

PacifiCorp
Washington Schedule QF
Non-Binding Non-Standard Qualifying Facility (QF) PPA Term Sheet
Effective August 18, 2021

This Non-Binding Schedule 38 Qualifying Facility PPA Term Sheet (“Term Sheet”) sets forth certain of PacifiCorp’s current requirements applicable to the purchase and sale of energy products from a Washington QF under Schedule 38 (the “Potential Transaction”) and is subject to change. This Term Sheet is intended to serve as a basis for discussion and negotiation between the Parties (as defined below) with regard to certain elements of a Potential Transaction that would be included in a definitive power purchase agreement (“PPA”). This Term Sheet does not contain all matters upon which agreement must be reached in order for the Potential Transaction to be completed, including without limitation key terms that are specific to certain facilities, such as facilities with storage systems or off-system interconnections. The matters set forth in this Term Sheet are not intended to and do not constitute a binding agreement of the Parties or establish any obligation of the Parties with respect to the Potential Transaction, and the Term Sheet may not be relied upon by a Party as the basis for a contract by estoppel or otherwise. A binding agreement will arise only upon the negotiation, execution and delivery of mutually satisfactory PPA and the satisfaction of the conditions set forth therein, including completion of due diligence and the approval of such agreements by the respective governing body(ies) and management of each Party, which approval shall be in the sole subjective discretion of each respective governing body(ies) and management.

	Term	Description¹
1.	Parties	PacifiCorp, acting in its merchant capacity, and [] (“Seller”), each a “Party” and together the “Parties.”
2.	Generating Facility	The project consists of [] (the “Facility”).
3.	Purchase and Sale	Seller to sell and make available, and PacifiCorp to purchase and receive, at the Point of Delivery (as defined below), all Net Output and all Capacity Rights (as defined below) generated by the Facility during the Term; provided that with respect to Environmental Attributes, PacifiCorp would obtain title only during periods in which (i) such rights are expressly conveyed to PacifiCorp for additional consideration or (ii) the applicable Contract Price is determined based on the avoided capacity costs of an eligible renewable resource. Capacity Rights include ancillary services, attributes (including Environmental Attributes), accounting constructs (e.g., those used towards any current or future resource adequacy or reserve requirements), associated with the

¹ Capitalized terms used but not defined in this Term Sheet to be defined in the PPA.

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		electric generation capability and capacity of the Facility and any of those services necessary to support the transmission of electric power from Seller to PacifiCorp and to maintain reliable operations of the System, including voltage control, operating reserve, spinning reserve and reactive power. Documentation of Environmental Attributes to be consistent with WREGIS protocol.
4.	Point of Delivery	[_____] (“Point of Delivery”).
5.	Contract Price	Test Energy prior to Commercial Operation to be paid at 75% of the lower of Firm Market Index or the Contract Price. Net Output after Commercial Operation paid at Contract Price as specified in the PPA.
6.	Term	PPA to become effective when it is executed and delivered by both Parties (the “Effective Date”), and, unless earlier terminated as provided in the PPA, would terminate on the [_____] anniversary of the Commercial Operation Date (the “Term”).
7.	Commercial Operation	<p>Commercial Operation is to occur by the Scheduled Commercial Operation Date (“Scheduled COD”). Commercial Operation to mean that the Expected Nameplate Capacity Rating of the Generating Facility is fully operational and reliable at or greater [_____] percent of the Expected Nameplate Capacity Rating, and the Facility is fully interconnected, fully integrated, and synchronized with the System, which occurs when all of the following events have occurred:</p> <ul style="list-style-type: none"> • PacifiCorp has received a letter addressed to PacifiCorp from a Licensed Professional Engineer certifying: <ul style="list-style-type: none"> ○ (A) the Nameplate Capacity Rating of the Generating Facility at Commercial Operation, which must be at least equal to or greater than the Required Percentage of the Expected Nameplate Capacity Rating; ○ (B) that the Generating Facility is able to generate electric energy reliably in amounts expected by and consistent with the terms and conditions of this Agreement; ○ in conformance with the requirements of the Generation Interconnection Agreement, that: (A) all required Interconnection Facilities have been

