MWh)													
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Fiscal Year 2041													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2042													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2043													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2044													
Energy (MWh)													
Peak (MW)													

Notes: Fill in the table above with megawatt-hours rounded to whole megawatt-hours, with megawatts rounded to one decimal place, and annual Average Megawatts rounded to three decimal places.

### 1.2 Forecast of Net Requirements

By September 15, 2028, and by each September 15 thereafter, BPA shall calculate, and fill in the table below with, «Customer Name»'s Net Requirement forecast for the upcoming Fiscal Year by month. «Customer Name»'s Net Requirement forecast equals «Customer Name»'s Total Retail Load forecast, shown in section 1.1 above, minus «Customer Name»'s

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Dedicated Resource amounts, shown in [section 5 below](#). In no event shall «Customer Name»'s planned Firm Requirements Power purchased for a Fiscal Year under this Agreement exceed «Customer Name»'s Net Requirement forecast for the Fiscal Year.

**Commented [LLP90]:** Make sure that this calculation of Net Requirements excludes resources that are not Dedicated.

On a planning basis «Customer Name» shall serve that portion of its Total Retail Load that is not served with Firm Requirements Power with «Customer Name»'s Dedicated Resources.

*Drafter's Note: The table below will be blank at contract signing.*

Annual Forecast of Monthly Net Requirements													annual
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	aMW
Fiscal Year 2029													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2030													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2031													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2032													
Energy (MWh)													
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Energy (MWh)													
Peak (MW)													
Fiscal Year 2040													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2041													
Energy (MWh)													
Peak (MW)													

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Annual Forecast of Monthly Net Requirements													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Fiscal Year 2042													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2043													
Energy (MWh)													
Peak (MW)													
Fiscal Year 2044													
Energy (MWh)													
Peak (MW)													

Note: Fill in the table above with megawatt-hours rounded to whole megawatt-hours, with megawatts rounded to one decimal place, and annual Average Megawatts rounded to three decimal places.

*Reviewer's Note: Because customers can have numerous resources and the subsections of section 2 can span multiple pages, BPA is proposing unique subsection numbering of 2.1(1), 2.1(2), etc. (as opposed to simply numbering resources as (1), (2),...) under section 2 so that it is easier to know which resource is being referred to.*

**2. LIST OF SPECIFIED RESOURCES**

*Drafter's Note: List each Specified Resource in the applicable section using the format shown below in section 2.1(1) for each Specified Resource. Determine the Dedicated Resource amounts for Specified Resources per the updated 5(b)/9(c) Policy.*

**2.1 Generating Resources**

*Option 1: If «Customer Name» does NOT have any Generating Resources that are Specified Resources include the following text:*  
**«Customer Name»** does not have any Generating Resources that are Specified Resources at this time.  
*End Option 1.*

*Option 2: If «Customer Name» has Generating Resources that are Specified Resources include the following text and complete sections (1)(A) - (C) for each resource. When listing multiple resources renumber each resource as (2), (3), etc.*  
 All of **«Customer Name»**'s Generating Resources that are Specified Resources are listed below.

**2.1(1) «Resource Name»**

**(A) Special Provisions**

*Drafter's Note: Include any special provisions here that are applicable to this resource. If none, retain this section and state "None".*

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(B) **Resource Profile**

*Drafter's Note: For Delivery Plan, enter the transmission system used to deliver the resource (the BAA where resource is located). For Statutory Status, Resource Status, Tier 1 Allowance Amount, RSS, and Dispatchable, fill in the appropriate cells with "X"s.*

Fuel Type	Date Resource Dedicated to Load	Date of Resource Removal	Percent of Resource Used to Serve Load	Nameplate Capability (MW)	Delivery Plan

Statutory Status		Resource Status		Applied to Tier 1 Allowance Amount		RSS		Dispatchable	
5b1A	5b1B	Existing	New	Yes	No	Yes	No	Yes	No

Note: Fill in the table above with "X"s.

**Commented [MM(P691):** Reviewer's Note: Some of these Resource Profile components may be shifted from Exhibit A to Exhibit J as we further develop Exhibit J.

**Commented [LLP92]:** This table only applies to Dedicated resources, which reduce Net Requirements. Other non-federal resources that may be identified in Exhibit A but are not Dedicated do not reduce Net Requirements.

(C) **Specified Resource Amounts**

Specified Resource Amounts													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Fiscal Year 2029													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2030													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2031													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2032													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2033													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2034													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													



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Specified Resource Amounts													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Fiscal Year 2035													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2036													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2037													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2038													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2039													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2040													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2041													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2042													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													
Fiscal Year 2043													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													

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Specified Resource Amounts													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
Fiscal Year 2044													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
Peak (MW)													

**Note:** Fill in the table above with megawatt-hours rounded to whole megawatt-hours, with megawatts rounded to one decimal place, and annual Average Megawatts rounded to three decimal places.

*End Option 2.*

### 2.2 Contract Resources

*Option 1: If «Customer Name» customer does NOT have any Contract Resources that are Specified Resources include the following text:*

«Customer Name» does not have any Contract Resources that are Specified Resources at this time.

*End Option 1.*

*Option 2: If «Customer Name» customer has Contract Resources that are Specified Resources include the following text and add and complete sections (1)(A) - (C) for each resource using the format in Option 2 of section 2.1:*

All of «Customer Name»'s Contract Resources that are Specified Resources are listed below.

*End Option 2.*

### 2.2 Tier 1 Allowance Amount

«Customer Name»'s total amount of Specified Resources that are applied to the Tier 1 Allowance Amount are stated below. BPA shall calculate the Tier 1 Allowance Amount limit in accordance with section 3.5.2 of the body of this Agreement. If «Customer Name»'s CHWM changes, then BPA shall revise the Tier 1 Allowance Amount and Tier 1 Allowance Amount limit in the table below in accordance with section 3.5.2 of the body of this Agreement.

*Drafter's Note: For the first column, add the total of the Nameplate Capability amount listed in any Resource Profile that has an X under the field 'Applied to Tier 1 Allowance Amount'. If the customer has no Tier 1 Allowance Amounts, put N/A in that column. For the second column, add the customer's Tier 1 Allowance Amount Limit (regardless of whether they have a Specified Resource applied to the Tier 1 Allowance Amount). This limit is subject to change with any adjustment to the customer's CHWM (e.g. Small Utility subsequent adjustments).*

Tier 1 Allowance Amount (MW)	Tier 1 Allowance Amount Limit (MW)
«X.XX»	«X.XX»

**Commented [MM(P693)]:** BPA is considering the removal of Contract Resources. If so, this section would be removed.

**Commented [LLP94]:** "Tier 1 Allowance Amount" is an undefined term.

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### 3. COMMITTED POWER PURCHASE AMOUNTS

**Commented [LLP95]:** Committed Power Purchase Amount is an undefined term.

#### 3.1 Committed Power Purchase Amounts Used to Serve Total Retail Load

*Option 1: If customer does NOT have any Committed Power Purchase Amounts include the following text:*

«Customer Name» does not have any Committed Power Purchase Amounts at this time.

*End Option 1.*

*Option 2: If customer has Committed Power Purchase Amounts include the following text and fill in the table below (adding additional years as needed):*

«Customer Name»'s Committed Power Purchase Amounts are listed in the table below.

Committed Power Purchase Amounts													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
<b>Fiscal Year 2029</b>													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
<b>Fiscal Year 2030</b>													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													

Note: Fill in the table above with megawatt-hours rounded to whole megawatt-hours and with annual Average Megawatts rounded to three decimal places.

*End Option 2.*

#### 3.2 Committed Power Purchase Amounts for 9(c) Export Decrements

*Option 1: Include the following if customer does NOT have any Committed Power Purchase Amounts for 9 (c) Export Decrements:*

«Customer Name» does not have any Committed Power Purchase Amounts for 9(c) export decrements at this time.

*End Option 1.*

**Commented [LLP96]:** What is a "CPPA for 9(c) Export Decrements"? This term is undefined.

*Option 2: If customer does have any Committed Power Purchase Amounts for 9 (c) Export Decrements include the following text and fill in the table below (adding additional years as needed):*

«Customer Name»'s Committed Power Purchase Amounts for 9(c) export decrements pursuant to section 3.5.3 of the body of this Agreement are listed in the table below.

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Committed Power Purchase Amounts for 9(c) Export Decrements													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	annual aMW
<b>Fiscal Year 2029</b>													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													
<b>Fiscal Year 2030</b>													
Total (MWh)													
HLH (MWh)													
LLH (MWh)													

*Note:* Fill in the table above with megawatt-hours rounded to whole megawatt-hours and with annual Average Megawatts rounded to three decimal places.

*End Option 2.*

*Reviewer’s Note:* Because customers can have numerous resources serving an NLSL and the subsections of section 4 can span multiple pages, BPA is proposing subsection numbering of 4.1(1), 4.1(2), etc. (as opposed to simply numbering resources as (1), (2),....) under section 4 so that it is easier to know which resource is being referred to.

**4. DEDICATED RESOURCE AMOUNTS USED TO SERVE AN NLSL**

*Option 1:* If customer does NOT have an NLSL or does NOT have any Dedicated Resource amounts serving an NLSL include the following text:

«Customer Name» does not have any Dedicated Resource amounts serving an NLSL at this time, in accordance with section 3.5.8 of the body of this Agreement.  
*End Option 1.*

*Option 2:* If customer wants to serve an NLSL with Dedicated Resource amounts include the following text and heading. If customer is serving the NLSL with Specified Resources add and complete sections 2.1 (1)(A) - (C) for each resource using the format in Option 2 of section 2.1 (and state “N/A” in the Tier 1 Allowance Amount cell). If customer is serving the NLSL with Committed Power Purchase Amounts add and fill in a table using the table format in section 3.1. Also describe in section 1.4 or 1.5 of Exhibit D how the resource listed below will match the NLSL.

All of «Customer Name»’s Dedicated Resource amounts serving an NLSL, in accordance with section 3.5.8 of the body of this Agreement, are listed below.

4(1) «Name of NLSL» NLSL

*End Option 2.*

**5. TOTAL DEDICATED RESOURCE AMOUNTS**

*Option 1:* If customer does NOT have any Dedicated Resource amounts listed in sections 2, 3, or 4 above include the following text:

«Customer Name» does not have any Dedicated Resource amounts at this time.  
*End Option 1.*

*Option 2:* If customer has any Dedicated Resource amounts listed in sections 2, 3, or 4 above insert a table below, using the table format in section 2.1(1)(C), with amounts equal to the sum of all Dedicated Resource amounts listed in section 2, 3, and 4, and

**Commented [LLP97]:** What if the NLSL is served with “undedicated resources”? This provision should explicitly allow the Customer to notify BPA that the NLSL is served with Identified but not Dedicated resources.

**Commented [LLP98]:** Make sure that all the Customer is doing here is naming the resource(s), not guaranteeing output (capacity or energy), because the Customer is not required to serve the NLSLs with a “Dedicated” resource.

**Commented [LLP99]:** Undedicated Resources must be excluded from this sum. If such resources appear elsewhere in Exhibit A, they should be clearly excluded here. For example, Nine Canyon Wind is not a Dedicated resource.

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*changing the title of the table from Specified Resource Amounts to Dedicated Resource Amounts.*

The amounts in the table below equal the sum of all Dedicated Resource amounts used to serve «Customer Name»’s Total Retail Load listed above in sections 2, 3, and 4.

**Commented [LLP100]:** Make sure that this sum includes only those non-federal resources that are required by statute to be "Dedicated".

*End Option 2.*

### 6. LIST OF RESOURCES NOT USED TO SERVE TOTAL RETAIL LOAD

*Option 1: If customer does NOT own any resources not dedicated to its TRL include the following text:*

Pursuant to section 17 of the body of this Agreement, «Customer Name» does not own any Generating Resources or Contract Resources that are: (1) not Specified Resources listed in section 2 of Exhibit A, and (2) greater than 1.000 megawatt of nameplate capability.

*End Option 1.*

*Option 2: If customer owns resources not dedicated to its TRL include the following text and complete sections (1)(A) and (B) below for each resource:*

Pursuant to section 17 of the body of this Agreement, all Generating Resources and Contract Resources «Customer Name» owns that are: (1) not Specified Resources listed in section 2 of Exhibit A, and (2) greater than 1.000 megawatt of nameplate capability, are listed below.

(1) **«Resource Name»**

(A) **Resource Profile**

Fuel Type	Type of Resource		Percent of Resource Not Used to Serve Load	Nameplate Capability (MW)
	Generating Resource	Contract Resource		

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

*Note:* Fill in the table above with annual Average Megawatts rounded to three decimal places.

*End Option 2.*

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### 7. LIST OF CONSUMER-OWNED RESOURCES

**Commented [LLP101]:** Does a “consumer-owned resource” include a resource that is owned by a third party but contracted to the end-user? Where do “consumer-contracted resources” go in Exhibit A?

#### 7.1 Consumer-Owned Resources Serving On-Site Consumer Load

*Option 1: If customer does NOT have any Consumer-Owned Resources serving On-Site Consumer Load include the following text:*

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving On-Site Consumer Load at this time.

*End Option 1.*

*Option 2: If customer has Consumer-Owned Resources serving On-Site Consumer Load include the following text and complete sections (1)(A) and (B) below for each resource:*

Pursuant to section 3.6 of the body of this Agreement, all of «Customer Name»’s Consumer-Owned Resources serving On-Site Consumer Load are listed below.

(1) «Resource Name»

(A) Resource Profile

Resource Owner	Fuel Type	Nameplate Capability (MW)	Delivery Plan

(B) Expected Resource Output

Expected Output – Energy (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

*Note:* Fill in the table above with annual Average Megawatts rounded to three decimal places.

*End Option 2.*

#### 7.2 Consumer-Owned Resources Serving Load Other than On-Site Consumer Load

*Option 1: If customer does NOT have any Consumer-Owned Resources serving load other than On-Site Consumer Load include the following text:*

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving load other than On-Site Consumer Load at this time.

*End Option 1.*

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*Option 2: If customer has Consumer-Owned Resources serving load other than On-Site Consumer Load include the following text and complete sections (1)(A) and (B) below for each resource:*

Pursuant to section 3.6 of the body of this Agreement, all of «Customer Name»’s Consumer-Owned Resources serving load other than On-Site Consumer Load are listed below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

*Note:* Fill in the table above with annual Average Megawatts rounded to three decimal places.

*End Option 2.*

7.3 **Consumer-Owned Resources Serving Both On-Site Consumer Load and Load Other than On-Site Consumer Load**

*Option 1: If customer does NOT have any Consumer-Owned Resources serving both On-Site Consumer Load and load Other than On-Site Consumer Load include the following text:*

Pursuant to section 3.6 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load at this time.

*End Option 1.*

*Option 2: If customer has Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load include the following text and complete sections (1)(A) – (D) below for each resource:*

Pursuant to section 3.6 of the body of this Agreement, all of «Customer Name»’s Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load are listed in tables below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)	Delivery Plan

**Commented [LLP102]:** Is “Delivery Plan” the ID of the transmission system used to deliver the output of the resource to the consumer’s load? If the Customer is the delivering party and the resource is inside the Customer’s service territory and BA, is the Delivery Plan the name of the Customer?

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(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
<b>Annual aMW</b>								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
<b>Annual aMW</b>								

*Note:* Fill in the table above with annual Average Megawatts rounded to three decimal places.

(C) **Expected On-Site Consumer Load**

Expected Output – Energy (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
<b>Annual aMW</b>								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
<b>Annual aMW</b>								

*Note:* Fill in the table above with annual Average Megawatts rounded to three decimal places.

*Sub-Option A: If customer has Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load AND they chose OPTION A in section 3.6.5, then complete the following table:*

(D) **Maximum Amounts Serving On-Site Consumer Load**

Maximum Hourly Amounts Serving On-Site Consumer Load												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>HLH (MW/hr)</b>												
<b>LLH (MW/hr)</b>												

*Note:* Fill in the table above with megawatts rounded to one decimal place.

*End Sub-Option A.*

*Sub-Option B: If customer has Consumer-Owned Resources serving both On-Site Consumer Load and load other than On-Site Consumer Load AND «Customer Name» chose OPTION B in section 3.6.5 then complete the following table:*

(D) **Maximum BPA-Served On-Site Consumer Load**

Maximum Hourly Amounts of Onsite Consumer Load Served by BPA												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>HLH (MW/hr)</b>												
<b>LLH (MW/hr)</b>												

*Note:* Fill in the table above with megawatts rounded to one decimal place.

*End Sub-Option B.*

**Commented [LLP103]:** What is the purpose of this maximum? What if the consumer-owned resource delivers to the consumer's load in some hours but to the Customer in others? Why is the data limited to "on-site" load? Grant suggests resolve comments and redlines in section 3.6.5 and then returning to this Exhibit.



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*End Option 2.*

### 7.4 Consumer-Owned Resources Serving an NLSL

*Option 1: If «Customer Name» does NOT have any Consumer-Owned Resources serving an NLSL include the following text:*

Pursuant to section 23.3.7 of the body of this Agreement, «Customer Name» does not have any Consumer-Owned Resources serving an NLSL at this time.  
*End Option 1.*

*Option 2: If «Customer Name» has Consumer-Owned Resources serving an NLSL include the following text and complete sections (1)(A) and (B).*

Pursuant to section 23.3.7 of the body of this Agreement, all of «Customer Name»'s Consumer-Owned Resources serving an NLSL are listed below.

(1) **«Resource Name»**

(A) **Resource Profile**

Resource Owner	Fuel Type	Nameplate Capability (MW)

(B) **Expected Resource Output**

Expected Output – Energy (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

Note: Fill in the table above with annual Average Megawatts rounded to three decimal places.

