

Contract 00-SNR-00305

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION  
CENTRAL VALLEY PROJECT, CALIFORNIA

CONTRACT FOR ELECTRIC SERVICE  
BASE RESOURCE  
WITH  
CITY OF BIGGS

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1. **PREAMBLE:** This Contract is made this \_\_\_\_\_ day of \_\_\_\_\_, 2000, pursuant to the Acts of Congress approved June 17, 1902, (32 Stat. 388); August 26, 1937, (50 Stat. 844); August 4, 1939, (53 Stat. 1187); and August 4, 1977, (91 Stat. 565); and Acts amendatory or supplementary to the foregoing Acts; between the UNITED STATES OF AMERICA (United States), acting by and through the Administrator, Western Area Power Administration, Department of Energy, hereinafter called Western, represented by the officer executing this Contract, or a duly appointed successor, hereinafter called the Contracting Officer; and CITY OF BIGGS, a municipality, hereinafter called the Contractor or Biggs, its successors and assigns; each sometimes hereinafter individually called the Party, and both sometimes hereinafter collectively called the Parties.

2. **EXPLANATORY RECITALS:**  
2.1 Western markets the surplus generation from, and operates a high-voltage transmission system as a part of, the Central Valley Project (CVP).

1 2.2 Western and the U.S. Department of the Interior, Bureau of Reclamation  
2 (Reclamation), have agreed to work together to efficiently serve Project Use and  
3 preference loads.  
4

5 2.3 On June 25, 1999, Western's final 2004 Power Marketing Plan (Marketing  
6 Plan) was published in the Federal Register (64 FR 34417). The Marketing Plan  
7 sets forth how Western's Sierra Nevada Region will market the power generated  
8 from the CVP and Washoe Project.  
9

10 2.4 Western has an existing purchase power contract to supplement CVP and  
11 Washoe Project generation.  
12

13 2.5 Western is willing to provide and Biggs desires to purchase a percentage  
14 of the Base Resource consistent with the Marketing Plan.  
15

16 2.6 Under the Marketing Plan, Western requires that all Western power be  
17 scheduled in accordance with the applicable control area operator requirements.  
18

19 3. **AGREEMENT:**

20 The Parties agree to the terms and conditions set forth herein.  
21

22 4. **TERMINATION OF AMENDMENT FOR RIGHT TO PURCHASE AFTER 2004:**

23 Amendment 4 to Contract DE-MS65-84WP59005, between Biggs and Western shall  
24 terminate upon the effective date of this Contract.  
25

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///

1 5. **EFFECTIVE DATE AND TERM OF CONTRACT:**

2 5.1 This Contract shall become effective on the date of execution and shall  
3 remain in effect until midnight of December 31, 2024, subject to prior termination  
4 as otherwise provided for herein.

5  
6 5.2 The date of initial service under this Contract is January 1, 2005.  
7

8 6. **DEFINITION OF TERMS:**

9 As used herein, the following terms whether singular or plural, or used with or without  
10 initial capitalization, shall have the following meanings:

11 6.1 “Base Resource” means CVP and Washoe Project power output and any  
12 purchases made under the Enron Contract, as determined by Western to be  
13 available for marketing, after (1) meeting the requirements of Project Use and  
14 First Preference Customers, and (2) any other adjustments required for  
15 maintenance, regulation, reserves, transformation losses, and ancillary services.  
16

17 6.2 “Base Resource Operating Capability” means that portion of the Maximum  
18 Operating Capability that Western determines to be available to Customers in  
19 any hour.  
20

21 6.3 “Capacity” means the instantaneous electrical capability of a generator,  
22 transformer, transmission circuit, or other equipment.  
23

24 6.4 “Central Valley Project” means the multipurpose Federal water and power  
25 project extending from the Cascade Range in northern California to the plains  
26 along the Kern River, south of the City of Bakersfield.

27 ///

28 ///

1 6.5 “Custom Product” means a combination of products and services,  
2 excluding provisions for load growth, which may be made available by Western  
3 per Customer request, using the Customer’s Base Resource and supplemental  
4 purchases made by Western.

5  
6 6.6 “Customer” means an entity that is qualified under Reclamation law to  
7 receive Western Power and has a Base Resource Contract with Western.

