

RENEWABLE ENERGY RIDER
OPTIONAL BULK PURCHASE OPTION**Available**

In all territory served by the Company in the State of Oregon.

Applicable

To Large Non-residential Consumers receiving Delivery Service.

Administration

Funds received from Consumers under this Schedule will cover program costs and match Renewable Energy Certificate purchases to Block purchases. Funds not spent after covering program costs and matching Renewable Energy Certificate purchases to Block purchases may be used to fund Qualifying Initiatives as defined below.

Block

1 Block equals 200 kWh of Renewable Energy Certificates. This program requires a minimum purchase of 1,212 Blocks per year. For the purpose of qualifying for this Schedule, Consumers with multiple sites can sum their Block purchases across all Pacific Power and Rocky Mountain Power service territories to meet the minimum purchase requirement.

To the extent the purchase of Renewable Energy Certificates on this Schedule exceeds 100aMW the Company will notify the Commission.

Charge per BlockStandard:

\$0.70 per month **Plus**

\$1500.00 per year fixed charge

Individually Negotiated Arrangements:

For purchase commitments over one year in length or large purchases over 75,000 MWh per year, individually negotiated arrangements may be available, pursuant to the execution of a written contract. Consumers who enter into an individually negotiated arrangement will be required to pay a minimum \$1500.00 per year fixed charge and no less than the full price for any Renewable Energy Certificates purchased.

Charge

Except as pursuant to an individually negotiated arrangement as contemplated above, the Charge can be billed either monthly, twice yearly or annually and shall be the number of Blocks the customer has agreed to purchase multiplied by the Charge per Block, plus the \$1,500 yearly fixed charge divided between the Consumer's billing choice (monthly, twice yearly or annually) and added to the Consumer's standard bill. The Charge is in addition to all other charges contained in Consumer's applicable tariff schedule. This Schedule's Charge shall be applied to the Consumer's billing regardless of actual energy consumption.

Renewable Energy Certificates

Renewable Energy Certificate (REC) purchases include those obtained from specified resources and derived from the following fuels:

- wind;
- solar;
- geothermal energy;
- certified low impact hydroelectric;

(continued)

Renewable Energy Certificates (continued)

- hydrogen derived from photovoltaic electrolysis or a non-hydrocarbon derivations process;
- pipeline or irrigation canal hydroelectric systems;
- wave or tidal action; and
- low emissions biomass based on digester methane gas from landfills, sewage treatment plants or animal waste and biomass energy based on solid organic fuels from wood, forest or field residues or dedicated crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol or copper chrome arsenic.

Renewable Energy Certificates (also known as Tradable Renewable Energy Credits, Renewable Energy Credits, Green Tags or Carbon Credits) represent all of the regional and global environmental and emissions benefits associated with one unit of output from a qualifying renewable electricity generating resource. In some markets, the credits are certified by an independent third party and include a serial number for tracking purposes.

One hundred percent of RECs purchased under this offering must originate from new renewable energy resources.

New renewable energy is (1) placed in operation (generating electricity) on or after January 28, 2000; (2) repowered on or after January 28, 2000 such that 80% of the fair market value of the project derives from new generation equipment installed as part of the repowering, or (3) a separable improvement to or enhancement of an operating existing facility that was first placed in operation prior to January 28, 2000, such that the proposed incremental generation is contractually available for sale and metered separately than existing generation at the facility. Any enhancement of a fuel source that increases generation at an existing facility, without the construction of a new or repowered, separately metered generating unit, is not eligible to participate.

No purchase under this tariff shall disqualify the Company's Blue Sky program from being Green-e certified.

Preference will be given to resources within Pacific Power and Rocky Mountain Power service territories.

Renewable Energy Certificate purchases made to match Consumer Block purchases are in addition to investments associated with the Company's Integrated Resource Plan, and are not considered for purposes of any Renewable Portfolio Standard requirements.

Qualifying Initiatives

1. Funding for locally-owned commercial-scale renewable energy projects that produce less than 10 MW of electricity. The preference is for local community based projects that provide strong environmental and economic benefit to local communities and Consumers the Company services under this Schedule.

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Qualifying Initiatives (continued)

2. Funding for research development projects encouraging renewable energy market transformation in order to accelerate marketability of renewable energy technologies.
3. Investment in the above-market costs associated in the construction of renewable energy facilities or purchase by contract of renewable energy, reducing the costs of renewable energy to be competitive with cost-effective resources.
4. To the extent a project in paragraphs 1, 2, and 3 above is able to generate RECs, the recipient agrees that the Company has the right to claim a share of the project's REC output. The share amount is expressed as a percentage of output when comparing the Company's financial contribution to the overall cost of the project. The share amount of these RECs will be retired on behalf of program participants across the Company's service territories. The Company will also be given the opportunity to purchase additional RECs off the project.
5. Qualifying Initiatives are not considered for purposes of any Renewable Portfolio Standard requirements.

Special Conditions

1. Consumers may apply for this Schedule anytime during the year.
2. The Company may not accept enrollments for accounts that have a time-payment agreement in effect, or have received two or more disconnect notices, or have been disconnected within the last 12 months.
3. The Company will buy Renewable Energy Certificates within two years of a Consumer's purchase, unless otherwise set forth in a written contract between the Company and Consumer.
4. RECs procured pursuant to this Schedule will be either (i) delivered by Company, at Company's expense, to Consumer's registered Western Renewable Energy Generation Information System (WREGIS) account (as set forth in a written contract between Company and Consumer and approved by the Commission), or (ii) deposited into a WREGIS account maintained by Company and retired on behalf of Consumers (except with respect to RECs generated from Qualifying Initiatives as set forth above in this Schedule). All costs associated with transferring, retiring, administering or otherwise managing RECs within Consumer WREGIS accounts shall be borne by Customer.
5. To ensure that all costs and benefits of this program are isolated to the participants of this program, all funds collected under this program will be separately identified and tracked by state jurisdiction by which the funds were collected. On the effective date of this Schedule, the Company will establish a regulatory liability for all funds collected and will debit the regulatory liability for all funds spent. The company will apply its authorized rate of return to the balances in the regulatory liability account. The Company will endeavor to match spending to collection within each calendar year.

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Special Conditions (continued)

6. The Company may use Consumer proprietary information gathered for the provisioning of electricity services upon Consumer written or verbal permission as long as it provides the same information under the same terms and conditions to alternative Renewable Energy Certificate providers upon Consumer written or verbal request.
7. The Company will communicate to Consumers that they are not required to buy Renewable Energy Certificates from the Company in order to continue to receive the Company's safe and reliable Electricity Service.
8. The Company will not use bill inserts to market Renewable Energy Certificates to Consumers served under this Schedule.
9. The Company will file an annual report with the Commission no later than January 31st providing information regarding total participation on Schedule 272 and copies of individually negotiated arrangements from the prior calendar year.

Rules and Regulations

Service under this Schedule is subject to the General Rules and Regulations contained in the tariff of which this Schedule is a part and to those prescribed by regulatory authorities.