*End Option 2.*

### 8. REVISIONS

BPA shall revise this exhibit to reflect: (1) «Customer Name»'s elections regarding the application and use of all resources owned by «Customer Name» and «Customer Name»'s retail consumers and (2) BPA's determinations relevant to this exhibit and made in accordance with this Agreement.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

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## Exhibit B CONTRACT HIGH WATER MARKS

**Commented [MM(P6104)]:** Exhibit B in its entirety was shared at the Sept. 17 workshop.

### 1. CONTRACT HIGH WATER MARK (CHWM)

#### 1.1 CHWM Amount

By September 30, 2026, BPA shall fill in the table below with «Customer Name»'s CHWM. Once established, BPA may only adjust «Customer Name»'s CHWM as permitted pursuant to section 1.2 of this exhibit.

**Commented [MM(P6105)]:** Reviewer's note: In the PoC Policy and ROD BPA stated that certain CHWM calculation and implementation details would be determined as part of the FY2026 CHWM calculation process. We now expect that those details will be established during the "CHWM Implementation Policy". Note that some implementation details are being proposed in this exhibit ahead of that process, but are subject to adjustment as the CHWM Implementation Policy is developed.

*Drafter's Note: Fill in the table with customer's CHWM. For updates following the initial value, enter the applicable effective date.*

CHWM (annual aMW) « <sup>1</sup> »:	«x.xxx»
Note: BPA shall round the number in the table above to three decimal places.	
« <sup>1</sup> » CHWM amount effective «October 1, 2028».	

#### 1.2 CHWM Adjustments

BPA shall determine any adjustments to «Customer Name»'s CHWM pursuant to this section 1.2. BPA shall notify «Customer Name» of any adjustments and the date such adjustment will be effective.

##### 1.2.1 Corrections for NLSLs

If after BPA establishes «Customer Name»'s CHWM pursuant to section 7 of the body of this Agreement, BPA determines that a load included in «Customer Name»'s Total Retail Load in the CHWM calculation was an NLSL or became an NLSL in FY 2023, then BPA shall adjust «Customer Name»'s CHWM by removing the FY 2023 load associated with the NLSL from «Customer Name»'s weather normalized Total Retail Load. BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM and its effective date. BPA shall provide «Customer Name» written notice of the CHWM adjustment and its effective date, and will provide «Customer Name» with a revised Exhibit B. In the event of an adjustment, «Customer Name» shall pay any charges calculated by BPA to account for the ineligible PF rate purchases dating back to October 1, 2028.

##### 1.2.2 Annexed Load

If «Customer Name» annexes load from a utility that has a CHWM Contract, then BPA shall increase «Customer Name»'s CHWM in an amount determined as follows:

- (1) If «Customer Name» and the other utility involved in the annexation agree on the amount of the CHWM transfer to «Customer Name», then BPA shall adopt that amount if BPA determines such amount is reasonable.
- (2) If «Customer Name» and the other utility cannot agree on the amount of the CHWM transfer to «Customer Name», or if BPA

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determines the amount agreed to in section 1.2.2(1) of this exhibit is unreasonable, then BPA shall calculate the amount of «Customer Name»'s CHWM transfer using the following formula; provided however that BPA may adjust the calculated amount to reflect (1) the division of Dedicated Resources between the utilities and (2) other pertinent information provided by «Customer Name» and the other utility:

$$\left[ \frac{\text{Annexed Load minus annexed NLSLs, if any}}{\text{Other utility's pre-annexation Total Retail Load minus total NLSLs, if any}} \right] \times \left[ \text{Other utility's pre-annexation CHWM} \right]$$

In no event shall the total CHWM amount of «Customer Name» and the other utility after the transfer exceed the total CHWM amount of «Customer Name» and the other utility prior to the transfer.

*[Drafter's Note: Include the following sentence for any cooperative. If not a cooperative, delete the following sentence:]* Any change to «Customer Name»'s CHWM related to the acquisition of an Annexed Load is subject to section 21.8 of the body of this Agreement.

BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM which will be effective on the date that «Customer Name» begins service to the Annexed Load.

### 1.2.3 Ceded Load

If another utility with a CHWM Contract annexes load of «Customer Name», then BPA shall reduce «Customer Name»'s CHWM in an amount determined as follows:

- (1) If «Customer Name» and the other utility involved in the annexation agree on the amount of the CHWM transfer to the other utility, then BPA shall adopt that amount if BPA determines such amount is reasonable.
- (2) If «Customer Name» and the other utility cannot agree on the amount of the CHWM transfer to the other utility, or if BPA determines the amount agreed to in section 1.2.3(1) of this exhibit is unreasonable, then BPA will calculate the amount of «Customer Name» CHWM transfer using the following formula; provided however, BPA may adjust the calculated amount to reflect (1) the division of Dedicated Resources between the utilities and (2) other pertinent information advanced by «Customer Name» and the other utility:

$$\left[ \frac{\text{Annexed Load minus annexed NLSLs, if any}}{\text{«Customer Name»'s pre-annexation Total Retail Load minus total NLSLs, if any}} \right] \times \left[ \text{«Customer Name»'s pre-annexation CHWM} \right]$$

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In no event shall the total CHWM amount of «Customer Name» and the other utility after the transfer exceed the total CHWM amount of «Customer Name» and the other utility prior to the transfer.

BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM which will be effective on the date that the annexing utility begins service to the Annexed Load.

### 1.2.4 Court Order on Annexation

BPA shall adjust «Customer Name»'s CHWM due to annexation if BPA's Administrator determines that a court order requires BPA to do so. BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM and its effective date. BPA shall provide «Customer Name» written notice of the CHWM adjustment and revised Exhibit B as soon as reasonably practical.

### 1.2.5 Small Utility Adjustment

BPA shall determine in its sole discretion whether «Customer Name» qualifies for the Small Utility Adjustment consistent with the requirements in section 2.4.2.1 of the Provider of Choice Policy, March 2024, as amended or revised. By September 30, 2026, BPA shall fill in the table below indicating such eligibility.

*Drafter's Note: Fill in "Yes" or "No" depending on customer's eligibility for the Small Utility Adjustment*

Eligible for Small Utility Adjustment
Yes / No

If «Customer Name» is eligible for the Small Utility Adjustment as indicated above, then during each Above-CHWM Load Process BPA shall determine whether an adjustment is needed and calculate such adjustment as provided below. Any such adjustment would be added to «Customer Name»'s CHWM.

- (1) BPA will determine whether «Customer Name»'s Preliminary Net Requirement exceeds its CHWM.
- (2) If «Customer Name»'s Preliminary Net Requirement is less than its CHWM, then BPA shall make no adjustment to «Customer Name»'s CHWM.
- (3) If «Customer Name»'s Preliminary Net Requirement exceeds its CHWM, then BPA shall calculate a CHWM adjustment in an amount equal to the difference between «Customer Name»'s Preliminary Net Requirement and its CHWM subject to the following limitations in sections 1.2.5(4) and 1.2.5(5).

**Commented [LLP106]:** Small Utility Adjustment is not yet defined.

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- (4) Any adjustment made under this section 1.2.5 shall not result in a CHWM for «Customer Name» that exceeds the lesser of:  
(A) double «Customer Name»'s CHWM as calculated in the FY 2026 CHWM Calculation Process, or (B) 5 aMW.
- (5) If a proposed CHWM adjustment under this section 1.2.5 would exceed the limit in section 1.2.5(4), then BPA shall reduce such adjustment to an amount resulting in a CHWM that equals the limit.
- (6) If «Customer Name»'s CHWM has been adjusted pursuant to section 1.2.5(5), then BPA shall make no additional change to «Customer Name»'s CHWM except as otherwise provided for in this Exhibit B.

For any Rate Period where BPA adjusts «Customer Name»'s CHWM pursuant to this section 1.2.5, BPA shall revise the table in section 1.1. of this Exhibit B with the adjusted CHWM to be effective at the start of the next Rate Period. BPA shall provide «Customer Name» written notice of the CHWM adjustment and revised Exhibit B.

*Drafter's Note: Include in contracts of customers that have requested a CF/CT adjustment to their CHWM.*

### 1.2.6 CF/CT Adjustment

«Customer Name» has requested an adjustment to its CHWM for a CF/CT load consistent with the requirements included in section 2.4.2.5 of the Provider of Choice Policy, March 2024, as amended or revised. BPA shall review such request and determine in its sole discretion whether such load may qualify for the CF/CT adjustment consistent with the requirements in section 2.4.2.5 of the Provider of Choice Policy, March 2024, as amended or revised. BPA shall make such determination as follows:

- (1) During the FY 2026 CHWM Calculation Process, BPA shall determine if the same «Customer Name» CF/CT load qualifies for an economic adjustment as provided in section 2.4.1.2 of the Provider of Choice Policy, March 2024, as amended or revised. If so, then such economic adjustment shall apply and «Customer Name» is not eligible for the CF/CT adjustment under this section 1.2.6. If the same CF/CT load does not qualify for such economic adjustment, then «Customer Name» will remain eligible for the CF/CT adjustment under this section 1.2.6, subject to sections 1.2.6(2) and 1.2.6(3) below.
- (2) During the Above-CHWM Load Process for the BP-29 Rate Period, BPA shall determine the amount of CHWM adjustment, if any, «Customer Name» qualifies for based on submitted meter data for its CF/CT load through FY 2026.

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- (3) During the Above-CHWM Load Process for the BP-31 Rate Period, BPA shall determine the amount of CHWM adjustment, if any, «Customer Name» qualifies for based on submitted meter data for its CF/CT load through FY 2028.

If BPA determines «Customer Name»'s CF/CT qualifies for such CHWM adjustment under either section 1.2.6(2) or section 1.2.6(3) above, then BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM to be effective at the start of the next Rate Period. BPA shall provide «Customer Name» written notice of the adjusted CHWM and revised Exhibit B.

In order to maintain such CF/CT adjustment, «Customer Name» shall submit meter data from the prior Rate Period for its CF/CT by December 31, 2028, and by December 31 of each Forecast Year thereafter. If the associated CF/CT load ceases to consume electric power or significantly reduces the amount of electric power it consumes for production demand, then BPA shall reduce «Customer Name»'s CHWM by all or a portion of the CF/CT adjustment for the remaining term of the Agreement. BPA shall consider «Customer Name»'s submitted meter data and any other pertinent information to determine in its sole discretion whether such CF/CT ceases to consume electric power or significantly reduces the amount of electric power it consumes for production demand, and the commensurate reduction to «Customer Name»'s CHWM. If BPA determines «Customer Name»'s CHWM must be reduced consistent with this section 1.2.6, then BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM and its effective date. BPA shall provide «Customer Name» written notice of the CHWM adjustment and revised Exhibit B no later than 30 days prior to the adjusted CHWM's effective date.

**Commented [LLP107]:** What is the statutory basis for this provision? What is a "significant reduction"? What are the criteria for determining a "significant reduction"?

*Drafter's Note: Include in DOE Richland's contract (if DOE Richland qualifies for the CF/CT Adjustment above, renumber this section to 1.2.7):*

### 1.2.6 **US DOE Richland**

BPA shall adjust «Customer Name»'s CHWM under the following conditions:

- 1.2.6.1 During each Above-CHWM Load Process, and subject to section 1.2.6.2 through section 1.2.6.5 of this exhibit, BPA shall increase «Customer Name»'s CHWM if «Customer Name»'s electric power consumption increases due to the loads related to defense materials activities that are on-site at the DOE facilities that «Customer Name» serves in the state of Washington.

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- 1.2.6.2 «Customer Name» shall notify BPA at least three years prior to any forecasted increase in loads related to defense materials activities. «Customer Name» may satisfy this notice requirement by providing BPA with annual 10-year load forecasts that indicate, with at least three years' lead time, when these loads are expected to increase. If «Customer Name» notifies BPA pursuant to these terms, then by the next September 30 of a Forecast Year BPA shall revise this Exhibit B to increase «Customer Name»'s CHWM effective for the Rate Period where these loads are forecasted to increase.
- 1.2.6.3 The total cumulative increase in «Customer Name»'s CHWM over the term of this Agreement shall be limited to the difference between 36.539 aMW and «Customer Name»'s CHWM prior to any subsequent CHWM adjustment.
- 1.2.6.4 «Customer Name» shall meter loads not related to defense materials activities separately from «Customer Name»'s loads related to defense materials activities. «Customer Name» shall install meters and metering equipment necessary to meter loads not related to defense materials activities at «Customer Name»'s expense.
- 1.2.6.5 Firm Requirements Power that «Customer Name» purchases from BPA to serve new loads not related to defense materials activities after September 30, 2028 shall not be included in «Customer Name»'s CHWM.

*Drafter's Note: End 1.2.6 for DOE Richland.*

*Drafter's Note: Include in contracts of qualifying tribal utilities (e.g. Yakama, Kalispel Tribal Utility, and Umpqua Indian Utility Cooperative) and utilities operated pursuant to a P.L. 93-638 contract (e.g. Mission Valley Power):*

### 1.2.6 Tribal Utilities

After the application of any adjustment under section 1.2.5 above, BPA shall adjust «Customer Name»'s CHWM as follows:

- 1.2.6.1 During each Above-CHWM Load Process, and subject to section 1.2.6.4 below, BPA shall increase «Customer Name»'s CHWM by the amount of «Customer Name»'s Preliminary Net Requirement growth expected during the upcoming Rate Period.
- 1.2.6.2 If «Customer Name» acquires an Annexed Load from a utility that does not have a CHWM, then BPA shall increase «Customer Name»'s CHWM by the amount of Annexed Load subject to section 1.2.6.4 of this exhibit.

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- 1.2.6.3 If «Customer Name» acquires an Annexed Load from a utility that has a CHWM, and if such Annexed Load exceeds the CHWM amount established by section 1.2.2 of this exhibit, then BPA shall increase «Customer Name»'s CHWM by the difference between the Annexed Load amount and the transferred CHWM amount, minus any annexed NLSLs, subject to section 1.2.6.4 of this exhibit.
- 1.2.6.4 CHWM adjustments made pursuant to this section 1.2.6 are subject to the following limitations:
- (1) a cumulative 40 aMW of additional CHWM for qualifying tribal utilities and utilities operating pursuant to a P.L. 93-638 contract over the term of the Agreement, or
  - (2) a cumulative 200 aMW of additional CHWM for all new public utility CHWM Contract holders.

If a proposed CHWM adjustment under this section 1.2.6 would exceed the limits in either (1) or (2) above, then BPA shall reduce such adjustment to an amount that does not exceed the limit. If the limit has been fully exhausted, then the proposed CHWM adjustment under this section 1.2.6 will be reduced to zero and BPA shall make no change to «Customer Name»'s CHWM.

For any Rate Period where the total amount of CHWM adjustments for all tribal utilities and utilities operating pursuant to a P.L. 93-638 contract would exceed either of the limits above, BPA shall proportionally reduce the CHWM adjustments of the tribal and P.L. 93-638 utilities so that each receives a pro rata share of the remaining amount under the applicable limit for that Rate Period. BPA shall determine each utility's pro rata share as specified in the CHWM Implementation Policy.

- 1.2.6.5 For any Rate Period where BPA changes «Customer Name»'s CHWM pursuant to this section 1.6, BPA shall revise the table in section 1.1 of this Exhibit B with the adjusted CHWM to be effective at the start of the next Rate Period. BPA shall provide «Customer Name» written notice of the CHWM change and revised Exhibit B.

*Drafter's Note: End 1.2.6 for tribal utilities.*



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### 2. REVISIONS

BPA may unilaterally revise this exhibit to the extent allowed in section 1 of this exhibit. All other changes require mutual agreement.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

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## Exhibit C PURCHASE OBLIGATIONS

### 1. FIRM REQUIREMENTS POWER AT TIER 1 RATES

#### 1.1 Block Power - Annual Average Amount

The annual average amount of Firm Requirements Power priced at Tier 1 Rates shall equal the lesser of «Customer Name»'s CHWM, or «Customer Name»'s Net Requirement forecast stated in section 1.2 of Exhibit A. By September 15, 2028, and by September 15 of each Fiscal Year thereafter, BPA shall fill in the table below with such amounts, rounded to three decimal places, for the upcoming Fiscal Year.

*Drafter's Note: Leave table blank at contract signing:*

Annual Tier 1 Block Amounts	
Fiscal Year	Annual Tier 1 Block Amount (aMW)
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	
2041	
2042	
2043	
2044	

Note: All amounts will be shown as aMW and rounded to three decimal places

*Option 1: Include if customer chooses a flat annual Tier 1 block:*

#### 1.2 Flat Annual Block Shape

Except for the Shaping Capacity amounts specified in section 1.4 of this exhibit, the amounts of Firm Requirements Power priced at Tier 1 Rates shall be equal in all hours of the year. For each Fiscal Year, the megawatt amounts of such power for each HLH and each LLH shall equal the Average Megawatt amount stated in section 1.1 of this exhibit, rounded to a whole number.

*End Option 1*

**Commented [MM(P6108)]:** Exhibit C Load Following version (less the Tier 2 Vintage Rate language) and the Slice Block version of Exhibit C were shared at workshop on Oct. 9.

The Block version of Exhibit C and the Tier 2 Vintage Rate provisions were shared at the Oct. 15 workshop.

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*Option 2: Include if customer chooses a Tier 1 block shaped to their Monthly Net Requirement:*

### 1.2 Block Shaped to Net Requirement

The amounts of Firm Requirements Power priced at Tier 1 Rates for each month, and for each HLH and each LLH within each month, are established as follows:

#### 1.2.1 Monthly Shaping Factors to Determine Amounts for Each Month

For purposes of this section “Monthly Shaping Factors” means the twelve monthly factors on a Rate Period basis, as stated in section 1.2.1.3 of this exhibit, which BPA shall use to determine the amount of Firm Requirements Power priced at Tier 1 Rates for each month of a Fiscal Year. BPA shall determine «Customer Name»’s Monthly Shaping Factors in accordance with section 1.2.1.2 of this exhibit using «Customer Name»’s “monthly load values” and “annual load value” as determined in accordance with section 1.2.1.1 of this exhibit.

