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SCHEDULE 273

### Purpose

This Schedule governs contract guidelines for the Company to acquire renewable energy from new renewable resources on behalf of participating Customers. Under this Schedule, a Nonresidential Consumer may commit to the purchase of bundled renewable energy from a new renewable facility, or group of facilities, in a quantity not to exceed the Customer's yearly consumption.

### Available

In accordance with Paragraph 14 of the Fourth Partial Stipulation in docket UE 399, and Order No. 23-047 adopting the Stipulation, the structure of this program is contingent upon PacifiCorp receiving a no-action letter from the Securities and Exchange Commission that the design of this program does not involve the sale of securities. If a no-action letter from the Securities and Exchange Commission is received, the Company will refile this tariff schedule removing this contingent language. Until this process is completed, this tariff is unavailable to customers.

#### Applicable

To Nonresidential Consumers served by the Company in the state of Oregon whose total aggregated electric load is at least 30 kW, based on annual peak load. A Customer may aggregate multiple metered delivery points, including individual delivery points with less than 30 kW of demand, under a single entity to satisfy the 30 kW threshold, based on annual peak load at each delivery point. Annual peak load will be based on the Customer's highest demand reading during the prior 12-month period or its reasonably projected demand including planned load expansions in the subsequent 12-month period. For new Customers, annual peak load will be based on the Customer's Contract Demand, to be reached within a ramp-up period of 36 months or such other period approved by the Commission.

#### **Conditions of Service**

- 1) A contract is required for each Customer taking service under this Schedule. The Customer contract is subject to approval by the Commission.
- 2) While a participant in this Schedule, each Customer shall continue to take service under, and pay all components of, their applicable rate schedule and all supplemental schedules and riders as determined for each delivery point. Customers who subscribe to Direct Access Service, are ineligible for this program, for those loads subject to Direct Access Service.
- 3) The Customer contract will provide for delivery of bundled renewable electricity to the Customer by the Company from one or more renewable energy resources. See Conditions of Service paragraph 6, below, for eligible renewable energy resources criteria.

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# **Conditions of Service (continued)**

- 4) The Customer contract will include:
  - a) The amount of renewable energy to be acquired on behalf of the Customer annually. This amount shall not exceed the reasonably projected annual amount of energy to be consumed by the Customer. In the event that the renewable energy supplier is in default of the terms of its PPA or is no longer able to supply bundled renewable energy to the Customer, the Company shall make reasonable efforts to begin to procure a new PPA with another renewable energy supplier as soon as practicable with the cost of the renewable energy to the Customer revised accordingly.
  - b) The Customer contract will include rates calculated to cover all costs associated with acquiring the renewable energy resource(s) and operating this supplemental program. Under the Customer contract the Customer shall pay:
    - i) The Customer's normal tariff rate as specified in the applicable Electric Service Schedule for each delivery point;
    - The cost for the contracted percentage of megawatt-hours (MWh) of bundled renewable energy generated by renewable energy resource(s) facilitated through the contract and delivered to the customer;
    - iii) Cost-based administrative fees that account for program costs, billing, and other relevant program expenses;
    - iv) The credit for the contracted MWh that reflects the energy and capacity value, as well as integration, shaping, and firming costs. The bill credit amount is determined by the Company, using the Company's integrated resource plan (IRP) portfoliobased valuation methodology. The credit value will include a risk adjustment, will be determined at the time of resource procurement, and will be fixed over the contract period. The credit shall not exceed the Customer's total cost of participation; and
    - v) The subscriber mismatch charge that ensures that incremental renewable energy resource costs are recovered during the term of the Customer's agreement.
  - c) The Customer contract will include a term no less than five years, as agreed to between the Company and the Customer. Should the term of the contract differ from the term of the renewable energy resource(s), the subscriber mismatch charge identified in the contract will recover all of the costs identified using the IRP portfoliobased valuation methodology to protect non-participating cost of service Customers from the mismatch between contract durations.
  - d) The Customer contract will contain service termination provisions obligating the Customer to pay all of the costs of the renewable energy resource(s) procured by the Company on the Customer's behalf in the event the Customer contract is terminated early, and a cost obligation related to the renewable energy resource(s) continues beyond the termination. At the discretion of the Company, a Customer with multiple delivery points shall have the option to transfer the renewable energy resource obligation of one delivery point to a new or existing delivery point within the Company's Oregon service territory without termination fees.
  - e) The Customer shall be required to provide adequate credit assurances.

