

the Clark Steelhead Bridge during times of critical adult and juvenile salmon migrations; (3) the installation of a second juvenile fish trap upstream from the existing juvenile fish trap, the Sawtooth Hatchery weir, on the upper Salmon River to optimize trapping efficiency with the aim of developing more accurate estimates of anadromous fish survival rates and migration timing; and (4) the installation of a rotary screw trap in Rapid River upstream from the Rapid River Fish Hatchery to collect natural production information on wild steelhead salmon. Modification 2 would be valid for the duration of the permit. The permit expires on November 30, 1997.

Permit 908 authorizes IDFG for an incidental take of listed Snake River salmon as a result of their resident fish stocking program designed to increase the supplies of fish in the Salmon River and its tributary streams for sport angling. For Modification 1 to the permit, IDFG requests authorization to stock Redfish Lake with hatchery rainbow trout in 1995 and beyond to provide recreational fishing opportunity in the lake. NMFS denied IDFG's request to stock Redfish Lake with rainbow trout in 1993 because of concern over possible interactions between stocked rainbow trout and listed sockeye salmon in the lake, primarily diet overlap and predation. IDFG believes that hatchery rainbow trout releases in Redfish Lake will not undermine endangered sockeye salmon recovery efforts. Permit 908 expires on December 31, 1998.

Written data or views, or requests for a public hearing on any of these applications should be submitted to the Chief, Endangered Species Division, Office of Protected Resources, F/PR8, NMFS, 1315 East-West Highway, Silver Spring, MD 20910-3226, within 30 days of the publication of this notice. Those individuals requesting a hearing should set out the specific reasons why a hearing on this particular application would be appropriate. The holding of such hearing is at the discretion of the Assistant Administrator for Fisheries, NOAA. All statements and opinions contained in this application summary are those of the applicant and do not necessarily reflect the views of NMFS.

Documents submitted in connection with the above application are available for review by interested persons in the following offices by appointment:

Office of Protected Resources, NMFS, NOAA, 1315 East-West Highway, Silver Spring, MD 20910-3226 (301-713-1401); and

Environmental and Technical Services Division, NMFS, NOAA, 525

North East Oregon St., Suite 500, Portland, OR 97232 (503-230-5400).

Dated: March 3, 1995.

Patricia A. Montanio,

Acting Deputy Director, Office of Protected Resources, National Marine Fisheries Service.

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DEPARTMENT OF ENERGY

Bonneville Power Administration

Proposed Wholesale Power and Transmission Rates, Negotiated Pacific Northwest Coordinating Agreement Rates, and Transmission Terms and Conditions

AGENCY: Bonneville Power Administration (BPA), DOE.

ACTION: Availability of Wholesale Power and Transmission Rates, Pacific Northwest Coordinating Agreement Rates and Transmission Terms and Conditions.

SUMMARY: BPA File No: WP-95, TR-95, TC-95. On December 28, 1994, Bonneville Power Administration (BPA) published a Notice of Intent to Revise Transmission Rates, 59 FR 66946 and Notice of Intent to Revise Wholesale Power Rates, 59 FR 66947. Subsequently, BPA also published **Federal Register** Notices of Proposed Wholesale Power Rate Adjustment (60 FR 8496), Proposed Transmission Rate Adjustment (60 FR 8505), and Hearing and Opportunity for Public Comment Regarding Proposed Comparable Transmission Terms and Conditions (60 FR 8511). In those Notices, BPA stated that Wholesale Power and Transmission Rates, the Rates for the Pacific Northwest Coordinating Agreement, and the Transmission Terms and Conditions would be published separately.

DATES: The following schedule information is provided for informational purposes. BPA's proposed schedule, as well as a schedule for additional prehearing conferences will be published later. The final schedule will be established by the Hearing Officer at the Prehearing/Settlement conference on March 15, 1995.

March 15, 1995—Settlement Conference on Scheduling
October 29, 1996—Final Record of Decision published

BPA also will be conducting public field hearings. A field hearing schedule will be announced at the prehearing conference. A notice of the dates, times, and locations of the field hearings will be made later through a **Federal**

Register Notice, mailings and public advertising.

ADDRESSES: The date for written comments by participants must be received by June 16, 1995, to be considered in the Draft Record of Decision (ROD). Written comments should be submitted to the Manager, Corporate Communications—CK; Bonneville Power Administration; P.O. Box 12999; Portland, Oregon 97212.

FOR FURTHER INFORMATION CONTACT: Mr. Michael Hansen, Public Involvement and Information Specialist, at the address listed above, (503) 230-4328 or call toll-free 1-800-622-4519.

Information may also be obtained from: Mr. Steve Hickok; Group Vice President, Sales and Customer Service; P.O. Box 3621; Portland, OR 97232 (503-230-5356)

Mr. George Eskridge; Manager, SE Sales and Customer Service District; 1101 W. River, Suite 250; Boise, ID 83702 (208-334-9137)

Mr. Ken Hustad; Manager, NE Sales and Customer Service District; Crescent Court, Suite 500; 707 Main; Spokane, WA 99201 (509-353-2518)

Ms. Ruth Bennett; Manager, SW Sales and Customer Service District; 703 Broadway; Vancouver, WA 98660 (360-418-8600)

Ms. Marg Nelson; Manager, NW Sales and Customer Service District; 201 Queen Anne Ave. N., Suite 400; Seattle, WA 98109-1030 (206-216-4272)

Responsible Official: Mr. Geoff Moorman, Manager for Pricing, Marginal Cost and Ratemaking, is the official responsible for the development of BPA's rates. Mr. Dennis Metcalf, BPA Transmission Team Lead, is the official responsible for development of BPA's transmission terms and conditions.

SUPPLEMENTARY INFORMATION:

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- I. Introduction
- II. Charges Under the Amended and Integrated Pacific Northwest Coordination Agreement
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I. Introduction

The Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act) provides that BPA must establish and periodically review and revise its rates so that they are adequate to recover, in accordance with sound business principles, the costs associated with the acquisition, conservation, and transmission of electric power, and to recover the Federal investment in the Federal Columbia River Power System (FCRPS)

and other costs incurred by BPA. The Federal Power Act, as amended by the Energy Policy Act of 1992, provides that BPA may institute a regional hearing process on proposed transmission terms and conditions of general applicability.

BPA has determined that its initial power rate proposal should include a stable, 5-year rate for most, if not all, of its requirements service. BPA anticipates that the work necessary to assemble such a proposal will take until late March or early April of 1995. Since such a rate would cover the bulk of BPA's firm sales, its impact on BPA's overall proposal is fundamental. Thus, the information BPA is releasing now should be considered preliminary. Information in BPA's preliminary proposal concerning rate design, product definition and pricing, revenue requirement, and other matters should provide parties valuable information that will enable them to better assess BPA's initial proposal when it is released in late March or early April.

In the **Federal Register** notices published February 14, 1995 (60 FR 8497, 60 FR 8505, and 60 FR 8511), BPA stated that it would publish its preliminary proposed rate schedules in the **Federal Register**. However, due to the length of the preliminary proposed rate schedules and developments related to BPA's tiered rates proposal, the preliminary proposed Wholesale Power and Transmission Rate schedules will not be published in the **Federal Register**. They are available from BPA's Public Information Center. To request the preliminary proposed Wholesale Power and Transmission Rate Schedules, call BPA's document request line: (503) 230-3478 or call toll free 1-800-622-4520.

II. Charges Under the Amended and Integrated Pacific Northwest Coordination Agreement

All terms contained herein have the meaning accorded them in the Amended and Integrated Pacific Northwest Coordination Agreement.

A. Interchange Energy Imbalances

1. Initial Deliveries of Interchange Energy

$$\text{Energy Charge} = \frac{(\text{heat rate} * \text{fuel price})}{1,000} + \text{adder}$$

Heat rate=10,000 BTU/kWh

Fuel price=Average natural gas price at Sumas, Washington, in \$/MMBTU (dollars per million BTUs), as published in *Inside FERC*, for the

twelve months ending the immediately preceding June 30. Adder=4.75 mills/kWh, adjusted each August 1 beginning August 1, 1997, by the change in the Consumer Price Index (for all urban consumers as published by the Bureau of Labor Statistics) for Portland, Oregon, for the twelve-month period ending the immediately preceding June 30.

2. Return of Interchange Energy

The Energy Charge for return of Interchange Energy shall be the charge in effect for initial deliveries of Interchange Energy at the time the energy being delivered as Return of Interchange Energy was delivered as an initial delivery of Interchange Energy.

B. Interchange Energy Service Charge

1. No charge for energy returned between 7:00 a.m. and 10:00 p.m., Monday through Saturday.
2. 2.50 mills per kilowatthour of energy returned at other hours, unless such energy was supplied during such other hours, or its return during such other hours was requested, in either of which events there shall be no charge.

C. Interchange Capacity and Emergency Capacity Imbalances

\$2.00 per Kilowatt Week of Demand.

D. Transfers Due to Forced Outage

1. Transfer Due to Loss of Thermal Capability

The charge for Interchange Capacity Imbalances plus the greater of a) the charge for Interchange Energy Imbalances and b) the incremental costs of operating the resource used to supply the requested energy plus 4 mills per kilowatthour.

2. Transfer of Emergency Capacity

The charge for Emergency Capacity imbalances plus the greater of a) the charge for Interchange Energy Imbalances and b) the incremental costs of operating the resource used to supply the requested energy. In the event that BPA requires the receiving party to return the energy associated with the transfer of Emergency Capacity, only the charge for Emergency Capacity imbalances shall apply.

E. Holding Interchange Energy Service Charge

1. Basic Charge

2.00 mills per kilowatthour of Holding Interchange Energy on delivery to BPA and 1.50 mills per kilowatthour of Holding Interchange Energy on return from BPA (3.50 mills per kilowatthour

total). A loss of Holding Interchange Energy because of spill will result in a refund of 2.00 mills per kilowatthour of Holding Interchange Energy that is converted to Stored Energy and spilled.

2. Reshaping Charge

2.50 mills per kilowatthour of energy, applied in each hour during which the energy delivered or returned is less than the hourly average of energy delivered or returned during that day, to the difference between the daily hourly average of energy delivered or returned during that day and the amount of energy delivered or returned during such hour. The reshaping charge is in addition to the basic charge.

F. Stored Energy Service Charge

1. Charges Paid On Delivery Of Energy To A Reservoir Party

- a. 2.00 mills per kilowatthour of energy delivered to BPA on Light Load Hours.
- b. 1.00 mill per kilowatthour of energy delivered to BPA on Heavy Load Hours.
- c. No charge for energy delivered to BPA on Peak Load Hours.

2. Charges Paid On Return Of Energy Stored Less Than Two Weeks

- a. 1.00 mill per kilowatthour of energy returned from BPA on Light Load Hours.
- b. 3.50 mills per kilowatthour for energy returned from BPA on Heavy Load Hours.
- c. 5.00 mills per kilowatthour for energy returned from BPA on Peak Load Hours.

3. Charges Paid On Return Of Energy Stored For Two Weeks Or More

- a. No charge for energy returned from BPA on Light Load Hours.
- b. 2.50 mills per kilowatthour for energy returned from BPA on Heavy Load Hours.
- c. 4.00 mills per kilowatthour for energy returned from BPA on Peak Load Hours.

4. Charges Paid On Return Of Energy In Cases Of Imminent Spill

- a. No charge for energy returned from BPA on Light Load Hours.
- b. 2.50 mills per kilowatthour for energy returned from BPA on Heavy Load Hours.
- c. 2.50 mills per kilowatthour for energy returned from BPA on Peak Load Hours.

5. Refund Of Storage Charges In Cases Of Spill

In the event that stored energy is not returned to a party because of spill on

BPA's system, or in the event that BPA transfers the stored energy to another Reservoir Party to avoid spill and the transferred energy is later spilled, BPA will refund the charges paid under section F.1. in an amount equal to the the charges paid under such section, divided by the kilowatthours of energy delivered to BPA, multiplied by the kilowatt hours of stored energy that is spilled.

G. Transfers To Avoid Spill

1. No charge for stored energy transferred by a Reservoir Party to BPA in order to avoid spill.

2. The applicable Stored Energy Service charge shall apply in the event that BPA accepts the transfer of stored energy to avoid spill and then returns the stored energy to the original delivering party.

H. Transmission Service Charges

In any energy or capacity transaction that utilizes BPA transmission facilities where BPA acts solely as a transferor the following charges shall apply to both delivery and return of the energy, if applicable:

1. 1.60 mills per kilowatthour of Interchange Energy paid by the receiving party.

2. 1.75 mills per kilowatthour of Holding Interchange and Storage Energy paid by the party requesting the return.