##### 1.2.1.1 Calculation of Monthly and Annual Load Values

BPA shall calculate «Customer Name»’s “monthly load value” for each month of the year by taking the average of «Customer Name»’s Total Retail Load, expressed in MWh, for the four years prior to the current Rate Case Year for the applicable month.

$$\text{Monthly Load Value} = \frac{\text{avg}(TRL\ month_{year\ 1}, TRL\ month_{year\ 2}, TRL\ month_{year\ 3}, TRL\ month_{year\ 4})}{4}$$

where:

*TRL month<sub>Year 1</sub>* means the Total Retail Load, in MWh, of a given month in the first year of the four-year period prior to the current Rate Case Year

*TRL month<sub>Year 2</sub>* means the Total Retail Load, in MWh, of a given month in the second year of the four-year period prior to the current Rate Case Year

*TRL month<sub>Year 3</sub>* means the Total Retail Load, in MWh, of a given month in the third year of the four-year period prior to the current Rate Case Year

*TRL month<sub>Year 4</sub>* means the Total Retail Load, in MWh, of a given month in the fourth year of the four-year period prior to the current Rate Case Year

**Commented [LLP109]:** Further comments may be necessary depending on the definition of Rate Case Year.

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BPA shall calculate «Customer Name»'s “annual load value” by taking the average of «Customer Name»'s Total Retail Load, expressed in MWh for the four Fiscal Years prior to the current Rate Case Year.

$$\text{Annual Load Value} = \frac{\text{avg}(TRL_{\text{Year 1}}, TRL_{\text{Year 2}}, TRL_{\text{Year 3}}, TRL_{\text{Year 4}})}{4}$$

Where:

$TRL_{\text{Year 1}}$  means the Total Retail Load, in MWh, the first year of the four year period prior to the current Rate Case Year

$TRL_{\text{Year 2}}$  means the Total Retail Load, in MWh, the second year of the four year period prior to the current Rate Case Year

$TRL_{\text{Year 3}}$  means the Total Retail Load, in MWh, the third year of the four year period prior to the current Rate Case Year

$TRL_{\text{Year 4}}$  means the Total Retail Load, in MWh, the fourth year of the four year period prior to the current Rate Case Year

### 1.2.1.2 Calculation of Monthly Shaping Factors

BPA shall calculate «Customer Name»'s Monthly Shaping Factors as follows: (1) the “monthly shape numerator” for each month, divided by (2) the “monthly shape denominator”.

Where:

“monthly shape numerator” equals (1) the “monthly load value” for the corresponding month minus (2) the average of «Customer Name»'s Dedicated Resource amounts for that month for all months within both years of the given Rate Case Year, as listed in section 2 of Exhibit A, expressed in MWh; and

“monthly shape denominator” equals (1) the “annual load value,” minus (2) the average of «Customer Name»'s Dedicated Resource amounts for all months within both years of the given Rate Period as listed in section 2 of Exhibit A, expressed in MWh.

### 1.2.1.3 Monthly Shaping Factors

By October 31, 2027 and by October 31 of each Rate Case Year, BPA shall update the table below with «Customer Name»'s Monthly Shaping Factors calculated in accordance with this section 1.2.1.

**Commented [LLP110]:** Check definition. “Rate Case Year” can explicitly mean two years, not one, which contradicts the Definitions workbook.

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*Drafter's Note: Leave table blank at contract signing:*

Monthly Shaping Factors													
FY	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2029-2030													1.000
2031-2032													1.000
2033-2034													1.000
2035-2036													1.000
2037-2038													1.000
2039-2040													1.000
2041-2042													1.000
2043-2044													1.000

Note: Round the factors in the table above to three decimal places.

### 1.2.1.4 Megawatt-Hour Amounts

BPA shall calculate the amounts of megawatt-hours priced at a Tier 1 Rate for each month of each Fiscal Year, beginning with FY 2029, as follows: (1) the annual average amount of Firm Requirements Power priced at Tier 1 Rates stated in section 1.1 of this exhibit multiplied by (2) the Monthly Shaping Factor for the corresponding month as specified in section 1.2.1.3 of this exhibit multiplied by (3) the number of hours in the Fiscal Year.

**Commented [LLP111]:** Further comments may be necessary after checking the math.

*Sub-Option 1: Include if customer chooses a flat Tier 1 block within each month, includes customers that choose Block with Shaping Capacity:*

#### 1.2.2 Amounts Within Each Month

Except for any amounts of Shaping Capacity specified in section 1.4 of this exhibit, the amounts of Firm Requirements Power priced at Tier 1 Rates within each month shall be the same for all hours of the month. The megawatt amounts for each HLH and each LLH shall be the total megawatt-hours in the month established in section 1.2.1.4 of this exhibit divided by the number of hours in the month, rounded to a whole number.

*End Sub-Option 1*

*Sub-Option 2: Include if customer chooses a Tier 1 block that is shaped to their Net Requirement to 60% HLH/40% LLH within each month:*

#### 1.2.2 Amounts Within Each Month

BPA shall calculate the megawatt amount of Firm Requirements Power for each HLH of a month, rounded to a whole number, as follows: (1) the monthly MWh amount established according to section 1.2.1.4 multiplied by (2) sixty percent, divided by (3) the HLHs in that month.

*End Sub-Option 2*

*End Option 2 for Block shaped to Net Requirement*

**Commented [LLP112]:** It appears that a parallel provision for the LLH in a month is required, or perhaps language stating that the rest of the Power will be delivered in the LLH.

### 1.3 Current Tier 1 Block

By September 15, 2028, and by September 15 of each Fiscal Year thereafter, BPA shall update the table below with whole megawatt amounts of Firm

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Requirements Power priced at Tier 1 Rates for the upcoming Fiscal Year as established according to sections 1.1 and 1.2 of this exhibit. Due to rounding, the total megawatt-hours established in the table below for any Fiscal Year may be slightly different than the megawatt-hours calculated by multiplying the amount stated in section 1.1 of this exhibit by the number of hours in that Fiscal Year.

**Commented [LLP113]:** The tables immediately below are in MW/hour, not MWh. Are the MW/hour supposed to be converted into MWh?

*Drafter's Note: Leave table blank at signing: Include for customer opting for Flat monthly block and Block with Shaping Capacity with one monthly value.*

Tier 1 Monthly Block Amounts (MW/hr)												
Fiscal Year	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2028												
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												
2041												
2042												
2043												
2044												

Note: Round the megawatt-per-hour amounts in the table above to whole megawatts-per-hour.

*Drafter's Note: Leave table blank at signing: Include for customer opting for Diurnal Block option X with HLH/LLH split.*

Tier 1 Monthly Block Amounts (MW/hr)													
Fiscal Year	Diurnal Period	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2028	HLH												
	LLH												
2029	HLH												
	LLH												
2030	HLH												
	LLH												
2031	HLH												
	LLH												
2032	HLH												
	LLH												
2033	HLH												
	LLH												

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Tier 1 Monthly Block Amounts (MW/hr)													
Fiscal Year	Diurnal Period	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2034	HLH												
	LLH												
2035	HLH												
	LLH												
2036	HLH												
	LLH												
2037	HLH												
	LLH												
2038	HLH												
	LLH												
2039	HLH												
	LLH												
2040	HLH												
	LLH												
2041	HLH												
	LLH												
2042	HLH												
	LLH												
2043	HLH												
	LLH												
2044	HLH												
	LLH												

Note: Round the megawatt-per-hour amounts in the table above to whole megawatts-per-hour.

*Option 1: Include if customer did not elect the Block with Shaping Capacity Product option.*

**1.4 Shaping Capacity**

«Customer Name» is not purchasing any amount of Shaping Capacity.

*End Option 1*

*Option 2: Include if customer elects Block with Shaping. This Option in section 1.2.2(1) can only be paired with a flat monthly Block.*

**1.4 Shaping Capacity**

*Sub-Option 1: Include if customer chooses base 10% Shaping Capacity:*

**1.4.1 Amounts of Shaping Capacity**

BPA shall calculate «Customer Name»'s amounts of Shaping Capacity for each month of the Rate Period as follows: (1) «Customer Name»'s Tier 1 Block Amounts for the applicable month of the first year of a Rate Period, as listed in section 1.3 of this exhibit, multiplied by (2) ten percent.

*End of Sub-Option 1.*

**Commented [LLP114]:** Can Shaping Capacity be purchased only with flat Blocks in each month, or with a flat annual Block as well?

**Commented [LLP115]:** Note that this is a specific MW/hour number that applies in each hour of each month, not a MWh amount that cumulates over a period of hours. There is no definition of "Total Shaping Capacity".

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*Sub-Option 2: Include if customer chooses PNR based Shaping Capacity:*

### 1.4.1 Amounts of Shaping Capacity

BPA shall calculate «Customer Name»'s amounts of Shaping Capacity for each month of each Fiscal Year as follows: (1) Peak Net Requirements minus (2) Tier 1 Block Amount for a given month.

$$\text{Shaping Capacity} = \text{Peak Net Requirements} - \text{Tier 1 Block Amount.}$$

$$\text{Peak Net Requirements} = \text{Peak TRL} - \text{Dedicated Resources Peaking Capability.}$$

Where:

“Peak TRL” means peak amount as stated in the annual forecast of monthly Total Retail Load table in 1.1 of Exhibit A.

For purposes of this section: “Dedicated Resources Peaking Capability” means the sum of «Customer Name»'s Specified Resources monthly Peak amounts, as stated in table(s) in section 2 of Exhibit A, Committed Power Purchase monthly Peak amounts as stated in table(s) in section 3 of Exhibit A, and Dedicated Resources to serve any NLSL- monthly Peak amounts as stated in table(s) in section 4 of Exhibit A.

“Tier 1 Block Amount” means the Tier 1 Block amounts for the applicable month of the first year of a Rate Period, as listed in section 1.3 of this exhibit.

*End of Sub-Option 2.*

By September 15, 2028, and September 15 of each Rate Case Year thereafter BPA shall update the table below with «Customer Name»'s amounts of Shaping Capacity in whole megawatts for each month of the applicable Rate Period.

**Commented [LLP116]:** PNR-based Shaping Capacity is the difference between two MW amounts for each month, not an aMW or MWh measure. Tier 1 Block is not a MW amount. Some revisions appear necessary.

**Monthly Shaping Capacity Amounts (MW)**

FY	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												



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Monthly Shaping Capacity Amounts (MW)												
FY	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2041												
2042												
2043												
2044												

Note: All amounts will be shown as whole megawatts and rounded to three decimal places

**1.4.1.1 Conditions that Result in Failure to take the Scheduled Shaping Capacity Amounts and Associated Penalty**  
 BPA may apply additional charges and penalties when «Customer Name» fails to take the total amounts of Shaping Capacity for each month of the Rate Period or Shaping Capacity for each month of each Fiscal Year in accordance with section 1.4.1 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

**1.4.2 Maximum Hourly Energy**

The amounts of Firm Requirements Power priced at Tier 1 Rates within each hour shall not exceed the maximum hourly energy scheduled amount for the given month, except for any amounts of Peak Load Variance Service power specified in section 1.4.8 of this exhibit.

BPA shall calculate the maximum hourly energy as follows: (1) the Shaping Capacity for the given month, as listed in section 1.4.1 of this Exhibit, plus (2) the Tier 1 Monthly Block amounts for the applicable month, as listed in section 1.3 of this exhibit.

By September 15, 2028, and by September 15 of each Fiscal Year thereafter, BPA shall update the table below with the maximum amount of Firm Requirements Power priced at Tier 1 Rates «Customer Name» may take each hour of a given month of the applicable Fiscal Year.

**Commented [LLP117]:** Delete this provision. (1) BPA staff have indicated that it was an error, (2) the concept of paying for not using the option was never discussed in PRDM, and (3) the "total amount" of Shaping Capacity is undefined. In PRDM, SC (not PLVS) is a monthly-energy-neutral call option to shift Block energy between hours in a month defined in MW/hour, not a take-or-pay option on some additional amount of energy. "Total Shaping" implies an energy product, not capacity, or requires an explicit formula for calculating "total shaping", which does not yet exist.

Maximum Hourly Energy (MW/hr)												
FY	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												

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Maximum Hourly Energy (MW/hr)												
FY	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2041												
2042												
2043												
2044												

Note: All amounts will be shown as whole megawatts-per-hour and rounded to three decimal places

### 1.4.3 Minimum Hourly Energy

The amounts of Firm Requirements Power priced at Tier 1 Rates within each hour shall not be less than the minimum hourly energy schedule amount for the given month.

BPA shall calculate the minimum hourly energy amounts as follows:  
 (1) the greater of (A) 60 percent of the Tier 1 Monthly Block amounts for the applicable month, as listed in section 1.3 of this exhibit or (B) the Tier 1 Monthly Block amounts for the applicable month, as listed in section 1.3 of this exhibit, minus (2) the Shaping Capacity for the given month, as listed in section 1.4.1 of this exhibit.

By September 15, 2028, and by September 15 of each Fiscal Year thereafter, BPA shall update the table below with the minimum amount of Firm Requirements Power priced at Tier 1 Rates «Customer Name» shall take each hour of a given month of the applicable Fiscal Year.

**Commented [LLP118]:** This appears to require the 60/40 within-month split between HLH and LLH to be used to determine a 60% floor on hourly scheduling during LLH. Is that what was intended? This sentence may need a different math structure. Check the language against the intended formula.

Minimum-Minimum Hourly Energy (MW/hr)												
FY	OCT	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												
2041												
2042												
2043												
2044												

Note: All amounts will be shown as whole megawatts-per-hour and rounded to three decimal places

### 1.4.3.1 Failure to take the Scheduled Maximum and Minimum Energy Amounts and Associated Penalty

BPA shall apply additional charges and penalties when «Customer Name» takes more than the maximum hourly

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energy in accordance with section 1.4.2 above or takes less than the minimum hourly energy in accordance with section 1.4.3 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Wholesale Power Rate Schedules and GRSPs.

### 1.4.4 Monthly Ramp Rates

The scheduled amount of Firm Requirements Power for any hour priced at Tier 1 Rates, in any hour of a month, shall not deviate from the previous scheduled hour's amount by more than the monthly ramp rate limitations from the previous scheduled hour's amount. However, no ramp rate penalties will be assessed to schedules between the last hour of such month and the first hour of the following month.

BPA shall calculate «Customer Name»'s monthly ramp rates as follows: (1) «Customer Name»'s Shaping Capacity for the given month as listed in section 1.4.1 of this Exhibit multiplied by (2) twenty percent.

By September 15, 2028, and by September 15 of each Fiscal Year thereafter, BPA shall update the table below with the monthly ramp rates which apply to «Customer Name»'s Shaping Capacity in whole megawatts for each month of the applicable Fiscal Year.

**Commented [LLP119]:** Will this table be updated every rate period for Customers who choose Shaped Monthly Block?

Monthly Ramp Rates (MW)												
FY	OCT	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												
2041												
2042												
2043												
2044												

Note: All amounts will be shown as whole megawatts and rounded to three decimal places

#### 1.4.4.1 Failure to meet Ramp Rate Provisions and Associated Penalty

BPA shall apply additional charges and penalties when «Customer Name» fails to satisfy the ramp rates provisions in section 1.4.4 above. BPA shall calculate such charges and

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penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

### 1.4.5 Scheduling Shaping Capacity

«Customer Name» shall schedule Shaping Capacity amounts to BPA for each hour on a day ahead timeframe as described in section 4 of Exhibit F.

### 1.4.6 Mid-Month Energy Requirement

«Customer Name» must schedule between forty-five and fifty-five percent of the total amount of Firm Requirements Power priced at Tier 1 Rates for a given month, as established in section 1.3 of this exhibit, within the first half of the total hours of the month.

#### 1.4.6.1 Failure to meet Mid-Month Energy Requirement and Associated Penalty

BPA shall apply additional charges and penalties when «Customer Name» takes less than forty-five percent or more than the fifty-five percent of the monthly energy amount in accordance with section 1.4.6 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

### 1.4.7 Energy Neutrality

Except for any amounts of Peak Load Variance Service (PLVS) power specified in sections 1.4 and 8.3 of this exhibit, «Customer Name» must schedule and shall not exceed the total amount of Firm Requirements Power priced at Tier 1 Rates for a given month, as established in section 1.3 of this exhibit.

**Commented [LLP120]:** Is Power the right term here, given that Power includes Capacity?

#### 1.4.7.1 Failure to meet Energy Neutrality Check and Associated Penalty

BPA shall apply additional charges and penalties when «Customer Name» fails to satisfy the energy neutrality provisions in section 1.4.7 above. BPA shall calculate such charges and penalties pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions.

*Option 1: Include if customer did not elect the PLVS option.*

### 1.4.8 Peak Load Variance Service (PLVS)

«Customer Name» has not elected the Peak Load Variance Service.

*End Option 1*

*Option 2: Include if customer elected the PLVS option.*

### 1.4.8 Peak Load Variance Service (PLVS)

*End Option 2*

**Commented [MM(P6121)]:** Placeholder. PLVS will be drafted and reviewed separately.

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### 2. FIRM REQUIREMENTS POWER AT TIER 2 RATES

#### 2.1 One-Time Above-CHWM Load Service Elections

Pursuant to section 9.2 of the body of the Agreement, «Customer Name» shall elect one of the following four options to serve its Above-CHWM Load.