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# Conditions of Service (continued)

- 5) At the request of a Customer, the Company may agree to enter into a new contract with another Customer to accommodate a transfer of the Customer's rights and obligations with respect to a renewable energy resource to another Customer, subject to Commission approval of the new contract.
- 6) The following provisions set out the criteria for renewable energy resources eligible under this Schedule:
  - a) A renewable resource must derive its energy from a renewable energy source as defined in Oregon Revised Statute 469A.025. Non-carbon emitting energy storage resources may be included, but only in conjunction with Renewable Portfolio Standards- compliant resources.
  - b) A renewable resource must be located where it can provide bundled renewable energy to the Company, as such it must be located in the United States and within the geographic boundary of the Western Electricity Coordinating Council consistent with Oregon Revised Statute 469A.135. The Company will take physical delivery of output from the renewable resource and will provide electric service to the Customer.
  - c) A renewable resource must be new, meaning that the facility must not have been operational earlier than one year prior to the resource being included in the program.
  - d) A renewable resource eligible for contract under this Schedule must not already be included in the Company's rates.
  - e) The renewable resource procurement will be negotiated by the Company and all terms and conditions are subject to the Company's agreement.
- 7) RECs associated with renewable energy delivered under this Schedule will be deposited into an account maintained by or on behalf of the Customer and will be retired.

### **Participation Cap**

- 1) Participation in the program will be limited to 175 average megawatts (aMW) of combined participating demand from Customers.
- 2) Once the cap has been reached, a customers with 10 aMW or great of new load may file a request with the Public Utility Commission of Oregon for an increase to the cap to apply to that Customer. Customers may aggregate new loads to reach the 10 aMW requirement. The Company will provide the Customer seeking to increase the cap an estimated impact analysis that approximates how increasing the cap could impact the Company's energy and capacity needs based on the new load and a proxy resource. The Customer shall include in any such filing:
  - a) The Company's analysis energy and capacity needs;
  - b) A showing of how the cap increase poses no significant risk or cost to non-participating Customers;

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# Participation Cap (continued)

- c) A showing of how the cap increase poses no significant impacts to the competitive market;
- d) A discussion on how the cap increase advances the emissions goals reflected in ORS 469A.405 to ORS 469A.480, including but not limited to emissions impacts; and
- e) Other information as directed by the Public Utility Commission of Oregon or raised by stakeholders to demonstrate good cause.

The Public Utility Commission of Oregon will review the request and strive to issue a decision no later than 180 calendar days after the filing.

### **Customer-Supplied Option**

PacifiCorp will meet with customers that have identified a renewable energy resource to evaluate the resource for service to that Customer's load. PacifiCorp retains the right to reject the resource if the participant, utility, and developer cannot agree on risk allocation or the structure of such shifts undue costs to non-participating customers. PacifiCorp's review of the customer identified resource will consider, among other things, whether the resource and qualifying PPAs shift costs and risks onto non-participating customers or PacifiCorp shareholders, including but not limited to interconnection costs and risks. If the customersupplied resource and terms of service are acceptable to PacifiCorp and the participating customer, PacifiCorp and the participating customer shall file a request with the Commission seeking approval of the resource. Prior to filing any request with the Commission. PacifiCorp and the participating customer shall hold an informational meeting for interested stakeholders to discuss the risk allocation and structure of the proposal where the interested stakeholders may raise concerns. If the customer-supplied resource and terms of service are not acceptable to PacifiCorp, the participating customer can file a request with the Commission seeking approval of the resource. A customer proposing an ACT program resource must take the entire variable output of the renewable energy resource, and PacifiCorp will not procure replacement RECs for the Customer in the event of default by the renewable energy resource.