

PGE Green Future Impact Phase 2 Customer Supplied Option

Material Terms and Conditions

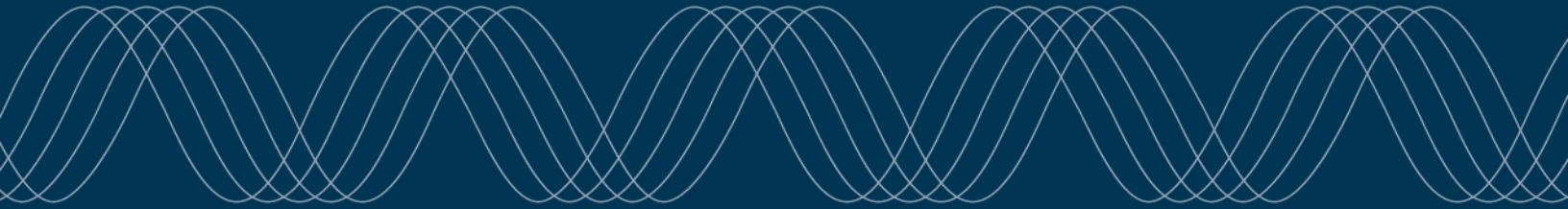


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1. Non-Binding Indicative Term Sheet for Renewable Energy PPA

Subject to Mutual NDA

Note: The following represents a summary of certain material terms and conditions for seeking to execute a Renewable Energy Power 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. Capitalized terms not otherwise defined in this Term Sheet will be defined in the PPA.

<i>Buyer:</i>	Portland General Electric Company ("PGE")
<i>Seller:</i>	[Name of Seller]
<i>Description of Facility:</i>	[type of technology] generating facility (the "Facility"), located in [Name of County] County, in the State of [Name of State].
<i>Facility Nameplate Capacity:</i>	[For solar resources: ____MW _{DC}] [For non-solar resources: ____MW _{AC}]
<i>Net Available Capacity:</i>	"Net Available Capacity" means the full (maximum) net Energy the Facility is capable of delivering to the interconnecting Balancing Authority Area continuously for at least sixty (60) minutes, which is equivalent to the Nameplate Capacity of the Facility's generating unit less station service (parasitic power and electrical losses) and inverter limitations, expressed in MW _{AC} .
<i>Product:</i>	The Product includes the following: "Energy": any Energy generated by the Facility, scheduled in hourly increments, and delivered by Seller to Buyer on eligible long-term firm, conditional firm, or short-term firm transmission from the Facility to the Delivery Point, during the Delivery Term, including all necessary Ancillary Services. Energy shall be delivered to Buyer pursuant to the Scheduling Procedures set forth below.



“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. Environmental Attributes include but are not limited to: (a) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; (b) all Emissions Reduction Credits; and (c) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (d) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the Facility and REC Reporting Rights. Environmental Attributes do not include: (i) any PTCs, ITCs, 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.

“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 PTCs, ITCs,



	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.
<i>Delivered Energy Quantity:</i>	" <u>Delivered Energy Quantity</u> " means 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.
<i>No Sales to third parties:</i>	Seller shall sell one hundred percent (100%) of the Facility Output to Buyer and may not sell any Energy, Capacity Attributes, Environmental Attributes or any other Facility capability to Buyer and may not sell the same to any other party or purchaser, unless such sale is expressly allowed by the PPA. "Facility Output" means all electric energy, produced by the Facility, less station service (parasitic power and electrical losses), if any, all as measured at the Facility meter.
<i>Delivery Term:</i>	"Delivery Term" means no less than fifteen (15) Contract Years after the Commercial Operation Date. "Contract Years" means a period of twelve (12) consecutive months beginning on January 1st and continuing through December 31st of each calendar year, except that the first Contract Year shall commence on the Commercial Operation Date and the last Contract Year shall end at the end of the day prior to the anniversary of the Commercial Operation Date.
<i>Interconnection Point:</i>	The Facility shall interconnect to [XX substation] (the "Interconnection Point"). Seller shall be responsible for all costs of interconnecting the Facility to the Interconnection Point.
<i>Delivery Point:</i>	PGE scheduling point [BPAT.PGE or PGE BA] PGE will not accept delivery at PacifiCorp West or at Pelton Round Butte.
<i>Commercial Operation Date:</i>	"Commercial Operation Date" means the date on which the total Nameplate Capacity of the Facility is fully operational and reliable, and the Facility is fully interconnected, fully integrated, and synchronized with the transmission system.



<p><i>Scheduled Commercial Operation Date:</i></p>	<p>“Scheduled Commercial Operation Date” means [Date]. In no event shall the Scheduled Commercial Operation Date be later than December 31, 2024. 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 Commercial Operation, and (ii) the Guaranteed Commercial Operation Date.</p> <p>“Delay Damages” are equal to \$100 per MW of Nameplate Capacity per day beginning on the first day through the 30th day after the Scheduled Commercial Operation Date, \$200 per MW of Nameplate Capacity of the Facility per day beginning on the 31st day through the 60th day after Scheduled Commercial Operation Date, and \$300 per MW of Nameplate Capacity of the Facility per day beginning on the 61st day after Scheduled Commercial Operation Date until the Commercial Operation Date is actually achieved or the Guaranteed Commercial Operation Date, whichever occurs first.</p>
<p><i>Guaranteed Commercial Operation Date:</i></p>	<p>“Guaranteed Commercial Operation Date” means the date that is one hundred twenty (120) 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 achieved by the Guaranteed Commercial Operation Date and Seller shall forfeit the development security.</p>
<p><i>Pre- COD Progress Reporting:</i></p>	<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>
<p><i>Contract Price:</i></p>	<p>_____ (\$/MWh)</p>