8  
9 6.7 “Enron Contract” means Contract 87-SAO-30002, as amended, which  
10 provides for Western to purchase power from Enron Power Marketing, Inc., to  
11 supplement CVP and Washoe Project generation. The Enron Contract  
12 terminates December 31, 2014.

13  
14 6.8 “Energy” means the actual electrical output of a generator over a specified  
15 period of time; electric energy is usually measured in kilowatthours or  
16 megawatthours.

17  
18 6.9 “First Preference Customer” means a Customer wholly located in Trinity,  
19 Calaveras, or Tuolumne Counties, California, as specified under the Trinity River  
20 Division Act (69 Stat. 719) and the New Melones provisions of the Flood Control  
21 Act of 1962 (76 Stat. 1173, 1191-1192).

22  
23 6.10 “FERC” means the Federal Energy Regulatory Commission or its  
24 successor.

25  
26 6.11 “Hourly Base Resource Schedule” means that portion of the Base  
27 Resource Operating Capability that Western declares as the final scheduled  
28 Base Resource energy for Biggs for each hour of the operating day.

1 6.12 "ISO" means the California Independent System Operator or its  
2 successor.

3  
4 6.13 "NERC" means the North American Electric Reliability Council or its  
5 successor.

6  
7 6.14 "Marketing Plan" means Western's final 2004 Power Marketing Plan for  
8 the Sierra Nevada Region.

9  
10 6.15 "Maximum Operating Capability" means the maximum electrical capability  
11 from CVP generation and the Enron Contract available to produce energy and/or  
12 provide ancillary services in any one or more hours.

13  
14 6.16 "Minimum Base Resource" means the amount of Base Resource energy  
15 generated each hour as a result of CVP minimum water release plus purchases  
16 under the Enron Contract.

17  
18 6.17 "Operating Reserves" means the combination of spinning and non-  
19 spinning reserves required to meet WSCC, NERC, and the control area  
20 operator's requirements for reliable operation of the power system.

21  
22 6.18 "Primary Marketing Area" means the area which generally encompasses  
23 northern and central California extending from the Cascade Range to the  
24 Tehachapi Mountains, and west-central Nevada.

25  
26 6.19 "Power" means electric capacity and energy.

27 ///

28 ///

1 6.20 "Project Use" means the power used to operate CVP or Washoe Project  
2 facilities in accordance with authorized purposes and pursuant to Reclamation  
3 law.

4  
5 6.21 "RTO" means regional transmission organization, which is an organization  
6 that meets the minimum characteristics and performs the minimum functions  
7 specified in FERC Order 2000, as that order may be amended or superseded.

8  
9 6.22 "Regulation" means the service provided by generating units equipped  
10 and operating with automatic generation control which will enable such units to  
11 respond to direct control signals in an upward or downward direction to match, on  
12 a real time basis, demand and resources, consistent with WSCC, NERC, and the  
13 control area operator's criteria.

14  
15 6.23 "Scheduling Coordinator" means an entity that is responsible for providing  
16 hourly load and resource schedules to the control area operator, in accordance  
17 with a FERC-approved tariff.

18  
19 6.24 "Washoe Project" means the Federal water project located in the  
20 Lahontan Basin in west-central Nevada and east-central California, as described  
21 in the Marketing Plan.

22  
23 6.25 "WSCC" means the Western Systems Coordinating Council or its  
24 successor.

25  
26 7. **BASE RESOURCE ESTIMATES AND AVAILABILITY FORECAST:**

27 7.1 Appendix A describes the availability of the Base Resource in terms of  
28 estimated energy and capacity production. Appendix A should be used for long-

1 term planning purposes only. It should not be considered representative of  
2 actual operating conditions.

