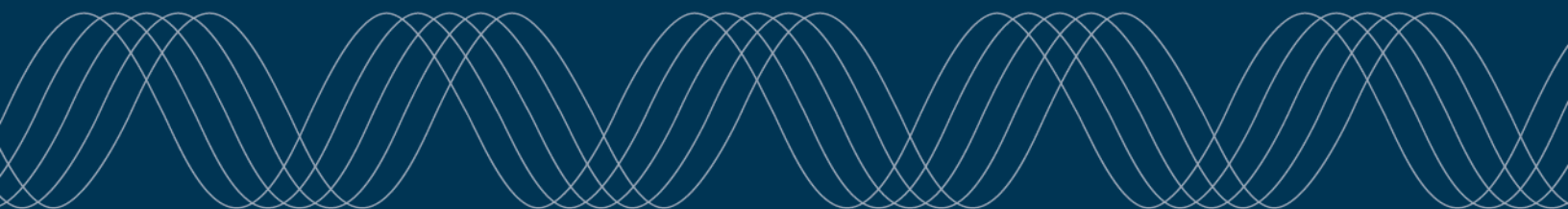


Appendix S

Renewable Power and Storage Capacity Purchase Agreement Form Term Sheet



2023 All-Source RFP



Portland General Electric Company

Non-Binding Indicative Term Sheet for Renewable Power and Storage Capacity
Purchase Agreement

Subject to Mutual NDA

Note: The following represents a summary of certain material terms and conditions for Bidders to PGE’s 2023 All-Source RFP (RFP) seeking to execute a Renewable Power and Storage Capacity Purchase Agreement (PPA). The following is not an exhaustive list of all material terms, nor does it purport to comprehensively express PGE’s expectations for any of the terms herein mentioned. Full-form, definitive terms are set forth in PGE’s form PPA issued in connection with the RFP.

Buyer:	Portland General Electric Company
Seller:	[Name of Seller]
Description of Facility:	A [XX] MW _{AC} [type of technology] generating facility (the “Generating Facility”), which includes a [XX] MW/[XX] MWh [co-located][hybrid] battery energy storage facility (the “Storage Facility”), located in [name of County] County, in the State of [Name of State]. The Generating Facility and the Storage Facility are collectively referred to herein as the “Facility.”
Generating Facility Nameplate Capacity:	[For solar resources: ____ MW _{DC}] [For non-solar resources: ____ MW _{AC}]
Storage Facility Nameplate Capacity:	[XX] MW _{AC}
Guaranteed Storage Capacity for Storage Facility:	[XX] MW _{AC} for [XX] hour discharge..
Generating Facility Net Available Capacity:	The full (maximum) net energy the Generating Facility is capable of delivering to the interconnecting Balancing Authority Area continuously for at least sixty (60) minutes; which is equivalent to the Generating Facility Nameplate Capacity Rating of the Generating Facility’s generating unit less station service (parasitic power and electrical losses) and inverter limitations, expressed in MW _{AC} .



<p>Product:</p>	<p>The Product includes the following:</p> <ol style="list-style-type: none"> 1. Energy: All electric energy, expressed in MWh, generated and/or discharged by the Facility; 2. Environmental Attributes: any and all claims, credits, benefits, emissions reductions, offsets and allowances, however named, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water or otherwise arising as a result of the generation of electricity from the Facility, regardless of whether or not (i) such environmental attributes have been verified or certified, (ii) such environmental attributes are creditable under any applicable legislative or regulatory program, or (iii) such environmental attributes are recognized as of the Effective Date or at any time during the Delivery Term.; 3. Capacity Attributes: Any current or future attribute, as may be currently defined or otherwise defined in the future, including but not limited to a characteristic, certificate, tag, credit, ancillary service or attribute thereof, or accounting construct, associated with the electric generation capability and capacity of the Facility or the Facility's capability and ability to produce or curtail energy, including any attribute counted towards any current or future resource adequacy or reserve requirements. Capacity Attributes are measured in MW. Capacity Attributes do not include: (i) any production tax credits, investment tax credits, or any other tax credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or private cash payments, grants, or costs relating in any way to the Facility or the electric power output of the Facility; 4. Storage Capacity: All rights and products and attributes associated with the maximum dependable operating capability of the Storage Facility to be charged with, store and discharge electric energy; and 5. Ancillary Services: All ancillary services, products and other attributes, defined in Section 3 of the Portland General Electric Company Pro Forma Open Access Transmission Tariff, if any, that may be obtained from the Facility.
<p>Specified Amounts</p>	<p>The amount of Facility Output generated by the Generating Facility that Seller is expected to deliver to Buyer at the Delivery Point for each monthly period during the Delivery Term. The Specified Amounts for each month shall be consistent with a generation profile associated with a 50% probability of</p>