«Customer Name»’s Above-CHWM Load purchase obligation shall be for the term of the Agreement unless «Customer Name» elects to change its Tier 2 Long-Term Rate purchase obligation amounts pursuant to the terms and conditions of section 2.2.3 of this exhibit.

BPA shall revise this exhibit by March 31, 2027, to indicate «Customer Name»’s initial election and purchase obligation by adding an “X” to the box next to the applicable option below.

Initial Election  (1) **Option A. All Tier 2 Long-Term Rate option**  
 «Customer Name» shall purchase and BPA shall serve all of «Customer Name»’s Above-CHWM Load with Firm Requirements Power priced at the Tier 2 Long-Term Rate.

Initial Election  (2) **Option B. Fixed Tier 2 Long-Term Rate then flexible option**  
 «Customer Name» shall purchase and BPA shall provide a fixed Average Megawatt amount of «Customer Name»’s Above-CHWM Load with Firm Requirements Power sold at the Tier 2 Long-Term Rate. Any remaining Above-CHWM Load will be served with:  
 (1) Firm Requirements Power at the Tier 2 Short-Term Rate,  
 (2) Firm Requirement Power at a Tier 2 Vintage Rate, if applicable,  
 (3) Dedicated Resources, or  
 (4) a combination and amounts of (1), (2) and (3).

At the time of election as stated in section 9.3 of the body of this Agreement, «Customer Name» shall notify BPA of the fixed amount of its Above-CHWM Load to be served with Firm Requirements Power sold at a Tier 2 Long-Term Rate. BPA shall update the following table to state such amount.

*Drafter’s Note: Leave table blank at contract signing.*

Fixed Tier 2 Long-Term Election Amounts								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

Note: The amount in the table should be rounded to three decimal places.

Initial Election  (3) **Option C. Fixed flexible then Tier 2 Long-Term Rate option**  
 A fixed Average Megawatt amount of «Customer Name»’s Above-CHWM Load will be served with a combination of power sold at a

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Tier 2 Short-Term Rate, Tier 2 Vintage Rate, or with Dedicated Resources.

At the time of election, «Customer Name» shall notify BPA of the fixed amount of its Above-CHWM Load to be served at the fixed flexible option for the duration of the contract.

«Customer Name» shall purchase, and BPA shall serve any remaining Above-CHWM Load with Firm Requirements Power sold at the Tier 2 Long-Term Rate. BPA shall update the following table to state such fixed amount Above-CHWM Load «Customer Name» will serve under the flexible path.

*Drafter's Note: Leave table blank at contract signing*

Fixed Flexible Election Amounts								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

Note: the amount in the table should be rounded to three decimal places.

Initial Election

(4) **Option D. All flexible option**

«Customer Name»'s Above-CHWM Load shall be served with (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirement Power at a Tier 2 Vintage Rate, if applicable, (3) Dedicated Resources, or (4) a combination of amounts of (1), (2) and (3).

2.2 **Rounding Option**

If «Customer Name» elects option B, C, or D under section 2.1 above, then by July 31, 2028, «Customer Name» may elect to have BPA serve up to 0.999 aMW of their Above-CHWM Load through the Tier 1 Rate design, pursuant to the PRDM, for the term of the Agreement. No later than September 30, 2028, BPA shall indicate «Customer Name»'s election for all Rate Periods through the term of the Agreement in the table below.

By July 31 of each remaining Rate Case Year, «Customer Name» may notify BPA if it wants to change its rounding option election, and BPA shall update the table below to reflect such change by September 30 following «Customer Name»'s notification.

*Drafter's Note: Leave table blank at contract signing. By September 30, 2028, and if customer changes its election over the term of the Agreement, add an "X" for each Rate Period that customer elects the rounding option.*

**Commented [LLP122]:** This appears to allow any fractional CHWM Block to be rounded up to the next aMW. Is that correct?

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Rate Period	Rounding Option Elected
BP-29	
BP-31	
BP-33	
BP-35	
BP-37	
BP-39	
BP-41	
BP-43	

Note: Add "X" if customer elects rounding option.

### 2.3 Tier 2 Long-Term Rate

#### 2.3.1 Election Opportunity and Tier 2 Long-Term Rate Purchase Obligation Amount

«Customer Name» may elect to purchase Firm Requirements Power at the Tier 2 Long-Term Rate by selecting options A, B or C under section 2.1 of this exhibit. If «Customer Name» elects option A, B or C, then BPA shall update the table below by March 31 of each Rate Case Year to state the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate for the upcoming Rate Period.

If «Customer Name» elects option B, the amount of Firm Requirements Power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate shall be the lesser of «Customer Name»'s Above-CHWM Load amount or the fixed Tier 2 Long-Term Election amount stated in section 2.1(2) above.

*Drafter's Note: Leave table blank at contract signing. For options A, B, C: Update Tier 2 Long-Term amounts by March 31 of each Rate Case Year after the Above-CHWM Load Process is complete.*

Tier 2 Long-Term Rate Purchase Obligation Amount								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

Note: Fill in the table above with the annual Average Megawatts, rounded to three decimal places.

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### 2.3.2 Right to Reduce Tier 2 Long-Term Rate Election Amount Without a Fee

«Customer Name» shall have a one-time right to request to reduce the amount of its power purchase obligation at a Tier 2 Long-Term Rate, without any charges or fees, if «Customer Name» submits a written request to BPA prior to August 1, 2027, and BPA has not acquired power for the purposes of serving its Tier 2 Long-Term Rate purchase obligation.

BPA, in its sole discretion, shall determine whether «Customer Name»'s request to reduce its Tier 2 Long-Term Rate purchase obligation amount meets the notice requirements. BPA shall notify «Customer Name» if the request does not meet the notice requirements.

If BPA determines that «Customer Name»'s request meets the notice requirements, then BPA shall reduce the amount of power «Customer Name» is obligated to purchase at a Tier 2 Long-Term Rate. By March 31, 2028, BPA shall: (1) update the applicable table(s) in section 2 of this exhibit with «Customer Name»'s updated Tier 2 Long-Term Rate purchase obligation amount, and (2) update «Customer Name»'s election in section 2.1 if applicable.

### 2.3.3 Right to Reduce Tier 2 Long Term Election Amount

#### 2.3.3.1 Changes to Tier 2 Long-Term Elections

Regardless of any reduction made pursuant to section 2.3.2 above, over the remaining term of the Agreement «Customer Name» shall have a one-time right to reduce the amount of Firm Requirements Power it is obligated to purchase at the Tier 2 Long-Term Rate, including reducing such amount to zero.

#### 2.3.3.2 Notification and Service Options

«Customer Name» shall notify BPA in writing of its one-time election to reduce the amount of power «Customer Name» is obligated to purchase at the Tier 2 Long-Term Rate no less than three years prior to the start of the Rate Period that its election would be effective.

«Customer Name»'s election to reduce the amount of power purchased at the Tier 2 Long-Term Rate shall be binding for the remaining term of the Agreement.

If «Customer Name» elects to reduce the amount of power it is obligated to purchase at the Tier 2 Long-Term Rate, then «Customer Name» shall serve the amount of the reduction with: (1) Firm Requirements Power at the Tier 2 Short-Term Rate, (2) Firm Requirement Power at a Tier 2 Vintage Rate, if



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applicable, (3) Dedicated Resources, or (4) a combination and amounts of (1), (2) and (3).

«Customer Name» shall notify BPA of its intent to serve its Above-CHWM Load with one of the four options listed in section 2.3.3.2 consistent with the terms and conditions stated in section 2 of Exhibit C.

### 2.3.3.3 Exhibit Updates

By March 31 following «Customer Name»'s election notice under section 2.3.3.2 above, BPA shall: (1) update the applicable table(s) in section 2 of this exhibit, with «Customer Name»'s updated Tier 2 Long-Term Rate purchase obligation amount, and (2) update «Customer Name»'s election in section 2.1 of this exhibit. BPA will update Exhibit A with any changes to «Customer Name»'s Dedicated Resource amounts.

### 2.3.3.4 Charges to Change Tier 2 Long-Term Election Amount

«Customer Name» shall pay any charges that apply as a result of «Customer Name» exercising the one time right to change its Tier 2 Long-Term Rate purchase obligation amounts under this section 2.3.3. BPA shall calculate such charges pursuant to the PRDM and Power Rate Schedules and General Rate Schedule Provisions. BPA shall not make payment to «Customer Name» as a result of BPA reducing the amounts of Firm Requirements Power that «Customer Name» is obligated to purchase at Tier 2 Long-Term Rates.

## 2.4 Tier 2 Short-Term Rate Alternative

Subject to the limitations in section 2.4.1 below, «Customer Name» may elect to purchase Firm Requirements Power at Tier 2 Short-Term Rates by electing option B, C or D under section 2.1 above.

If «Customer Name» elects options B, C or D, then by July 31, 2027, and by July 31 of each Forecast Year, «Customer Name» shall notify BPA of the amount of its Above-CHWM Load it requests for BPA to serve, if any, at the Tier 2 Short-Term Rate for the following Rate Period. Subject to the limitations in section 2.4.2 below, BPA shall update the table below by March 31 of each Rate Case Year to state the amount of power «Customer Name» is obligated to purchase at the Tier 2 Short-Term Rate.

If «Customer Name» elects option C under section 2.1 above, then the amount of Firm Requirements Power «Customer Name» requests to purchase at the Tier 2 Short-Term Rate shall not exceed «Customer Name»'s Above-CHWM Load amount or the fixed-flexible election amount stated in section 2.1(3) above.

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*Drafter's Note: Leave table blank at contract signing. For options B, C, and D, update Tier 2 Short-Term amounts for each Rate Period by March 31 of each Rate Case Year after the Above-CHWM Process is complete.*

Tier 2 Short-Term Rate Purchase Obligation Amounts								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

Note: Fill in the table above with annual Average Megawatts, rounded to three decimal places.

### 2.4.1 Limitations on Tier 2 Short-Term Rate Amounts

BPA shall attempt to acquire power to serve «Customer Name's total amount of load requested to be served with Firm Requirements Power at the Tier 2 Short-Term Rate. If BPA is unable to acquire power, at any price, and cannot meet all customers' requests to purchase power at the Tier 2 Short-Term Rate, then each applicable Rate Period BPA: (1) shall notify «Customer Name» of the unavailability of power at the Tier 2 Short-Term Rate and (2) may limit the amount of Firm Requirements Power at the Tier 2 Short-Term Rate that «Customer Name» can purchase. If BPA receives multiple requests to provide Firm Requirements Power at the Tier 2 Short-Term Rate for the same Rate Period, and if BPA is only able to acquire power to serve a portion of the total requests for power priced at the Tier 2 Short-Term Rate, then BPA shall proportionally reduce all requests for the Rate Period on a pro rata basis.

By March 31, 2028 and by March 31 of each Rate Case Year thereafter, BPA shall notify customers of the unavailability or pro-rata reduction of power available at the Tier 2 Short-Term Rate.

### 2.4.2 Determining Pro-Rata Shares of Amounts at Tier 2 Short-Term Rate

If necessary pursuant to section 2.4.1 above, BPA shall determine «Customer Name's pro-rata amount of power available for purchase at a Tier 2-Short Term Rate for the applicable Rate Period based on (1) the actual amounts BPA is able to acquire to meet all customers' aggregate requests for service at a Tier 2 Short-Term Rate and (2) the total amount of Firm Requirements Power requested at the Tier 2 Short-Term Rate in section 2.4 each Rate Period. BPA will adjust individual amounts of Firm Requirements Power at the Tier 2 Short-Term Rate downward by the ratio between sections 2.4.2.(1) and 2.4.2.(2) above to calculate the amounts of the proportional share adjustment.

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In the event BPA adjusts amounts at the Tier 2 Short-Term Rate downward, «Customer Name» shall apply Dedicated Resources to serve the portion of its election at the Short-Term Tier 2 Rate that BPA is unable to supply. BPA will update amounts in Exhibit A in accordance with section 2.6 below.

### 2.4.3 Failure to Make an Election

If «Customer Name» does not notify BPA of its Tier 2 Short-Term Rate election amounts pursuant to section 2.4 above for a Rate Period, then BPA shall enter “zero” for the applicable Fiscal Years of the Rate Period, and «Customer Name» shall serve its remaining Above-CHWM Load amounts with Dedicated Resources.

In the event that «Customer Name» fails to make an election of its Tier 2 Short-Term Rate election amounts pursuant to section 2.4 above, then «Customer Name» shall apply Dedicated Resources to meet its Above-CHWM Load. Any amounts will be updated in Exhibit A in accordance with section 2.6 below.

### 2.4.4 Liability

In no event shall BPA make payment to «Customer Name» as a result of «Customer Name» electing to reduce the amounts of Firm Requirements Power that «Customer Name» is obligated to purchase at Tier 2 Short-Term Rates. In no event shall BPA make payment to «Customer Name» if it is unable to secure power to meet requests for purchases at the Tier 2 Short-Term Rate.

### 2.5 Tier 2 Vintage Rate Alternative

If «Customer Name» elects option B, C, or D under section 2.1 above, then «Customer Name» is eligible to purchase Firm Requirement Power at a Tier 2 Vintage Rate, if offered by BPA, as described in this section 2.5. For purposes of this section 2.5, “Vintage Resource” means a physical resource that BPA determines, in its sole discretion, to acquire for a period of greater than three years to form the cost basis for pricing Firm Requirements Power subject to an established Tier 2 Vintage Rate. BPA may offer to sell Firm Requirements Power at a Tier 2 Vintage Rate whenever it acquires a Vintage Resource.

BPA shall notify customers with a CHWM Contract at least 60 calendar days prior to making a Request For Offer (RFO) for a Vintage Resource. Within 30 days of such notice, «Customer Name» shall notify BPA of the amount of Firm Requirements Power it will purchase from BPA at a Tier 2 Vintage Rate associated with the Vintage Resource.

Following the close of the RFO, BPA shall determine, in its sole discretion, whether to proceed with acquiring the Vintage Resource. If BPA decides to proceed with acquiring the Vintage Resource, then BPA will notify «Customer Name» of the available quantity, if any, of Firm Requirement Power that customer is eligible to purchase at the Tier 2 Vintage Rate, and the estimated

**Commented [RMM123]:** Exhibit C, section 2.5.1 Tier 2 Vintage Rate Alternative was shared at workshop on Oct. 15.

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Tier 2 Vintage Rate. «Customer Name» shall execute a Statement of Intent, as stated in section 2.5.1 below, to purchase identified amounts of Firm Requirements Power at the applicable Tier 2 Vintage Rate. The Statement of Intent will include the process and timing to elect the Vintage Alternative and execute a Statement of Intent.

### 2.5.1 Statement of Intent

If «Customer Name» elects to purchase Firm Requirements Power from BPA at Tier 2 Vintage Rates, then «Customer Name» shall sign a Statement of Intent provided by BPA which will state the amount of power «Customer Name» commits to purchase at a Tier 2 Vintage Rate. The Statement of Intent will be binding unless BPA does not complete the acquisition of the Vintage Resource consistent with section 2.5.3 below.

### 2.5.2 Tier 2 Vintage Rate

BPA shall determine the applicable Tier 2 Vintage Rate in accordance with the PRDM and applicable Wholesale Power Rate Schedules and GRSPs. BPA will restate in the Statement of Intent the applicable Tier 2 Vintage Rate for the Vintage Resource.

### 2.5.3 BPA Acquisition of Vintage Resource

If BPA acquires the Vintage Resource, then BPA shall notify «Customer Name» that the acquisition is complete and update the table in section 2.5.8 below with the amount of Firm Requirements Power sold at a Tier 2 Vintage Rate and the contract number for the Statement of Intent. If BPA does not complete the acquisition of the Vintage Resource, then BPA shall notify «Customer Name» the Statement of Intent will become null and void. If BPA does not complete the acquisition, then «Customer Name»'s current elections for service to its Above-CHWM Load above shall continue to apply.

### 2.5.4 Additional Provisions Applicable to the Statement of Intent

#### 2.5.4.1 Additional Terms and Conditions in Statement of Intent

In addition to paying the Tier 2 Vintage Rate, «Customer Name» will also be subject to such additional terms and conditions associated with its selection of the Tier 2 Vintage Rate as described in the Statement of Intent. Such additional terms may include, but are not limited to, liquidated damages, if applicable, associated with the purchase of the Vintage Resource.

#### 2.5.4.2 Duration of Statement of Intent

The Tier 2 Vintage Resource amounts applied to serve «Customer Name»'s Above-CHWM Load under this Agreement will not apply beyond the expiration of this Agreement, except as stated in the Statement of Intent.

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### 2.5.4.3 Maximum Amount of Firm Requirements Power at Tier 2 Vintage Rate

The maximum amount of Firm Requirements Power «Customer Name» is eligible to purchase at a Tier 2 Vintage Rate will be equal to the annual maximum forecast of «Customer Name»'s flexible Above-CHWM Load amounts of «Customer Name»'s election under section 2.1, minus any Dedicated Resources serving «Customer Name»'s Above-CHWM Load.

### 2.5.5. Multiple Requests for Vintage Resource

«Customer Name»'s Statement of Intent shall include procedures for how BPA will address multiple requests for Firm Requirements Power sold by BPA at a Tier 2 Vintage Rate if the aggregate amount of customer requests exceeds the amount of the Vintage Resource.

### 2.5.6 Tier 2 Vintage Amounts in Excess of Above-CHWM Load

If «Customer Name» purchases an amount of power from BPA at a Tier 2 Vintage Rate that exceeds its current Above-CHWM Load, then BPA shall either:

- (1) treat any amount of power that exceeds «Customer Name»'s Above-CHWM Load as an advanced sale of surplus power to be managed by «Customer Name»; or
- (2) in accordance with section 10 of this exhibit, and pursuant to the PRDM, provide a remarketing service for the power that exceeds «Customer Name»'s Above-CHWM Load until «Customer Name»'s Above-CHWM Load can accommodate the contracted amount of power purchased at the Tier 2 Vintage Rate.