3  
4 7.2 Beginning in 2004, on or before April 30<sup>th</sup> of each year, Western will  
5 provide to Biggs a forecast of the availability of the Base Resource for the  
6 applicable twelve-month period. The forecast will provide the following  
7 information concerning the Base Resource:

8 7.2.1 A declaration of the anticipated water year type;

9  
10 7.2.2 Estimates of Base Resource Operating Capability and energy, for  
11 the period April 1<sup>st</sup> through September 30<sup>th</sup> of the current year, given the  
12 Enron Contract, actual reservoir levels, snow pack, and estimated runoff  
13 as of April 1<sup>st</sup>;

14  
15 7.2.3 Estimates of the Base Resource Operating Capability and energy,  
16 for the period October 1<sup>st</sup> of the current year through March 31<sup>st</sup> of the  
17 following year, based on historic weather patterns, projected weather  
18 patterns, and existing conditions;

19  
20 7.2.4 Maximum Operating Capability of the CVP for each month;

21  
22 7.2.5 Purchases under the Enron Contract and generation from the CVP  
23 and Washoe Project for each month;

24  
25 7.2.6 Energy required for estimated Project Use loads, First Preference  
26 Customers' loads, and any ancillary service requirements for each month.  
27 The forecast will also include the estimated amount of Base Resource  
28 energy not available due to scheduled maintenance.

1 7.3 By the end of each month, Western will provide to Biggs a monthly Base  
2 Resource forecast that will contain the amounts of Base Resource Operating  
3 Capability and energy estimated to be available for each month on a rolling  
4 twelve-month basis, based on 90, 50, and 10 percent exceedence levels. The  
5 monthly forecast will contain the following information:

6 7.3.1 Maximum Operating Capability of the CVP for each month;  
7

8 7.3.2 Energy required for estimated Project Use loads, First Preference  
9 Customers' loads, and any ancillary service requirements. The forecast  
10 will also include the estimated amount of Base Resource energy not  
11 available due to scheduled maintenance.  
12

13 7.4 By Friday of each week, Western will provide to Biggs a weekly Base  
14 Resource forecast that will contain estimated amounts of Base Resource  
15 Operating Capability and energy to be available for the next week based on the  
16 Enron Contact and anticipated CVP operations. The weekly forecast will set  
17 forth the energy required for estimated Project Use loads, First Preference  
18 Customers' loads, and any ancillary services requirements. The forecast will  
19 also include the estimated amount of Base Resource energy not available due to  
20 scheduled maintenance.  
21

22 7.5 Western shall make all reasonable efforts within its control to ensure that  
23 the forecasted Base Resource will be available.  
24

25 8. **ELECTRIC SERVICE FURNISHED BY WESTERN:**

26 8.1 Biggs will be entitled to receive a percentage of the Base Resource as set  
27 forth in Exhibit A, attached hereto and made a part hereof.  
28

///

1 8.2 The estimated amount of energy available to Biggs during any given time  
2 period shall be determined by multiplying its Base Resource percentage by the  
3 total amount of Base Resource energy available during that period.  
4

5 8.3 The minimum amount of energy Biggs will be required to schedule for  
6 each hour shall be determined by multiplying its Base Resource percentage by  
7 the Minimum Base Resource, unless otherwise agreed to by Western. However,  
8 if Biggs does not have sufficient load to take its percentage of the Minimum Base  
9 Resource, any excess energy shall be made available to Western for the hourly  
10 exchange program as described later in this Contract under Section 11 and  
11 Exhibit B.  
12

13 8.4 The maximum amount of energy Biggs may schedule in any hour shall be  
14 determined by multiplying its Base Resource percentage by the Base Resource  
15 Operating Capability. However, Biggs may schedule energy in excess of this  
16 maximum, if approved by Western, to accommodate purchases or exchanges  
17 from the seasonal or hourly exchange program.  
18

19 8.5 Biggs will be entitled to the benefit of available regulation and operating  
20 reserves from the CVP in proportion to its Base Resource percentage. The  
21 method in which the benefits of regulation and operating reserves will be  
22 provided will be determined prior to the date of initial service and set forth in  
23 Exhibit D attached hereto.  
24

25 8.6 Western's obligation to provide Biggs' Base Resource is limited to the  
26 actual CVP generation and imports under the Enron Contract available on a real-  
27 time basis. Western shall have no obligation to replace any Base Resource that  
28 is unavailable due to scheduled maintenance, system emergencies, forced

1 outages, or other constraints. Any costs incurred by either Party as a result of  
2 deviations between actual and scheduled Base Resource energy shall be the  
3 responsibility of Biggs. Western will notify Biggs as soon as reasonably  
4 practicable of any situation that will impact the availability of the Base Resource,  
5 and will modify schedules accordingly, on a pro-rata basis.