	exceedance forecast for the Generating Facility using industry standard methodology.
Delivered Energy Quantity:	The sum of the Energy delivered to Buyer by or on behalf of Seller to the Delivery Point each hour during the Delivery Term as represented on the final e-Tag.
Excess Energy Quantity	The Delivered Energy Quantity in excess of 105% of the Specified Amount.
No Sales to third parties:	Seller shall sell one hundred percent (100%) of the Facility capability and Facility Output to Buyer and may not sell any Energy, Storage Capacity, Capacity Attributes, Environmental Attributes or any other Facility capability to any other party or purchaser, unless such sale is expressly allowed by the PPA. “Facility Output” means all electric energy, generated and/or discharged by the Facility, less station service (parasitic power and electrical losses), if any, all as measured at the Facility meter. Facility Output does not include energy used to charge the Storage Facility or lost due to round trip efficiency at the Storage Facility.
Delivery Term:	No less than fifteen (15) contract years after the Commercial Operation Date. “
Interconnection Point:	The Facility shall interconnect to [XX substation]. Seller shall be responsible for all costs of interconnecting the Facility to the Interconnection Point.
Delivery Point:	PGE scheduling point [BPAT.PGE or PGELOAD] PGE will not accept delivery at PacifiCorp West or at Pelton Round Butte.
Commercial Operation Date:	The date on which the total Nameplate Capacity of both the Generating Facility and Storage Facility is fully operational and reliable, and the Facility is fully interconnected, fully integrated, and synchronized with the transmission system.
Scheduled Commercial Operation Date:	[Date]. In no event shall the Scheduled Commercial Operation Date be later than December 31, 2027. If the Commercial Operation Date is not achieved on or before the Scheduled Commercial Operation Date, Seller shall pay Delay Damages to PGE from and after the Scheduled Commercial Operation Date up to, but not including the first to occur of (i) the date on which the Facility achieves the Commercial Operation Date, and (ii) the Guaranteed Commercial Operation Date.



	<p>“Delay Damages” for any given day are equal to (A) (i) \$150 per MW of Nameplate Capacity of the Generating Facility per day beginning on the first day after the Scheduled Commercial Operation Date through the 30th day after the Scheduled Commercial Operation Date, (ii) \$250 per MW of Nameplate Capacity of the Generating Facility per day beginning on the 31st day after the Scheduled Commercial Operation Date through the 60th day after the Scheduled Commercial Operation Date, and (iii) \$350 per MW of Nameplate Capacity of the Generating Facility per day beginning on the 61st day after the Scheduled Operation Date through the actual Commercial Operation Date or the Guaranteed Commercial Operation Date, whichever occurs first, plus (B) for each day beginning on the first day after the Scheduled Operation Date through the actual Commercial Operation Date or the Guaranteed Commercial Operation Date, whichever occurs first, the product of (i) the Guaranteed Storage Capacity, expressed in kW, multiplied by (ii) the quotient of (a) the Storage Facility Contract Price in the first contract year (in \$/MW/month) divided by (b) 30.4.</p>
Guaranteed Commercial Operation Date:	<p>The date that is one hundred eighty (180) days after the Scheduled Commercial Operation Date.</p> <p>Buyer shall have the right to terminate the PPA if the Commercial Operation Date is not met by the Guaranteed Commercial Operation Date and Seller shall pay Buyer damages in the amount of \$200/kW of Nameplate Capacity for each of the Generating Facility and Storage Facility.</p>
Pre-COD Progress Reporting:	<p>Seller shall provide a monthly report to Buyer that (a) describes the progress towards meeting the Facility development milestones set forth in the PPA; (b) identifies any missed Facility development milestones, including the cause of the delay; and (c) provides a detailed description of Seller’s corrective actions to achieve the missed Facility development milestones and all subsequent Facility development milestones by the Guaranteed Commercial Operation Date.</p>
Contract Price:	<p>The Contract Price shall be the sum of the Generation Contract Price and the Storage Contract Price.</p> <p>The Generation Contract Price shall be \$(XX) /MWh.</p> <p>The Storage Contract Price shall be \$(XX)/ MW_{AC}.</p>
Market Index Price:	<p>The EIM real-time pre-dispatch nodal price for the Delivery Point. In the event Buyer is participating in an organized market other than the EIM, then the Market Index Price will mean the Locational Marginal Price associated with the Pricing Node or Aggregate Pricing Node for the Delivery Point within such organized market.</p>