	Control Area Service costs may not be included in the Contract Price.
<i>Market Index Price:</i>	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.
<i>Test Energy:</i>	“Test Energy” means all Facility Output generated by the Facility prior to achieving the Commercial Operation Date. Seller may elect to sell 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 Test Energy. Otherwise, Seller shall Schedule in accordance with the Scheduling Procedure and deliver Test Energy to Buyer in order to complete Start-Up Testing. In such case, the parties shall coordinate in good faith to Schedule deliveries of Test Energy to Buyer that minimizes the burden to each of the parties, and Buyer shall receive the Test Energy. The price for such 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 Test Energy, including but not limited to reimbursement for negative pricing and any necessary capacity costs or reserves costs.
<i>Transmission Requirements:</i>	<p>For Off-system Facilities:</p> <p>Seller shall pay for and maintain eligible Long-Term Transmission, for a minimum of 80% of the Net Available Capacity, for delivery of Energy from the Facility’s point of interconnection/point of receipt (POR) identified in the Interconnection Agreement to the Delivery Point for the entire Delivery Term, commencing on the Commercial Operation Date.</p> <p>Seller may deliver up to 20% of the Net Available Capacity on short term firm transmission.</p> <p>If the Seller has a transmission service request that utilizes Newpoint as the POR, the transmission service request must</p>



	<p>reference the specific generation interconnection request number for the resource in the comments field.</p> <p>Curtailment 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 curtailment hours is increased, Seller default and failure to perform provisions would be triggered 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. Seller with conditional firm reassessment does not have any participation requirements 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 and EIM costs, required to deliver the Product(s) to the Delivery Point.</p> <p>For On-System Facilities:</p> <p>Seller must have requested NRIS interconnection service for Facility Output and Buyer must be able to designate the Facility as a network resource and. In such case, Buyer will be responsible for all costs associated with the delivery of Facility Output to PGELoad.</p>
<p><i>Control Area Services and other costs:</i></p>	<p>Seller shall procure and Buyer will reimburse Seller for all Control Area Services from an entity that is mutually agreed upon by the parties that may be required by its 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.</p>

¹ See BPA TSEP Business Practice Manual: bpa.gov/transmission/Doing%20Business/bp/tbp/TSR-Study-Expansion-Process-BP.pdf



	<p>Control Area Services do not include ancillary service costs associated with the transmission provider’s provision of firm transmission service.</p> <p>For off-system resources, Control Area Services do not include real power losses.</p>
<i>Forecasting:</i>	<p>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 (collectively, “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 may 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.</p>
<i>Scheduling:</i>	<p>Seller shall schedule and deliver Energy to Buyer at the Delivery Point, commencing on the Commercial Operation Date and continuing through the end of the Delivery Term. Seller’s Energy delivery may not intentionally exceed the Generation Forecast.</p> <p>For On-System Facilities:</p> <p>For each day during the Delivery Term, Seller shall comply with the following scheduling procedure:</p> <p>Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to Buyer’s pre-schedule desk via an Application Program Interface (API) or as directed by Buyer, the expected Energy to be delivered each hour at the Delivery Point for the delivery day, consistent with the Generation Forecast.</p> <p>Seller shall communicate to Buyer’s real-time desk via API, or as otherwise directed by Buyer, Energy deliveries consistent</p>



with the Generation Forecast no later than ninety (90) minutes prior to the flow hour.

Seller and Buyer agree that the intent of these scheduling provisions is for Seller to schedule and deliver Energy resembling actual production from the Facility for each interval.

For Off System Facilities:

For each day during the Delivery Term, Seller shall comply with the following scheduling procedure:

Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to Buyer's pre-schedule desk via an application program interface (API) or as directed by Buyer, the expected Energy to be delivered each hour at the Delivery Point for the delivery day, consistent with the Generation Forecast.

Seller shall schedule the Energy by submitting a NERC e-Tag ("e-Tags") prior to 1:00 p.m. PPT of the applicable WECC pre-scheduling day for all hours of the applicable delivery day(s); and

Seller shall schedule the Energy with e-Tags according to prevailing WECC pre-scheduling provisions and protocols. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.

Seller shall not schedule any energy to be delivered to Buyer using a dynamic or pseudo-tie e-tag as such terms are defined and used by NERC.

Seller shall make adjustments to the pre-scheduled energy scheduled from the Facility each hour in real-time ("Real-time Adjustments") consistent with the Generation Forecast. For such Real-time Adjustments, Seller will:

Submit and receive approval of e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour, in accordance with the requirements of the applicable transmission provider.

Make all NERC e-Tag adjustments.

	<p>Seller’s e-tag shall match the adjustment communicated to the Buyer.</p> <p>Be responsible for any costs, charges, or fees associated with adjustments to the e-tag after seventy-five (75) minutes prior to the flow hour.</p> <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 of the PPA, Buyer and Seller shall meet within thirty (30) days after written notice to Seller of such proposed change and mutually agree on updated Scheduling Procedures. Seller shall not unreasonably withhold agreement to proposed changes to the Scheduling Procedures.</p>
<p><i>Output Guarantee:</i></p>	<p>Seller guarantees that during the Delivery Term, the Delivered Energy Quantity, shall meet or exceed the Guaranteed Output Threshold.</p> <p>The “Guaranteed Output Threshold” is equal to [90%] of the Annual Expected Output.</p> <p>The “Performance Measurement Period” is equal to a monthly period. The initial Performance Measurement Period will commence on the Commercial Operation Date.</p> <p>The “Expected Output” is equal to the Facility’s P50 expected monthly output.</p> <p>After each Performance Measurement Period, Seller shall provide Buyer sufficient detail of the Facility’s performance to substantiate its calculation of Energy deliveries for the Guaranteed Output Threshold. The Guaranteed Output Threshold shall be adjusted for energy that was not delivered during Excused Hours. “Excused Hours” means hours when the Facility was not available due to Force Majeure, excused curtailments, or Buyer’s failure to perform.</p> <p>It shall be a Seller event of default if, commencing on the Commercial Operation Date, Seller fails to deliver [<i>for wind resources</i>: seventy-five percent (75%) of the annual sum of the Guaranteed Output Threshold to Buyer during two (2) out of three (3) Contract Years during the Delivery Period]</p>