3. No charge for In Lieu Energy, except when the supplying or receiving party requires BPA, under the terms of the PNCA, to provide transmission, in which case the charge shall be 2.00 mills per kilowatthour of In Lieu Energy paid by the party requiring BPA to provide such transmission.

4. 2.00 mills per kilowatthour of Provisional Energy paid by the Reservoir Party.

5. 2.00 mills per kilowatthour of energy associated with Interchange Capacity and FOR Capacity paid by the party requesting the delivery.

I. Special Storage Arrangements

1. Minimum Rate

a. 1.00 mills per kilowatthour for energy returned during Light Load Hours.

b. 3.00 mills per kilowatthour for energy returned at other hours.

2. Flexible Rate

The charges for special storage arrangements may be specified at a higher rate as mutually agreed between the party requesting the special storage arrangement and BPA.

III. Transmission Terms and Conditions

The following three comparable network transmission service tariffs are being released on a preliminary basis. They indicate how BPA would apply the three types of service tariffs developed by FERC's Litigation Staff to the BPA network. BPA and its customers are continuing their discussions aimed at mutual agreement on comparable network service which may be different from the following. BPA's will publish and submit its final comparable network service proposals pursuant to the schedule developed at the Prehearing/Settlement Conference.

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Proposed Network Integration Service Tariff

Bonneville will provide Network Integration Service to Eligible Customers pursuant to the terms and conditions of this Tariff.

1. Definitions

1.1 Annual Transmission Costs

The total annual cost of the Network Transmission System shall be the amount specified in the Network Integration Transmission Rate Schedule (NT-95) or its successor.

1.2 Application

A written request for Network Integration Service satisfying the provisions of this Tariff.

1.3 Bonneville Service Area

The area consisting of the States of Oregon, Washington, and Idaho; the portion of the State of Montana west of the Continental Divide, and such portions of the States of Nevada, Utah, and Wyoming as are within the Columbia River drainage basin; and any contiguous areas, not in excess of 75 air miles from the just described area, which are a part of the service area of a rural electric cooperative customer served by Bonneville on the effective date of this Tariff which has a distribution system from which it serves both within and without such area.

1.4 Commission

The Federal Energy Regulatory Commission (FERC) or any successor Federal agency having regulatory jurisdiction over this Tariff.

1.5 Control Area

The set of generating units, electrical loads, and transmission facilities managed and overseen by a utility that is responsible for matching its generation and loads on an instantaneous basis.

1.6 Control Area Services (or Ancillary Control Area Services)

Any functions, practices, or services required by North American Electric Reliability Council (NERC), Western Systems Coordinating Council (WSCC), Northwest Power Pool (NWPP), or Bonneville Reliability Criteria and Standards (BRCS) for the safe and reliable operation of a Control Area and the connection of loads and resources to a Control Area.

1.7 Customer

An Eligible Customer that has executed a Service Agreement for Network Integration Service pursuant to this Tariff.

1.8 Customer Electric System

The electric system operated by a Customer to serve its Network Load in accordance with the terms of this Agreement and applicable reliability and operating criteria.

1.9 Direct Assignment Facilities

Transmission facilities which are not an integral part of, and do not support, the Network Transmission System and that are constructed by Bonneville to satisfy an Application under this Tariff, the addition of a new Member System, or addition of a new Network Resource and the costs of which Bonneville may recover directly from the Customer as provided in the NT-95 Rate Schedule or its successor.

1.10 Effective Date

The date upon which the Parties execute a Service Agreement in accordance with the terms and conditions of this Tariff.

1.11 Eligible Customer

A private or public corporation, governmental agency or authority, joint action agency, municipality, rural electric membership corporation or cooperative, person, or any lawful association of the foregoing which engages in the generation, transmission or distribution of electric energy at wholesale or retail and which will rely upon Bonneville's Network Transmission System to integrate effectively its Network Load and Network Resources. Bonneville's direct service industrial customers on the effective date of this Tariff shall be considered Eligible Customers. Other than Bonneville's direct service industrial customers, an Eligible Customer shall not include any entity for which the Commission is prohibited under sections 212(g) and (h) of the Federal Power Act (FPA) from ordering the provision of transmission service. An entity shall be an Eligible Customer only to the extent that it requests service to integrate some or all of the Network Loads of Eligible Customer(s) and a comparable amount of resources that have been designated Network Resources of such Eligible Customer(s).

1.12 Facilities Study

An engineering study conducted by Bonneville to determine the required modifications to Bonneville's Transmission System, including the cost and scheduled completion date for such modifications, which may be required in order to provide a requested Network Integration Service, to add a new Network Customer, to add a new Member System, or to add a Network Resource.

1.13 Good Utility Practice

Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act, to the exclusion of all others, but rather to

be a range of acceptable practices, methods, or acts.

1.14 Load Ratio Share

Ratio of a Customer's Network Load to Bonneville total load computed in accordance with the NT-95 Rate Schedule or its successor.

1.15 Member System

An Eligible Customer operating as a part of a lawful combination, partnership, association, or joint action agency composed exclusively of Eligible Customers.

1.16 Native Load Customers

Those wholesale and direct service industrial power sales customers on whose behalf Bonneville, by statute or contract, has an obligation to plan, construct and operate its system to provide reliable electric service.

1.17 Network Load

The designated load of a Customer in Bonneville's Service Area, including the entire load of all Member Systems designated pursuant to section 6. A Customer's Network Load shall not be reduced to reflect any portion of such load served by the output of any generating facilities owned, or generation purchased, by the Customer or its Member Systems.

1.18 Network Operating Agreement

An agreement that provides the technical and engineering provisions necessary to establish and operate a Customer Control Area utilizing Bonneville's Network Transmission System.

1.19 Network Resources

Designated non-Federal resources used by a Customer to provide electric service to its Network Load consistent with reliability criteria generally accepted in the region. Network Resources shall include all owned and purchased Customer non-Federal generating resources that are located in the Bonneville Control Area or connected to the Electric System of such Customer or any Member System. A Customer also may designate as Network Resources any non-Federal generating resources (or portion thereof) located in another utility's Control Area and power purchased by the Customer from another utility and used to provide reliable service to Network Load. Network Resources shall not include that portion of the capacity of any such generating resource that is committed on a firm basis for sale to third parties.

1.20 Network Transmission System

The transmission facilities owned and/or operated by Bonneville excluding interties and generation integration facilities.

1.21 Network Upgrade

Upgrades to transmission facilities that are integrated with and support Bonneville's Network Transmission System and which are constructed by Bonneville to satisfy, at least in part, an Application, the addition of a new Member System, or the addition of a new Network Resource and the costs of which Bonneville may recover directly from the Customer as provided in the NT-95 Rate Schedule or its successor.

1.22 Opportunity Costs

Net loss of revenue or the net increase in generation cost caused by displacing one transaction with another when the transmission system is so constrained that both transactions cannot be handled at the same time. Opportunity costs do not include any loss of revenues resulting from competition or foregone revenues from purchase and resale transactions to serve other than Native Load Customer or Network Load.

1.23 Service Agreement

The initial agreement and amendments thereto between Bonneville and a Customer for Network Integration Service under this Tariff.

1.24 System Impact Study

An assessment by Bonneville of: (i) the adequacy of the Network Transmission System to accommodate a request for Network Integration Service; and/or (ii) the incremental new facilities or upgrades that would be needed by Bonneville in providing such service pursuant to the terms of this Tariff.

2. Nature of Network Integration Service

2.1 Scope of Service

Network Integration Service is a transmission service that allows Customers to efficiently and economically utilize their Network Resources and other generation resources to serve their Network Load located in Bonneville's Service Area. Network Integration Service requires the Customer to provide, or purchase from Bonneville, certain Ancillary Control Area Services. Bonneville will offer these Ancillary Control Area Services, pursuant to an appropriate service agreement, on a nondiscriminatory basis to any Customer required hereunder to purchase or provide such services as a precondition to receiving Network Service.

In the event that Bonneville provides a credit for the cost of certain Customer-owned transmission facilities pursuant to section 5.6, Bonneville shall be entitled to use such facilities, at no additional charge, to provide the same scope of services for its Native Load Customers and its Network Integration Service Customers, as those services made available to the Customer pursuant to this Tariff. In the absence of such a credit, Bonneville shall be entitled to such service pursuant to a FERC-approved tariff that provides service comparable to that which the Customer provides for its own load.

2.2 Firm Service

A Customer shall have the right to use this Tariff for the delivery of power from Network Resources to Network Loads on a basis that is comparable to Bonneville's use of its Network Transmission System to reliably serve its Native Load Customers. Except as otherwise provided in section 2.5, service over Bonneville's Network Transmission System for the delivery of power from Network Resources to Network Load shall have priority over all nonfirm uses of Bonneville's Network Transmission System by Bonneville or third parties.

2.3 Nonfirm Service

A Customer also may use this Tariff to deliver energy to its Network Loads from resources that have not been designated as Network Resources. Such deliveries shall be on a nonfirm basis, subject to available capacity, but on an equal basis with Bonneville's use of economy energy to service Native Load Customers, subject to section 2.5 below, and at no additional transmission charge. Curtailments of nonfirm service shall be governed by section 10 and shall be implemented on a nondiscriminatory basis among all other nonfirm uses of Bonneville's Network Transmission System, including Bonneville's nonfirm uses of the system, except where such service is displaced pursuant to section 2.5 below.

2.4 Restrictions on Use of Service

Network Integration Service shall not be used for: (i) wholesale sales of capacity or energy by the Customer or its Member Systems to third parties; or (ii) directly or indirectly providing transmission service by the Customer to third parties. An Eligible Customer may not receive service pursuant to more than one service agreement that applies this Tariff during any billing period.

2.5 Bonneville Right to Displace

Bonneville shall have the right to displace Customer Network Resources and nonfirm purchases, at a cost which keeps the Customer whole, in the event of a transmission bottleneck to the extent that such displacement reduces the bottleneck, if Bonneville finds it necessary in order to avoid spill on the Federal power system or on the systems of Network Integration Service Customers.

3. Availability of Network Integration Service

3.1 General Conditions

In accordance with the provisions of this Tariff, Network Integration Service shall be provided by Bonneville to allow a Customer to integrate, plan, economically dispatch, and regulate designated Network Resources to serve the Customer's consolidated Network Load, via Bonneville's Network Transmission System, as a single Control Area in the same manner that Bonneville performs those functions for Bonneville's Native Load Customers.

3.2 Control Area Requirement

As a condition of obtaining Network Integration Service, the Customer shall: (i) operate as a Control Area under applicable guidelines of the NERC, the WSCC, the NWPP, and BRCS; or (ii) satisfy its responsibility to be operated as a Control Area by contract with Bonneville; or (iii) by contract with another entity which Bonneville accepts as sufficient to satisfy NERC, WSCC, NWPP, and BRCS requirements. Bonneville shall not unreasonably refuse to accept contractual arrangements with another entity for such service.

3.3 Bonneville Responsibilities

Bonneville shall plan, construct, operate, and maintain its Network Transmission System in accordance with Good Utility Practice in order to provide the Customer with Network Integration Service within and across Bonneville's Control Area in accordance with this Tariff. Bonneville shall include the Customer's Network Load in its transmission system planning and shall, consistent with Good Utility Practice, endeavor to construct and place into service sufficient transmission capacity to deliver the Customer's Network Resources to serve Network Load on a basis comparable to Bonneville's delivery of its own generating and purchased resources to Bonneville's Native Load Customers. If the Customer meets its Control Area responsibilities without placing its

loads and resources in Bonneville's Control Area, power scheduling will be provided consistent with normal utility practices for scheduling power between Control Areas.

3.4 Customer Redispatch Obligation

As a condition of receiving Network Integration Service, a Customer agrees to redispatch its Network and other resources as requested by Bonneville to create additional firm transmission capacity on Bonneville's Network Transmission System to allow Bonneville to provide new firm transmission service. Whenever a Customer redispatches its Network and other resources pursuant to this section it shall be compensated by Bonneville for the Opportunity Costs it incurs. To the extent practicable, the redispatch of resources pursuant to this section shall be on a least cost, nondiscriminatory basis as between all Network Integration Customers and Bonneville. The Customer shall be compensated for redispatching resources pursuant to the NT Rate Schedule or its successor.

4. Initiating Service

4.1 Conditions Precedent for Receiving Service

Subject to the terms and conditions of this Tariff, Bonneville shall provide Network Integration Service within Bonneville's Service Area to any Eligible Customer, provided that: (i) the Eligible Customer has completed an Application for Network Integration Service as provided under this Tariff; (ii) the Eligible Customer and Bonneville have completed the technical arrangements set forth in section 4.6 below; and (iii) the Eligible Customer has executed a Service Agreement.