### 2.5.7 Treatment of Tier 2 Vintage Rate and Tier 2 Short Term Rate Purchase Obligations

In addition to the right to purchase power at a Tier 2 Vintage Rate established in this section 2.5, «Customer Name» may have the opportunity to purchase Firm Requirements Power at Tier 2 Vintage Rates regardless of whether «Customer Name» is purchasing power at Tier 2 Short-Term Rates, if BPA determines, in its sole discretion, to offer «Customer Name» a Statement of Intent that would provide «Customer Name» the opportunity to purchase Firm Requirements at Tier 2 Vintage Rates.

Any election by «Customer Name» to purchase Firm Requirements Power at Tier 2 Vintage Rates shall not relieve «Customer Name» of any obligation to purchase Firm Requirements Power at another Tier 2 Rate.

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Any amounts of power that «Customer Name» is obligated to purchase at a Tier 2 Vintage Rate or Tier 2 Short Term Rate that exceeds its Above-CHWM Load will be treated pursuant to section 2.5.6 above.

### 2.5.8 Tier 2 Vintage Rate Elections, Amounts and Exhibit Updates

If applicable, BPA shall update the table below by March 31 of each Rate Case Year, with «Customer Name»'s Tier 2 Vintage Rate purchase obligation amounts.

*Drafter's Note: Leave table blank at contract signing:*

Annual Amounts at Tier 2 Vintage Rate. Statement of Intent Contract No. «##»PS-«####»								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
Annual aMW								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
Annual aMW								

Note: Fill in the table above with annual Average Megawatts, rounded to three decimal places. Leave FY blank when not purchasing at a Tier 2 Vintage Rate. Include SOI number(s) in table title.

By September 15 of each Fiscal Year or immediately following the establishment of a Tier 2 Vintage Rate for which «Customer Name» signed a Statement of Intent, BPA shall update the table in section 2.8.2 with «Customer Name»'s Tier 2 Vintage Rate purchase obligation amounts.

### 2.6 Obligation to Apply Dedicated Resources

«Customer Name» shall apply Dedicated Resources to serve the portion of its Above-CHWM Load that exceeds of the sum of all «Customer Name»'s purchase obligations at Tier 2 Rates under sections 2.3, 2.4, and 2.5 above. BPA shall add «Customer Name»'s Dedicated Resources to section 2 and section 3 of Exhibit A.

### 2.7 Above-CHWM Load Liability

If «Customer Name» annexes load from another customer with a CHWM Contract that had Above-CHWM Load served with Firm Requirements Power purchased at a Tier 2 Long-Term Rates, Tier 2 Short-Term Rate or a Tier 2 Vintage Rate, then «Customer Name» shall pay any costs that BPA determines apply as a result of such annexation. BPA shall determine such costs, if any, during the 7(i) Process that follows «Customer Name»'s notice of annexation. BPA shall include such cost identified through the 7(i) Process on «Customer Name»'s bill. In no event shall BPA make payment to «Customer Name» as a result of «Customer Name» reducing its amounts of Firm Requirements Power.

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### 2.8 Amounts of Power to be Billed at Tier 2 Rates

#### 2.8.1 Treatment for FY 2029 – FY 2030

By March 31, 2027, BPA shall update the table in section 2.8.2 of this exhibit, consistent with «Customer Name»'s elections, with amounts of Firm Requirements Power which «Customer Name» shall purchase at applicable Tier 2 Long-Term Rate, Tier 2 Short-Term, and Tier 2 Vintage Rate, if applicable, for the FY 2029 – FY 2030 Rate Period consistent with sections 2.3, 2.4 and 2.5 of this exhibit. The difference between Above-CHWM Load and Tier 2 Rate amounts will be served pursuant to section 2.6.

#### 2.8.2 Amounts of Power for Subsequent Rate Periods

For each Rate Period after the FY 2029 – FY 2030 Rate Period, BPA shall establish for the upcoming Rate Period consistent with «Customer Name»'s elections: (1) the planned annual average amounts of Firm Requirements Power which «Customer Name» shall purchase at Tier 2 Long-Term Rate, Tier 2 Short-Term Rate, and Tier 2 Vintage Rate, if applicable, and (2) any remarketed Tier 2 Rate purchase amounts in accordance with section 10 of the body of this Agreement. By March 31, 2028, and by March 31 of each Rate Case Year thereafter, BPA shall update the table below with such amounts for each year of the upcoming Rate Period consistent with sections 2.3, 2.4 and 2.5 of this exhibit. The difference between Above-CHWM Load and Tier 2 Rate amounts will be served pursuant to section 2.6.

*Drafter's Note: Leave table blank at contract signing:*

Annual Amounts Priced at Tier 2 Rates (aMW)								
Fiscal Year	2029	2030	2031	2032	2033	2034	2035	2036
«No Tier 2 at this time»								
Remarketed Amounts								
Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044
«No Tier 2 at this time»								
Remarketed Amounts								
Notes:								
1. List each applicable Tier 2 rate in the table above. For the first applicable Tier 2 rate replace <b>No Tier 2 at this time</b> with the name of the applicable Tier 2 rate. For each additional Tier 2 rate, add a new row above the <b>Remarketed Amounts</b> row. If «Customer Name» elects not to purchase at Tier 2 rates, then leave <b>No Tier 2 at this time</b> in the table and leave the remainder of the table blank.								
2. Fill in the table above with annual Average Megawatts rounded to three decimal places.								

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### 3. REVISIONS

BPA shall revise this exhibit to reflect «Customer Name»'s elections regarding service to its Above-CHWM Load and BPA's determinations relevant to this exhibit and made in accordance with this Agreement.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*



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## Exhibit D ADDITIONAL PRODUCTS AND SPECIAL PROVISIONS

### 1. CF/CT AND NEW LARGE SINGLE LOADS

**Commented [RMM124]:** Section 1 of Exhibit D, CF/CT and NLSLs was shared at workshop on Oct. 15.

- Option 1: Include the following if customer has no CF/CT loads.*  
**1.1 CF/CT Loads**  
 «Customer Name» has no loads identified that were contracted for, or committed to (CF/CT), as of September 1, 1979, as defined in section 3(13)(A) of the Northwest Power Act.  
*End Option 1*

- Option 2: Include the following if customer has CF/CT loads.*  
*Drafter's Note: If customer has more than one CF/CT, number each separately as (1), (2), etc. and indent appropriately.*  
**1.1 CF/CT Loads**  
 The Administrator has determined that the following loads were contracted for, or committed to be served (CF/CT), as of September 1, 1979, as defined in section 3(13)(A) of the Northwest Power Act, and are subject to PF rates:

End Use Consumer's Name	Facility Name	Facility Location	Date of CF/CT determination	Amount of firm energy contracted for, or committed to (MW)

Note: Amount of Firm Energy is at 100 percent load factor.

CF/CT Description:  
*End Option 2*

- Option 1: Include the following if customer has no POTENTIAL NLSLs.*  
**1.2 Potential NLSLs**  
 «Customer Name» has no identified Potential NLSLs.  
*End Option 1*
- Option 2: Include the following if customer has POTENTIAL NLSLs.*  
*Update, as needed, at the end of each monitoring period.*  
*Drafter's Note: If customer has more than one Potential NLSL, number each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two Potential NLSLs at same site or as needed.*  
**1.2 Potential NLSLs**  
 «Customer Name» has the following identified Potential NLSLs:

**Commented [LLP125]:** Check definitions of Potential and Planned NLSLs to make sure that they achieve their intended separate results.

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End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period
				«Month Day» through «Month Day»

**Commented [LLP126]:** Check definition of Monitoring Period, which is rolling, not CY or FY. Must this table be updated monthly?

Potential NLSL Description:

*End Option 2*

*Option 1: Include the following if customer has no PLANNED NLSLs.*

1.3 **Planned NLSLs**

«Customer Name» has no Planned NLSLs.

*End Option 1*

*Option 2: Include the following if customer has PLANNED NLSLs and will serve the Planned NLSLs with Dedicated Resources and/or Consumer-Owned Resources.*

1.3 **Planned NLSLs Served with Dedicated Resource or Consumer-Owned Resource Amounts**

«Customer Name» has one or more Planned NLSLs and will serve the Planned NLSLs listed below pursuant to section 23.3 and with Dedicated Resource or Consumer-Owned Resource amounts in Exhibit A that are not already used to serve any other portion of «Customer Name»'s Total Retail Load and are listed in section 4 or section 7.4, respectively, of Exhibit A.

*Drafter's Note: If customer has more than one Planned NLSL, number each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two Planned NLSLs at same site or as needed. Update, as needed, at the end of each monitoring period.*

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period	Date Facility Started Service as Planned NLSL	Manner of Service
				«Month Day» through «Month Day»		«Direct or Transfer»

Planned NLSL Description:

Other Service Details: «Include term of non-federal resource application, Consumer-Owned Resource details, service start date, other necessary details»

*End Option 2*

**Commented [LLP127]:** Is this just descriptive? If so, what is necessary?

*Option 1: Include the following if customer has no NLSLs.*

1.4 **NLSLs**

«Customer Name» has no NLSLs.

*End Option 1*

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*Option 2: Include the following if customer has NLSLs that it will serve with Dedicated Resources and/or Consumer-Owned Resources.*

### 1.4 NLSLs

«Customer Name» has one or more NLSLs and will serve the NLSLs listed below pursuant to section 23.3 of the body of this Agreement and with Dedicated Resource or Consumer-Owned Resource amounts in Exhibit A that are not already used to serve any other portion of «Customer Name»'s Total Retail Load and are listed in section 4 or section 7.4, respectively, of Exhibit A.

*Drafter's Note: If customer has more than one NLSL, letter each separately as (1), (2), etc. and indent appropriately. Add facility name if there are two NLSLs at same site or as needed.*

End Use Consumer's Name	Facility Name	Facility Location	Date of BPA facility determination	12-month Monitoring Period	Date Load Determined to be an NLSL	Manner of Service
				«Month Day» through «Month Day»		«Direct or Transfer»

NLSL Description:

Approximate load: «X.XXX» aMW (load measured from «Month Day, Year» through «Month Day, Year»)

Other Service Details: «Include Consumer-Owned Resource details, service start date, other necessary details»

*End Option 2*

*Option 1: Include the following if customer has an NLSL but has no onsite renewable or cogeneration facilities to serve an NLSL:*

#### 1.4.1 Renewable Resource/Cogeneration Exception

«Customer Name»'s end-use consumer is not currently applying an on-site renewable resource or cogeneration facility to an NLSL.

*End Option 1*

*Option 2: Include the following if customer has an NLSL and has an onsite renewable or cogeneration facility to serve that NLSL.*

#### 1.4.1 Renewable Resource/Cogeneration Exception

*Option: Choose whether customer is applying a renewable or cogeneration facility.*

«Customer Name»'s end-use consumer is applying an onsite «renewable resource or cogeneration facility» to its NLSL listed in section 1.5 of this exhibit. *Suboption: Include the following if the site renewable or cogeneration facility is served by Transfer.* Consistent with section 14.6 of this Agreement, BPA shall pay for Transfer Service and shall pass through all applicable Transfer Service costs to «Customer Name» related to the application of «Customer Name»'s Dedicated Resources or Consumer-Owned Resources to its NLSL. *End Suboption*

*End Option 2*

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*Option: Include the following if the customer has one or more NLSLs that are served with transfer.*

### 1.4.2 NLSL(s) Served by Transfer Service

Any Dedicated Resource or Consumer-Owned Resource amounts «Customer Name» applies to serve a Planned NLSL or an NLSL that are (1) listed in sections 1.3 or 1.4 above and (2) are served by Transfer Service must meet the terms and conditions of section 14.6.7 of the body of this Agreement, Exhibit G, and the relevant Network Resource section of Exhibit J.

For any such NLSLs listed in section 1.4 above, BPA shall acquire and pay for Transfer Service and pass through any applicable Transfer Service to «Customer Name».

For any such Planned NLSL(s) listed above in section 1.3 above, at the end of the applicable consecutive 12-month monitoring period, BPA will determine if the Planned NLSL became an NLSL in accordance with section 20.3.5 of the body of this Agreement. If the Planned NLSL does not become an NLSL during the monitoring period, then BPA shall credit «Customer Name» for any eligible Transfer Service costs that BPA passed through and «Customer Name» paid related to serving the Planned NLSL. If Transfer Service invoices associated with such Planned NLSLs are amended by the Third-Party Transmission Provider following such credit, then BPA will pass through any charges or credits to «Customer Name» associated with such amended invoices. If the load continues to be monitored as a Planned NLSL, then the applicable provisions of this section 1.4.1 will continue to apply.

*End Option for Transfer Service*

### 1.5 Potential NLSL and Planned NLSL Facility Load

#### 1.5.1 Cumulative Prior Load

Pursuant to section 20.3.5.2 of the body of this Agreement, BPA shall fill in the table in section 1.5.2 below with any «Customer Name» amounts of Potential NLSL and Planned NLSL cumulative prior load.

#### 1.5.2 Facility Load Included in Calculation of Power Eligible at PF Rate

Pursuant to section 20.3.5.3 of the body of this Agreement, BPA shall fill in the table below with the fixed amount of facility load to be included in the calculation of «Customer Name»'s Firm Requirements Power eligible for service at BPA's PF rate(s).

*Drafter's Note: Add a row for each additional Potential NLSL, Planned NLSL, or NLSL that has cumulative prior load and/or load included in the calculation of Firm Requirements Power eligible for service at the PF rate.*

**Commented [LLP128]:** Make sure distinctions in the definitions are clear.

**Commented [LLP129]:** What is "cumulative prior load"? How is it calculated?

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Update at the end of each monitoring period. If customer has none, include N/A and retain «XX.XXX» as applicable.

Potential NLSL, Planned NLSL, and NLSL Facility Load				
Facility Name	Status of NLSL	Cumulative Prior Load Energy	Cumulative Prior Load Peak	Facility Load Included in the Calculation of Power Eligible at PF Rate
«Name of Potential NLSL, Planned NLSL, or NLSL»	«Potential NLSL, Planned NLSL, or NLSL»	«XX.XXX» aMW	«XX.XXX» MW	«XX.XXX» aMW

Commented [LLP130]: These need definitions.

### 1.6 Liquidated Damages for Planned NLSLs

This section 1.6 will not apply if «Customer Name»'s Net Requirement is greater than its applicable CHWM for the Fiscal Year(s) coinciding with a consecutive 12-month monitoring period. In addition, consistent with the Existing Resource removal terms and conditions of section 10.5 of the body of the Agreement, this section 1.6 will not apply to any Fiscal Year coinciding with a consecutive 12-month monitoring period when «Customer Name»'s applicable Net Requirement does not change with the inclusion of the resource dedicated to serve the applicable Planned NLSL.

Commented [LLP131]: This sentence appears to remove the risk of LDs if the NLSL is served with non-federal power. However, "dedicated" is not capitalized and there is no reference to Exhibit A.

If BPA determines that a Planned NLSL has grown by less than ten Average Megawatts in the consecutive 12-month monitoring period just completed, then BPA shall charge and «Customer Name» shall pay BPA the annual liquidated damages charge calculated by BPA as follows:

#### 1.6.1 Load Subject to Liquidated Damages

To calculate the load subject to liquidated damages, BPA will multiply the applicable load by the CHWM Ratio. The applicable load is defined as the metered load at the Planned NLSL(s) during the 12-month monitoring period minus any cumulative prior load. The CHWM Ratio is defined as the lesser of: (1) the difference of the applicable CHWM during the 12-month monitoring period and the average of the applicable Annual Net Requirement(s) during the 12-month monitoring period divided by the Applicable Load or (2) one. The load calculation described in this section 1.6.1 is expressed in the following formula:

$$\text{Applicable Load} \times \text{CHWM Ratio} = \text{LD Load}$$

Where:

Applicable Load = the metered load at the Planned NLSL(s) – any Facility Load Included in the Calculation of Power Eligible at PF Rate

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CHWM Ratio =

$$\text{Min} \left( \frac{\text{CHWM} - \text{Average of Net Requirement(s)}}{\text{Applicable Load}}, 1.0 \right)$$

LD Load = load subject to liquidated damages

### 1.6.2 Annual Liquidated Damages Charge

BPA shall calculate liquidated damages by multiplying the Planned NLSL liquidated damages rate, established in the applicable Wholesale Power Schedules and GRSPs, by load subject to liquidated damages (LD Load) as stated in section 1.9.1 above.

*Reviewer's Note: BPA is proposing to move the RSS provisions to Exhibit J. A placeholder header has been included in Exhibit J.*

## 2. RESOURCE SUPPORT SERVICES

RSS is only available to «Customer Name» to support renewable resources that are added after September 30, 2006 and are Specified Resources used to serve Total Retail Load. «Customer Name»'s purchase of RSS shall include those support services necessary and consistent with «Customer Name»'s Block purchase to convert the actual scheduled output from the resource being supported into a flat annual block.

2.1 BPA shall develop the RSS products to support applicable Specified Resources listed in section 2 of Exhibit A for the FY 2012 through FY 2014 Purchase Period and offer such as a revision to this exhibit by August 1, 2009 and by August 1 prior to each Notice Deadline thereafter. Prior to that date, BPA shall provide «Customer Name» a reasonable opportunity to provide input into the development of the products and the related contract provisions. By the November 1, 2009 Notice Deadline and by each Notice Deadline thereafter, «Customer Name» shall notify BPA in writing of any RSS products it elects to buy from BPA under the terms of this Agreement and shall identify the applicable resource(s), for which it shall purchase the RSS product(s) for the upcoming Purchase Period. Such election shall be a binding commitment of both Parties. If «Customer Name» makes such election, the Parties shall revise this exhibit so that it incorporates the agreed changes to applicable provisions, including the applicable resource amounts, if known, by March 31, 2010 or by March 31 of the year following the Notice Deadline for future years. By September 30 of the last Rate Case Year prior to the first Rate Period when service begins, and by each applicable September 30 thereafter in accordance with the applicable incorporated contract language, BPA shall update the relevant tables included in the incorporated contract language with the applicable charges and any necessary updates to resource amounts.