	[for non-wind resources: fifty percent (50%) of the annual sum of the Guaranteed Output Threshold to Buyer during any Contract Year during the Delivery Period].
<i>Mechanical Availability Guarantee:</i>	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 Mechanical Availability Percentage for the Facility of [ninety-seven percent (97%)] for any two (2) out of three (3) Contract Years on a rolling basis. The Mechanical Available Percentage of the 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 31 st 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 Mechanical Available Percentage of the Facility for the prior calendar year. The operational hours for the Facility shall be the hours that the Facility is potentially capable of producing power at Nameplate Capacity regardless of actual weather conditions or season, without any mechanical operating constraint or restriction, and potentially capable of delivering such power to the point of interconnection with the Transmission Provider.
<i>Failure to Deliver Facility Output:</i>	In the event Seller fails to deliver Facility Output, Seller shall pay Buyer the following damages: The replacement cost for such deficiency calculated by multiplying the amount of the deficiency by the positive difference, if any, of the Replacement Price less the Contract Price; provided, however, such amount shall not be less than zero dollars (\$0.00). The "Replacement Price" shall be the average day-ahead Intercontinental Exchange Mid-C Physical Peak (bilateral) or Mid-C Physical Off-Peak (bilateral) indices ("ICE DA Indices") for such month; plus The incremental cost associated with Carbon Emissions costs incurred by the Buyer as a result of Seller's failure to deliver Facility Output; plus Any incremental Ancillary Services and transmission costs incurred by Buyer; plus



Any penalties or fines imposed by a Reliability Entity as a result of Seller's failure to deliver.

"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.

In the event Seller fails to deliver Environmental Attributes, including Bundled RECs, associated with the Facility Output, Seller shall settle any such shortfall as follows:

deliver an equivalent amount of Qualifying Replacement RECs that are generated in the same calendar year; or

If Seller elects not to deliver an equivalent amount of Qualifying Replacement RECs and Buyer elects in its sole discretion to purchase Qualifying Replacement RECs, Seller shall owe PGE the price that PGE actually pays for Qualifying Replacement RECs; or

If Seller elects not to deliver an equivalent amount of Qualifying Replacement RECs 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.

"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>“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>
<i>Excess Energy:</i>	<p>If during the Performance Measurement Period, the Delivered Energy Quantity is in excess of [110%] of the Guaranteed Output Threshold, then for each MWh of Delivered Energy Quantity in excess of [110%] of the Guaranteed Output Threshold (“Excess Energy”), the applicable price paid by Buyer for such Excess Energy shall be equal to the lesser of (a) [93%] of the Market Index Price applicable to the interval in which such Excess Energy was delivered, or (b) [75%] of the Contract Price.</p>
<i>Curtailment:</i>	<p>In the event the Facility is curtailed due to a System Emergency, Force Majeure, or by the transmission provider (excluding curtailment hours as a result of Seller’s utilization of conditional firm transmission), Seller shall not be liable for failure to deliver such curtailed Energy and Buyer shall not be obligated to pay for such curtailed Energy.</p> <p>Notwithstanding the foregoing, Buyer shall have the right to curtail deliveries of scheduled Energy, up to [400 hours] each Contract Year (or a prorate amount for any partial Contract Year during the Delivery Term) without compensation, and all such events shall be defined as “Buyer Curtailment”.</p> <p>The Guaranteed Output Threshold will be reduced by the number of MWhs subject to Buyer Curtailment.</p>
<i>REC Tracking System:</i>	<p>Seller shall transfer RECs associated with the Facility Output from the Facility for each month via WREGIS pursuant to the timelines in WREGIS Operating Rules.</p>
<i>Negative Price Event:</i>	<p>When the Market Index Price is less than zero (“Negative Price Event”), Seller shall have the right, but not the obligation, to suspend part or all of its Energy deliveries (“Seller Curtailment”). Seller’s obligation to deliver the Guaranteed Output Threshold shall be reduced by one (1)</p>



	MWh for each substantiated MWh reduced due to a Negative Price Event.
<i>Monthly Settlement and Invoice:</i>	<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 each month during the Delivery Term is equal to the sum of:</p> <p>the lesser of (i) the hourly Delivered Energy Quantity, or (ii) hourly Facility Output, each up to [110%] of the Guaranteed Output Threshold, multiplied by the Contract Price; plus</p> <p>hourly Excess Energy multiplied by the lesser of (i) [93%] of the Market Index Price, or (ii) [75%] of the 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>
<i>Operations and Maintenance:</i>	<p>Seller shall not schedule any non-emergency maintenance that reduces the energy generating capability of the Facility 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 200 hours.</p>
<i>Labor Requirements:</i>	Union labor must be utilized for major construction activities related to the Facility and must include a Project Labor Agreement requirement in any related construction agreements.



	<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. 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 percent (15%) of the total work hours performed by individuals from those communities.</p>
<i>Buyer Conditions Precedent:</i>	<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 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>
<i>Seller Conditions Precedent</i>	[CPs TBD]
<i>Security Requirements:</i>	<p>Within thirty (30) days after the Effective Date of the PPA, Seller shall deliver development security to Buyer in an amount equal to \$200/kW of Nameplate Capacity and Seller shall maintain such development security until COD.</p> <p>On or before COD, Seller shall deliver delivery term security to Buyer in an amount equal to \$100/kW of 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 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. ibranch 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)</p>



	<p>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 as Qualified Institutions if they have received an endorsement from an institution that meets the criteria in the Qualified Institution definition.</p>
<p><i>Termination Settlement Amount:</i></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 shall be equal to the Expected Output for such month.</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</p>