Market Index Settlement Price:	The production-weighted sum of the Market Index Price for each hour during the delivery month.
Test Energy:	<p>For the Generating Facility:</p> <p>Generating Facility Test Energy means energy generated by the Generating Facility prior to achieving the Commercial Operation Date. Seller may elect to sell Generating Facility Test Energy to its transmission provider, to a third-party or to an organized market via its transmission provider's system. Seller shall be entitled to any and all compensation received from its transmission provider or any third-party or organized market for such Generating Facility Test Energy. Otherwise, Seller shall Schedule in accordance with the Scheduling Procedure and deliver Generating Facility Test Energy to Buyer in order to complete Start-Up Testing of the Generating Facility. In such case, the parties shall coordinate in good faith to Schedule deliveries of Generating Facility Test Energy to Buyer that minimizes the burden to each of the parties, and Buyer shall receive the Generating Facility Test Energy. The price for such Generating Facility Test Energy received by Buyer shall be zero dollars (\$0.00) and Seller shall pay any costs or additional expenses that are required for Buyer to receive the Generating Facility Test Energy, including but not limited to reimbursement for negative pricing and any necessary capacity costs or reserves costs.</p> <p>For the Storage Facility:</p> <p>Prior to the Commercial Operation Date, Seller shall schedule and complete a storage capacity test. Thereafter, at least once per year, Seller shall schedule and complete a storage capacity test. Buyer may require a storage capacity retest at any time during the Delivery Term. The Parties shall coordinate all storage capacity tests in good faith to minimize the burden to each of the Parties. Buyer may witness all storage capacity tests of the Facility. Buyer shall pay for the Charging Energy used to charge the Facility in connection with the first storage capacity test during any contract year. All other costs related to a storage capacity test, including costs for Charging Energy for subsequent storage capacity tests in the same contract year (unless such subsequent retest is initiated by Buyer), shall be borne by Seller.</p>
Transmission Requirements:	<p>For Off-System Facilities:</p> <p>Seller shall pay for and maintain eligible Long-Term Transmission, for a minimum of 75% of the Generating Facility Net Available Capacity, for delivery of Energy from the Facility's point of interconnection/point of receipt (POR) identified in the</p>



	<p>interconnection agreement to the Delivery Point for the entire Delivery Term, commencing on the Commercial Operation Date.</p> <p>Seller may deliver up to 25% of the Generating Facility Net Available Capacity on short term firm transmission.</p> <p>If Seller has a transmission service request that utilizes Newpoint as the POR, the transmission service request must reference the specific Generation Interconnection Request number for the resource in the comments field.</p> <p>Curtailement or a transmission provider's cancelation of conditional firm reassessment transmission service shall not be a Force Majeure event.</p> <p>If the reassessment service is terminated or the number of curtailement hours is increased, default and failure to perform provisions in the PPA would be triggered.</p> <p>If Seller is participating in a BPA TSEP process, which includes completing any and all actions necessary to keep the transmission service request(s) in an active OASIS status, Seller has the commercial obligation to participate in and fund all requirements in the TSEP process necessary to be granted long term firm or conditional firm bridge if those are the services elected. If Seller has a conditional firm reassessment, its participation requirements do not extend beyond the cluster study.¹</p> <p>Seller shall be responsible for making all arrangements and paying all costs related to transmission, including but not limited to Ancillary Services costs required to deliver the Product(s) to the Delivery Point.</p> <p>For On-System Facilities: PGE must be able to designate the Facility as a network resource and Seller must have requested NRIS interconnection for Facility Output. In such case, Buyer will be responsible for all costs associated with the delivery of Facility Output to PGELOAD.</p>
<p>Control Area Services and Other Costs:</p>	<p>Seller shall procure and Buyer will reimburse Seller for all Control Area Services, except for Persistent Deviation Penalties and Intentional Deviation Penalties, from an entity that is mutually agreed upon by the parties that may be required by the transmission provider or balancing authority area as a condition of interconnection.</p> <p>“Control Area Services” include, but are not limited to, generation imbalance, variable energy resource balancing service and any EIM costs associated with interconnection. Control Area Services</p>

¹ See BPA TSEP Business Practice Manual:

<https://www.bpa.gov/transmission/Doing%20Business/bp/tbp/TSR-Study-Expansion-Process-BP.pdf>



	do not include ancillary service costs associated with the transmission provider's provision of firm transmission service. For off-system resources, Control Area Services do not include real power losses.
Generating Facility Forecasting:	Seller shall provide Buyer with: (i) a rolling generation forecast, updated hourly, for the next fourteen (14) days, (ii) a rolling generation forecast for five (5) minute and fifteen (15) minute intervals, updated every five (5) and fifteen (15) minutes respectively, for the next 24 hours, and (iii) an updated hourly generation forecast ninety (90) minutes prior to each delivery hour for the balance of the delivery day ("Generation Forecast"). Each Generation Forecast shall be performed by a third-party forecasting agent that is mutually agreed to by Buyer and Seller ("Forecasting Agent"). At Buyer's request, Seller will cause the Forecasting Agent to provide Buyer with an application program interface from which Buyer can access raw forecasting files. Seller shall ensure that the Forecasting Agent provides Buyer real time access to information and forecasts concerning the Facility's availability status.
Charging Energy:	During the Delivery Term, Seller shall be responsible, at its sole cost, for generating, managing, and delivering all Charging Energy (as measured at the Storage System metering point) necessary to charge the Storage Facility to supply the discharge schedule (defined in the Scheduling Procedure).
Generating Facility Scheduling:	<p>Seller shall schedule and deliver Generating Facility Energy to Buyer at the Delivery Point commencing on the Commercial Operation Date and continuing through the end of the Delivery Term. Seller's Generating Facility Energy delivery may not intentionally exceed the Generation Forecast plus discharge Energy.</p> <p>For each day during the Delivery Term, Seller shall comply with the following scheduling procedure with respect to the Generating Facility:</p> <ul style="list-style-type: none"> (a) Seller shall communicate to PGE's Pre-schedule Desk, as directed by PGE, the Generating Facility's Generation Forecast to be delivered at the Generating Facility Delivery Point for the Pre-Scheduling Day(s) by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day for each day during the Delivery Period; (b) Seller shall communicate to PGE's real time desk via API, or as otherwise directed by PGE, Generating Facility Energy deliveries consistent with the Generation Forecast no later than ninety (90) minutes prior to the flow hour] and (c) Seller and PGE agree that the intent of these scheduling procedures is for Seller to schedule and deliver



	<p>Generating Facility Energy that resembles actual generation from the Generating Facility for each hour.</p> <p>Seller shall not schedule any Generating Facility Energy to be delivered to PGE pursuant to this Agreement using a Dynamic or Pseudo-Tie e-Tag as such terms are defined and used by NERC.</p> <p>Seller may make adjustments to the Pre-Scheduled Generating Facility Energy scheduled from the Generating Facility each hour in Real-Time (“Real-time Adjustments”). If Seller elects to make Real-time Adjustments, Seller will:</p> <ul style="list-style-type: none"> (a) communicate to PGE’s Real-time Desk, as directed by PGE, its intent to adjust the Pre-Scheduled Generating Facility Energy no later than seventy-five (75) minutes prior to the flow hour; and (b) submit and receive approval of e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour. Seller will make all NERC e-Tag adjustments. Seller’s e-tag shall match the adjustment communicated to PGE pursuant to <u>Section 3.9.2(c)(i)</u>. Seller shall be responsible for any costs, charges, or fees associated with deviations to the e-tag after seventy-five (75) minutes prior to the flow hour. <p>In the event that the regional market design, balancing authority, reliability entity or regulatory entity (e.g., PGE Transmission, BPA, WECC, NERC, RC West, FERC) causes or otherwise reasonably requires Buyer’s scheduling practices to change after the Effective Date, Buyer and Seller shall meet and mutually agree on updated Scheduling Procedures within thirty (30) days after written notice to Seller of such proposed change. Seller shall not unreasonably withhold agreement to proposed changes to the scheduling practices.</p>
<p>Storage Facility Scheduling:</p>	<p>Buyer shall arrange all scheduling services necessary to ensure compliance with NERC operating policies and criteria, Transmission Provider OATT requirements, including Western EIM requirements, and any other applicable guidelines. Prior to the implementation and applicability to the Storage Facility in any energy market, to the extent scheduling is required now or in the future, Buyer shall schedule all Discharging Energy and Charging Energy in accordance with NERC operating policies and criteria, Transmission Provider OATT requirements and any other applicable guidelines.</p> <p>If at any point during the Delivery Term, an alternative market design is implemented in which the Buyer, at its sole discretion, elects to participate the Storage Facility in an energy market or no longer participate in an energy market (a “Market Event”) and such Market Event materially changes the interconnection and delivery requirements in the PPA, the parties shall cooperate in</p>