4.2 Application Procedures

An Eligible Customer requesting service under this Tariff must submit a written Application to: Bonneville Power Administration, Attention: Manager, Transmission Business, P.O. Box 3621; Portland, Oregon, 97208-3621 as far as possible in advance of the calendar month in which service is to commence. A completed Application shall provide all of the following information:

- (i) The identity, address, and telephone number of the party requesting service and of the party's designated contact person.
- (ii) A statement that the party requesting service is, or will be upon commencement of service, an Eligible Customer under this Tariff.
- (iii) A description of the Network Load (subdivided into the load of any

Member Systems whose loads are designated as Network Load). This description should separately identify and provide the Eligible Customer's best estimate of the total loads to be served at each transmission voltage level, and the loads to be served from each Bonneville substation at the same transmission voltage level. The description should include a 10-year forecast of summer and winter load and resource requirements beginning with the first year after the Effective Date.

(iv) The amount and location of any interruptible loads included in the Network load. This shall include the summer and winter capacity requirements for each interruptible load (had such load not been curtailed), that portion of the load subject to curtailment, the conditions under which a curtailment can be implemented and any limitations of the amount and frequency of curtailments. An Eligible Customer should identify the amount of curtailed customer load (if any) included in the 10-year load forecast provided in response to (iii) above.

(v) A description of Network Resources (current and 10-year projection), which shall include, for each Network Resource: Data on the Eligible Customer's Network Resource characteristics in an appropriate dynamic data format (PSS/E or WSCC). Unit size and amount of capacity from that unit to be designated as Network Resource:

- Var capability of all generators
- Operating restrictions
- Any periods of restricted operations throughout the year
- Minimum loading level of unit
- Normal operating level of unit
- Any must-run unit designations required for system reliability or contract reasons
- Approximate variable generating cost (\$/megawatthour) for redispatch computations.
- Arrangements governing sale and delivery of power to third parties from generating facilities located in the Bonneville control area, where only a portion of unit output is designated as a Network Resource.
- Description of purchased power designated as a Network Resource, including source of supply, Control Area location, transmission arrangements, and delivery point(s) to the Bonneville Network Transmission System.

(vi) Description of Eligible Customer's Transmission System:

- Data on the Eligible Customer's transmission system characteristics in an appropriate load flow format (PSS/E, or WSCC).

- Description of all lines and transformers operated at 50 kilovolt and higher
- Operating restrictions needed for reliability
- Operating guides employed by system operators
- Contractual restrictions or committed uses of the Eligible Customer's Transmission System, other than the Eligible Customer's Network Loads and Resources
- Location of Network Resources described in section 4.2(v)
- Ten (10)-year projection of system expansions or upgrades
- Transmission system maps that include any proposed expansions or upgrades
- Thermal ratings of Eligible Customer's Control Area transmission facilities

(vii) Service commencement date and the term of the requested Network Integration Service:

If an Application fails to meet the requirements of this Tariff, Bonneville shall notify the Eligible Customer requesting service within 10 days of receipt and specify the reasons for such failure. Whenever possible Bonneville shall attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer.

4.3 Insufficient Capacity

In the event that there is insufficient capacity to initially meet the request, Bonneville shall offer, at Customer's expense, to make sufficient capacity available through construction, redispatch or by otherwise rearranging its own use of the Network Transmission System.

4.4 Direct Assignment Facilities

At the Customer's request, when required to make deliveries hereunder, Bonneville shall also provide Direct Assignment Facilities provided that the Customer agrees to pay for such Direct Assignment Facilities. The Customer shall pay Bonneville for such facilities in accordance with the applicable rate schedule.

4.5 Queue Priority

Applications for Network Integration Service or requests to add service for new Network Resources or new Member Systems, along with applications for other Bonneville firm transmission services, will be assigned a priority according to the date on which the application is received, with the earliest application receiving the highest priority.

4.6 Technical Arrangements to be Completed Prior to Commencement of Service

Service under this Tariff shall not commence until Bonneville and the Customer, or a third party which has contracted to provide Control Area Services, have installed all metering facilities, remote terminal units, communications equipment, and associated equipment necessary to ensure that the Customer's Network Loads and Network Resources operate in a Control Area that is consistent with NERC, WSCC, NWPP, and BRCS guidelines and any additional requirements reasonably and consistently imposed to ensure the reliable operation of the Network Transmission System. Bonneville shall exercise reasonable efforts, in coordination with the Customer, to complete such arrangements as soon as practical after the Effective Date.

4.7 Customer Facilities

Bonneville's provision of Network Integration Service shall be conditioned upon the Customer's constructing, maintaining, and operating the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from the Network Transmission System to the Customer and/or its Member Systems. The Customer shall be solely responsible for constructing and/or installing and operating any incremental facilities on the Customer's side of each such interconnection point.

4.8 Termination of Service

A Customer may terminate service under this Tariff no earlier than 2 years after providing Bonneville with written notice of the Customer's intention to terminate. A Customer's provision of notice to terminate service under this Tariff shall not relieve the Customer of its obligation to pay Bonneville any rates, charges, or fees, including charges related to the construction of incremental facilities, for service previously provided under the applicable Service Agreement or the Network Operating Agreement, and which are owed to Bonneville as of the date of termination.

5. Network Resources

5.1 Designation of Network Resources

All of the owned and/or purchased resources that were serving such Customer's or its Member Systems' Network Loads under firm agreements entered into on or before the Effective Date shall be designated as Network Resources as of the Effective Date. A

Customer may terminate the designation of a generating resource located within Bonneville's or the Customer's Control Area as a Network Resource if the Customer provides 30 days' written notification to Bonneville that the terminated resource will not be operated to serve any portion of the Customer's Network Load for the time period that such resource is not designated as a Network Resource. The Customer may later redesignate the resource as a Network Resource in accordance with the provision of section 5.4. The Customer also may terminate the designation of all or part of a generating resource not located within the Control Area of Bonneville or the Customer as a Network Resource upon 30 days' notice to Bonneville. If the Customer has committed to make a firm system sale (to a third party) using a portion of the capacity of more than one Network Resource, Bonneville will treat each Network Resource as making a representative portion of such capacity sale based on the likely loadings of each generating resource that will occur under representative system conditions (e.g., off-peak and on-peak).

5.2 Operation of Network Resources

A Customer shall not operate any of its generating facilities located in the Customer's or Bonneville's Control Areas such that the output of those facilities exceeds the sum of: (i) the capacity from those facilities that have been designated as Network Resources plus; (ii) the amount of power from those facilities scheduled for delivery to a third party. When a Customer sells power or energy from a Network Resource located within Bonneville's Control Area, the Customer shall arrange transmission service under the applicable Bonneville Transmission Service Tariff.

5.3 Transmission Arrangements for Network Resources Located Outside the Bonneville Control Area

It shall be the Customer's responsibility to make any transmission arrangements necessary for delivery of power produced from a Network Resource located outside the Bonneville Control Area to the Network Transmission System. If a Customer designates as a Network Resource less than the full amount of the maximum net dependable capability of a generating resource located within the Control Area of another utility, the Customer may request Bonneville to supply other transmission service for that portion of the maximum net dependable capability of the generating

resource which is not designated as a Network Resource.

5.4 Designation of New Network Resources

A Customer may request the designation of a new Network Resource by providing Bonneville with as much advance written notice as practicable, but not less than 60 days. Bonneville must satisfy the requirements of applicable environmental statutes prior to committing to the additional service. In determining whether the Customer has provided sufficient notice for Bonneville to provide firm service from a newly designated Network Resource, Bonneville shall apply the same standards as it would apply to its own newly designated resources. Where a Customer proposes to substitute a new Network Resource for an existing Network Resource, Bonneville shall not unreasonably withhold agreement where agreement would impose no economic, technical, or unacceptable environmental burdens on Bonneville. To the extent insufficient notice is provided for Bonneville to construct transmission facilities or upgrades determined in accordance with section 7 as necessary for delivery of a new Network Resource to the Customer's Network Load, Bonneville shall not be obligated to deliver power from such Network Resource pursuant to this Tariff until all needed facilities or upgrades are completed and all environmental responsibilities have been satisfied. Notice of a Customer's intent to designate a new Network Resource shall include sufficient engineering, and technical information to permit Bonneville to perform a System Impact Study addressing the transmission requirements associated with delivery of such new Network Resource to the Customer's Network Load as set forth in section 4.2.

5.5 Reserve Margin Limitation on Designation of Network Resources

A Customer shall designate an amount (in MW) of Network Resources that enables the Customer to operate the Customer Control Area with an installed reserve margin not to exceed 25 percent of the Customer's reasonably forecasted consolidated Network Load. Once the designation of a Network Resource becomes effective, the Customer shall not be penalized if reasonably forecasted loads do not materialize. A Customer may designate a new Network Resource that would cause it to exceed the reserve margin limitation so long as the addition of such resource would be consistent with the Customer's obligations to serve its Network Load in

accordance with Good Utility Practice and the Customer reasonably forecasts that its projected installed reserve margin will be in compliance with this reserve criterion within 3 years of the date on which such new Network Resource becomes operational.

Bonneville shall provide an exemption from the 25 percent reserve margin limitation if the Customer demonstrates that it must maintain a higher level of reserves to operate reliably under NERC, WSCC, NWPP, and BRCS guidelines and that it has undertaken reasonable efforts to procure coordination services (such as reserve sharing) that would reduce its required level of reserves. If an exemption applies, the Customer may designate an amount of Network Resources equal to the amount necessary to operate reliably under the above referenced guidelines.

Bonneville is subject to the above referenced requirements in determining the resources it needs to operate reliably. Bonneville may not maintain a reserve margin in excess of that permitted any Network Customer under this Tariff. Each year, Bonneville submits to WSCC a 10-year resource plan indicating the generating resources Bonneville will use to operate reliably under regional and national reliability standards. This plan shall be made available to the Customer upon request.

5.6 Customer Owned Transmission Facilities

The Customer will be entitled to receive a Customer Facilities Credit as defined in the NT-95 Rate Schedule or its successors if transmission facilities as described in such rate schedule are made available for use under this Tariff.

6. Designation of Member Systems for Customers Receiving Network Integration Service

6.1 Member Systems

A Customer may designate the individual Member Systems that will be included in the Customer Control Area and on whose behalf Bonneville shall provide Network Integration Service. The Member Systems as of the Effective Date shall be specified in the Service Agreement.

6.2 New Member Systems Connected With Bonneville

A Customer shall provide Bonneville with as much written notice as reasonably practicable of the designation of additional entities that will be added to its Control Area as new Member Systems. Bonneville shall provide Network Integration Service for any such new Member System,

provided that: (i) Bonneville reasonably determines in accordance with section 7 that the Network Transmission System can reliably accommodate such new Member System; and (ii) the Customer agrees to pay the costs of any incremental transmission facilities upgrades that Bonneville reasonably determines must be installed to interconnect reliably such new Member System with the Bonneville Network Transmission System. The engineering and technical specifications for any such new interconnection shall be set forth in an amendment to the Service Agreement under the Tariff. Until such incremental facilities are completed, Bonneville shall agree to provide Network Integration Service out of existing transmission capacity, pursuant to the prioritization described in section 4.5 above, to the extent such service would not impair the reliability of service to Native Load Customers, firm transmission service customers, and other Network Service Customers. In addition if the Customer so elects, to the extent the requested service can be provided in whole or in part by redispatching the system, the Customer shall be assigned the incremental costs caused by the redispatch.

6.3 New Member Systems Not Connected with Bonneville

To the extent that a Customer desires to obtain transmission service for a Member System that is not connected to the Network Transmission System, the Customer shall have the option of: (i) electing to include such Member System in the Customer Control Area by including the entire load of that Member System as Network Load for all purposes under this Tariff and designating Network Resources in connection with such additional Network Load; or (ii) excluding the load of that Member System from its Network Load and purchasing Point-to-Point Transmission for power transfers between the Customer's Control Area and the new Member System not connected to Bonneville's system. Transmission across third-party systems is not covered by this Tariff. To the extent that a Customer gives notice of its intent to add a new Member System pursuant to this section and sufficient capacity is not available on the Network Transmission System to provide the requested service pursuant to the prioritization described in section 4.5 above, without impairing reliability to Bonneville's Native Load Customers and other firm uses of the system, the Customer shall be charged for the cost of any incremental facilities determined necessary by Bonneville to provide

Network Integration Service. In addition, if the Customer so elects, to the extent the requested service can be provided in whole or in part by redispatching the system, the Customer shall be assigned the incremental costs caused by the redispatch. Bonneville shall be responsible for the cost of any incremental facilities or system redispatch costs associated with adding new resources to serve its Native Load Customers, as provided in section 7.