	<p>of Costs), resulting from termination of its obligations with respect to the PPA determined in a commercially reasonable manner.</p> <p>“Costs” 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 this Agreement and all reasonable attorneys’ fees and expenses incurred by a Party in connection with enforcing its rights under the Agreement. 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>
<i>Compliance with Law</i>	<p>Seller shall comply with all applicable local, state and federal laws, including but not limited to obtaining and maintaining all requisite legal authority to sell power and be able to schedule power and operate under industry standards established by FERC, WECC, NERC and all other applicable regulatory and government agencies.</p>
<i>RPS Compliance:</i>	<p>Seller shall ensure the Facility obtains Oregon RPS Certification within ninety (90) days after the Commercial Operation Date and shall maintain such certification during the Delivery Term. If a change in law occurs after execution of the PPA that impacts the Facility’s Oregon RPS Certification, then the Seller shall use commercially reasonable efforts to comply with such change of law as necessary to maintain the Oregon RPS Certification.</p>
<i>Assignment:</i>	<p>Neither party may assign the PPA without prior written consent of the other party, which consent may not be unreasonably withheld or delayed.</p> <p>Any direct or indirect change of control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of the Buyer.</p> <p>Seller shall pay Buyer’s reasonable expenses incurred to provide consents, estoppels, or other required documentation in connection with Seller’s financing for the Facility.</p>



Other Standard Contract Terms 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].



2. Non-Binding Indicative Term Sheet for Renewable Energy & Storage PPA

Subject to Mutual NDA

Note: The following represents a summary of certain material terms and conditions for seeking to execute a Renewable Energy and Storage Power 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. Capitalized terms not otherwise defined in this Term Sheet will be defined in the PPA.

<i>Buyer:</i>	Portland General Electric Company ("PGE")
<i>Seller:</i>	[Name of Seller]
<i>Description of Facility:</i>	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."
<i>Generating Facility Nameplate Capacity:</i>	[For solar resources: ____ MW _{DC}] [For non-solar resources: ____ MW _{AC}]
<i>Storage Facility Nameplate Capacity:</i>	[XX] MW _{AC}
<i>Storage Contract Capacity:</i>	The Storage Facility will have an initial Storage Contract Capacity of [XX] MW _{AC} for [XX] hour discharge. The Storage Contract Capacity shall be adjusted during the Delivery Term in accordance with periodic storage capacity tests.
<i>"Net Available Capacity"</i>	"Net Available Capacity" means the full (maximum) net Energy the Facility is capable of delivering to the interconnecting Balancing Authority Area continuously for at least sixty (60) minutes, expressed in MW _{AC} ; limited by the



	interconnection limit identified in the interconnection agreement.
<i>Product:</i>	<p>The Product includes the following:</p> <p>“Energy”: Energy generated and/or discharged by the Facility, scheduled in hourly increments, and delivered by Seller to Buyer on eligible firm, conditional firm or short-term firm transmission from the Facility to the Delivery Point, during the Delivery Term, including all necessary Ancillary Services. Energy shall be delivered to Buyer pursuant to the Scheduling Procedures set forth below;</p> <p>“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. Environmental Attributes include but are not limited to: (a) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), and other pollutants; (b) all Emissions Reduction Credits; and (c) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; and (d) the reporting rights to these avoided emissions, such as the carbon content of the energy generated by the Facility and REC Reporting Rights. Environmental Attributes do not include: (i) any PTCs, ITCs, or any other tax credits, deductions, or tax benefits associated with the Facility, or (ii) any state, federal, local, or</p>



	<p>private cash payments, grants, or costs relating in any way to the Facility or the electric power output of the Facility;</p> <p>“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 PTCs, ITCs, 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;</p> <p>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</p> <p>Ancillary Services: All ancillary services, products, and other attributes, if any that may be obtained from the Facility.</p>
<p><i>Delivered Energy Quantity:</i></p>	<p>“<u>Delivered Energy Quantity</u>” means 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.</p>
<p>No Sales to third parties:</p>	<p>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.</p> <p>“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.</p>



<i>Delivery Term:</i>	"Delivery Term" means no less than fifteen (15) Contract Years after the Commercial Operation Date. "Contract Years" means a period of twelve (12) consecutive months beginning on January 1st and continuing through December 31st of each calendar year, except that the first Contract Year shall commence on the Commercial Operation Date and the last Contract Year shall end at the end of the day prior to the anniversary of the Commercial Operation Date.
<i>Interconnection Point:</i>	The Facility shall interconnect to [XX substation] (the "Interconnection Point"). Seller shall be responsible for all costs of interconnecting the Facility to the Interconnection Point.
<i>Delivery Point:</i>	PGE scheduling point [BPAT.PGE or PGELOAD] PGE will not accept delivery at PacifiCorp West or at Pelton Round Butte.
<i>Commercial Operation Date:</i>	"Commercial Operation Date" means 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.
<i>Scheduled Commercial Operation Date:</i>	"Scheduled Commercial Operation Date" means [Date]. In no event shall the Scheduled Commercial Operation Date be later than December 31, 2024. 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. "Delay Damages" are equal to \$100 per MW of Nameplate Capacity for each of the Generating Facility and the Storage Facility per day beginning on the first day through the 30 th day after the Scheduled Commercial Operation Date, \$200 per MW of Nameplate Capacity for each of the Generating Facility and the Storage Facility per day beginning on the 31 st day through the 60 th day after Scheduled Commercial Operation Date, and \$300 per MW of Nameplate Capacity



	for each of the Generating Facility and the Storage Facility per day beginning on the 61 st day after Scheduled Commercial Operation Date until the Commercial Operation Date is actually achieved or the Guaranteed Commercial Operation Date, whichever occurs first.
<i>Guaranteed Commercial Operation Date:</i>	<p>"Guaranteed Commercial Operation Date" means the date that is one hundred twenty (120) 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 forfeit the development security.</p>
<i>Pre-COD Progress Reporting:</i>	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.
<i>Contract Price:</i>	<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. Control Area Services costs may not be included in the Generation Contact Price.</p> <p>The Storage Contract Price shall be \$(XX)/kW.</p>
<i>Test Energy:</i>	<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</p>