	<p>good faith to facilitate the delivery of energy from the Storage Facility Delivery Point to Buyer, at the least possible cost to the parties, consistent with the PPA to the extent possible; provided that if implementing a Market Event increases Seller's costs above those costs reasonably anticipated as of the effective date of the PPA, Buyer shall compensate Seller for the increased costs in either a lump sum or an increase in the Storage Contract Price.</p> <p>Seller shall communicate to Buyer's Pre-schedule Desk the Storage Facility's hourly availability for the Pre-Scheduling Day(s) by 06:00a.m. PPT of the customary WECC Pre-Scheduling Day for each day during the Delivery Term.</p> <p>Seller shall communicate to Buyer's Real-time Desk any changes to the Storage Facility's hourly availability, Unplanned outages and any reduced Storage Facility Operating Restrictions as a result of an unplanned outage. Format and content of the daily report shall be subject to review and approval by Buyer.</p> <p>Unless otherwise specified by superseding policies or procedures of the System Control Center, Seller shall, by 06:00 a.m. PPT on each day, submit a good faith estimate of the hourly Storage Facility availability for the next seven (7) days. If, at any time following submission of a good faith estimate, Seller becomes aware of any change that alters the values previously provided to Buyer, Seller shall promptly notify Buyer of such change or predicted change.</p>
<p>Generating Facility Mechanical Availability Guarantee:</p>	<p>Beginning with the first full calendar year following the Contract Year in which the Commercial Operation Date has occurred, Seller's failure to maintain a minimum Generating Facility Mechanical Availability Percentage for the Generating Facility of [ninety-five percent (95%)] for any two (2) out of three (3) Contract Years on a rolling basis. The Generating Facility Mechanical Available Percentage of the Generating Facility shall be determined by Seller by dividing the total Operational Hours for such calendar year [non-solar resources: by the total number of hours in the calendar year] [solar resources: by the total number of daylight hours in the calendar year.] On or before January 31st of each year, Seller shall provide Buyer written documentation, which shall be subject to audit by Buyer, to verify or otherwise substantiate Seller's calculation of the Generating Facility Mechanical Available Percentage of the Generating Facility for the prior calendar year. The operational hours for the Generating Facility shall be the hours that the Generating Facility is potentially capable of producing power at Generating Facility Nameplate Capacity regardless of actual weather conditions or season, without any mechanical operating constraint or restriction, and</p>



	potentially capable of delivering such power to the point of interconnection with the transmission provider.
Reliability Entity Curtailment:	Buyer shall not be liable to Seller if curtailment of Energy is due to the action of a Reliability Entity and such action shall not be considered a Force Majeure. Seller shall pay Buyer the replacement cost for such Energy. The replacement cost during a Reliability Entity curtailment shall be the greater of zero or the amount calculated as: ((Market Index Price – Generation Contract Price) multiplied by curtailed Energy based on the Facility’s potential generation for periods of the Reliability Entity curtailment. The Forecasting Agent shall calculate the potential generation during periods of the Reliability Entity curtailment.
Storage Capacity Guarantee:	If the Storage Capacity for the Storage Facility is determined during a Storage Capacity Test to be less than the Guaranteed Contract Storage Capacity, Seller shall pay to Buyer as liquidated damages for such deficiency an amount determined by <u>multiplying</u> (i) the number of months since the last Storage Capacity Test (including the month in which the most current Storage Capacity Test was completed) by (ii) the Storage Contract Price (adjusted to \$/MW/month (multiplied by 1,000), <u>multiplied by 125%</u> by (iii) the difference between the Guaranteed Contract Storage Capacity and the Storage Capacity as determined during the most recent Storage Capacity Test until such deficiency is cured (“Guaranteed Contract Storage Capacity Adjustment”). Additionally, it will be an event of default if the Storage Contract Capacity, as determined by the most recent storage contract capacity test, is less than the Guaranteed Storage Contract Capacity, which remains uncured for a period of thirty (30) days as shown by a new Storage Capacity Test.
Actual Round-Trip Efficiency:	The round-trip efficiency for each month is calculated as a percentage, based on the amount of MWhs of energy used to charge the Facility and the amount of MWhs of energy discharged from the Facility, as measured by the Storage Facility meter at the Interconnection Point.
Guaranteed Round-Trip Efficiency:	Eighty five percent (85%) for all contract years during the Delivery Term. It will be an event of default if the Round-Trip Efficiency is less than the Guaranteed Roundtrip Efficiency and such failure continues for [90] days after Seller’s receipt of written notice or discovery of such failure.