2.2 If «Customer Name» adds a new Specified Resource within a Purchase Period to meet its obligations to serve Above-RHWM Load with Dedicated Resources, consistent with section 3.5.1 of the body of this Agreement,

## 10/31/24 – Draft POC Block Template

«Customer Name» may purchase DFS or FORS to support such resource. «Customer Name» shall request a copy of the then-current DFS or FORS standard contract provisions from BPA and shall notify BPA in writing by October 31 of a Rate Case Year that it elects to purchase DFS or FORS for the new Specified Resource under the terms stated in the then-current contract provisions and the terms of this section 2.2. Such election shall be a binding commitment of both Parties. The elected DFS or FORS will be effective at the start of the upcoming Rate Period. The duration of such purchase shall be for the remainder of the Purchase Period and for the following Purchase Period. If «Customer Name» makes such election, the Parties shall revise this exhibit by March 31 of the calendar year after «Customer Name» has given notice of its election. Such revision shall incorporate the agreed changes to applicable provisions, including the applicable resource amounts, if known. By September 30 of the last Rate Case Year prior to the first Rate Period when service begins, and by each applicable September 30 thereafter, in accordance with the applicable incorporated contract language, BPA shall update the relevant tables included in the incorporated contract language with the applicable charges and any necessary updates to resource amounts.

*Option: Include the following for customers who are eligible to receive irrigation rate discount; delete this section if not applicable.*

### 2. **IRRIGATION RATE DISCOUNT**

Starting October 1, 2028, subject to the terms specified in BPA’s applicable Wholesale Power Rate Schedules and GRSPs, the following shall apply, provided that the Parties have revised the table below no later than September 30, 2027.

- 2.1 For billing purposes, in the months listed below for each year during the term of this Agreement, BPA shall apply Irrigation Rate Discount to the lesser of the corresponding amount purchased at the Tier 1 Rate in the month or the energy amount in the table below.

Irrigation Amounts (kWh)					
May	Jun	Jul	Aug	Sept	Annual Total

- 2.2 After the end of each irrigation season, the Parties shall administer a true-up process to ensure «Customer Name»’s irrigation load meets or exceeds the total eligible irrigation amount (in kilowatt-hours) listed above.
- 2.3 «Customer Name» shall be responsible for implementing cost-effective conservation measures on irrigation systems in their service territories. «Customer Name» shall report and BPA shall verify all qualifying conservation measures and project savings pursuant to «Customer Name»’s Energy Conservation Agreement or its successor.

*End IRD Option*

**Commented [RMM132]:** The Irrigation Rate Mitigation provision went to workshop on May 6 and June 10. In order to align with the PRDM, 7(i) and GRSPs, BPA is proposing to change references to IRM to Irrigation Rate Discount (IRD). BPA has made that change in this template, which is different than what was shared at workshops.

**Commented [LLP133]:** Grant requests revisiting the eligibility criteria that exclude Grant from receiving the IRD.

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«#». «PLACEHOLDER FOR SPECIAL PROVISIONS»

*Drafter's Note: Insert any special provisions unique to the customer here, before the revisions section, and number sections accordingly. Otherwise, delete this section if not applicable.*

«#». REVISIONS

Except for revisions to section 1, CF/CT and New Large Single Loads for determinations made by BPA under section 23.3 of the body of the Agreement and section 1 of this Exhibit D, this exhibit shall be revised by mutual agreement of the Parties to reflect additional products «Customer Name» purchases during the term of this Agreement.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*



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*Option 1: Include for Slice/Block and Block customers that both interchange and non-interchange meters.*

**Exhibit E**  
**METERING**

*Drafter's Notes: Rows will be added to the table to include applicable Points of Metering and Points of Delivery. The table will be sorted first by manner of service then alphabetically by POD name, then POM name under each POD.*

**1. METERING**

BPA POD Name	BPA POD Number	BPA POM Name	BPA POM Number	POD Location Description	POD Voltage kV	POM Location Description	Direction for PF Billing Purposes	WECC Balancing Authority	Manner Of Service	Manner Of Service Description	Metering Loss Adjustment	Exception

**2. REVISIONS**

Each Party shall notify the other with any requests to update to this exhibit. The Parties shall seek mutual agreement on any such requested exhibit revisions. Upon such agreement, or if the agreement is unreasonably withheld or delayed, BPA shall revise this exhibit to accurately reflect what BPA determines are the actual characteristics of PODs and meter information described in this exhibit. BPA shall provide «Customer Name» with a revised Exhibit E. The effective date will be the date stated at the top of the revised exhibit.

*(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» {Drafter's Note: Insert date of finalized contract here}*

**Commented [RMM134]:** Exhibit E was shared at workshop on Oct. 9.

**Commented [LLP135]:** Grant staff to identify metering information.

## 10/31/24 – Draft POC Block Template

*End Option 1 for Slice/Block and Block customers that have both interchange and non-interchange meters.*

*Option 2: Include for Slice/Block and Block customers that have ONLY interchange meters.*

### Exhibit E METERING

**Commented [RMM136]:** Exhibit E was shared at workshop on Oct. 9.

#### 1. DESCRIPTION OF INTERCHANGE METERS

For purposes of this exhibit, an “Interchange Point” means the point where two Balancing Authority Areas interconnect and at which the interchange of energy between Balancing Authority Areas is monitored and measured by interchange meter(s). The Parties agree that although the following interchange meters may not be necessary to prepare «Customer Name»’s power bills, inclusion of this information will help both Parties administer this Agreement. Information about the points of interchange and meter to interchange relationships are useful in providing the Parties a better understanding of the scope of «Customer Name»’s and BPA’s Balancing Authority Areas. This information will also help BPA review its forecasting assumptions.

*Drafter’s Notes: Rows will be added to the table for each meter point. The meter table will be sorted alphabetically according to name of interchange point.*

*Sub-Option 1: Include if customer’s interchange meters are in their own BAA.*

Name of Interchange Point	Meter Location	Meter Owner

*END Sub-Option 1*

*Sub-Option 2: Include if customer’s interchange meters are in a different BAA.*

BPA and «BAA Customer Name» have installed interchange telemetry and metering at the locations listed below.

Name of Interchange Point	Meter Location	Meter Owner	Exception

*End Sub-Option 2*

#### 2. REVISIONS

Each Party shall notify the other with any requests to update to this exhibit. The Parties shall seek mutual agreement on any such requested exhibit revisions. Upon such agreement, or if the agreement is unreasonably withheld or delayed, BPA shall revise this exhibit to accurately reflect what BPA determines are the actual characteristics of PODs and meter information described in this exhibit. BPA shall provide «Customer Name» with a revised Exhibit E. The effective date will be the date stated at the top of the revised exhibit.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter’s Note: Insert date of finalized contract here}*

# 10/31/24 – Draft POC Block Template

End Option 2 for Block and Slice/Block customers that have ONLY Interchange meters

## Exhibit F SCHEDULING

### 1. SCHEDULING FEDERAL RESOURCES

«Customer Name» is responsible for creating E-Tags for all deliveries of federal power purchased under this Agreement.

*Option: Include if customer is purchasing Shaping Capacity. If customer is not purchasing Shaping Capacity delete this option.*

«Customer Name» shall submit its hourly megawatt schedule to Power Services by 1100 hours Pacific Prevailing Time (PPT) as follows:

Day Before Preschedule		
Friday	For	Tuesday
Monday	For	Wednesday
Tuesday	For	Thursday
Wednesday	For	Friday, Saturday
Thursday	For	Sunday, Monday

For non-standard scheduling days specified by WECC (e.g. holidays), «Customer Name» shall preschedule at least 24 hours earlier than as specified by WECC. «Customer Name» shall not have the right to change planned amounts of Firm Requirements Power on a shorter timeline than as stated above.

With written notice, BPA may require «Customer Name», when using Shaping Capacity, to submit its hourly megawatt schedule to Power Services by 0900 hours PPT instead of 1100 hours PPT.

*End Option*

### 2. SCHEDULING OF DEDICATED RESOURCES

No later than 10 days following the end of each month, «Customer Name» agrees that it will electronically copy Power Services on all electronic tags that were created or modified during the previous month in association with the delivery of «Customer Name»'s Dedicated Resources, if any, listed in sections 2, 3, and 4 of Exhibit A.

### 3. AFTER THE FACT

BPA and «Customer Name» agree to reconcile all transactions, schedules and accounts at the end of each month (as early as possible within the first ten calendar days of the next month). BPA and «Customer Name» shall verify all transactions per this Agreement, as to product or type of service, hourly amounts, daily and monthly totals, and related charges

### 4. REVISIONS

BPA may unilaterally revise this exhibit: (1) to implement changes that are applicable to all customers who are subject to this exhibit and that BPA determines are reasonably necessary to meet its power and scheduling obligations under this

**Commented [LLP137]:** Note: this provision moves Shaping Capacity to TWO days before delivery from ONE day, and gives BPA the further option to require preschedules by 0900 instead of 1100. Such restrictions have not been discussed in any workshops, and the justifications for these limits are unknown.

**Commented [LLP138]:** Does this apply to any non-federal resource, or only to those resources formally identified as "Dedicated"? Does this reporting requirement apply to all "deliveries" of Dedicated Resources, whether to the Customer's PODs or to third parties?

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Agreement or (2) to comply with requirements of the WECC, NAESB, or NERC, or their successors or assigns.

Revisions are effective 45 days after BPA provides written notice of the revisions to «Customer Name» unless, in BPA's sole judgment, less notice is necessary to comply with an emergency change to the requirements of the WECC, NAESB, NERC, or their successors or assigns. In this case, BPA shall specify the effective date of such revisions.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

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*Option 1: Include the following for customers not served by Transfer Service.*

### Exhibit G

**THIS EXHIBIT INTENTIONALLY LEFT BLANK**

(PS«X/LOC»-«File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

## 10/31/24 – Draft POC Block Template

*End Option 1*

*Option 2: Include the following exhibit for customers served by Transfer Service.*

### Exhibit G

#### TERMS RELATED TO TRANSFER SERVICE

**Commented [RMM139]:** Exhibit G was shared at workshop on Oct. 15.

As provided by section 14.6.7 of the body of this Agreement, if «Customer Name» acquires a Transfer Service Eligible Resource, then BPA’s support and financial assistance to «Customer Name» shall be consistent with the terms and conditions in this exhibit.

#### 1. DEFINITIONS

- 1.1 “Fiscal Year Transfer Cap” means the annual Average Megawatt cap described in section 2 of this exhibit. The Fiscal Year Transfer Cap establishes the limit under which BPA will provide financial support for Transfer Service to customers’ Network Resources.
- 1.2 “Initial Transfer Study Deposit” means the amount of dollars required by a Third-Party Transmission Provider to initiate a Transfer Study.
- 1.3 “Last Transfer Segment” means the transmission and/or distribution facilities of the Third-Party Transmission Provider that either (1) interconnect directly to a customer’s transmission or distribution facilities or (2) interconnect to BPA transmission facilities that subsequently interconnect with a customer’s transmission or distribution facilities.
- 1.4 “Market Purchase” means, for purposes of this Exhibit G, a power purchase or resource that a customer uses to displace a Network Resource.
- 1.5 “Network Load” shall have the meaning as defined in the Federal Energy Regulatory Commission’s (FERC’s) current pro forma Open Access Transmission Tariff (OATT), or its successor.
- 1.6 “Network Resource” have the meaning as defined in the current FERC pro forma OATT, or its successor. In addition, the term “Network Resource” means any Transfer Service Eligible Resource that has been acquired by a customer, for which the customer has begun the process of acquiring firm transmission to serve the customer transfer POD(s).
- 1.7 “Transfer Request” means the written notification by BPA to a Third-Party Transmission Provider to start the required process to accommodate new or modified Transfer Service.
- 1.8 “Transfer Study” means a system impact study, feasibility study, facilities study, or other such studies that may be required by a Third-Party Transmission Provider following submission of a Transfer Request.

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### 2. ESTABLISHED CAPS AND LIMITATIONS

2.1 This section 2.1 shall not apply for any Transfer Service Eligible Resource (1) serving a Planned NLSL or an NLSL pursuant to section 1 of Exhibit D, (2) serving a portion of «Customer Name»'s Total Retail Load that «Customer Name» is obligated to serve with BPA provided electric power pursuant to this Agreement or (3) where «Customer Name» is not acquiring and paying for transmission service from Transmission Services for that Transfer Service Eligible Resource. For all other Transfer Service Eligible Resources, BPA shall provide financial support for the transmission capacity associated with the Transfer Service Eligible Resource to all Transfer Service customers up to a maximum of 41 megawatts per fiscal year, cumulative over the duration of this Agreement. This cumulative megawatt limit is shown in the table below.

Fiscal Year	Per Year MW Limit	Cumulative MW Limit
FY 2029	41	41
FY 2030	41	82
FY 2031	41	123
FY 2032	41	164
FY 2033	41	205
FY 2034	41	246
FY 2035	41	287
FY 2036	41	328
FY 2037	41	369
FY 2038	41	410
FY 2039	41	451
FY 2040	41	492
FY 2041	41	533
FY 2042	41	574
FY 2043	41	615
FY 2044	41	656

2.2 Application of section 14.6.7 of the body of this Agreement and section 3.2 below shall be on a first come, first served basis in each year based on the date each request is received by BPA. Requests not met, in whole or in part, in any Fiscal Year will have priority over subsequent requests the following year. Once granted, BPA shall honor such request for the duration of the resource acquisition period, not to exceed the term of this Agreement.

### 3. TRANSFER SERVICE FOR TRANSFER SERVICE ELIGIBLE RESOURCES

The terms and conditions of this section 3 of Exhibit G are intended to serve as an enabling agreement under which BPA will offer specific terms for delivering Network Resources to «Customer Name»'s transfer POD(s), as identified in Exhibit E. Each Network Resource serving «Customer Name»'s transfer POD(s) will result in specific terms and conditions, negotiated by the Parties, and included in Exhibit J.

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### 3.1 Obtaining Transfer Service Support

#### 3.1.1 Customer Application

«Customer Name» shall have the right to request Transfer Service support over the Last Transfer Segment from BPA for the delivery of any Transfer Service Eligible Resource that «Customer Name» intends to acquire to serve its transfer POD(s), provided that such request shall be for service of at least one year in duration. «Customer Name»'s request shall comply with the requirements of this section 3.1 and shall be subject to the limitations of section 2 of this exhibit.

To request Transfer Service support from BPA for delivery of any Transfer Service Eligible Resource, «Customer Name» shall complete and submit to BPA the application form that BPA shall make available at a publicly accessible website.

Once «Customer Name» has submitted the application to BPA, «Customer Name» has begun the process of acquiring firm transmission for the Transfer Service Eligible Resource. From then on, the Transfer Service Eligible Resource will be referred to as a Network Resource. «Customer Name» shall submit its completed application form to BPA at least one year prior to the date «Customer Name» anticipates it will start receiving energy from its Network Resource. BPA will use this one-year period to acquire, if possible, firm transmission service for «Customer Name»'s Network Resource over the Last Transfer Segment.

On a case-by-case basis, BPA may, but is not obligated to, consider Transfer Service support requests to obtain firm transmission service for a Network Resource made less than one year prior to the date «Customer Name» anticipates it will start receiving energy from that Network Resource.

#### 3.1.2 BPA Notice and Completing Customer Application

Within ten Business Days of BPA's receipt of «Customer Name»'s application, BPA shall notify «Customer Name» as to the status of the application. Such notice shall inform «Customer Name» of the following: (1) whether the information provided in the submitted application form is sufficient for BPA to request firm transmission service for «Customer Name»'s Network Resource, (2) whether the amount of Transfer Service requested for «Customer Name»'s Network Resource exceeds, or partially exceeds, the current Fiscal Year Transfer Cap and (3) whether the amount of Transfer Service requested for «Customer Name»'s Network Resource exceeds, or partially exceeds BPA's forecast of «Customer Name»'s minimum hourly load for their transfer POD(s).

If BPA determines the information in «Customer Name»'s application is insufficient, then BPA may ask «Customer Name» for additional



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information to support BPA's efforts to secure firm transmission service. «Customer Name» shall provide BPA with the requested information within ten Business Days or within such time as the Parties may agree.

If «Customer Name»'s request exceeds or partially exceeds the current Fiscal Year Transfer Cap, then «Customer Name» shall notify BPA within ten Business Days after receipt of BPA's notification whether «Customer Name» will withdraw or proceed with its application.

If «Customer Name»'s request exceeds or partially exceeds BPA's forecast of their minimum hourly load for their transfer POD(s), then «Customer Name» shall revise their application within ten Business Days after receipt of BPA's notification so that the Network Resource does not exceed or partially exceed their minimum load.

### 3.1.3 Obtaining Firm Transmission Service

Once the Parties have completed the requirements in sections 3.1.1 and 3.1.2 above, BPA shall pursue designation of the Network Resource and request firm transmission service from the Third-Party Transmission Provider. If the Third-Party Transmission Provider requests from BPA more information than «Customer Name» provided in its completed application form, then the Parties shall obtain and provide such information to the Third-Party Transmission Provider within ten Business Days of the Third-Party Transmission Provider's request.