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		<p>constructed; (B) all required interconnection tests have been completed; and (C) the Facility is physically interconnected with the System in conformance with the Generation Interconnection Agreement;</p> <ul style="list-style-type: none"> ○ that Seller has obtained or entered into all Required Facility Documents; ● PacifiCorp has received a certificate from an officer of Seller stating that neither Seller nor the Facility are in violation of or subject to any liability under any Requirements of Law; ● Seller has satisfied its obligation to pay for any network upgrades or other interconnection costs required under the Generation Interconnection Agreement; and ● If applicable, PacifiCorp has received the Default Security.
8.	Project Construction Delay Damages	<p>If Commercial Operation is not achieved on or before the Scheduled COD, Seller to pay PacifiCorp Delay Damages from and after the Scheduled COD up to, but not including, the date that the Facility achieves Commercial Operation. Delay Damages to be calculated daily and billed monthly. Daily damages to be equal to (a) the Expected Energy for the day expressed in MWhs (calculated by dividing the Expected Energy for the applicable month by the number of days in such month), multiplied by (b) PacifiCorp's Cost to Cover.</p>
9.	Project Development Security	<p>Seller to provide Project Development Security if Seller does not meet Credit Requirements (as defined below) on or before the thirtieth (30th) day following the Effective Date. Security amount set per kW of nameplate. PacifiCorp may draw on security to pay Delay Damages if unpaid by Seller. Development Security terminates at Commercial Operation or rolled over to meet Default Security obligations in whole or in part. Project Security to be in the form of cash collateral, a letter of credit or guarantee from an entity that satisfies the Credit Requirements. "Credit Requirements" means: (a) Seller has a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of: (i) 'BBB+' or greater from S&P; or (ii) 'Baa1' or greater from Moody's; provided that if such ratings are split, the lower of the two ratings must be at least 'BBB+' from S&P or</p>

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		'Baa1' from Moody's; provided further that if (i) or (ii) is not available, an equivalent rating as determined by PacifiCorp through an internal process review and utilizing a proprietary credit scoring model developed in conjunction with a third party. Security, if required must be issued by a person meeting the Credit Requirements or issued by a Qualifying Institution.
10.	Default Security	Seller to provide Default Security if Seller does not meet Credit Requirements as a condition to Commercial Operation. Amount of Default Security to be set per kW of nameplate. PacifiCorp may draw on security to pay any unpaid damages amount due to PacifiCorp. Default Security to be in the form of cash collateral, a letter of credit or guarantee from an entity that satisfies the Credit Requirements.
11.	Performance Guarantee	Seller to provide Performance Guarantee of minimum output levels or minimum availability levels, depending on the type of generating resource, before Liquidated Damages are assessed for Output Shortfall in any year.
12.	Representations and Warranties	Standard representations and warranties to be provided by both Parties. Seller to provide additional representations and warranties regarding Required Facility Documents, control of Premises related to Facility, and QF status, among others. Representations and warranties to begin on Effective Date, reaffirmed at COD, and continue for the Term. Written notice would be required if representations and warranties become untrue.
13.	Conditional Designated Network Resource	PacifiCorp (acting in its merchant capacity) to request designated network resource status for the facility; provided that if PacifiCorp is informed that system upgrades are required, the avoided cost Contract Price would be subject to change as mutually agreed by the Parties or as determined by the Commission, to more accurately reflect PacifiCorp's avoided costs, or Seller may terminate the PPA without damages.
14.	No Duty to Compensate for Certain Interruptions in Delivery	PacifiCorp would not be obligated to purchase, receive, pay for, or pay any damages associated with, any Net Output that is not delivered to the System or Point of Delivery for any of the following reasons: (a) the interconnection between the Facility and the System is disconnected,