	<p>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>Seller is responsible for all energy necessary for charging the Storage Facility in order to complete Start-Up Testing for the Storage Facility. Storage Facility Test Energy means all energy discharged by the Storage Facility prior to achieving the Commercial Operation Date. Seller may elect to sell Storage 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 Storage Facility Test Energy. Otherwise, Seller may schedule and deliver Storage Facility Test Energy to Buyer in accordance with the Scheduling Procedure in order to complete Start-Up Testing for the Storage Facility. In such case, the parties shall coordinate in good faith to schedule deliveries of Storage Facility Test Energy to Buyer that minimizes the burden to each of the parties, and Buyer shall receive the Storage Facility Test Energy. The price for such Storage 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 Storage Facility Test Energy, including but not limited to reimbursement for negative pricing, and any necessary capacity costs or reserves costs.</p>
<p><i>Transmission Requirements:</i></p>	<p>For Off-System Facilities:</p> <p>Seller shall pay for and maintain eligible Long-Term Transmission, for a minimum of 80% of the Net Available</p>



Capacity, for delivery of Energy from the Facility's point of interconnection/point of receipt (POR) identified in the interconnection agreement to the Delivery Point for the entire Delivery Term, commencing on the Commercial Operation Date.

Seller may deliver up to 20% of the Net Available Capacity on short term firm transmission.

If the 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.

Curtailment or a transmission provider's cancelation of conditional firm reassessment transmission service shall not be a Force Majeure event.

If the reassessment service is terminated or the number of curtailment hours is increased, default and failure to perform provisions in the PPA would be triggered.

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.²

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.

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

² See BPA TSEP Business Practice Manual:
bpa.gov/transmission/Doing%20Business/bp/tbp/TSR-Study-Expansion-Process-BP.pdf



	be responsible for all costs associated with the delivery of Facility Output to PGELoad.
<i>Control Area Services and Other Costs:</i>	<p>Seller shall procure and Buyer will reimburse Seller for all Control Area Services 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 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.</p>
<i>Forecasting:</i>	<p>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.</p>
<i>Charging Energy:</i>	<p>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).</p>
<i>Scheduling:</i>	<p>Seller shall schedule and deliver Energy to Buyer at the Delivery Point commencing on the Commercial Operation Date and continuing through the end of the Delivery Term.</p>



Seller's Energy delivery may not intentionally exceed the Generation Forecast plus discharge Energy.

For each day during the Delivery Term, Seller shall comply with the following scheduling procedure:

Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day, communicate to Buyer's pre-schedule desk via an Application Program Interface (API) or as directed by Buyer, the expected Energy to be delivered each hour at the Delivery Point for the delivery day, consistent with the Generation Forecast net of Charging Energy;

Seller shall schedule the Energy by submitting a NERC e-Tag ("e-Tags") prior to 5:00 a.m. PPT of the applicable WECC pre-scheduling day for all hours of the applicable delivery day(s); and

Seller shall, by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day communicate to Buyer's pre-schedule desk via an Application Program Interface (API) or as directed by Buyer, Seller's optimal charging schedule for the WECC Pre-Schedule Day. At a minimum, the charging schedule will include:

the hours in which Seller proposes to charge the Storage System; and

the total capacity and state-of-charge Seller proposes to charge the Storage System to, by the end of the last hour in which Seller shall charge the Storage System.

Buyer shall, by 8:00 a.m. PPT of the customary WECC Pre-Scheduling Day communicate to Seller via an Application Program Interface (API) or as directed by Buyer, Buyer's adjusted discharge schedule for the WECC Pre-Schedule Day if different from the discharge schedule in Seller's expected Energy communicated to Buyer by 5:00 a.m. PPT of the customary WECC Pre-Scheduling Day. At a minimum, the discharge schedule will include:

the hours in which Seller shall discharge the Storage System; and

the MW amount at which Seller shall discharge the Storage System for each hour.

Seller shall Schedule the Energy with e-Tags according to prevailing WECC pre-scheduling provisions and protocols and the terms of the PPA. Seller shall schedule the Facility as the identified e-Tag source. Seller may not net or otherwise combine schedules from resources other than the Facility, except as necessary for Ancillary Services.

Seller shall make adjustments to the pre-scheduled energy scheduled from the Facility each hour in real-time ("Real-time Adjustments") consistent with the Generation Forecast net of charging energy and account for Facility Net Available Capacity. For such Real-time Adjustments:

Buyer reserves the right to adjust its discharge schedule. To make Real-time Adjustments, the Buyer shall communicate to Seller's real-time desk via API, or as otherwise directed by Buyer, Buyer's revised discharge schedule. Buyer shall communicate the Real-time Adjustments no later than one-hundred and twenty (120) minutes prior to the flow hour.

Seller will submit and receive approval of e-Tag adjustment no later than seventy-five (75) minutes prior to the flow hour, in accordance with the requirements of the applicable Transmission Provider(s).

Seller will make all NERC e-Tag adjustments.

Seller's e-tag shall match the adjustment communicated to the Buyer.

Seller will be responsible for any costs, charges, or fees associated with adjustments to the e-tag after seventy-five (75) minutes prior to the flow hour.

Buyer discharge schedule shall be followed by Seller so long as such discharge schedule remains feasible and total Facility Output does not exceed Net Available Capacity.

Seller shall not schedule any energy to be delivered to Buyer pursuant to this Agreement using a dynamic or pseudo-tie e-tag as such terms are defined and used by NERC.