6.4 New Interconnection Points

To the extent a Customer desires to add a newly constructed interconnection point between the Network Transmission System and a Member System, the Customer shall provide Bonneville with as much written notice as reasonably practicable; however, Bonneville shall not be obligated to provide additional service with respect to such interconnection point until such new interconnection is established. Bonneville shall add such new interconnection point provided that Bonneville reasonably determines that the Bonneville Network Transmission System can reliably accommodate such new interconnection point. The Customer shall be responsible for the costs of any incremental facilities associated with such new interconnection. The engineering and technical specifications for such new interconnection point shall be set forth in a separate interconnection agreement to be negotiated by the Parties.

7. Transmission Facilities or Upgrades Related to Designation of New Network Resources and Member System

7.1 System Impact Study

Once a Customer provides Bonneville with notice of its intent to designate a new Network Resource pursuant to section 5.4 or a new Member System pursuant to section 6, Bonneville and the Customer shall execute an agreement under which Bonneville shall perform a System Impact Study to determine the incremental transmission facilities, if any, attributable to integrating such new Network Resource or new Member System into Bonneville's Network Transmission System. In performing the System Impact Study, Bonneville shall apply the same methods and criteria that it employs in integrating new owned or purchased resources acquired by Bonneville to serve Bonneville's Native Load Customers. Bonneville shall complete the System Impact Study within 60 days or will provide the Customer a written explanation of when

the study will be completed and the reasons for the delay. A Customer shall be responsible for the cost of the System Impact Study and shall be provided with the results thereof, including relevant workpapers.

7.2 Facilities Study

Based on the results of the System Impact Study, Bonneville also may perform, pursuant to a separate agreement with the Customer, a Facilities Study addressing the detailed engineering, design, and cost of incremental transmission facilities. The Facilities Study shall be completed as soon as reasonably practicable and will be used by Bonneville to provide the Customer with an estimate of the cost for constructing incremental facilities. The Customer shall be responsible for the costs of the Facilities Study and shall be provided with the results thereof, including relevant workpapers. Bonneville shall be responsible for the costs of any Facilities Study undertaken to determine the costs of adding incremental facilities associated with Bonneville's addition of new owned or purchased resources used to serve Bonneville's load.

7.3 Due Diligence

Bonneville shall use due diligence to install any transmission facilities required to integrate a new Network Resource or to interconnect a new Member System designated by the Customer in accordance with section 6.3.

7.4 Incremental Transmission Costs Associated With Adding New Network Resources and New Member Systems

After the Effective Date, Customer and Bonneville each shall be responsible for the incremental transmission facility costs associated with integration of new Network Resources, new Member Systems and new Native Load Customers. The costs of any such incremental facilities directly assigned to Bonneville or the Customer shall not be included in the calculation of Bonneville's Annual Transmission Costs. The costs of such facilities shall be determined in a formal Bonneville rate hearing pursuant to section 7(i) of the Northwest Power Act. Any incremental facilities costs assigned to the Customer shall be reflected in an amendment to the Service Agreement.

7.5 Changes in Service Requests

Under no circumstances shall a Customer's decision to cancel or delay the addition of a new Network Resource and/or designation of a new Member System in any way reduce or relieve the

Customer's obligation to pay the costs of any incremental facilities constructed by Bonneville and charged to the Customer pursuant to this section; provided, however, that upon receipt of a Customer's written notice of such a cancellation or delay, Bonneville shall use the same reasonable efforts to mitigate the costs and charges owed to Bonneville as it would to reduce its own costs and charges.

7.6 Annual Load and Resource Information Updates

A Customer shall provide Bonneville with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Service under this Tariff. The Customer also shall provide Bonneville with timely written notice of material changes in any other information provided in its Application relating to the Customer's Network Load, Network Resources, its transmission system, or other aspects of its facilities or operations affecting Bonneville's ability to provide reliable service under this Tariff.

8. Ancillary Services

A customer may purchase the ancillary services necessary for prudent utility operations from Bonneville or from another supplier where the purchase is technically feasible and consistent with NERC and WSCC requirements.

9. Transmission Losses

Transmission losses shall be determined on the basis of average estimated system losses. The Customer shall compensate Bonneville for losses by either providing additional energy for losses associated with service pursuant to this Tariff or by buying losses from Bonneville in accordance with Bonneville's Firm Power Products and Services Rate Schedule or its successor.

10. Curtailments

10.1 System Reliability

Notwithstanding any other provisions of this Tariff, Bonneville reserves the right, consistent with Good Utility Practice to curtail Network Integration Service, without liability on Bonneville's part, to make necessary adjustments to, changes in, or repairs on its lines, substations, and facilities, and in cases where the continuance of Network Integration Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on the Bonneville system or on any other system(s) directly or

indirectly interconnected with the Bonneville system, Bonneville, consistent with Good Utility Practice, also may curtail Network Integration Service in order to: (i) limit the extent or damage of the adverse condition(s) or disturbance(s); (ii) prevent damage to generating or transmission facilities; or (iii) expedite restoration of service. Bonneville shall give Customers as much advance notice as is practicable in the event of such curtailments. Any curtailments of Network Integration Service will be not unduly discriminatory relative to Bonneville's use of the Network Transmission System on behalf of its Native Load Customers.

10.2 Transmission Constraints

During any period when Bonneville determines that a transmission constraint exists on the Network Transmission System, and such constraint may impair the reliability of the Bonneville system, Bonneville shall take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of the Bonneville system and to avoid curtailment of service. To the extent Bonneville determines that the reliability of the Network Transmission System can be maintained by redispatching resources (including reductions in off-system purchases and sales), Bonneville shall initiate procedures pursuant to the Network Operating Agreement or pursuant to provisions in individual service agreements to redispatch Bonneville's and its Customers' resources on a least-cost basis without regard to the ownership of such resources. To the extent and for the duration that it is determined necessary to relieve a transmission constraint to reliably serve Bonneville Native Load Customers and a Customer's Network Load, Bonneville and its Customers shall be required to redispatch their resources (including reducing purchases and sales), in accordance with the least-cost redispatch procedures implemented by Bonneville pursuant to the Network Operating Agreement or other agreement. Any redispatch under this section shall not be unduly discriminatory as between Bonneville and its Customers. To the extent reasonable, practicable, and consistent with Good Utility Practice, Bonneville shall curtail, on a pro rata basis, all similarly situated uses (e.g., nonfirm uses would be curtailed first, and then firm uses) that are affected by the emergency.

10.3 Cost Responsibility for Relieving Capacity Constraints

Whenever Bonneville implements least-cost redispatch procedures to relieve a capacity constraint, Bonneville shall determine the total Opportunity Cost impact of such procedures. Bonneville and its Customers shall each bear a proportionate share of the total redispatch cost impact based on the then-current Load Ratio Shares or as otherwise agreed.

10.4 Load Curtailments

To the extent that a transmission constraint on the Bonneville transmission system cannot be relieved through the implementation of least-cost redispatch procedures and Bonneville determines that it is necessary for Bonneville and the Customer to curtail load, the parties shall curtail such load as discussed below.

10.5 Curtailment Procedures

Prior to the Effective Date, and as a precondition to the commencement of service hereunder, Bonneville and the Customer shall discuss emergency programs for the curtailment of loads with the objective of relieving loadings on the Network Transmission System. The parties shall implement such agreed programs during any period when Bonneville determines that a transmission capacity constraint exists and such curtailment of loads is necessary to alleviate such constraint.

10.6 Curtailment Allocations

To the extent practicable and consistent with Good Utility Practice, any curtailment shall be shared by Bonneville and its Customers. Bonneville shall not direct a Customer to curtail load to an extent greater than Bonneville would curtail Bonneville's Native Load Customers under similar circumstances. A Customer's failure to implement such emergency load curtailment programs may be deemed by the Bonneville to be a default under the service agreements that apply this Tariff.

11. Rates and Charges

The Customer shall pay for services provided under this Tariff as provided in rates determined in a formal Bonneville rate hearing pursuant to section 7(i) of the Northwest Power Act.

12. Billing and Payment

Billing and payment provisions identified in Bonneville's General Rate Schedule Provisions or successor shall be applicable.

13. Booking of Costs Attributable to Bonneville

Bonneville and the Customer shall keep such records as may be needed to afford a clear history of all transactions under this Tariff. The originals of all such records shall be retained for a minimum of 2 years plus the current year (or such longer period as may be required by any regulatory commission having jurisdiction, and copies shall be delivered to the other party on request.

14. Indemnification and Liability

14.1 Western Interconnected Systems Agreement

If a Customer is a party to the Western Interconnected Systems Agreement Limiting Liability, such agreement shall continue in full force and effect as between the parties to the extent that such provisions may apply to the transactions contemplated by this Tariff.

14.2 No Western Interconnected Systems Agreement

If a Customer is not a party to the Western Interconnected Systems Agreement Limiting Liability, and there is no other agreement between Bonneville and the Customer governing liability and indemnification between them, then additional provisions for the protection of electric generation and transmission facilities liability and indemnification may be required. Such additional provisions shall be set forth in the Service Agreement.

14.3 Uncontrollable Forces

Bonneville shall not be liable for any claim of damage attributable to any interruption or reduction of service due to any uncontrollable force.

15. Regulatory Filings

Nothing contained in this Tariff or any Service Agreement shall be construed as affecting in any way the right of Bonneville to unilaterally make application to the Commission for a change in rates or charges.

Nothing contained in this Tariff or any associated Service Agreement shall be construed as affecting in any way the ability of any Customer receiving Network Integration Service under the Tariff to exercise its rights under the FPA or any successor statute and pursuant to the Commission's rules and regulations promulgated thereunder.

16. Operating Arrangements

16.1 Operation of the Customer Control Area

A Customer shall plan, construct, operate, and maintain the Customer Control Area in accordance with Good

Utility Practice, which shall include, but not be limited to, all applicable NERC and WSCC guidelines, or become part of Bonneville's Control Area or the Control Area of another utility whose Control Area meets WSCC and NERC guidelines.

16.2 Network Operating Agreement

The terms and conditions under which the Customer shall operate the Customer Control Area and the technical and operational matters associated with the implementation of this Tariff shall be specified in a separate Network Operating Agreement. The Network Operating Agreement shall provide for the Parties to: (i) operate and maintain equipment necessary for incorporating the Customer Control Area within the Bonneville transmission system (including, but not limited to, remote terminal units, metering, communication equipment, and relaying equipment); (ii) transfer data between control centers (including, but not limited to, heat rates and operational characteristics of Network Resources, generation schedules for units outside Bonneville's transmission system, interchange schedules, unit outputs for dispatches required under section 10, voltage schedules, loss penalty factors, and other real-time data; (iii) design and implement software programs required for data links and constraint dispatching; (iv) exchange data on forecasted loads and resources necessary for long-term planning; and (v) address any other technical and operational considerations required for implementation of this Tariff.

17. Network Operating Committee

If needed, a Network Operating Committee (Committee) shall be established to coordinate operating criteria for the Parties' respective responsibilities under this Tariff including: (i) standards for the design, operation, and maintenance of the facilities necessary to integrate Customer Electric Systems with Bonneville's Transmission System (including, but not limited to, remote terminal units, metering, communications equipment, and relaying equipment); (ii) information transfers between control centers (including, but not limited to, operational characteristics of Network Resources, generation schedules for units outside Bonneville's Transmission System, interchange schedules, unit outputs for dispatch, voltage schedules, loss penalty factors, and other real-time data); (iii) Software programs required for data links and constraint dispatching; (iv) information required

for long-term planning; (v) load curtailment procedures in the event of transmission constraints or system emergencies; (vi) least-cost redispatch procedures; and (vii) other technical and operational considerations required for implementation of this Tariff. Each Customer and Bonneville shall have at least one representative on the Committee. The Committee may establish such subcommittees as it deems necessary to carry out its functions. The Committee shall meet from time to time as need requires, but no less than once each calendar year, unless other arrangements are mutually agreed upon.

18. Procedures to Resolve Transmission Complaints

Any complaint arising concerning implementation of this Tariff may be resolved, at the Customer's discretion, by either:

(a) A voluntary dispute resolution process, which may include mediation or arbitration or both, pursuant to the terms of a regional transmission association governing agreement, or such other dispute resolution rules as may be agreed to by Bonneville and the Customer; or

(b) A transmission complaint filed with the Commission.