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		suspended or interrupted, in whole or in part, consistent with the terms of the Generation Interconnection Agreement, (b) the Market Operator, Transmission Provider or Network Service Provider directs a general curtailment, reduction, or redispatch of generation in the area (which would include the Net Output) for any reason (excluding curtailment of purchases for general economic reasons unilaterally directed by the Market Operator or PacifiCorp acting solely in its merchant function capacity), even if and no matter how such curtailment or redispatch directive is carried out by PacifiCorp, which may fulfill such directive by acting in its sole discretion; or if PacifiCorp curtails or otherwise reduces the Net Output in any way in order to meet its obligations to the Market Operator, Transmission Provider or Network Service Provider to operate within system limitations or otherwise, (c) the Facility's Output is not received because the Facility is not fully integrated or synchronized with the System, or (d) an event of Force Majeure prevents either Party from delivering or receiving Net Output
15.	As-Built Supplement; No Modifications	<p>Within 30 days after the Commercial Operation Date, Seller to provide an As-built Supplement which would replace or augment appropriate Facility Exhibits.</p> <p>PacifiCorp would not be required to purchase any Net Output above the Maximum Delivery Rate. Seller would not be permitted make any modifications to the Facility (before or after COD) that increase the Nameplate Capacity Rating or would increase Net Output above the Maximum Delivery Rate without PacifiCorp's prior written consent, which consent PacifiCorp may withhold in its sole discretion. Any incremental additional Net Output resulting from PacifiCorp's consent to any such modification would be paid for at the avoided cost rate in effect at the time the modification is made.</p>
16.	Interconnection	Seller to be responsible for the costs and expenses associated with its Facility network resource interconnection in accordance with the requirements of the Transmission Provider.
17.	Costs and Charges of Net	Seller to be responsible for all costs or charges (i) imposed in

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	Output; Station Service; Taxes; Facility Costs	connection with the scheduling and delivery of Net Output up to and at the Point of Delivery; (ii) for arranging and obtaining any station service required by the Facility beyond what the Facility provides; (iii) for taxes on Net Output up to and including, but not beyond, the Point of Delivery; (iv) for paying (a) all costs of owning and operating the Facility in compliance with existing and future Requirements of Law and (b) all taxes and charges existing or imposed on or with respect to the Facility, its operation or other environmental impacts of the Facility.
18.	PacifiCorp as Merchant	PacifiCorp, acting in its merchant capacity function as purchaser under this Agreement, to have no responsibility for or control over PacifiCorp Transmission or any successor Transmission Provider.
19.	Reports and Records	Seller to provide quarterly reports on Facility performance at PacifiCorp's request.
20.	Installation, Inspection, Testing, Repair and Replacement of Metering Equipment	Metering to be designed, located and installed in accordance with Generation Interconnection Agreement. PacifiCorp to have right to inspect, test and repair metering.
21.	WREGIS Metering	Seller to be responsible for WREGIS-approved meter for generation data transfer.
22.	Standard of Facility Operation	Seller to operate and maintain the Facility in a safe manner in accordance with the Generation Interconnection Agreement, Prudent Electrical Practices and in accordance with the requirements of all applicable federal, state and local laws and the National Electric Safety Code as such laws and code may be amended from time to time.
23.	Coordination with System	Seller to be responsible for the coordination and synchronization of the Facility and the Interconnection Facilities with the System.
24.	Outages	Seller to provide annual forecast of Planned Outages, notification of Maintenance Outages 5 days in advance, and Forced Outages by telephone if greater than 10% of nameplate.
25.	Scheduling	Seller to cooperate with PacifiCorp on scheduling.
26.	Forecasting	For PacifiCorp's planning purposes, Seller to provide annual update to net energy and capacity factor (12 X 24 profile). At Seller's expense, PacifiCorp to add the Facility to its energy production forecasting service necessary for