In the event that the regional market design, balancing authority, reliability entity or regulatory entity (e.g., PGE

	<p>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><i>Output Guarantee:</i></p>	<p>Seller guarantees that during the Delivery Term, the Delivered Energy Quantity, shall meet or exceed the Guaranteed Output Threshold.</p> <p>The “Guaranteed Output Threshold” is equal to [90%] of the Expected Output.</p> <p>The “Performance Measurement Period” is equal to a monthly period. The initial Performance Measurement Period will commence on the Commercial Operation Date.</p> <p>The “Expected Output” is equal to the Facility’s P50 expected monthly output.</p> <p>After each Performance Measurement Period, Seller shall provide Buyer sufficient detail of the Facility’s performance to substantiate its calculation of Energy deliveries for the Guaranteed Output Threshold. The Guaranteed Output Threshold shall be adjusted for energy that was not delivered during Excused Hours. “Excused Hours” means hours when the Facility was not available due to Force Majeure, excused curtailments, or Buyer’s failure to perform.</p> <p>It shall be a Seller event of default if, commencing on the Commercial Operation Date, Seller fails to deliver [<i>for wind resources</i>: seventy five percent (75%) of the annual sum of the Guaranteed Output Threshold to Buyer during two (2) out of three (3) Contract Years during the Delivery Term] [<i>for non-wind resources</i>: fifty percent (50%) of the annual sum of the Guaranteed Output Threshold to Buyer during any Contract Year during the Delivery Term].</p>
<p><i>Generating Facility Mechanical</i></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-seven percent (97%)] for any</p>



<p><i>Availability Guarantee:</i></p>	<p>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 [<i>non-solar resources</i>: by the total number of hours in the calendar year]/[<i>solar resources</i>: 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 potentially capable of delivering such power to the point of interconnection with the transmission provider.</p>
<p><i>Excess Energy:</i></p>	<p>If during the Performance Measurement Period, the Delivered Energy Quantity is in excess of [110%] of the Guaranteed Output Threshold, then for each MWh of Delivered Energy Quantity in excess of [110%] of the Guaranteed Output Threshold (“Excess Energy”), the applicable price paid by Buyer for such Excess Energy shall be equal to the lesser of (a) [93%] of the Market Index Price applicable to the interval in which such Excess Energy was delivered, or (b) [75%] of the Generation Contract Price.</p>
<p><i>Curtailment:</i></p>	<p>In the event the Facility is curtailed due to a System Emergency, Force Majeure, by the transmission provider (excluding curtailment hours as a result of utilization of conditional firm transmission), Seller shall not be liable for failure to deliver such curtailed energy and Buyer shall not be obligated to pay for such curtailed energy.</p> <p>Notwithstanding the foregoing, Buyer shall have the right to curtail deliveries of Energy, up to [400 hours] each calendar year (or a prorate number of hours for any partial year during the Delivery Term) without compensation, and all such events shall be defined as “Buyer Curtailment”.</p>



	<p>The Guaranteed Output Threshold will be reduced by the number of MWhs subject to Buyer Curtailment. Curtailment hours as a result of utilization of conditional firm transmission do not qualify as a Buyer Curtailment.</p>
<p><i>Storage Capacity Guarantee:</i></p>	<p>During the Delivery Term, Seller shall maintain the Storage Facility with guaranteed storage contract capacity of not less than [___MW, representing 90% of the Storage Contract Capacity as of the Commercial Operation Date] (“Guaranteed Storage Contract Capacity”). If the Storage Contract Capacity for the Facility is determined during a storage capacity test to be less than the Guaranteed Storage Contract Capacity, Seller shall pay to Buyer as liquidated damages for such deficiency an amount determined by multiplying the number of months since the last storage capacity test (including the month in which the most current storage capacity test was completed) by (i) Storage Contract Price multiplied by [125%] multiplied by (ii) the difference between the Guaranteed Storage Contract Capacity and the Storage Contract Capacity for the Storage Facility as determined during the most recent storage contract capacity test (“Guaranteed Storage Contract Capacity LDs”). Payment of Guaranteed Storage Contract Capacity LDs is Seller’s sole and exclusive liability, and Buyer’s sole and exclusive remedy, in connection with the Storage Contract Capacity being less than the Guaranteed Storage Contract Capacity for a Contract Year.</p> <p>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.</p>
<p><i>Actual Round-Trip Efficiency:</i></p>	<p>The round-trip efficiency for each month is calculated as a percentage, based on the amount of MWhs used to charge the Facility and the amount of MWhs discharged from the Facility, as measured by the Storage Facility meter at the Interconnection Point.</p>



<p><i>Guaranteed Round-Trip Efficiency:</i></p>	<p>"Guaranteed Round-Trip Efficiency" means [ninety percent (90%)].</p> <table border="1" data-bbox="643 262 1349 470"> <thead> <tr> <th data-bbox="643 262 894 352">Contract Year</th> <th data-bbox="894 262 1349 352">Guaranteed Round-Trip Efficiency</th> </tr> </thead> <tbody> <tr> <td data-bbox="643 352 894 415">1</td> <td data-bbox="894 352 1349 415">90.0%</td> </tr> <tr> <td data-bbox="643 415 894 470">2 - XX</td> <td data-bbox="894 415 1349 470">[Seller to fill out rest of table]</td> </tr> </tbody> </table> <p>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.</p>	Contract Year	Guaranteed Round-Trip Efficiency	1	90.0%	2 - XX	[Seller to fill out rest of table]
Contract Year	Guaranteed Round-Trip Efficiency						
1	90.0%						
2 - XX	[Seller to fill out rest of table]						
<p><i>Guaranteed Round-Trip Efficiency Adjustment:</i></p>	<p>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 total Charging Energy for such month, multiplied by (ii) the percentage amount by which the Actual Round-Trip Efficiency is less than the Guaranteed Round-Trip Efficiency, multiplied by (iii) average day-ahead Intercontinental Exchange Mid-C Physical Peak (bilateral) or Mid-C Physical On-Peak (bilateral) indices.</p>						
<p><i>Maximum Annual Discharge MWh:</i></p>	<p>Buyer may discharge a maximum of [MWhs] per year, subject to the Daily Dispatch Limits.</p>						
<p><i>Daily Dispatch Limits:</i></p>	<p>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</p>						
<p><i>Other Operating Limits and Parameters:</i></p>	<p>[Seller to describe all applicable operating limits on dispatch of the Storage Facility, if any]</p>						
<p><i>Guaranteed Storage Monthly Availability:</i></p>	<p>Seller guarantees the Storage Facility availability shall be no less than [98 %] for each month during the Delivery Term. Storage Facility availability shall be calculated using a methodology that is generally consistent with the method prescribed by the Storage Facility's equipment manufacturers. The Storage Contract Price shall be adjusted</p>						