Guaranteed Round-Trip Efficiency Adjustment:	If during any month during the Delivery Term, the Actual Round-Trip efficiency for such month is less than the Guaranteed Round-Trip Efficiency, the Seller shall pay the Buyer the following amount: (i) the charging energy for the months since the last Storage Capacity Test (including the month in which the most current Storage Capacity Test was completed), multiplied by (ii) the percentage amount by which the Actual Round-Trip Efficiency is less than the Guaranteed Round-Trip Efficiency, multiplied by (iii) the average day-ahead Intercontinental Exchange Mid-C Physical Peak (bilateral) or Mid-C Physical Off-Peak (bilateral) indices, weighted by the count of hours in each index during which Charging Energy was supplied by Buyer to the Point of Delivery.
Maximum Annual Discharge MWh:	Buyer may discharge a maximum of [MWhs] per year, subject to the Storage Facility Operating Limits and Parameters.
Daily Dispatch Limits:	Full Charging limits (if any): [XX] times per day Full Discharging limits (if any): [XX] times per day Partial Charging limits (if any): [XX] times per day Partial Discharging limits (if any): [XX] times per day
Other Operating Limits and Parameters:	[Seller to describe all applicable operating limits on dispatch of the Storage Facility, if any]
Guaranteed Storage Facility Monthly Availability:	Seller guarantees the Storage Facility availability shall be no less than [95%] annually during the Delivery Term. In the event Seller fails to meet the Guaranteed Storage Annual Availability during two [2] out of three [3] consecutive years during the Delivery Term, Buyer may terminate the PPA.
Guaranteed Storage Facility Availability Adjustment:	If the Facility has Actual Availability in a contract year less than the Guaranteed Availability, then Seller shall pay Buyer liquidated damages in the amount equal to the product of (a) the positive difference between the Guaranteed Availability and the Actual Availability, multiplied by (b) the Storage Capacity during the contract year, multiplied by (c) the Storage Contract Price (adjusted to \$/MW/month), multiplied by (d) twelve (12) months (“Guaranteed Availability Adjustment”).
Grid Charging of Storage Facility:	If the Storage Facility is capable of receiving charging energy from the Generating Facility and in the form of grid energy and Buyer elects to provide charging energy from a source other than the Generating Facility, including grid energy (i) Buyer will be responsible for all costs relating to the charging of the Storage



	<p>Facility from a source other than the Generating Facility, including the cost of energy used to charge the Storage Facility and (ii) the Parties will amend the PPA to the extent necessary so that Generating Facility Energy delivered by Seller to the Delivery Point is fully paid for by Buyer (unless Buyer is otherwise not required to pay for such Generating Facility Energy hereunder).</p>
<p>Failure to Deliver Generating Facility Output:</p>	<p>If Seller fails to deliver Generating Facility Output or the associated Environmental Attributes, including Bundled RECs, and such failure is not excused by Force Majeure, or by Buyer's breach of the PPA, Seller shall owe Buyer an amount as calculated below:</p> <ul style="list-style-type: none"> (a) Seller shall owe Buyer an amount for such deficiency equal to the positive difference (if any) of the applicable Market Index Settlement Price minus the Generation Contract Price multiplied by the positive difference (if any) of the Generating Facility Output Seller failed to deliver for the applicable monthly On-Peak and Off-peak period minus the Delivered Energy Quantity delivered during that monthly On-Peak and Off-peak period; and (b) Seller shall owe Buyer any penalties or fines imposed by a Reliability Entity as a result of Seller's failure to deliver Generating Facility Output; and (c) Seller shall owe Buyer an amount for such deficiency should the replacement energy procured by Buyer as a result of Seller's failure to deliver the Generating Facility Output results in incremental Carbon Emissions costs to PGE; and (d) Seller shall owe Buyer an amount for such deficiency should the replacement energy procured by Buyer as a result of Seller's failure to deliver the Generating Facility Output results in incremental ancillary services; and (e) Seller shall be obligated to settle any shortfall in the delivery of Environmental Attributes as follows: <ul style="list-style-type: none"> (i) Seller shall, within one hundred twenty (120) days after the end of the shortfall month, deliver an equivalent amount of Qualifying Replacement RECs that are generated in the same calendar year; or (ii) If Seller elects not to deliver an equivalent amount of Qualifying Replacement RECs under <u>subpart (i)</u> and Buyer elects in its sole discretion to purchase Qualifying Replacement RECs, Seller shall owe Buyer the price that Buyer actually pays for Qualifying Replacement RECs; or (iii) If Seller elects not to deliver an equivalent amount of Qualifying Replacement RECs under <u>subpart (i)</u>