19. Creditworthiness

For the purpose of determining the ability of the Customer to meet its obligations related to service hereunder, Bonneville may require reasonable credit review procedures which may include, but shall not be limited to, verification that the Customer is not operating under any State or Federal bankruptcy laws, is not subject to the uncertainty of pending liquidation or regulatory proceedings in State or Federal courts, and no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the Customer's ability, in Bonneville's determination, to remain solvent. This determination shall be made in accordance with standard commercial practices. In addition, Bonneville may require the Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under this Tariff or an alternative form of security proposed by the Customer and acceptable to Bonneville that protects Bonneville against the risk of nonpayment. Any disputes over the terms of such security arrangements

shall be subject to the arbitration provisions of this Tariff.

Proposed Bonneville Power Administration Point-to-Point (PTP) Firm Network Transmission Service Tariff

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Bonneville Power Administration Point-to-Point (PTP) Firm Network Transmission Service Tariff

The Bonneville Power Administration (Bonneville) will provide Point-to-Point (PTP) Firm Network Transmission Service to Eligible Customers pursuant to the terms and conditions of this Tariff.

1. Definitions

1.1 Applicant

An Eligible Customer who submits a completed Application.

1.2 Application

A written request by an Eligible Customer for PTP Firm Network Transmission Service submitted to Bonneville which satisfies the provisions of this Tariff, including provisions of section 5.2.

1.3 Commission

The Federal Energy Regulatory Commission or its successor.

1.4 Control Area

The set of generating units, electrical loads, and transmission facilities managed and overseen by a utility that is responsible for matching generation with such loads on an instantaneous basis.

1.5 Customer

An Eligible Customer that has executed a Service Agreement for Network PTP Transmission Service pursuant to this Tariff or is receiving service under a proposed Service Agreement.

1.6 Delivering Party

The entity supplying the electric energy to be transmitted over Bonneville's Network PTP Transmission System Facilities.

1.7 Direct Assignment Facilities

Transmission facilities which are not an integral part of, and do not support, Bonneville's Network PTP Transmission System Facilities and that are constructed by Bonneville to satisfy an Application under this Tariff, and whose costs Bonneville may recover directly from the Customer as provided in the PTP Firm Network Transmission rate schedules (PT-95), or its successor.

1.8 Effective Date

The date upon which Bonneville and an Eligible Customer execute a Service Agreement in accordance with the terms and conditions of this Tariff.

1.9 Eligible Customer

A private or public corporation, governmental agency or authority, joint action agency, municipality, rural electric membership corporation or cooperative, person, or any lawful association of the foregoing, which engages in the generation, transmission, or distribution of electric energy at wholesale or retail and which will rely on Bonneville's Network PTP Transmission System Facilities to transmit power from a control area or resource to another control area for the purpose of satisfying the commercial transmission needs of the customer. Bonneville's direct service industrial

customers on the effective date of this Tariff shall be considered Eligible Customers. Other than Bonneville's direct service industrial customers, and Eligible Customer shall not include any entity for which the Commission is prohibited under Sections 212 (g) and (h) of the Federal Power Act (FPA) from ordering the provision of transmission service. A power marketing entity (marketer) will be considered to be an Eligible Customer only to the extent that it requests service to deliver capacity or energy that will be purchased by an Eligible Customer.

1.10 Good Utility Practice

Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision is made, could have been expected to produce the desired result at the lowest cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be a range of acceptable practices, methods, or acts.

1.11 Incremental Cost

The increase in Network PTP Transmission System Facilities revenue requirements incurred by Bonneville in providing the Customer's share of Network Upgrades which are required to provide Network Transmission Service as determined in a separate ratemaking process pursuant to Section 7(i) of the Northwest Power Act (16 U.S.C. § 839e(i)).

1.12 Native Load Customers

Those wholesale and direct service industrial power sale customers, other than Network Integration Service Customers, on whose behalf Bonneville, by statute, or contract, has undertaken an obligation to plan, construct, and operate its electric system to provide reliable electric service.

1.13 Network PTP Transmission System Facilities

The Integrated Network segment of the Federal Columbia River Transmission System operated by Bonneville.

1.14 Network PTP Transmission Service

Firm transmission service provided pursuant to this Tariff and an executed Service Agreement at 60 hertz,

alternating current, three phase, over the Network PTP Transmission System Facilities.

1.15 Network Upgrade

Upgrades to transmission-facilities that are integrated with and support the Network PTP Transmission System Facilities and are constructed by Bonneville to satisfy, at least in part, an Application.

1.16 Opportunity Costs

Net loss of revenue or the net increase in generation cost caused by displacing one transaction with another when the transmission system is so constrained that both transactions cannot be handled at the same time. Opportunity costs do not include any loss of revenue resulting from competition, or foregone revenues from purchase and resale transactions to serve other than Native Load Customers or Network Load, or foregone revenues from purchase and resale transactions.

1.17 Point(s) of Delivery

Point(s) on Bonneville's Network PTP Transmission Facilities where Bonneville is interconnected with the Receiving Party or the Receiving Party's authorized agent and where Bonneville can deliver power transmitted pursuant to a Service Agreement.

1.18 Point(s) of Interconnection

Point(s) on Bonneville's Network PTP Transmission System Facilities where Bonneville is interconnected with the Delivering Party or the Delivering Party's authorized agent and where Bonneville can receive power transmitted pursuant to a Service Agreement.

1.19 Receiving Party

The entity receiving the electric energy to be transmitted over Bonneville's Network PTP Transmission System Facilities.

1.20 Reservation Charge

The charge the Customer must pay to reserve capacity for future use as described in the Point-to-Point (PT-95) Transmission Rate or its successor in Appendix A.

1.21 Service Agreement

The initial agreement and any supplements or amendments thereto entered into by the Customer and Bonneville in order to initiate service under this Tariff.

1.22 Study Agreement

An agreement under which Bonneville would agree to conduct a

System Impact Study, and the Customer would agree to compensate Bonneville in advance for the cost of conducting the System Impact Study.

1.23 System Impact Study

An assessment by Bonneville to determine whether sufficient transmission capacity exists to provide the requested transmission service initially and for the term of the request. The assessment study results shall include the cost, environmental review, and scheduled completion date for such modifications, which may be determined to be required in order to provide a requested Network PTP Transmission Service.

1.24 Transmission Demand

The maximum hourly amount of electric power that Bonneville agrees to transmit for the Customer over Bonneville's Network PTP Transmission System Facilities between the Point(s) of Interconnection and the Point(s) of Delivery. Transmission Demand shall be expressed in terms of whole megawatts on a 60-minute interval (commencing on the clock-hour) basis.

2. Character and Availability of Service

2.1 Nature of Service

PTP Firm Network Transmission Service is a service that permits Eligible Customers to serve Customer load or transactions with third parties. The service provides firm transmission capacity to Eligible Customers from one control area to another through Points of Interconnection and Points of Delivery. This service also permits nonfirm wheeling through "Secondary" Points of Interconnection and Delivery.

2.2 Term of Service

PTP Firm Network Transmission Service is available for a minimum of 1 month.

2.3 Service Agreement Requirements

A Service Agreement must be executed prior to the commencement of service under this Tariff except as provided in section 13.4.

2.4 Control Area Requirements

As a condition to obtaining Network PTP Transmission Service, the Customer shall: (i) operate as a Control Area under applicable guidelines of the North American Electric Reliability Council (NERC), the Western Systems Coordinating Council (WSCC) the Western Systems Coordinating Council (WSCC), and the Northwest Power Pool (NWPP); or (ii) satisfy its responsibility to be operated as a Control Area by contract with Bonneville pursuant to

section 2.5; or (iii) by contract with another entity which Bonneville accepts as sufficient to satisfy NERC, WSCC, WSCC, and NWPP requirements. Bonneville shall not unreasonably refuse to accept contractual arrangements with another entity for such service.

2.5 Ancillary Services

This Tariff constitutes an offer to provide only Network PTP Transmission Service. Bonneville commits either to provide the Customer with services necessary for it to take Network PTP Transmission Service under this Tariff or to cooperate with the Customer so that the Customer can utilize its own resources or the resources of third parties to provide such services. Such services if provided by Bonneville are offered on a not unduly discriminatory basis, subject to resource, engineering, and reliability limitations.

3. Interconnection and Interchange

3.1 Designation of Transmission Demand, Point(s) of Interconnection, and Point(s) of Delivery

The Transmission Demand, Point(s) of Interconnection, and Point(s) of Delivery shall be as set forth in the Service Agreement. The Points of Interconnection and Delivery so designated in the Service Agreement are the "Primary" Points of Interconnection and Delivery. The total Transmission Demand shall be equal to the sum of the Transmission Demands at all Points of Interconnection which shall equal the sum of the Transmission Demands at all Points of Delivery.

3.2 Bonneville Responsibility

Bonneville shall deliver the capacity and energy required from Point(s) of Interconnection to Point(s) of Delivery as pursuant to the Service Agreement up to the Transmission Demand.

3.3 Metering

Electric capacity and energy transmitted under this Tariff shall be measured as appropriate by metering equipment provided by Bonneville and the Customer at such points and voltages as set forth in the Service Agreement.

3.4 Third Party Arrangements

The Customer need not be directly interconnected with Bonneville, but shall make any and all necessary arrangements for the delivery of power to the Point(s) of Interconnection and receipt from the Point(s) of Delivery, and Bonneville shall have no responsibility for such arrangements.

The Customer shall furnish Bonneville with such necessary and appropriate information with respect to such arrangements as shall permit Bonneville to carry out its responsibilities under this Tariff. The Customer shall be responsible for resolution of operating problems and for making and arranging any necessary engineering, permitting, construction, and regulatory approval of transmission or distribution facilities on third party electric systems related to any transactions provided under this Tariff and for the costs associated with resolving those problems.

4. Rates

4.1 Transmission Charge

Payment hereunder shall be calculated pursuant to the rates and formulae in Appendix A, the PTP Firm Network Transmission rate (PT-95) or its successor.

4.2 Dual Transmission Charge

Where the installation of Network Upgrades does not fully eliminate a constraint, the Transmission Demand Charge shall be treated as two transactions for payment purposes, with the portion of the Transmission Charge for which the construction of Network Upgrades will eliminate the constraint priced in accordance with section IV.D. of PT-95 or its successor in Appendix A, and the residual portion of the Transmission Charge for which a constraint is not eliminated by the Network Upgrades priced in accordance with section II of PT-95 or its successor in Appendix A. The Transmission Charge and the Dual Transmission Charge are mutually exclusive charges. Bonneville may charge one or the other, but not both.

4.3 Direct Assignment Facilities

In addition to the payments made pursuant to sections 4.1 or 4.2 above, payment shall be made to Bonneville for the cost incurred by Bonneville for providing any Direct Assignment Facilities. The calculation of the Customer's monthly payment for Direct Assignment Facilities shall be in accordance with PT-95 or its successor in Appendix A.

4.4 Termination Charge

The Customer shall pay an appropriate charge to cover the costs of facilities added for the benefit of the customer under this Tariff the Service Agreement if the Customer terminates Network PTP Transmission Service prior to the termination date of the Service Agreement. The Customer shall receive a credit for any mitigation provided by the facilities to the Network

PTP Transmission System revenues subsequently received by Bonneville for use of such facilities.

4.5 Reservation Charge

The Customer may pay a Reservation Charge pursuant to PT-95 or its successor in Appendix A, to preserve its priority for service with respect to other Applicants and Customers.

4.6 Transmission Losses

Transmission losses shall be determined on the basis of average estimated system losses. The Customer shall compensate Bonneville for losses by either providing additional energy to compensate for losses associated with the scheduled capacity or by buying losses from Bonneville in accordance with the Firm Power Products and Services (FPS-95) rate schedule or its successor in Appendix A.

4.7 Reactive Charge

The Customer shall pay for reactive power necessary to provide transmission services under this Tariff pursuant to the PTP Firm Transmission rate (PT-95) or its successor.

4.8 Control Area Services Charge

If a Customer elects to purchase Control Area services from Bonneville pursuant to the Ancillary Services in section 2.5, the Customer shall pay for such services pursuant to the FPS-95 rate schedule or its successor.

4.9 Revision to Rates, Charges, and Loss Factors

Bonneville may periodically revise rates, charges, and transmission loss factors and apply such revisions to its Service Agreements.

4.10 Commencement of Service

Within 30 days of the receipt of notice from Bonneville that service can commence, the Customer shall commence paying the Transmission Charge or Dual Transmission Charge and any other rates or charges required by section 4 hereof. Failure to do so will result in forfeiture by the Customer of all deposits and security and require immediate payment of any cost incurred by Bonneville to furnish the requested Network PTP Transmission Service; and the Customer's Application will no longer be considered valid or pending.