	<p>if the Storage Facility fails to meet the Guaranteed Storage Monthly Availability in any month during the Delivery Term.</p> <p>In the event Seller fails to meet the Guaranteed Storage Monthly Availability during [2] months during any [12] month rolling period during the Delivery Term, Buyer may terminate the PPA.</p>
<p><i>Guaranteed Storage Monthly Availability Adjustment:</i></p>	<p>If the Storage Facility does not meet the Storage Guaranteed Monthly Availability, the Storage Contract Price shall be adjusted by multiplying it by the following adjustment, which shall be calculated after any Guaranteed Round-Trip Efficiency Adjustment, if any, has been applied to the Storage Contract Price:</p> <p>(i) If the monthly storage availability is less than the Guaranteed Storage Availability, but greater than or equal to 70%, then:</p> $AA = 100\% - [(98\% - \text{monthly storage availability}) \times 2]$ <p>(ii) If the monthly storage availability is less than 70%, then:</p> $AA = 0\%$
<p><i>Grid Charging of Storage Facility:</i></p>	<p>The Storage Facility shall not receive charging energy from any source other than the Generating Facility prior to [the expiration of the ITC recapture period]. Following the ITC recapture period, 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 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>



*Failure to Deliver
Facility Output:*

In the event Seller fails to deliver Facility Output, Seller shall pay Buyer the following damages ("Failure to Deliver Damages"):

The replacement cost for such deficiency calculated by multiplying the amount of the deficiency by the positive difference, if any, of the Replacement Price less the Generation Contract Price; provided, however, such amount shall not be less than zero dollars (\$0.00). The "Replacement Price" shall be the average day-ahead Intercontinental Exchange Mid-C Physical Peak (bilateral) or Mid-C Physical Off-Peak (bilateral) indices ("ICE DA Indices") for such month; plus

The incremental cost associated with Capacity Attributes, and/or carbon emissions costs incurred by the Buyer as a result of Seller's failure to deliver Facility Output; plus

Any incremental Ancillary Services and transmission costs incurred by Buyer; plus

Any penalties or fines imposed by a Reliability Entity as a result of Seller's failure to deliver.

"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.

In the event Seller fails to deliver Environmental Attributes, including Bundled RECs, associated with the Facility Output, Seller shall settle any such shortfall as follows:

deliver an equivalent amount of Qualifying Replacement RECs that are generated in the same calendar year; or

If Seller elects not to deliver an equivalent amount of Qualifying Replacement RECs and Buyer elects in its sole discretion to purchase Qualifying Replacement RECs, Seller shall owe PGE the price that PGE actually pays for Qualifying Replacement RECs; or



	<p>If Seller elects not to deliver an equivalent amount of Qualifying Replacement RECs 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><u>“Qualifying Replacement RECs”</u> 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><u>“Qualifying Replacement REC Price”</u> 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><i>Monthly Settlement and Invoice:</i></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>the lesser of (i) the hourly Delivered Energy Quantity, or (ii) hourly Facility Output, each up to [110%] of the Guaranteed Output Threshold, multiplied by the Generation Contract Price; plus</p>



	<p>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>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>the Storage Contract Price multiplied by the Storage Contract Capacity;</p> <p>adjusted by the Guaranteed Round-Trip Efficiency Adjustment and Guaranteed Storage Monthly Availability Adjustment, if any;</p> <p>minus any Guaranteed Storage Contract Capacity LDs and Failure to Deliver Damages.</p>
<i>Market Index Price:</i>	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.
<i>Negative Price Event:</i>	When the Market Index Price is less than zero ("Negative Price Event"), Seller shall have the right, but not the obligation, to suspend part or all of its deliveries, via a reduction in Energy. Seller's obligation to deliver the Guaranteed Output Threshold shall be reduced by one (1) MWh for each substantiated MWh reduced due to a Negative Price Event.
<i>REC Transfer:</i>	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.
<i>Operations and Maintenance:</i>	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



	<p>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 200 hours.</p>
<i>RPS Compliance:</i>	<p>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.</p>
<i>Labor Requirement:</i>	<p>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>
<i>Buyer Conditions Precedent:</i>	<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 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>
<i>Seller Conditions Precedent:</i>	<p>[Seller CPs]</p>



<p><i>Security Requirements:</i></p>	<p>Within thirty (30) days after the Effective Date of the PPA, Seller shall deliver development security to Buyer in an amount equal to \$200/kW of Generating Facility Nameplate and \$200/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 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><i>Assignment:</i></p>	<p>Neither party may assign the PPA without prior written consent of the other party, which consent may not be unreasonably withheld or delayed.</p> <p>Any direct or indirect change of control of Seller (whether voluntary or by operation of law) will be deemed as an assignment and will require the prior written consent of the Buyer.</p>



	<p>Seller shall pay Buyer’s reasonable expenses incurred to provide consents, estoppels, or other required documentation in connection with Seller’s financing for the Facility.</p>
<p><i>Other Standard Contract Terms and Conditions to be included in the PPA:</i></p>	<p>The PPA will include additional terms and conditions that are usual and customary in transactions of its nature.</p>
<p><i>Termination Settlement Amount:</i></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 the Expected Output for such month. 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</p>



	<p>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 this Agreement and all reasonable attorneys’ fees and expenses incurred by a Party in connection with enforcing its rights under the Agreement. 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>
<i>Confidentiality:</i>	<p>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].</p>