	<p>and Buyer does not elect, in its sole discretion, to purchase replacement bundled RECs under subpart (b), Seller shall owe Buyer the Qualifying Replacement REC Price identified by Buyer multiplied by the number of Bundled RECs Seller failed to deliver.</p> <p>“Reliability Entity” may include, without limitation, NERC, WECC, the Balancing Authority, Transmission Provider, regional transmission organization, independent system operator, reliability coordinator or any other entity that has, or that may have in the future, (i) responsibility over the reliability of the bulk power system and (ii) by virtue of such responsibility the legal authority to affect the operations of the Facility or delivery of the Product.</p> <p>“Qualifying Replacement RECs” means environmental attributes (including renewable energy credits and renewable energy credit reporting rights) that are delivered to Buyer bundled with energy produced simultaneously by a generating source that (A) is an Oregon Renewable Portfolio Standard eligible renewable energy resource, (B) produces environmental attributes (including renewable energy credits and renewable energy credit reporting rights) of the same type and quality as Environmental Attributes (including Bundled RECs and REC Reporting Rights), (C) is located in [Oregon or Washington], and (D) achieves commercial operation after the Commercial Operation Date.</p> <p>“Qualifying Replacement REC Price” means the price for Qualifying Replacement RECs as determined by taking the lower of two dealer quotes representing a live offer to sell Qualifying Replacement RECs for the entire quantity of Bundled RECs that are being replaced and subtracting the value of the energy component of such quantity (as specified in the applicable dealer quotes) of such Qualifying Replacement RECs.</p>
<p>Monthly Settlement and Invoice:</p>	<p>All invoices shall be due on the tenth (10th) day of each month and payable on or before the later of the twentieth (20th) day of each month, or the tenth (10th) day after receipt of the invoice or, if such day is not a Business Day, then on the next Business Day.</p> <p>The payment for all Products shall be the sum of the Energy Payment and Storage Capacity Payment.</p> <p>The Energy Payment for each month during the Delivery Term is equal to the sum of:</p>



	<p>(a) hourly Generating Facility Output, each up to [105%] of the Specified Amount for such month, multiplied by the Generation Contract Price; plus</p> <p>(b) hourly Excess Energy multiplied by the lesser of (i) [93%] of the Market Index Price, or (ii) [75%] of the Generation Contract Price; plus</p> <p>(c) for each hour that the Market Index Price is negative, the hourly Delivered Energy Quantity multiplied by [107%] of the Market Index Price..</p> <p>The Storage Capacity Payment for each month during the Delivery Term will be equal to:</p> <p>(a) the Storage Facility Contract Price multiplied by the Contract Storage Capacity, less</p> <p>(b) the Guaranteed Availability Adjustment for such year, if any, less</p> <p>(c) the Guaranteed Round-Trip Efficiency Adjustment for such year, if any, less</p> <p>(d) the Guaranteed Contract Storage Capacity Adjustment, if any, less</p> <p>(e) Storage Facility Test Energy costs that Seller is responsible for.</p>
<p>Negative Price Event:</p>	<p>When the Market Index Price is less than, Seller shall have the right, but not the obligation, to suspend part or all of its deliveries.</p>
<p>REC Transfer:</p>	<p>Seller shall transfer all RECs generated by the Facility during each month of the Delivery Term to Buyer via WREGIS pursuant to the timelines in WREGIS Operating Rules.</p>
<p>Operations and Maintenance:</p>	<p>Seller shall not schedule any non-emergency maintenance that reduces the energy generation and/or storage capability of the Facility, as applicable, by more than ten percent (10%) during the months of June through September, unless (i) such outage is required to avoid damage to the Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled outside the months of June through September, (iii) such outage is required in accordance with prudent electrical practices, or (iv) the parties agree otherwise in writing.</p> <p>Seller shall provide its outage schedule no later than September 1st of each year preceding such outage(s).</p> <p>The outage schedule for each Contract Year shall not exceed 240 hours.</p>



RPS Compliance:	Seller shall ensure the Facility obtains Oregon RPS Certification within ninety (90) days of the Commercial Operation Date and shall maintain such certification during the Delivery Term.
Labor Requirement:	<p>All project labor must comply with the requirements of Oregon House Bill 2021, as applicable. Union labor must be utilized for major construction activities related to the Facility and must include a Project Labor Agreement requirement in any related executed Engineering, Procurement and Construction Agreements.</p> <p>The labor group that constructs and maintains the Facility must have policies in place that are designed to limit or prevent workplace harassment and discrimination.</p> <p>Additionally, such labor group must have policies in place that are designed to promote workplace diversity, equity and inclusion of communities who have been traditionally underrepresented in the renewable energy sector including, but not limited to, women, veterans and Black, Indigenous and People of Color, with an aspirational goal of having at least fifteen (15) percent of the total work hours performed by individuals from those communities.</p>
Buyer Conditions Precedent:	<p>Buyer's obligations shall be conditioned and will become effective only upon the occurrence of each and every one of the following conditions:</p> <p>(i) receipt of approval of the final shortlist from the Oregon Public Utility Commission, in form and substance satisfactory in Buyer's sole discretion; and</p> <p>(ii) written approval of the PPA by Buyer's Board of Directors.</p>
Seller Conditions Precedent:	[List Seller Conditions Precedent, if any]
Security Requirements:	<p>Within thirty (30) days after the Effective Date of the PPA, Seller shall deliver development security to Buyer in an amount equal to \$125/kW of Generating Facility Nameplate and \$125/kW of Storage Facility Nameplate Capacity and shall maintain such development security until the Commercial Operation Date.</p> <p>On or before Commercial Operation Date, Seller shall deliver delivery term security to Buyer in an amount equal to \$100/kW of Generating Facility Nameplate and \$100/kW of Storage Facility Nameplate Capacity and shall maintain such delivery term security through the end of the Delivery Term. Within five (5) Business Days following any draw by Buyer on the delivery term</p>