If the Third-Party Transmission Provider indicates that studies are, or construction may be, required to provide firm transmission service for «Customer Name»'s Network Resource, then BPA shall notify «Customer Name» of such studies or construction requirements. If, based on such studies or construction, «Customer Name» chooses to withdraw its request, then «Customer Name» shall notify BPA within five Business Days of receiving notice from BPA of such requirements. If no notice of withdrawal is received, then BPA shall proceed with firm transmission service acquisition for «Customer Name»'s Network Resource and «Customer Name» shall reimburse BPA for all costs the Third-Party Transmission Provider charges to BPA.

BPA shall make reasonable efforts to coordinate with «Customer Name» and the Third-Party Transmission Provider to complete the firm transmission service acquisition process as described in this section 3.1.3.

### 3.1.4 Unavailable Firm Transmission Service for a Network Resource

If the Third-Party Transmission Provider has not agreed to provide firm transmission services for «Customer Name»'s Network Resource within the requested timeframe, then BPA shall not be liable to

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«Customer Name» for any costs or penalties «Customer Name» may incur associated with the lack of firm transmission service. Further, BPA shall not be obligated to obtain Transfer Service for such resource.

«Customer Name» shall reimburse BPA for any costs assessed by the Third-Party Transmission Provider regarding «Customer Name»'s request for Transfer Service support, regardless of whether firm transmission service is obtained for «Customer Name»'s Network Resource.

### 3.2 Parties' Payment Obligations

Once BPA has obtained firm transmission service for «Customer Name»'s Network Resource from the Third-Party Transmission Provider, the Parties shall be responsible for costs as follows:

#### 3.2.1 Customer Obligations

«Customer Name» shall be responsible for acquiring firm transmission service, and paying for all costs associated with such firm transmission service, necessary to deliver the Network Resource across all intervening transmission systems to the Last Transfer Segment (delivered to the point of receipt on the Third-Party Transmission Provider's system). These costs include, but are not limited to, all costs related to transmission, system impact studies, facilities studies, interconnection studies, generation imbalance, and any ongoing costs associated with the «Customer Name»'s Network Resource interconnection.

#### 3.2.2 BPA Obligations

BPA's obligation to acquire and pay for the Transfer Service costs pursuant to section 14.6 of the body of this Agreement for «Customer Name»'s Transfer Service Eligible Resources is limited to Network Resources delivered over the Last Transfer Segment.

BPA shall have no obligation to acquire or pay for Transfer Service for Transfer Service Eligible Resources if the Parties have not agreed to include such Transfer Service Eligible Resource and the applicable terms and conditions in the Network Resource section of Exhibit J.

#### 3.2.3 Customer Obligation to Reimburse BPA

BPA shall pass through to «Customer Name» certain Transfer Service costs associated with any Network Resource pursuant to this exhibit and section 14.6 of the body of this Agreement, and stated in the Network Resource section of Exhibit J.

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### 3.2.3.1 Pass Through of Network Resource Specific Ancillary Services and Other Costs

BPA shall pass through to «Customer Name» any costs of ancillary services associated with Transfer Service for «Customer Name»'s Network Resource(s).

BPA shall also pass through to «Customer Name» the costs of all other transmission services for Network Resource deliveries including, but not limited to: redispatch, congestion management costs, costs associated with adding the Transfer Service Eligible Resource generation as a Network Resource, any costs associated with generation interconnection, direct assigned system upgrades, and distribution and low-voltage charges, if applicable.

Such pass through of costs shall be set forth in the Network Resource section of Exhibit J.

### 3.2.4 Reimbursement of Transfer Costs Above Fiscal Transfer Year Cap

If BPA's Fiscal Year Transfer Cap is fully or partially exceeded and «Customer Name» elects to have BPA obtain firm transmission service for «Customer Name»'s Network Resource pursuant to section 3.1.2 of this exhibit, then BPA shall pass through to «Customer Name» all charges assessed by the Third-Party Transmission Provider associated with the delivery of that portion of «Customer Name»'s Network Resource which exceeds the Fiscal Year Transfer Cap. «Customer Name»'s reimbursement of costs shall continue until such time as the Fiscal Year Transfer Cap increases and all of «Customer Name»'s Network Resources may be accommodated under the Fiscal Year Transfer Cap, as described in section 2.2 of this exhibit.

### 3.3 Network Resource Section of Exhibit J

Consistent with the requirements of this exhibit, the Parties shall include the details and any additional terms and conditions of Transfer Service for each Network Resource that «Customer Name» is using to serve its transfer POD(s) in the Network Resource section of Exhibit J.

#### 3.3.1 Requirements for Adding the Network Resource to the Network Resource to Section of Exhibit J

Once «Customer Name»'s Network Resource has acquired firm transmission from the Third-Party Transmission Provider, the Parties shall revise the Network Resource section of Exhibit J to add resource-specific information regarding charges, terms and conditions for the delivery of «Customer Name»'s Network Resource. Including the cost responsibilities for delivering the Network Resource.

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### 3.3.2 Revisions to «Customer Name»'s Network Resource

If any information for «Customer Name»'s Network Resource in the Network Resource section of Exhibit J changes at any time during the term of this Agreement, the Party that is aware of such change shall notify the other Party. The Parties shall revise the information for «Customer Name»'s Network Resource consistent with the change. Such information may require additional changes to the designation of the Network Resource and may result in a new Transfer Request.

### 3.4 Other Requirements of «Customer Name» and Limitation on Network Resources

#### 3.4.1 Hourly Transfer Service Limit

«Customer Name»'s hourly right to Transfer Service for the Network Resource(s) shall not exceed «Customer Name»'s transfer POD(s) on any hour.

#### 3.4.2 Resource Removal

BPA shall not obtain or pay for Transfer Service for that portion of «Customer Name»'s Network Resource, or a former Network Resource, that has been removed pursuant to section 10 of the body of this Agreement. If a Network Resource has been removed or is no longer being used to serve «Customer Name»'s transfer POD(s), then BPA may undesignate such Network Resource.

#### 3.4.3 Generation Metering Requirements

«Customer Name» shall ensure that any Network Resource that is a Generating Resource meets the metering requirements specified in section 15 of the body of this Agreement and any metering requirements of the generation host Balancing Authority and the Third-Party Transmission Provider.

#### 3.4.4 Scheduling Requirements

«Customer Name» shall be responsible for managing its Network Resource consistent with Exhibit F, Transmission Scheduling Service.

### 3.5. Undesignation of Network Resource

After BPA has obtained Network Resource designation for «Customer Name»'s Transfer Service Eligible Resource from the Third-Party Transmission Provider, BPA shall not undesignate such Network Resource except pursuant to section 3.4.2 of this exhibit or for the purposes of accommodating «Customer Name»'s load growth planning. Such undesignation and any subsequent designation shall be consistent with Exhibit A and section 3.1 of this exhibit.

Following any undesignation of a Network Resource, the Parties shall revise the Network Resource section of Exhibit J to reflect such undesignation.

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### 3.6 Market Purchases

After BPA has obtained firm transmission service for «Customer Name»'s designated Network Resource, «Customer Name» may use a Market Purchase to displace the designated Network Resource, which BPA shall schedule on secondary network service, provided that:

- (1) such Market Purchase is only scheduled in preschedule and not modified in real time, consistent with section 4.1 of Exhibit F, and such Market Purchase is at least one calendar day in duration;
- (2) the megawatt amount of the Market Purchase does not exceed the amount of the Network Resource that «Customer Name» would have scheduled to its load;
- (3) «Customer Name» does not, under any circumstances, remarket its Network Resource or perform any other operation that would cause BPA to be in violation of its obligations under the Third-Party Transmission Provider's OATT;
- (4) «Customer Name» is responsible for acquiring transmission service, and paying for the costs associated with such transmission service, necessary to deliver the Market Purchase to the Last Transfer Segment. These costs include, but are not limited to, any additional energy imbalance, redispatch, and unauthorized increase charges (UAI charges) that result from a transmission curtailment that impacts the resulting secondary network schedule; and,
- (6) all cost obligations described in section 3.2 of this exhibit shall apply to such Market Purchase(s).

If «Customer Name» violates any of the criteria listed above, BPA shall immediately cease obtaining Transfer Service for «Customer Name» for purposes of displacing «Customer Name»'s Network Resource(s) with Market Purchases. Such prohibition shall apply to all Network Resources listed in the Network Resource section of Exhibit J, and the prohibition shall continue for the remaining term of this Agreement. BPA shall pass through to «Customer Name» all penalties, or other assessed costs, that result from «Customer Name» violating the conditions of this section 3 of the exhibit and the Network Resource section of Exhibit J.

### 3.7 Transfer Service Using Non-OATT Agreements

When BPA provides Transfer Service to «Customer Name» pursuant to a non-OATT agreement, and notwithstanding the OATT-specific definitions, descriptions and procedures defined in this exhibit, BPA shall, at its sole discretion, determine the appropriate Transfer Service arrangement for «Customer Name»'s Network Resource. In such instance, «Customer Name»'s Transfer Service Eligible Resource shall have characteristics comparable to a Network Resource, and «Customer Name» shall comply with the timelines and information sharing requirements described in section 3.1 of this exhibit

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and shall be responsible for direct payment and pass through costs on an equivalent basis to what is described in section 3.2 of this exhibit.

### 3.8 Duties of Cooperation

The Parties shall cooperate to establish the necessary protocols, provisions, and other arrangements that are reasonably necessary to:

- (1) manage any particular characteristic of «Customer Name»'s Network Resource(s), and
- (2) ensure that BPA is able to meet its obligations to the Third-Party Transmission Provider as set out in the applicable transmission service contract. Such necessary protocols, provisions and other arrangements may be reflected in the Network Resource section of Exhibit J.

Requests by either Party for expedited provision of information shall not be unreasonably denied.

## 4. TERMS AND CONDITIONS FOR ACQUIRING NEW OR MODIFIED TRANSFER SERVICE

### 4.1 BPA's Agreement to Pursue New or Modified Transfer Service

4.1.1 «Customer Name» may request that BPA submit a Transfer Request to a Third-Party Transmission Provider. BPA will consult with «Customer Name» to determine the information needed to submit that Transfer Request. The Parties will confirm, in writing, their intent to pursue a Transfer Study, if required, including the information to be included in the Transfer Request and the amount of the Initial Transfer Study Deposit. Within 30 days after the Parties consult, BPA shall submit a Transfer Request to the Third-Party Transmission Provider based on the information provided.

4.1.2 If the Third-Party Transmission Provider requests more information than BPA provided in the Transfer Request, then the Parties shall obtain and provide such information to the Third-Party Transmission Provider within ten Business Days of the Third-Party Transmission Provider's request.

If the Third-Party Transmission Provider indicates that a Transfer Study is required, then BPA shall notify «Customer Name» of such study. If, based on such Transfer Study requirement «Customer Name» chooses to withdraw its request, then «Customer Name» shall notify BPA within five Business Days of receiving notice from BPA of such requirements. If no notice of withdrawal is received, then BPA shall continue as if «Customer Name» wishes to proceed with the Transfer Study. If «Customer Name» indicates it does not wish to

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proceed, then BPA will withdraw the Transfer Request from the Third-Party Transmission Provider.

- 4.1.3 BPA shall initially pay the Third-Party Transmission Provider for all costs associated with the Transfer Request or the Transfer Study. BPA shall pass through all such costs to «Customer Name», subject to the limitations set forth in section 4.2 below.
- 4.1.4 BPA's obligations under this section 4 are limited to submitting a Transfer Request to, or requesting a Transfer Study from, a Third-Party Transmission Provider and initially incurring any costs associated with such requests. BPA shall not be held liable to «Customer Name» for any acts, omissions or failures by the Third-Party Transmission Provider related to any Transfer Requests or Transfer Studies. BPA shall not be required to take any further action as a result of this section 4, including but not limited to any of the following:
- (1) renewing or modifying the Transfer Service agreement between BPA and the Third-Party Transmission Provider;
  - (2) negotiating or entering into a new transmission arrangement between BPA and the Third-Party Transmission Provider;
  - (3) agreeing to or incurring costs associated with any construction, upgrades, or other improvements to «Customer Name's», BPA's, or the Third-Party Transmission Provider's facilities. The Parties will revise Exhibit D to include term and conditions associated with any direct assignment of such costs.
- 4.1.5 If, for any reason, the Third-Party Transmission Provider requires BPA to agree to any of the above actions identified in section 4.1.4 above, then BPA may withdraw the Transfer Request and terminate the Transfer Study immediately after providing «Customer Name» notice of its intent to do so.
- 4.2 **Coordination of Costs Beyond the Initial Transfer Study Deposit**  
As stated in section 4.1.3 of this exhibit, BPA shall pass through to «Customer Name» all costs associated with a Transfer Request or Transfer Study. BPA shall notify and request confirmation related to a Transfer Request or Transfer Study from «Customer Name» pursuant to the notification provisions of section 4.2.2 below.
- 4.2.2 If BPA is notified that the costs associated with a Transfer Request or Transfer Study are likely to exceed the Initial Transfer Study Deposit, prior to BPA taking any action that would result in BPA incurring costs that exceed the Initial Transfer Study Deposit, BPA will request confirmation and notice from «Customer Name» to determine if «Customer Name» would like to proceed. BPA will notify «Customer

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**Name»** in writing as soon as practicable following notice of such additional costs from the Third-Party Transmission Provider. If such costs are not known, then the following additional provisions shall apply:

- (1) BPA may request an estimate of such costs from the Third-Party Transmission Provider and provide that estimate to **«Customer Name»**; or
- (2) BPA may estimate the amounts of such costs and provide those amounts to **«Customer Name»**.

Estimates under sections **4.2.2(1)** and **4.2.2(2)** above, if any, shall not be binding on BPA and shall not alleviate **«Customer Name»** from paying or reimbursing BPA for the final actual costs.

4.2.3 **«Customer Name»** must notify BPA in writing by the date specified by BPA in the notice in section **4.2.2** of this exhibit (which shall not be less than seven Business Days) regarding whether BPA should or should not agree to or incur such costs.

- (1) If BPA receives a timely notice as stated in section **4.2.3** in which **«Customer Name»** requests BPA to incur the costs identified in a notice as stated in section **4.2.2**, BPA will incur the costs.
- (2) If BPA receives a timely notice as stated in section **4.2.3** of this exhibit in which **«Customer Name»** requests BPA to not incur a cost identified in a notice as stated in section **4.2.2** of this exhibit, then: (A) BPA will not agree to or incur such costs; and (B) BPA shall have the right to immediately withdraw the Transfer Request and terminate the Transfer Study process.
- (3) If BPA does not receive a timely notice as stated in section **4.2.2** of this exhibit, then: BPA shall have the right to continue the Transfer Study process and pass through the additional costs to **«Customer Name»**.

### 5. REVISIONS

Revisions to this Exhibit G shall be by mutual agreement of the Parties.

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End Option 2

## Exhibit H

### RENEWABLE ENERGY CERTIFICATES AND ENVIRONMENTAL ATTRIBUTES

#### 1. DISCLAIMER, NO WARRANTY, AND HOLD HARMLESS

The Parties acknowledge that: different jurisdictions, regulatory programs, and entities (federal, state, county, cities, and others) have different definitions for environmental attributes, renewable energy credits/certificates, emissions credits, and similar instruments; the various jurisdictions, programs, and entities are inconsistent in how they define and address these concepts; and these concepts are continually evolving. Accordingly, BPA makes no representations or warranties of any kind regarding the definition, or nature of, the environmental attributes, renewable energy credits/certificates, emissions credits, or similar instruments conveyed herein. Whatever the regulatorily-defined environmental characteristics are of the power that customers buy from BPA, the purpose of this Exhibit H is to convey environmental characteristics to customers commensurate with the physical amount of power they buy. However, BPA is not defining those characteristics herein, nor is BPA representing or warranting that anything conveyed herein is suitable for a particular purpose or regulatory program. «Customer Name» acknowledges this and agrees to hold BPA harmless from any claim regarding the definition, nature of, or suitability of the items conveyed in this Exhibit H.

#### 2. DEFINITIONS

- 2.1 “Attribute Pools” means the results calculated in the Environmental Attribute Accounting Process whereby the physical resources and forecasted power deliveries associated with each of BPA’s rates and firm power obligations are determined for the upcoming Rate Period.
- 2.2 “Emissions Allowance” means an authorization in a given jurisdiction to emit a specified amount of carbon dioxide equivalent or other measurement of greenhouse gases, and documented as an emissions credit, certificate, or similar instrument.
- 2.3 “Environmental Attribute Accounting Process” means the public process BPA will conduct each Rate Case Year, after the conclusion of each routine power rate 7(i) Process, during which the allocation methodology and Attribute Pools for BPA’s Environmental Attributes for the upcoming Rate Period will be determined.
- 2.4 “Environmental Attributes” means the current or future certificates, credits, benefits, and avoided emissions attributable to the generation of energy from a resource. Environmental Attributes do not include the tax credits associated with such resource. One megawatt-hour of energy generation from a resource is associated with one megawatt-hour of Environmental Attributes.

Commented [RMM140]: Exhibit H was shared at the Oct. 9 workshop.

Commented [LLP141]: Please see PPG comments on this Exhibit.

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- 2.5 “Inventory” or “Inventories” means the Environmental Attributes, including RECs, that are attributable to the output of generation resources, by Attribute Pool(s).
- 2.6 “Renewable Energy Certificates” or “Renewable Energy Credits” or “RECs” means the tradeable certificates, credits, documentation, or other evidence that demonstrates: (1) that the electricity was generated from a renewable energy generating unit and (2) proof of ownership of such generated electricity in a REC tracking system. One megawatt-hour of energy generation from a resource is associated with one REC.
- 2.7 “Retire” or “Retirement” means an action taken to remove a REC from circulation within a REC tracking system.