5. Initiating Service

5.1 Conditions Precedent for Receiving Service

Subject to the terms and conditions of this Tariff, Bonneville shall provide Network PTP Transmission Service over the Network PTP Transmission System

Facilities to any Eligible Customer, provided that: (i) the Eligible Customer has completed an Application for Network PTP Transmission Service as provided below in section 5.2; (ii) the Eligible Customer and Bonneville have completed the technical arrangements set forth in section 9.4 below; and (iii) the Eligible Customer has executed a Service Agreement.

5.2 Application Procedures

For transactions of 1 month up to 1 year an Eligible Customer requesting service under this Tariff must submit a completed application to: Bonneville Power Administration, Attention: Manager, Short-Term Contracts; P.O. Box 491; Vancouver, Washington, 98666-0491.

For transactions of 1 year or more an Eligible Customer requesting Service under this Tariff must submit a completed Application to: Bonneville Power Administration, Attention: Manager, Transmission Business; Bonneville Power Administration; P.O. Box 3621; Portland, Oregon, 97208-3621. In order for an Application hereunder to be considered a "good faith request" for transmission service in accordance with the provisions of Section 213 of the FPA, the Application must contain the following information:

(a) The identity, address, and telephone number of the Applicant requesting a Network PTP Transmission Service;

(b) A statement that the entity requesting Network PTP Transmission Service hereunder is, or will be upon commencement of service, an Eligible Customer under this Tariff.

(c) The name and title of the contact person for the Applicant.

(d) The identity of the Delivering Party and the identity of the Receiving Party;

(e) The Primary Point(s) of Interconnection and the Primary Point(s) of Delivery;

(f) The proposed dates for initiating and terminating PTP Transmission Service hereunder;

(g) The Transmission Demand, expected load profile and load characteristics;

(h) The identity of the initial source of the power to be transmitted pursuant to the Application; and

(i) The identity of the Control Area in which the ultimate consumer of power is located.

Bonneville will notify the Applicant of receipt of the Application within 10 days of receipt. Bonneville reserves the right to ask for additional information necessary to determine the availability

of transmission capacity and reliability impacts.

5.3 Notice of Deficient Application

If an Application fails to meet the requirements of this Tariff, Bonneville shall notify the party requesting service within 10 days of receipt of the Application of the reasons for such failure. Bonneville will attempt to remedy minor deficiencies in the Application through informal communications with the Eligible Customer. If such efforts are unsuccessful, Bonneville shall return the Application. Upon receipt of a new or revised Application that fully complies with the requirements of this Tariff, the Eligible Customer shall be assigned a new priority consistent with the date of the new or revised Application.

5.4 Identity of Ultimate Consumer

The Applicant may be required to identify the ultimate consumer of the power to be transmitted if such information is necessary for Bonneville to determine, pursuant to section 7 hereof, whether adequate transmission capacity will be available on its Network PTP Transmission System Facilities to provide the service initially and for the full term of the transaction requested by the Applicant. If the Applicant objects to a request by Bonneville under sections 5.3 or 5.4 that it provide the name of the ultimate consumer, then Bonneville shall have the right to seek an order from the Commission allowing Bonneville to require the Applicant to provide Bonneville with the identity of the ultimate consumer and the parties cannot otherwise resolve their differences, the Applicant may proceed under the provisions of section 19.

5.5 Mutually Exclusive Applications for Same Service

In order to determine whether Applications for Network PTP Transmission Service hereunder are duplicative or mutually exclusive of Applications filed by other parties, Bonneville may request further information, including, by way of illustration, a statement as to whether the Application is being made in response to a competitive solicitation. If certain requests for Network PTP Transmission Service give Bonneville a reasonable basis to believe that such requests are mutually exclusive, Bonneville may ask the Applicant making such a request to identify the ultimate purchaser of power and, if appropriate under the circumstances, Bonneville may contact the ultimate

purchaser to determine whether the Applications are mutually exclusive. Should Bonneville confirm that particular Applications hereunder are mutually exclusive (e.g., the ultimate purchaser will buy from one but not all of the Eligible Customers who have submitted Applications), Bonneville reserves the right to process all such Applications as though they were a single Application.

5.6 Applications Filed By Bonneville

Applications filed by Bonneville pursuant to section 6.2 hereof. Bonneville will file applications for firm service to serve its own firm commercial transactions which do not constitute service to Native Load Customers. Such applications will be treated in the same manner as any Application under this Tariff and assigned a priority for determining transmission capacity availability according to the provisions set forth in section 7.1.

6. Priority of Requests

All requests for Network PTP Transmission Service and all other requests for firm transmission service, other than service to Native Load Customers and to Network Load of Network Integration Service Customers, shall be evaluated. Priority shall be determined on a first-come, first-served basis based on the date when Bonneville receives an executed Service Agreement, after meeting the obligations listed in section 8.2.

7. Capacity Availability and Expansion Obligations

7.1 Determination of Capacity Availability

Upon receiving a complying Application hereunder, Bonneville will determine the requirements, if any, to interconnect the Applicant with Bonneville's electric system and whether adequate capacity will be available on Bonneville's Network PTP Transmission System Facilities to provide the service initially and for the full term of the transaction requested by the Applicant. Such determination will be made as soon as possible, not to exceed 60 days from the date of interconnection, unless the number or complexity of Applications reasonably requires additional time. If additional time is required, Bonneville shall notify the Applicant on a timely basis and provide an estimate of the time needed to reach a final determination. If Bonneville determines that adequate capacity will be available on its Network PTP Transmission System Facilities to provide service for the

highest priority Application, and subject to the requirements of the National Environmental Policy Act or any other applicable environmental laws, Bonneville will notify the Applicant and tender a Service Agreement pursuant to section 8.

7.2 Conditions on Capacity Availability

In determining whether adequate capacity will be available on its Network PTP Transmission System Facilities for the requested service both initially and for the full term of the requested transaction, Bonneville shall determine if capacity is available in excess of that required to accommodate: (1) the existing and forecasted loads of its Native Load Customers; (2) Bonneville's other customers to whom Bonneville has preexisting contractual obligations commitments for firm wholesale purchases, exchanges, deliveries, and sales; and (3) existing contractual, statutory, and regulatory commitments for firm transmission service; any existing contractual commitments providing for hydroelectric system coordination or forced outage reserves, as well as (4) transmission capacity reserved for reliability, regulation, and inadvertent flows based on Bonneville's historical use or planned use for such purposes; and (5) delivery of Federal and Network Integration Service Customers' hydroelectric power in times of actual or threatened spill. In making such determination, Bonneville shall use the WSCC's and Bonneville's "Reliability Criteria for Network PTP Transmission System Planning." Bonneville shall not take into consideration any other pending Application of lower priority for Network PTP Transmission Service. Network PTP Transmission Service shall also be subject to Good Utility Practice in order to take into account the physical characteristics and constraints on Bonneville's Network PTP Transmission System Facilities.

7.3 Partial Capacity Availability

If Bonneville determines to provide the requested service but that it will not have adequate capacity available on its Network PTP Transmission System Facilities to satisfy the full amount of the requested service, Bonneville will allow the Applicant to either: (a) sign a Service Agreement pursuant to section 8 hereof for the amount of Network PTP Transmission Service that can be provided immediately, and receive for the remainder of the requested service pursuant to section 9 hereof after the necessary facility upgrades and modifications have been installed; (b)

sign a Service Agreement pursuant to section 8 hereof for the amount of Network PTP Transmission Service that can be provided immediately and withdraw the Application for the remainder of the service; (c) sign a Service Agreement to receive all the requested Network PTP Transmission Service pursuant to section 9 hereof after the necessary facility modifications are completed; or (d) withdraw the Application for Network PTP Transmission Service.

7.4 Withdrawal of Application or Failure to Execute Service Agreement

Should an Applicant withdraw all or part of its Application, or should an Applicant fail to execute a Service Agreement within the required time period provided in section 8.2, except as otherwise provided in section 13.4, Bonneville will reevaluate whether capacity is available on the Network PTP Transmission System Facilities which would satisfy any other Applications which could utilize such Network PTP Transmission System capacity and which had a lower priority than the withdrawn Application. Bonneville shall reevaluate such lower priority Applications in the order of their assigned priority. Should Bonneville determine that additional Network PTP Transmission System Facilities capacity is available for any Customer submitting a lower priority Application, Bonneville shall allow such Customer an option, to be exercised within 10 days to execute or to modify its Service Agreement shall offer such Customer a Service Agreement, pursuant to the provisions of this Tariff, to reflect the availability of such additional Network PTP Transmission System capacity.

7.5 Responsibility of Parties for Network PTP Transmission Facilities Modification

Where a determination is made by Bonneville that an Application for Network PTP Transmission Service pursuant to this Tariff will require modifications to the Network PTP Transmission System Facilities, or when an Applicant requests specific upgrades, Bonneville commits to use due diligence consistent with its statutory environmental obligations to make such modifications to the Network PTP Transmission Facilities within a reasonable time; provided, however, that the Applicant agrees to compensate Bonneville for the costs, determined pursuant to section 4 of all modifications to the Network PTP Transmission System Facilities reasonably required to provide such

service. Bonneville will not increase or upgrade the capacity of its existing or planned transmission facilities in order to provide service under this Tariff if doing so would unduly impair system reliability or otherwise jeopardize service to its Native Load Customers and/or other Customers to whom Bonneville has a preexisting contractual obligation. Unless otherwise agreed to by Bonneville and the Customer, Bonneville will own any additional electrical facilities or upgrades constructed pursuant to this Tariff. The Customer shall cooperate with Bonneville in the construction of any required facilities and shall take all reasonable steps to assist Bonneville in obtaining any necessary permits, authorizations, and rights-of-way.

8. Subsequent Requirements Where No New Facilities Are Needed

8.1 Notification of Applicant

When, pursuant to section 8 hereof, Bonneville determines that adequate capacity and facilities will be available on its electric system to provide the requested service initially and for the full term of the transaction requested, Bonneville shall so notify the Applicant in writing and tender a Service Agreement as soon as possible, not to exceed 30 days thereafter, to the Applicant.

8.2 Applicant Responsibilities

Within 30 days, unless otherwise agreed, after receipt of such Service Agreement, the Applicant must either: (a) execute the Service Agreement; (b) withdraw its Application; or (c) inform Bonneville that the Service Agreement is unacceptable as tendered and request that Network PTP Transmission Service commence pursuant to section 134. Failure to take any one of the foregoing actions within such 30 days, unless otherwise agreed, will be deemed to be a withdrawal of the Application. Nothing herein limits the right of the Applicant to file another Application for Network PTP Transmission Service immediately upon such withdrawal.

8.3 Extension of Service Date

A Customer that has entered into a contract with an Eligible Utility for the sale, purchase, or exchange of capacity and/or energy or provides Bonneville with sufficient evidence that such a sale is likely to be consummated, can reserve capacity by paying a Reservation Charge specified in section W of the Adjustments, Charges, and Special Rate Provisions.

9. Subsequent Requirements When New Facilities Are Needed

9.1 Applicant Notification

When, pursuant to section 9 hereof, Bonneville determines that an Application will require initially, or during the term of the transaction, Network Upgrades and/or Direct Assignment Facilities; in order to either provide the required Network PTP Transmission Service or to interconnect the Applicant to Bonneville's electric system, at the earliest possible date, not to exceed 60 days of receipt of the Application, Bonneville shall inform the Customer, in writing, of the requirement to perform a System Impact Study, and shall tender a Study Agreement.

9.2 System Impact Study

Upon receipt of the executed Study Agreement, Bonneville shall commence the System Impact Study. Upon completion of the System Impact Study, Bonneville will present the results, including workpapers, to the Applicant. If Bonneville determines that construction of such facilities is feasible and consistent with its environmental obligations, it shall and tender a Service Agreement under which the Applicant would agree to receive service upon completion of the facility modifications and to fully compensate Bonneville for the facility modifications, pursuant to section 4 herein.

9.3 Applicant Responsibility and Remedies

For the Application to remain valid and pending, within 90 days of the receipt of the System Impact Study and the Service Agreement, the Applicant must execute the Service Agreement. In order to protect Bonneville against the risk of nonpayment by the Applicant for the facility modifications, the Applicant and Bonneville shall negotiate reasonable security provisions acceptable to both parties. If Bonneville and the Applicant are unable to reach agreement on the amount and form of the security provisions, then the Applicant may proceed under the provisions of section 19.

9.4 Due Diligence in Completion of Facility Modifications

Upon receipt of the executed Service Agreement and the associated security provisions, Bonneville shall use due diligence to complete the necessary modifications within a reasonable time. Bonneville shall give the Customer 90 days written notice prior to the projected completion of the facility modifications. Promptly upon completion of such modifications,

Bonneville shall notify the Customer in writing that service can commence. Service shall commence pursuant to section 4.8.