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		compliance with applicable Electric System Authority procedures, protocols, rules, and testing.
27.	Electronic Communications	Seller to provide dedicated telemetering equipment and facilities capable of transmitting data pursuant to the Generation Interconnection Agreement. Seller to provide written consent waiver to allow PacifiCorp to receive all data and information from the Transmission Provider.
28.	Access Rights	Seller to grant PacifiCorp access to Facility for normal business purposes (i.e., reading and testing meter equipment, etc.)
29.	Tax Credits	Seller to bear all risks associated with Tax Credits.
30.	Invoicing	Seller to invoice PacifiCorp for Net Output on a monthly basis.
31.	Offsets	Each Party to have the right offset any payment due against amounts owed by the other Party.
32.	Disputed Amounts	Payment to be made on undisputed amounts while disputed amount is resolved.
33.	Audit Rights	Each Party to have the right to verify the accuracy of any statement, charge or computation.
34.	Defaults	<p><u>Either party</u></p> <ul style="list-style-type: none"> • Failure to make payment within cure period, bankruptcy, insolvency • Breach of representation or warranty not cured within cure period • Failure to perform material obligation not cured within cure period <p><u>Seller</u></p> <ul style="list-style-type: none"> • Failure to post or maintain security • Failure to achieve Commercial Operation within cure period following Scheduled COD • Sale of Output or Capacity Rights to third party or other failure to deliver Output to PacifiCorp • Notice of foreclosure of Facility • Abandonment of construction or operation • Failure to maintain required insurance, Required Facility Documents, QF status or Permits • Failure to meet Performance Guarantee criteria for 2 consecutive years
35.	Remedies for Failure to	Seller to pay damages for Net Output not delivered.

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	Deliver/Receive	PacifiCorp to pay damages for Net Output made available for delivery but not received by PacifiCorp, except as provided in Section 14 of this Term Sheet.
36.	Remedies for Other Events of Default	Non-defaulting Party entitled to all remedies at law in the event of default and has right of termination.
37.	Termination of Duty to Buy on Same Terms	If terminated because of default by Seller, PacifiCorp would not be required thereafter to purchase Net Output from Facility at avoided cost prices greater than the Contract Price or on terms and conditions more advantageous to Seller.
38.	Indemnities; Limitation of Liability	Indemnities to be provided for both Seller and PacifiCorp. No Consequential Damages allowed for either Party.
39.	Insurance	Seller to secure and carry insurance in compliance with coverage specified in the PPA.
40.	Force Majeure	Parties to be relieved of their obligations under the PPA during an Event of Force Majeure. If Force Majeure not remedied in [] consecutive days, the Party not affected by the Force Majeure has the right to terminate after 10 days' notice.
41.	Diversity Spend	Seller to report to PacifiCorp on the amount of business it conducts with qualified diverse business enterprises, including women-owned, minority-owned, disabled veteran-owned, and lesbian, gay, bisexual, and transgender.
42.	Prohibited Vendors	Seller to be prohibited from using vendors, contractors and subcontractors (of any tier) that use the services, products, component pieces or sub-assemblies of any company identified by PacifiCorp or by the U.S. Government and/or regulatory authorities as a security threat.
43.	Assignment	Neither Party would be allowed to assign the PPA or rights and obligations under the PPA without the other Party's written consent, except, subject to certain conditions, as follows: (i) in the case of Seller, to a lender in connection with financing of the Facility; (ii) in the case of PacifiCorp, to any Person if PacifiCorp ceases to be a load-serving entity; and (iii) in the case of either Party, to an Affiliate.
44.	Dispute Resolution	Prior to any formal dispute proceedings, Parties to attempt to resolve disputes in good faith on a specific timeline including involvement of senior management. If negotiations do not resolve issues, either Party can request the matter be submitted to non-binding mediation. Each Party to waive the right to a trial by jury.

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45.	Governing Law; Venue	The laws of the State of Oregon to govern the PPA, without regard to conflicts of laws principles. Venue to be in Multnomah County, Oregon.