	<p>security, Seller shall replenish the amount drawn such that the delivery term security is restored to the full amount.</p> <p>All security shall be in the form of cash or a letter of credit from a Qualified Institution as defined below and in a form reasonably acceptable to Buyer.</p> <p>“Qualified Institution” means a major U.S. commercial bank or a U.S. branch office of a major foreign commercial bank which is acceptable to PGE, organized under the laws of the United States (or any state or political subdivision thereof) with such bank having shareholders’ equity of at least \$10 billion (U.S. Dollars) and a Credit Rating of at least A- by S&P or A1 by Moody’s, or an insurance company with assets of \$2 billion or greater, an A.M. Best financial strength rating of an A or greater and authorized to issue surety bonds in the state in which the project will be located. On a case by case basis PGE will accept banks that do not meet the above criteria as Qualified Institutions if they have received an endorsement from an institution that does meet the criteria in the Qualified Institution definition.</p>
<p>Termination Settlement Amount:</p>	<p>In the event the PPA is terminated due to an event of default, the non-defaulting party shall calculate the Settlement Amount. The defaulting shall pay the Settlement Amount to the non-defaulting party.</p> <p>The Gains or Losses resulting from the termination of the PPA shall be determined by calculating the amount that would be incurred or realized to replace or to provide the economic equivalent of the remaining payments or deliveries in respect of the PPA. The Gains or Losses shall be calculated for a period equal to the remaining Term (“Settlement Period”). The quantity of Energy in each month of the Settlement Period associated with Generating Facility shall be equal to Specified Amount for such month under the PPA as of the time the calculation is made. The storage capacity in each month of the Settlement Period shall be equal to the Storage Contract Capacity as of the Termination Date.</p> <p>“<u>Settlement Amount</u>” means the Losses or Gains, and Costs, expressed in USD, which the non-defaulting party incurs as a result of the termination and liquidation of the PPA. If the non-defaulting party’s Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the non-defaulting party. If the non-defaulting party’s Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars (\$0). The Settlement Amount shall not include consequential, punitive, exemplary or indirect or business interruption damages.</p>



	<p>“<u>Gains</u>” means, with respect to a party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of its obligations with respect to the PPA determined in a commercially reasonable manner.</p> <p>“<u>Losses</u>” means, with respect to a party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of its obligations with respect to the PPA determined in a commercially reasonable manner.</p> <p>“<u>Costs</u>” means, with respect to a party, brokerage fees, commissions and other similar third party transaction costs and expenses reasonably incurred by such Party in entering into new arrangements which replace the PPA and all reasonable attorneys’ fees and expenses incurred by a Party in connection with enforcing its rights under the PPA. Costs shall not include any expenses incurred by such Party in either entering into or terminating any arrangement pursuant to which it has hedged its obligations.</p>
Aggregate Limitation of Liability	Unless expressly provided in the PPA, a Party's liability shall be limited to direct actual damages only, which direct actual damages shall be the sole and exclusive remedy and all other remedies or damages at law or equity are waived. Except as expressly provided for in the PPA, neither party shall be liable for consequential, incidental, punitive, exemplary, or indirect damages, lost profits or other business interruption damages, by statute, in tort or contract, under any indemnity provision or otherwise.
Assignment:	Neither party may assign the PPA without prior written consent of the other party, which consent may not be unreasonably withheld or delayed.
Other Standard Contract Terms and Conditions to be included in the PPA:	The PPA will include additional terms and conditions that are usual and customary in transactions of its nature.
Confidentiality:	This Term Sheet and all information exchanged during negotiations of the PPA are confidential, subject to the Non-Disclosure Agreement between Buyer and Seller dated [Date].