6  
7 8.7 Due to the variable nature of the Base Resource, Western may provide a  
8 Custom Product upon Customer request. Any Custom Product will be the  
9 subject of a separate contractual arrangement.

10  
11 9. **DELIVERY ARRANGEMENTS:**

12 9.1 Western will make Biggs' Base Resource available at the generator bus or  
13 such other point(s) as the Parties may mutually agree, as specified in Exhibit A.  
14 If requested by Biggs, Western will deliver that portion of Biggs' Base Resource  
15 energy from CVP generation that is directly connected to Western-owned  
16 transmission facilities, to Biggs' facilities that are directly connected to Western-  
17 owned transmission facilities. The rates and terms of this service shall be in  
18 accordance with Western's then-current open access transmission tariff.

19  
20 9.2 Biggs must provide written notification to Western by July 1, 2004,  
21 demonstrating that it has arranged for delivery of its Base Resource energy to its  
22 load. Such notification shall include both transmission and distribution level  
23 arrangements, as applicable. Western shall have no obligation to make Base  
24 Resource available to Biggs if delivery arrangements are not in effect. However,  
25 Biggs shall not be relieved of its obligation to pay its percentage share of the  
26 Base Resource during the time in which delivery arrangements are not in effect.

27 ///

28 ///

1 10. **SCHEDULING PROCEDURES AND PROTOCOLS:**

2 10.1 All energy furnished by Western to Biggs will be provided on a scheduled  
3 basis. Biggs agrees to abide by the FERC-approved scheduling procedures and  
4 protocols, as set forth in Exhibit C herein. The Parties recognize that the  
5 scheduling procedures and protocols may require modification from time-to-time  
6 to reflect updated operating procedures that may become applicable to the  
7 Parties. In such event, the Parties shall mutually agree to make the appropriate  
8 modifications to Exhibit C.

9  
10 10.2 In the event that Biggs does not abide by the protocols and procedures  
11 made effective by FERC and applicable to Western, and Western incurs costs as  
12 a result, Biggs agrees to pay all such costs.

13  
14 11. **EXCHANGE PROGRAM:**

15 11.1 Western will establish and manage an exchange program to allow all  
16 Customers to fully and efficiently use their Base Resource percentage. The  
17 exchange program is a mechanism to:

18 11.1.1 Make available to Western, for provision to other Customers, any  
19 Base Resource energy a Customer cannot use on a pre-scheduled basis  
20 due to insufficient load;

21  
22 11.1.2 Help mitigate the costs incurred by a Customer for the power it is  
23 obligated to pay for, but may not be able to use.

24  
25 11.2 The exchange program will consist of a seasonal exchange program and  
26 an hourly exchange program.

27 11.2.1 Under the seasonal exchange program, Biggs may elect to make  
28 available to Western that portion of its Base Resource percentage that it is

1           unable to use due to insufficient load. Biggs, through Western, will be  
2           able to exchange its unusable Base Resource percentage with other  
3           Customers. Any Customer may submit a request to Western to exchange  
4           or purchase energy through the seasonal exchange program.

5  
6           11.2.2 Under the hourly exchange program, all Base Resource energy in  
7           excess of a Customer's load will be retained by Western and offered by  
8           Western for sale to other Customers. Any Customer may submit a  
9           request to Western to purchase energy that is made available to the  
10          hourly exchange program.

11  
12          11.3 The exchange program procedures are set forth in Exhibit B, attached  
13          hereto, and such procedures shall apply to all Customers that participate in the  
14          exchange program.

15  
16          11.4 Exchanges of the Base Resource between Biggs and others, outside of  
17          the Western-managed exchange program, or other Western-managed program,  
18          is prohibited.

19  
20    12.    **INDEPENDENT SYSTEM OPERATOR OR REGIONAL TRANSMISSION**

21    **ORGANIZATION:**

22    The Parties understand that Western may join the ISO or an RTO. In the event  
23    Western either joins or is required to conform to the protocols of an ISO or RTO, the  
24    Parties shall mutually agree to make any protocol changes to Exhibit C to this Contract  
25    to conform to the terms and conditions required by an ISO or RTO and made effective  
26    by FERC. In the event that Biggs does not abide by the protocols made effective by  
27    FERC and applicable to Western, and Western incurs costs as a result, Biggs agrees to  
28    pay all such costs.