9.5 Coordination of Third Party System Additions

Where the need for Network Upgrades or Direct Assignment Facilities are identified, and such upgrades require the addition of transmission facilities on other system(s), Bonneville shall have the right to coordinate construction on its own system with the construction required by other(s). Bonneville, after consultation with the Customer and representatives of such other system(s), may defer construction of new transmission facilities on its own system pending the resolution of obstacles to the timely completion of new transmission facilities on other system(s) needed to provide the requested service.

10. Electronic Bulletin Board

Bonneville shall cooperate with Customers and utilities who are members of the WSCC to develop an electronic bulletin board that is compatible with and useful to all WSCC members. The purpose of the electronic bulletin board is to make known to users the available transmission capacity and any proposals to increase that capacity.

11. Scheduling

11.1 General Conditions

All capacity and energy to be transmitted by Bonneville hereunder shall be scheduled in advance pursuant to the terms of the Service Agreement and will reflect the procedures used by Bonneville in scheduling its own transactions. Bonneville will make schedule changes on short notice if reasonably practicable. The Customer shall provide written notification to Bonneville identifying all systems involved in the transaction and authorizing such systems to schedule all capacity and energy to be transmitted by Bonneville pursuant to the Service Agreement on behalf of the Receiving Party at the Point of Delivery or the Delivering Party at the Point of Interconnection.

11.2 Customer Responsibility for Third Party Arrangements

Any arrangements necessary for scheduling power flows on third party electric systems, including compensation for any associated costs, losses, or parallel flows on such systems, shall be the responsibility of the Customer requesting service.

11.3 Flexibility Point(s) of Interconnection and Delivery

As an alternative to receiving service from Primary Points of Interconnection to Primary Points of Delivery, the Customer may request Bonneville to provide nonfirm Network PTP Transmission Service between interconnection and delivery points other than those specified in the Service Agreement ("Secondary Points of Interconnection and Delivery"), in amounts not to exceed its Transmission Demand, without incurring any additional charges, executing a new Service Agreement, or affecting its priority at Primary Points of Interconnection and Delivery. Service provided between Secondary Points of Interconnection and Delivery will be nonfirm only, on a capacity available basis and will not displace any firm or nonfirm service of higher priority previously scheduled by third parties or by Bonneville on behalf of its Native Load Customers and other customers to whom Bonneville has a preexisting contractual obligation and subject to higher priority schedules to: (1) serve Bonneville's Native Load; (2) serve Network Integration Service network load; and (3) deliver Federal and Network Integration Service hydroelectric power subject to spill or threatened spill.

11.4 Due Diligence

Bonneville and the Customer shall exercise due diligence and reasonable care and foresight in arranging for and operating their respective sources of supply and other facilities so that scheduled amounts of capacity and energy shall be delivered in accordance with section 12.1.

12. Priority of Service and Interruptions

12.1 Service Priority

Unless otherwise specified in the Service Agreement all service provided hereunder from Primary Points of Interconnection to Primary Points of Delivery shall have priority over nonfirm transmission service, including that which Bonneville provides itself and which otherwise has not been appropriately reserved by Bonneville in the Service Agreement to serve the needs of Native Load Customers or Network Integration Service Customers or to avoid spill of Federal or Network Integration Service hydroelectric power.

12.2 Bonneville Responsibilities

Bonneville will use due diligence to furnish the firm Network PTP Transmission Service available under this Tariff, but it does not guarantee

uninterrupted transmission of electric energy or capacity. To the extent practicable, Bonneville will provide reasonable advance notice to the Customer of any scheduled interruptions, reductions, or other impairments of the Network PTP Transmission Service as specified in the individual Service Agreement.

12.3 Interruption of Service

Any interruption of service will not be on an unduly discriminatory basis as between Bonneville and similarly situated Customers.

13. Service Agreements

13.1 Requirement for a Signed Service Agreement

Subject only to the provisions of section 14.43 herein, Bonneville is obligated to provide Network PTP Transmission Service under this Tariff only to Customers that have signed a Service Agreement with Bonneville for the requested service. The Service Agreement shall contain a statement of service specifications, including without limitation, the amount of Transmission Demand; the term of such service; identification of Primary Point(s) of Interconnection, Primary Point(s) of Delivery, Delivering Party, Receiving Party; the rates and charges for such service, and where applicable, the cost of necessary facilities, including Direct Assignment Facilities and an appropriate allocation of Network Upgrades.

13.2 Modification or Amendment of the Service Agreement

Any request to modify Primary Points of Interconnection and/or Delivery or to increase the Transmission Demand will be analyzed in the same manner as a new Application, except that the Customer will not be obligated to pay any additional reservation fee if the additional transmission Demand does not exceed the Transmission Demand in the existing Service Agreement. While such new request is pending, the Customer shall retain its priority for service at the existing Primary Points of Interconnection and Delivery. If Demand is not available then the request will receive a service priority pursuant to section 8.

13.3 Commencement of Service in Absence of Signed Service Agreement

If Bonneville and an Applicant cannot agree on the terms of the Service Agreement, Bonneville may provide the requested service if Demand transmission capacity is available, as soon as reasonably practicable after receipt of a valid Application for

transmission, subject to Good Utility Practice. Such service will be provided under terms and conditions deemed appropriate by Bonneville for the requested service. Bonneville will provide the requested service under terms and conditions ultimately determined by the Commission to be appropriate under Sections 211 and 212 of the FPA, within the constraints imposed by engineering and reliability limitations.

13.4 Customer Obligations in Absence of Signed Service Agreement

Notwithstanding any other provision of this Tariff, Bonneville is not obligated to provide Network PTP Transmission Service to a Customer until such Customer provides Bonneville with a binding written commitment to pay for any facility modifications determined by Bonneville under section 8 hereof to be reasonably necessary to provide the requested services.

13.5 Obligations on Acceptance of Service

Acceptance of service by the Customer pursuant to a Service Agreement filed under this Tariff commits the Customer both to the provisions of this Tariff and to the terms of the individual Service Agreement.

14. Billing

Bonneville shall bill in accordance with the billing information in the current General Rate Schedule Provisions, Appendix A or successor, or as they may from time to time be revised receipt.

15. Records

15.1 Recordkeeping Obligations

Bonneville and the Customer shall keep such records as may be needed to afford a clear history of all transactions under this Tariff and associated Service Agreement. The originals of all such records shall be retained for a minimum of 2 years plus the current year (or such longer period as may be appropriate) and copies shall be delivered to the other party on request.

15.2 Customer's Right to Examine Records

The Customer shall have the right, during normal business hours, to examine the accounting and other records for the last 2 calendar years relating to its transactions under this Tariff and shall have the right to make such audits and copies of records as it shall deem necessary or desirable. Such examinations shall be at the Customer's expense. Such audit shall be conducted

no more frequently than once every 2 years.

16. Liability and Indemnification

16.1 Western Interconnected Systems Agreement

If an Applicant is a party to the Western Interconnected Systems Agreement Limiting Liability, such agreement shall continue in full force and effect as between the parties to the extent that such provisions may apply to the transactions contemplated by this Tariff.

16.2 No Western Interconnected Systems Agreement

If an Applicant is not a party to the Western Interconnected Systems Agreement Limiting Liability, and there is no other agreement on file with the Commission governing liability and indemnification between Bonneville and the Applicant, then, in such event, additional provisions for protection of electric generation facilities or transmission facilities and liability and indemnification may be required. Such additional provisions shall be set forth in the Applicant's Service Agreement.

17. Sale or Assignment of Network PTP Transmission Service

17.1 Right to Sell, Assign or Transfer

Subject to the approval of Bonneville, a Customer may sell, assign, or transfer all, or a portion of, its rights under the Service Agreement executed pursuant to this Tariff, but only to an entity that qualifies as an Eligible Customer. If the second Customer so purchasing or taking an assignment does not request any change in the Primary Point(s) of Delivery of or Primary Point(s) of Interconnection, subject to section 14.32, or a change in any other material term or condition set forth in the original Service Agreement, the second Customer will receive the same service as the first Customer. If the second Customer requests a change in any material term or condition set forth in the original Service Agreement, Bonneville will consent to such change subject to the provisions of section 14 herein, but only if to do so will not unduly impair the operation and reliability of Bonneville's generation, or transmission, or distribution systems, and on the condition that the second Customer agrees to compensate the Customer Bonneville for any additional costs resulting from such change. The Customer that received the assignment shall assume responsibility for scheduling. The Customer making the assignment shall continue to have responsibility for compliance with the

Service Agreement including making payment to Bonneville.

17.2 Liability for Performance

The Customer that received the assignment shall assume responsibility for scheduling. The original Customer shall remain liable for the performance of all other obligations under the Service Agreement including making payment to Bonneville, except as specifically agreed to by the parties through an amendment to the Service Agreement. Bonneville will amend the Service Agreement only if the assignee: (a) meets the creditworthiness criteria of section 19; and (b) agrees to compensate Bonneville for Direct Assignment Facilities, and allocated Network Upgrades and costs resulting from changes in service; and (c) provides security equivalent to that provided by the original Customer.

18. Creditworthiness

For the purpose of determining the ability of the Customer to meet its obligations related to service hereunder, Bonneville may require reasonable credit review procedures which may include, but shall not be limited to, verification that the Customer is not operating under any State or Federal bankruptcy laws, is not subject to the uncertainty of pending liquidation or regulatory proceedings in State or Federal courts, and no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the Customer's ability, in Bonneville's determination, to remain solvent. In addition, Bonneville may require the Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under this Tariff or an alternative form of security proposed by the Customer and acceptable to Bonneville that protects Bonneville's Native Load Customers against the risk of nonpayment. Any disputes over the terms of such security arrangements shall be subject to the provisions of the Tariff.

19. Procedures to Resolve Network Transmission Complaints

Any complaint arising from an Application hereunder may be resolved, at the Customer's discretion, by either:

(a) A voluntary dispute resolution process, which may include mediation or arbitration or both, pursuant to the terms of a regional transmission association governing agreement which both parties have executed, or such other dispute resolution rules as may be

agreed to by Bonneville and the Customer; and

(b) A transmission complaint filed with the Commission.

20. Regulation

Service under this Tariff is subject to all existing or future applicable local, State, and Federal laws and to all existing or future duly promulgated orders and actions of governmental authorities having jurisdiction over the matters contained herein.

Proposed Bonneville Power Administration Energy Transmission Service Tariff

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Bonneville Power Administration Energy Transmission Service Tariff

The Bonneville Power Administration (Bonneville) will provide short-term firm and nonfirm point-to-point transmission service under this Energy Transmission Tariff (ET) to Eligible Customers.

1. Definitions

1.1 Applicant

An Eligible Customer who submits a completed Application.

1.2 Application

A request by an Eligible Customer for nonfirm and/or firm Energy Transmission Service submitted to Bonneville which satisfies the provisions of this Tariff, including provisions of section 5.

1.3 Commission

The Federal Energy Regulatory Commission or its successor.

1.4 Control Area

The self-contained set of generating units, electrical loads, and transmission facilities managed and overseen by a utility that is responsible for matching generation with such loads on an instantaneous basis.

1.5 Customer

An Eligible Customer that has completed an Application for service and has executed a Service Agreement for Energy Transmission Service pursuant to this Tariff.

1.6 Delivering Party The entity supplying the electric energy to be transmitted over Bonneville's Energy Transmission Facilities.

1.7 Eligible Customer

A private or public corporation, governmental agency or authority, joint action agency, municipality, rural electric membership corporation or cooperative, person, or any lawful association of the foregoing, which engages in the generation, transmission, or distribution of electric energy at wholesale or retail. Bonneville's direct service industrial customers on the effective date of this Tariff shall be considered Eligible Customers. Other than Bonneville's direct service industrial customers, an Eligible Customer shall not include any entity for which the Commission is prohibited under Sections 212(g) and (h) of the Federal Power Act from ordering the provision of transmission service. A power marketing entity (marketer) will be considered to be an Eligible Customer only to the extent it requests

service to deliver capacity or energy that will be purchased by an Eligible Customer.

1.8 Energy Transmission Facilities

The Federal Columbia River Transmission System facilities operated by Bonneville, excluding the Interties.

1.9 Native Load Customers

Those wholesale and direct service industrial power sale customers, on whose behalf Bonneville, by statute or contract, has undertaken an obligation to plan, construct, and operate its electric system to provide reliable electric service.

1.10 Point(s) of Delivery

Point(s) on Bonneville's Energy Transmission Facilities where Bonneville is interconnected with the Receiving Party or the Receiving Party's authorized agent and where Bonneville can deliver power transmitted pursuant to a Service Agreement.