1. Qualifications

Entity Requirement	As applicable, entities must be authorized under the law to sell power, and able to schedule power and operate under industry standards established by the Federal Energy Regulatory Commission (FERC), Western Electricity Coordinating Council (WECC), and the North American Energy Reliability Council (NERC), or other applicable regulatory body or government agency.
Financing Requirement	As applicable, counterparty must provide a reasonable plan to obtain project financing. Those counterparties who are unable to internally or balance sheet finance the proposed project (supported by appropriate financial statements) must provide evidence of a good faith commitment from a financial institution or lender.
Technology Eligibility	PGE will accept resource core technologies that are commercially proven and deployed at large scales within the North American utility industry. Renewable resources must be RPS eligible.
Qualifying Product	<p>PGE shall be the offtake for all output from the facility or portion of the facility. Projects must include all power attributes including associated renewable energy credits, environmental attributes, energy benefits, and capacity benefits.</p> <p>Counterparty is responsible for ensuring RECs are established in WREGIS.</p>
Nameplate Requirement	Resources must be large enough to qualify for contracting under PGE’s Schedule 202 for qualifying facilities. ³ Solar resources must be larger than 3 MW and all other facilities must be larger than 10 MW. If a Counterparty already has a Schedule 202 agreement with PGE, they are welcome to include such the resource subject of agreement, but PGE does not guarantee that the Counterparty will be excused from the existing agreement.

³ This requirement is consistent with OAR 860-089-0250(4).



Term Length	PGE requires a 15-year minimum term and a 30-year maximum term for those agreements.
Tax Credit Eligibility	Renewable resources must be eligible for the federal PTC or ITC and must provide a narrative on how the project will obtain the tax credits.
Credit	Counterparties must meet PGE’s credit eligibility thresholds. For investment grade Counterparties, their long-term, senior unsecured debt must be rated BBB- or higher by Standard & Poor’s and Fitch, BBB (low) or higher by DBRS, or Baa3 or higher by Moody’s Investor Services, Inc. For non-investment grade Counterparties, they must demonstrate that a qualified institution will secure the Counterparties performance obligations through a letter of credit or guaranty, in a form acceptable to PGE.
Site Control	Counterparties must demonstrate dependable site control, for both the location of the resource and any gen-tie path that is required. Counterparties must possess at least one of the following: title to the site an executed lease agreement an executed easement an executed option agreement applicable to a minimum of 80% of the project site The site control documents should reflect the resource type. Counterparties will be required to demonstrate site control for 100% of the project site.
Permitting	Please see the chart in Exhibit A that denotes permitting requirements.
Acceptable Delivery Points	PGE will accept delivery within PGE’s balancing authority area and at BPAT.PGE. PGE will not accept delivery at Pelton Round Butte or at PacifiCorp West. The BPAT.PGE Point of Delivery is associated with the following substations or “sinks”: PGE Contiguous Pearl 230 kV (Sherwood) McLoughlin 230 kV Keeler 230 kV (St. Marys)



	<p>Rivergate 230 kV</p> <p>Bethel 230 kV ⁴</p> <p>Troutdale 230 kV (Blue Lake)</p>
Interconnection	<p>Counterparties must have completed an interconnection facilities study before entering into negotiations with PGE</p> <p>If interconnection involves a 3rd party other than the transmission provider, the bid must also include an interconnection request to the 3rd party and all associated studies.</p> <p>Resources located on PGE’s system must be studied as Network Resource Interconnection Service.</p> <p>Resources located off-system can be studied as Energy Resource Interconnection Service or Network Resource Interconnection Service.</p>
Transmission Requirements	<p>Renewable Resources</p> <p>Eligible transmission service products include:</p> <p>long-term firm transmission service,</p> <p>long-term conditional firm bridge, number of hours, or</p> <p>long-term conditional firm reassessment, number of hours</p> <p>To qualify, a counterparty must have eligible transmission service described above that is equivalent to at least 80 percent of the facility’s interconnection limit. The eligible transmission service must originate at the POR/POI and provide delivery to one of the acceptable points of delivery, defined above, prior to project COD.</p> <p>Counterparties relying on BPA for transmission service are required to have either: 1) previously granted eligible transmission service, or 2) an eligible and active OASIS status Transmission Service Request (TSR) participating in the BPA TSR Study and Expansion Process.</p> <p>PGE’s will determine if there are additional costs or risks to deliver the resource to PGE load.</p> <p>If a Counterparty has a TSR that utilizes Newpoint as the POR, the TSR must reference the specific Generation</p>

⁴ At this time the Bethel 230 kV POD has been determined to have insufficient available capacity and is unavailable for new transmission service requests. However, Counterparties that have already been granted long-term service at this POD may use this POD.



	Interconnection Request number for the resource in the comments field.
Integration	For projects located outside of PGE’s Balancing Authority Area, PGE will determine and elect integration services necessary to ensure delivery of energy to the Point of Delivery. For a third party owned project, PGE will reimburse projects for integration services elected by PGE. Integration Services include, but are not limited to, generation imbalance, variable energy resource balancing service and any EIM costs associated with interconnection. Integration Services do not include ancillary service costs associated with the transmission provider’s provision of firm transmission service.
Labor Requirement	<p>Union labor must be utilized for major construction activities related to the resource and must include a Project Labor Agreement requirement in any related executed Engineering, Procurement and Construction Agreements.</p> <p>PGE requires that the labor group has policies in place that are designed to limit or prevent workplace harassment and discrimination.</p> <p>PGE will be asking that the labor group has 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 15 percent of the total work hours performed by individuals from those communities.</p> <p>PGE requires that counterparties recognize this requirement upon bidding and affirm their commitment to meet the requirement. However, PGE does not expect a counterparty to have secured a PLA prior to contract execution with PGE as it is customary to negotiate such labor agreements closer to construction activities.</p>
Accepted equipment manufacturers for utility owned resources	All major equipment manufacturers must be PGE preferred vendors.