### 3. REC INVENTORY AND ACCOUNTING

- 3.1 **Environmental Attribute Accounting Process**  
Starting after issuance of the Final ROD of the BP-29 power rate 7(i) Process, and after the issuance of the Final ROD in each subsequent routine power rate 7(i) Process thereafter through the term of the Agreement, BPA shall conduct an Environmental Attribute Accounting Process for each upcoming Rate Period.
- 3.2 **REC Inventory Accounting**  
No later than April 15, 2030, and by each April 15 over the remaining term of this Agreement, BPA shall calculate its Inventories for RECs generated during the prior calendar year based on the Attribute Pool from the applicable Environmental Attribute Accounting Process.

### 4. CUSTOMER’S SHARE OF RECS

*Drafter’s Note: Include the following paragraph for customers that had a Regional Dialogue CHWM Contract.*

All capitalized terms used in this paragraph and the related underlying processes described in this paragraph shall be as defined, determined and calculated under «Customer Name»’s Regional Dialogue CHWM Contract. By April 15, 2029, BPA shall transfer to «Customer Name» or manage a pro rata share of Available Tier 1 RECs from calendar year 2028 based on «Customer Name»’s FY 2028 RHWM divided by the total FY 2028 RHWMs of all customers with Regional Dialogue CHWM Contracts. BPA shall also transfer to «Customer Name» its share of Tier 2 RECs, if applicable, generated during calendar year 2028. «Customer Name» agrees that its REC transfer or management election (WREGIS, WREGIS subaccount, or remarketing) for Fiscal Year 2028 shall apply for all calendar year 2028.  
*End option.*

By April 15, 2030, and by each April 15 over the remaining term of this Agreement, BPA shall determine «Customer Name»’s share of RECs as a pro rata share of the actual megawatt hours of power «Customer Name» purchased from BPA the prior calendar year under this Agreement. «Customer Name»’s pro rata share of each Inventory of RECs shall be calculated as the actual megawatt hours of power

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«Customer Name» purchased from BPA under this Agreement during the prior calendar year in the applicable Attribute Pool divided by the sum of all power purchased from BPA for the applicable Attribute Pool.

### 5. TRANSFER AND TRACKING OF RECS

By December 1, 2028, «Customer Name» shall provide written notice to BPA stating which one of the three options below it elects for the transfer of «Customer Name»'s share of RECs, for the remaining term of the Agreement. However, «Customer Name» may change its transfer election for the remaining term of the Agreement by providing written notice to BPA of such change by December 1, 2029 or by any December 1 over the remaining term of the Agreement.

- (1) BPA shall transfer «Customer Name»'s share of RECs into «Customer Name»'s own WREGIS account, which shall be established by «Customer Name»; or
- (2) BPA shall transfer «Customer Name»'s share of RECs into a BPA-managed WREGIS subaccount. Such subaccount shall be established by BPA on «Customer Name»'s behalf and the terms and conditions of which shall be determined by the Parties in a separate agreement; or
- (3) BPA shall transfer «Customer Name»'s share of RECs into a third party-managed WREGIS account. «Customer Name» shall notify BPA of the third-party WREGIS account number in its notice provided pursuant to this section 5.

By April 15, 2030, and by each April 15 over the remaining term of this Agreement, BPA shall transfer «Customer Name»'s share of RECs from the prior calendar year to «Customer Name» via WREGIS in accordance with its transfer election.

If «Customer Name»'s WREGIS account number has changed, then «Customer Name» shall notify BPA of such change by December 1, 2028 and by each December 1 over the remaining term of this Agreement.

All references to WREGIS in this Exhibit H should be understood to mean WREGIS or a comparable commercial tracking system. BPA may change commercial tracking systems with reasonable advance notice to «Customer Name». In such case, the Parties shall establish a comparable process for BPA to provide «Customer Name» its share of RECs.

### 6. FEES

BPA shall pay any reasonable fees associated with: (1) the transfer of «Customer Name»'s RECs into any WREGIS account or WREGIS subaccount and (2) the establishment of any WREGIS subaccounts in «Customer Name»'s name pursuant to section 5 of this exhibit. «Customer Name» shall pay all other fees associated with any WREGIS or successor commercial tracking system, including WREGIS Retirement, reserve, and export fees.

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### 7. EMISSION ALLOWANCES

#### 7.1 BPA Compliance with Emission Allowance Program(s)

If over the term of this Agreement BPA incurs an emissions compliance obligation placed on electricity importers that provide power to «Customer Name»'s service territory, and if based on that compliance program:

- (1) BPA is obligated to obtain Emission Allowances sufficient to cover power purchased under this Agreement to «Customer Name», and
- (2) «Customer Name» is eligible to receive Emission Allowances at no cost from «Customer Name»'s applicable jurisdiction and which can be used directly for compliance,

then «Customer Name» shall transfer Emission Allowances to BPA on the schedule and in the amount requested by BPA that is sufficient to satisfy BPA's compliance obligations that arise in order to serve «Customer Name»'s load in its state.

The Parties shall revise section 7.2 below to include the specific terms and conditions and cost responsibilities, if any, associated with the transfer of Emission Allowances to BPA.

If «Customer Name» elects to not revise this Exhibit H to include applicable special provisions in section 7.2 below, then BPA shall apply and «Customer Name» shall pay the applicable Emissions Allowance costs through charges established in the BPA Wholesale Power Rate Schedules and GRSPs.

#### 7.2 Transfer of Emission Allowances to BPA

Placeholder for special provisions.

### 8. BPA'S RIGHT TO TERMINATE CUSTOMER'S RECS AND ENVIRONMENTAL ATTRIBUTES

To the extent necessary to comply with any federal regulation or federal legislation which addresses any form of Environmental Attribute(s) or RECs and which includes compliance costs applicable to BPA, BPA may, upon reasonable notice to «Customer Name», terminate «Customer Name»'s contract rights to any RECs and Environmental Attributes under this exhibit.

*Drafter's Note: Include the following for customers with a BPA-managed WREGIS subaccount.*

### 9. TERMS AND CONDITIONS OF CUSTOMER'S WREGIS SUBACCOUNT

#### 9.1 Establishment of WREGIS Subaccount

In accordance with «Customer Name»'s election under section 5(2) above , BPA shall establish a subaccount in «Customer Name»'s name within BPA's WREGIS account. BPA shall provide «Customer Name» read-only access to its subaccount.

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BPA shall use such subaccount for the purposes of administering the provisions of this Agreement related to RECs that «Customer Name» receives from BPA.

«Customer Name» gives its consent to be bound by the terms stated in the WREGIS Account Holder Registration Agreement, also referred to as the WREGIS Terms of Use (WREGIS TOU) Agreement, executed by BPA and including any revisions. BPA shall provide «Customer Name» a copy of the executed WREGIS TOU Agreement upon request.

### 9.2 Transfer of RECs to Customer's WREGIS Subaccount

BPA shall transfer «Customer Name»'s share of RECs to «Customer Name»'s WREGIS subaccount pursuant to the timeline established in section 5 above.

### 9.3 Resale, Purchase, and Retirement of RECs

If «Customer Name» wants to sell RECs received from BPA or purchase RECs other than those RECs it receives from BPA, then «Customer Name» shall request that BPA terminate its WREGIS subaccount pursuant to section 9.5 below and «Customer Name» shall establish its own WREGIS account.

Upon receipt of written notice from «Customer Name» of RECs «Customer Name» wants BPA to Retire, BPA shall Retire «Customer Name»'s RECs on its behalf. In such Retirement notice, «Customer Name» shall identify REC quantity, the name of the renewable project(s) which generated the RECs, and the month and year the RECs were generated by the project(s).

### 9.4 WREGIS Subaccount Fees

BPA shall pay the fees associated with «Customer Name»'s WREGIS subaccount consistent with section 5 of this exhibit. BPA shall pass through and «Customer Name» shall reimburse BPA for all other fees associated with «Customer Name»'s WREGIS subaccount including but not limited to any REC Retirement fees. «Customer Name» shall be responsible for all WREGIS fees incurred from the termination of its WREGIS subaccount, and «Customer Name» shall pay all fees associated with establishment of its own WREGIS account.

### 9.5 Termination of Customer's WREGIS Subaccount

Either Party may terminate «Customer Name»'s WREGIS subaccount after providing written notice to the other Party.

BPA shall not terminate «Customer Name»'s WREGIS subaccount until (1) «Customer Name» has established its own WREGIS account or «Customer Name» has arranged for its RECs to be handled by a third party and (2) BPA has received written notice from «Customer Name» to transfer 100 percent of «Customer Name»'s RECs into «Customer Name»'s own WREGIS account or a third-party WREGIS account. After BPA has transferred «Customer Name»'s RECs from its WREGIS subaccount to «Customer Name»'s new WREGIS account or a third party WREGIS account, «Customer Name» may not have both a WREGIS account and a WREGIS subaccount open at the same time.

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Unless otherwise agreed by the Parties, if «Customer Name» asks BPA to terminate its WREGIS subaccount, then BPA shall not establish another WREGIS subaccount for «Customer Name» for the remaining term of this Agreement.

*End WREGIS Subaccount Option*

### «#». REVISIONS

BPA may unilaterally revise this exhibit:

- (1) to add or remove the terms and conditions of «Customer Name»'s WREGIS subaccount following either «Customer Name»'s election of a WREGIS subaccount pursuant to section 5 of this exhibit or either Party's notice for termination of a WREGIS subaccount; and,
- (2) to comply with changes to federal law or to comport with state laws;
- (3) to incorporate any significant edits related to a change to the commercial tracking system, pursuant to the last paragraph of section 5 of this exhibit.

All other changes require mutual agreement.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*

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## Exhibit I NOTICES AND CONTACT INFORMATION

**Commented [RMM142]:** Exhibit I, Notices and Contact Information, was shared at the April 10, May 6, and June 10 workshops.

### 1. NOTICES AND CONTACT INFORMATION

#### 1.1 Notices

Any notice required under this Agreement that requires such notice to be provided under the terms of this section shall be provided in writing to the other Party in one of the following ways:

- (1) delivered in person;
- (2) by a nationally recognized delivery service with proof of receipt;
- (3) by United States Certified Mail with return receipt requested;
- (4) electronically, with verification of the electronic notice's origin, date, time of transmittal and receipt; or
- (5) by another method agreed to by the Parties.

Notices are effective when received.

#### 1.2 Contact Information

The Parties shall deliver notices to the following people and address(es):

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*Reviewer's Note: Customers can work with their Account Executives at contract offer and over the term of the Agreement to add additional customer contacts to this section, if necessary.*

**If to «Customer Name»:**

«Utility Name»  
«Street Address»  
«P.O. Box »  
«City, State, Zip»  
Attn: «Contact Name»  
«Contact Title»  
Phone: «###-###-####»  
E-Mail: «E-mail address»

**Additional «Customer Name»  
Contact:**

«Utility Name»  
«Street Address»  
«P.O. Box »  
«City, State, Zip»  
Attn: «Contact Name»  
«Contact Title»  
Phone: «###-###-####»  
E-Mail: «E-mail address»

**If to BPA:**

Bonneville Power Administration  
«Street Address»  
«P.O. Box»  
«City, State, Zip»  
Attn: «AE Name - Routing»  
Power Account Executive  
Phone: «###-###-####»  
E-Mail: «E-mail address»

**Additional BPA Contact:**

Bonneville Power Administration  
«Street Address»  
«P.O. Box»  
«City, State, Zip»  
Attn: «Manager Name - Routing»  
«Eastern or Western» Power  
Customer Services Manager  
Phone: «###-###-####»  
E-Mail: «E-mail address»

### 2. REVISIONS

Either Party shall notify the other Party of changes to their contact information above. After such notice, BPA may unilaterally revise section 1.2 of this exhibit to reflect such changes to the Parties' contact information. All other revisions to this exhibit shall be by mutual agreement of the Parties.

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» {*Drafter's Note: Insert date of finalized contract here*}



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## Exhibit J

### ADDITIONAL RESOURCE AND ENERGY STORAGE DEVICE REQUIREMENTS

*Reviewer's Note: Section 1 would include new election and requirement tables.*

#### 1. CUSTOMER RESOURCE ELECTIONS AND CHARACTERISTICS SUMMARY

*Reviewer's Note: BPA is proposing to move the RSS language into Exhibit J. In the Regional Dialogue contract, the RSS provisions are in Exhibit D (are currently in Exhibit D, grayed out.)*

#### 2. RESOURCE SUPPORT SERVICES

*Reviewer's Note: This is a potential home/placeholder for this new section.*

#### 3. EXISTING DISPATCHABLE RESOURCE CAPACITY SHAPING REQUIREMENTS

*Reviewer's Note: This is a potential home/placeholder for this new section.*

#### 4. RESOURCE ADEQUACY SUBMITTALS FOR COMMITTED POWER PURCHASE AMOUNTS

*Reviewer's Note: BPA is proposing to move the TCMS coverage by resource language out of Exhibit F and into this Exhibit J.*

#### 5. TCMS COVERAGE BY RESOURCE

*Reviewer's Note: This is a potential home/placeholder for this new section.*

#### 6. ENERGY STORAGE DEVICES

*Reviewer's Note: The following proposed Network Resource section was shared at the October 15, 2024 workshop at the end of the Exhibit G document. It was shared as a mock-up of what BPA proposed to include in this Exhibit J.*

*Option: Include this section for customers served by Transfer Service.*

#### 7. NETWORK RESOURCE INFORMATION

*Option 1: If «Customer Name» does NOT have any Network Resources include the following text:*

«Customer Name» does not have any Network Resources at this time.  
*End Option 1.*

*Option 2: If «Customer Name» has Network Resources include the following text and complete section «#».1 for each resource. If customer has more than one Network Resource, number each separately as «#».1, «#».2, etc. and indent appropriately.*

All of «Customer Name»'s Network Resources are listed below.

*Drafter's Note: This template is intended to be a starting point to work from when drafting this section of the exhibit. Headings and content are expected to change to accommodate unique situations associated with the relevant Network Resource.*

«#».1 «Resource Name»

##### «#».1.1 General Description of Network Resource:

(1) Resource type: «Generating or Contract Resource»

**Commented [RMM143]:** BPA is proposing to add a new Exhibit J to capture Resource and Energy Storage Device related elections and requirements. Exhibit J is currently *concept only* and was shared at the Sept. 17 workshop. There have been several new resource related elections/requirements developed during Regional Dialogue and being introduced under Provider of Choice. Exhibit J will capture specific elections/requirements, by resource, to better organize the resource related exhibit information for both internal staff (PS, Revenue Analysts, etc) and customers.

**Commented [LLP144]:** Note: federal power is a Network Resource for any NITS contract.

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- (2) **Resource fuel type:** «hydro, gas, bio-mass, co-generation, coal, etc»
- (3) **Physical Location:** «City, County, State»
- (4) **Generation meter number:** «####»  
*Drafter's Note: N/A for Contract Resource. When meter number is available, information needs to be added, or should match Exhibit E of customer's RD contract.*
- (5) **Counterparty:** «xxxx»
- (6) **Balancing Authority Area (BAA) in which «Resource Name» is located:** «xxxx»
- (7) **Generator unit(s) size (nameplate) and quantity of capacity from that unit being designated as the Network Resource:** «xxxx»
- (8) **MW amount of designation from Contract Resource:** «xxxx»
- (9) **Amount of Above RHWL Load to be served with «Resource Name»:** «### MW(s)»

### «#».1.2 Operating characteristics of Network Resource

- (1) **Operating restrictions:**
  - (i) Periods of restricted operations: «routine limitations, i.e. fuel»
  - (ii) Maintenance schedules: «xxxx»
  - (iii) Must-run unit designations: «xxxx»
- (2) **Operational protocols:** «xxxx»
- (3) **Metering responsibilities:** «xxxx»

### «#».1.3 General Description of Transmission Arrangements made by «Customer Name»

- (1) **«Customer Name»'s BPA Network Transmission (NT) contract number:** «#####»
- (2) **List reference number(s) assigned by OASIS for transmission reservations made:** «#####» (include current status of any transmission arrangements made associated with «Resource Name»)
- (3) **List inter-connection arrangements (if any) made by «Customer Name»:** «xxxx»
- (4) **List the location at which «Customer Name» will take possession of the power:** «xxxx»
- (5) **List Point of Receipt (POR) on the Third-Party Transmission Provider's system where «Resource Name» will be delivered:** «xxxx»
- (6) **Firming or sleeving arrangements:**

### «#».1.4 Cost Obligations

BPA shall charge «Customer Name» and «Customer Name» shall pay for the following costs of Transfer Service for «Resource Name»:

## 10/31/24 – Draft POC Block Template

- (1) Redispatch
- (2) Congestion management
- (3) Distribution and low-voltage delivery
- (4) Real power losses
- (5) Ancillary Services

- (a) Scheduling, System Control and Dispatch

*Drafter's Note: Applies only if the resource is located in the same BAA as the customer's load and is not recovered through a separate arrangement*

- (b) Generation Imbalance
- (c) Regulation and Frequency Response
- (d) Operating Reserves
  - (i) Spinning
  - (ii) Non-Spinning

*Drafter's Note: Includes all costs directly assigned to BPA related to the study, maintenance, expansion or construction of new transmission facilities necessary to transmit power from the resource to the customer's load*

- (6) Direct Assignment Costs

*Drafter's Note: Includes all transmission costs associated with energy which exceed the Above Fiscal Year Transfer Cap*

- (7) Other costs

*End Option 2.*

*End Option*

### «#». REVISIONS

(PS«X/LOC»- «File Name with Path».docx) «mm/dd/yy» *{Drafter's Note: Insert date of finalized contract here}*