1.11 Point(s) of Interconnection

Point(s) on Bonneville's Energy Transmission Facilities where Bonneville is interconnected with the Delivering Party or the Delivering Party's authorized agent and where Bonneville can receive power transmitted pursuant to a Service Agreement.

1.12 Receiving Party

The entity receiving the electric energy to be transmitted over Bonneville's Energy Transmission Facilities.

1.13 Service Agreement

The initial agreement and any supplements or amendments thereto entered into by the Customer and Bonneville in order to initiate service under this Tariff. For nonfirm Energy Transmission Service, the Service Agreement may be in the form of a standard umbrella agreement for Energy Transmission Service which provides for maximum flexibility in using Point(s) of Delivery and Point(s) of Interconnection, standard scheduling provisions and interruption rights, and billing information. For short-term firm Energy Transmission Service, the Service Agreement may be in the form of a transaction specific agreement for Energy Transmission Service which documents the terms and conditions of that transaction.

2. Character of Service and Availability

2.1 Nature of Service

Energy Transmission Service is a control area to control area service. The

service delivers energy over transmission paths that may be nonfirm or short-term firm, consolidated by the Customer into a schedule, from one control area to another through Points of Interconnection and Points of Delivery. Short-term firm Energy Transmission Service shall be provided on a take-or-pay basis, unless curtailed by Bonneville.

2.2 Term of Service

Nonfirm Energy Transmission Service hereunder may only be prescheduled. Prescheduling is done in hourly increments up to a maximum of 24 hours from 1 working day to the next. Short-term Firm Energy Transmission Service may be provided for periods up to 1 month.

2.3 Priority of Service

Energy Transmission Service shall be provided over transmission capacity available after Bonneville meets its obligations to serve: (1) its existing and forecasted requirements to serve Native Load Customers; (2) its existing contractual commitments for firm wholesale purchases, exchanges, and sales; (3) its existing contractual, statutory, and regulatory commitments for firm transmission service; (4) transmission capacity reserved for reliability, regulation, and inadvertent flows based on Bonneville's historic use or planned use for such purpose; (5) delivery of Federal and Network Integration Customers' hydroelectric power in times of actual or threatened spill.

Priority to available capacity shall be provided to requests for firm service. All requests for nonfirm Energy Transmission Service hereunder, all other requests for nonfirm transmission service pursuant to Bonneville's other network transmission tariffs and Bonneville's own nonfirm network transmission uses, with the exception of Bonneville's and Network Integration Customers' economy energy purchases, and sales to avoid hydroelectric spill, shall be evaluated on a first-come, first-served basis.

2.4 Commencement of Service

A Service Agreement must be executed prior to the commencement of service under this Tariff.

2.5 Control Area Requirements

As a condition to obtaining Energy Transmission Service, the Customer shall: (i) operate as a Control Area under applicable guidelines of the North American Electric Reliability Council (NERC), the Western Systems Coordinating Council (WSCC), and the

Northwest Power Pool (NWPP); or (ii) satisfy its responsibility to be operated as a Control Area by contract with Bonneville pursuant to section 2.6 by contract with another entity which Bonneville accepts as sufficient to satisfy NERC, WSCC, and NWPP requirements. Bonneville shall not unreasonably refuse to accept contractual arrangements with another entity for such services.

2.6 Ancillary Services

This Tariff constitutes an offer to provide only Energy Transmission Service. Bonneville commits either to provide the Customer with services necessary for it to take Energy Transmission Service under this Tariff; or to cooperate with the Customer so that the Customer can utilize its own resources or the resources of third parties in order to provide such services. Such services offered by Bonneville are offered on a not unduly discriminatory basis, subject to resource, engineering, and reliability limitations.

3. Interconnection and Interchange

3.1 Bonneville Responsibility

Bonneville shall deliver the energy required from Point(s) of Interconnection to Point(s) of Delivery pursuant to the Service Agreement up to the amount of designated energy.

3.2 Metering

Electric energy transmitted under this Tariff shall be measured as appropriate by metering equipment provided by Bonneville and the Customer at such points and voltages as set forth in the Service Agreement.

3.3 Third Party Arrangements

The Customer need not be directly interconnected with Bonneville, but shall make any and all necessary arrangements for the delivery of power to the Point(s) of Interconnection and receipt from the Point(s) of Delivery, and Bonneville shall have no responsibility for such arrangements. The Customer shall furnish Bonneville with such necessary and appropriate information with respect to such arrangements as shall permit Bonneville to carry out its responsibilities under this Tariff. The Customer shall be responsible for scheduling arrangements and resolution of operating problems on third party electric systems related to any transactions provided under this Tariff and for the costs associated with resolving those problems.

4. Rates

4.1 Transmission Charge

Payment hereunder shall be calculated pursuant to the rates and formulae in Appendix A, the ET-95 rate schedule or its successor.

4.2 Transmission Losses

Transmission losses shall be determined on the basis of average estimated system losses. The Customer shall compensate Bonneville for losses by either providing additional energy for losses associated with the scheduled energy or by buying losses from Bonneville in accordance with the Firm Power Products and Services (FPS-95) rate schedule in Appendix A as specified in the Service Agreement.

4.3 Reactive Charge

The Customer shall pay for reactive power necessary to provide transmission services under this Tariff pursuant to the Firm PTP Transmission rate (PT-95) or its successor as specified in the Service Agreement.

4.4 Revision to Rates, Charges, and Loss Factors

Bonneville may periodically revise rates, charges, and transmission loss factors and apply such revisions to Service Agreements.

5. Initiating Service

5.1 Nonfirm Umbrella Service Agreement

To initiate nonfirm service an Applicant must submit a completed Application to Bonneville Power Administration; Attention, Manager, Short-Term Contracts; P.O. Box 491; Vancouver, Washington, 98666-0491. Such Application shall include:

- (a) The identity, address, and telephone number of the Applicant;
- (b) A statement that the Applicant is, or will be upon commencement of service, an Eligible Customer under this Tariff pursuant to section 1.7;
- (c) The name, title, and phone number of the contact person for the Applicant;
- (d) The proposed dates for initiating and terminating the Service Agreement.

The Application shall be used to prepare an 'umbrella' Service Agreement as discussed in section 8.1.

5.2 Short-Term Firm Service Agreement

To initiate short-term firm service, the Application shall include in addition to the above information the following additional information:

- (a) The identity of the Delivering Party and Receiving Party;

- (b) The Point(s) of Interconnection and the Point(s) of Delivery;

- (c) The amount of power, including peak demand and total amount of energy;

- (d) The identity of the Control Area(s) in which the resource and ultimate consumer of power is/are located.

The information in sections 5.1 and 5.2 shall be used to prepare a "short-term firm" Service Agreement as discussed in section 8.1.

6. Electronic Bulletin Board

Bonneville shall cooperate with Customers and utilities who are members of the WSCC to develop an electronic bulletin board that is compatible and useful to all WSCC members. The purpose of the electronic bulletin board is to make known to users the available transmission capacity and any proposals to increase that capacity.

7. Scheduling

7.1 General Conditions

All energy to be transmitted by Bonneville on a nonfirm basis hereunder shall be scheduled one working day prior to the day service is to commence, but changes may be made up to the hour preceding the hour of service when reasonably practicable which is the procedure used by Bonneville in scheduling its own Energy Transmission transactions. All power to be transmitted by Bonneville on a short-term firm basis hereunder shall be scheduled in advance pursuant to the terms of the Service Agreement and will reflect the procedures used by Bonneville in scheduling its own transactions. Bonneville will make schedule changes on short notice if reasonably practicable.

7.2 Due Diligence

Bonneville and the Customer shall exercise due diligence and reasonable care and foresight in arranging for and operating their respective sources of supply and other facilities so that scheduled amounts of energy shall be delivered in accordance with section 7.1.

7.3 Curtailment

In the event Bonneville is forced to curtail deliveries of Energy Transmission Service, Bonneville shall notify the Receiving Party. Recipients of nonfirm Energy Transmission Service shall be curtailed prior to other transmission services customers and on the same basis as Bonneville's and Network Integration Service Customers' economy transactions, except where necessary to deliver Bonneville's and

Network Integration Customers' hydroelectric power subject to spill or threatened spill. The Receiving Party shall have responsibility for curtailing unless otherwise provided in the Service Agreement.

8. Service Agreements

8.1 Requirement for a Signed Service Agreement

Bonneville shall provide Energy Transmission Service under this Tariff only to Customers that have signed a Service Agreement with Bonneville. For nonfirm service hereunder, Bonneville and the Customer may enter into an "umbrella" Service Agreement that would provide the Customer transmission access to the Bonneville system to the extent that capacity is available on Bonneville's system, subject to the scheduling provisions set forth in section 7. The "umbrella" Service Agreement shall contain, among other provisions, the term, scheduling provisions and interruption rights, a statement that any Points of Interconnection or Points of Delivery on Bonneville's Energy Transmission Facilities may be used for transmitting and receiving energy, and billing information, including the rates and charges for such service. For short-term firm service hereunder, Bonneville and the Customer may enter into a transaction specific "short-term firm" Service Agreement that would provide the Customer transmission access to the Energy Transmission Facilities to the extent capacity is available on Bonneville's system. Such Service Agreement shall contain the same information that appears in the "umbrella" Service Agreement except that the Point(s) of Interconnection and the Point(s) of Delivery shall be specified. In addition, the "short-term firm" Service Agreement shall include both the demand and total amount of energy to be delivered.

8.2 Obligations on Acceptance of Service

Acceptance of service by a Customer pursuant to a Service Agreement under this Tariff commits the Customer and Bonneville both to the provisions of this Tariff and to the terms of the individual Service Agreement.

9. Billing

Bonneville shall bill in accordance with the billing information in Appendix A, General Rate Schedule Provisions, or successor, or as they may from time to time be revised.

10. Records

10.1 Recordkeeping Obligations

Bonneville and the Customer shall keep such records as may be needed to afford a clear history of all transactions under this Tariff. The originals of all such records shall be retained for a minimum of 2 years plus the current year (or such longer period as may be appropriate and copies shall be delivered to the other party on request.)

10.2 Customer's Right to Examine Records

The Customer shall have the right, during normal business hours, to examine the accounting and other records for the last 2 calendar years relating to its transactions under this Tariff and shall have the right to make such audits and copies of records as it shall deem necessary or desirable. Such examinations shall be at the Customer's expense and may be conducted no more frequently than once every 2 years.

11. Liability and Indemnification

11.1 Western Interconnected Systems Agreement

If an Applicant is a party to the Western Interconnected Systems Agreement Limiting Liability, such agreement shall continue in full force and effect as between the parties to the extent that such provisions may apply to the transactions contemplated by this Tariff.

11.2 No Western Interconnected Systems Agreement

If an Applicant is not a party to the Western Interconnected Systems Agreement Limiting Liability and there is no other agreement on file with the Commission governing liability and indemnification between Bonneville and the Customer, then in such event additional provisions for protection of electric generation facilities or transmission facilities and liability and indemnification may be required. Such additional provisions shall be set forth in the Applicant's Service Agreement.

12. Creditworthiness

For the purpose of determining the ability of the Customer to meet its obligations related to service hereunder, Bonneville may require reasonable credit review procedures which may include, but shall not be limited to, verification that the Customer is not operating under any State or Federal bankruptcy laws, is not subject to the uncertainty of pending liquidation or regulatory proceedings in State or Federal courts, and no significant collection lawsuits or judgments are

outstanding which would seriously reflect upon the Customer's ability, in Bonneville's determination, to remain solvent. In addition, Bonneville may require the Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under this Tariff or an alternative form of security proposed by the Customer and acceptable to Bonneville that protects Bonneville's Native Load Customers against the risk of nonpayment. Any disputes over the terms of such security arrangements shall be subject to the provisions of the Tariff.

13. Procedures to Resolve Transmission Complaints

Any complaint arising from an Application hereunder may be resolved, at the Customer's discretion, by either:

(a) A voluntary dispute resolution process, which may include mediation or arbitration or both, pursuant to the terms of a regional transmission association governing agreement, or such other dispute resolution rules as may be agreed to by Bonneville and the Customer; or

(b) A transmission complaint filed with the Commission.

Issued in Portland, Oregon, on February 17, 1995.

Jack Robertson,

Deputy Chief Executive Officer.

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Federal Energy Regulatory Commission

[Docket Nos. EL95-26-000 and QF90-104-002]

Richmond Power Enterprises, L.P.; Notice of Extension of Comment Date

March 3, 1995.

Take notice that the date for filing of protests, motions to intervene or comments, in response to the notice issued February 16, 1995 (60 FR 10380, February 24, 1995) has been extended to May 25, 1995.

Lois D. Cashell,

Secretary.

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