1 13. **WESTERN RATES:**

2 13.1 The Base Resource will be provided on a take-or-pay basis. Biggs will be  
3 obligated to pay its Base Resource percentage share of Western's costs,  
4 whether or not it uses its full Base Resource percentage.

5  
6 13.2 Biggs shall pay for the electric service furnished hereunder in accordance  
7 with the rates, charges, and conditions set forth in the CVP schedule of rates  
8 applicable to the Base Resource, effective January 1, 2005, or any superseding  
9 rate schedule.

10  
11 14. **INTEGRATED RESOURCE PLAN:**

12 In accordance with the Energy Policy Act of 1992, Biggs is required to meet the  
13 requirements of Western's Energy Planning and Management Program (EPAMP). To  
14 fulfill the requirements of EPAMP, Biggs must develop and submit an integrated  
15 resource plan or alternative report, as applicable. Specific EPAMP requirements are set  
16 forth in the Federal Register at (64 FR 62604) and may be found on Western's website.  
17 Failure to comply with Western's EPAMP requirements may result in penalties as  
18 specified therein. Biggs understands that Western may re-evaluate its EPAMP  
19 requirements and change them from time-to-time as appropriate. Such changes will be  
20 subject to a public process and publication in the Federal Register.

21  
22 15. **ADJUSTMENT OF BASE RESOURCE PERCENTAGE:**

23 15.1 Prior to the date of initial service, Western may adjust Biggs' Base  
24 Resource percentage, as set forth in Exhibit A herein, if Western determines that  
25 Biggs' extension contract rate of delivery is greater than its actual usage, as  
26 specified in the Marketing Plan.

27 ///

28 ///

1 15.2 After the date of initial service, Western may adjust Biggs' Base Resource  
2 percentage under any of the following conditions:

3 15.2.1 Biggs sells energy associated with its Base Resource percentage  
4 to another entity for resale by that entity;

5  
6 15.2.2 Biggs uses the energy associated with its Base Resource  
7 percentage to serve loads outside of the Sierra Nevada Region's Primary  
8 Marketing Area;

9  
10 15.2.3 Biggs' annual energy associated with its Base Resource  
11 percentage, is ten percent greater than its actual annual energy usage.  
12

13 15.3 If Western determines that Biggs has met any of the conditions in  
14 Section 15.2 above, Western will take the following steps:

15 15.3.1 Notify Biggs of the nature of the concern;

16  
17 15.3.2 Analyze Biggs' usage of the energy associated with its Base  
18 Resource percentage and determine if an adjustment is necessary on a  
19 case-by-case basis, with due consideration of any circumstance that may  
20 have temporarily altered Biggs' energy usage;

21  
22 15.3.3 Provide a 90-day written notice of any adjustment, if an  
23 adjustment is deemed necessary; and

24  
25 15.3.4 Reduce or rescind Biggs' Base Resource percentage  
26 permanently on the effective date specified in the notice.

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1 16. **2015 RESOURCE POOL:**

2 Western will reduce Biggs' Base Resource percentage to establish the 2015 Resource  
3 Pool. Western will recalculate the percentages for all Customers pursuant to the  
4 Marketing Plan. The new Base Resource percentage will be set forth in a revised  
5 Exhibit A, effective January 1, 2015.

6  
7 17. **METERING AND POWER MEASUREMENT RESPONSIBILITIES:**

8 Biggs shall be responsible for electric power metering equipment requirements and  
9 power measurement data associated with the use of Western power under this Contract  
10 as follows:

11 17.1 Unless previously furnished and installed by Western, Biggs shall furnish,  
12 install, operate, maintain, and replace, meters and associated metering  
13 equipment as required by the appropriate jurisdictional authority for deliveries of  
14 Western power scheduled to each delivery point on the Western grid, the ISO  
15 controlled grid, a utility distribution company grid, or other electrical system as  
16 may be applicable.

17  
18 17.2 Biggs shall measure power deliveries and provide certified settlement  
19 quality metering data to Western as requested. It is generally contemplated that  
20 Western will require this data on a monthly basis.

21  
22 18. **CHANGES IN ORGANIZATIONAL STATUS:**

23 18.1 If Biggs changes its organizational status or otherwise changes its  
24 obligation to supply electric power to preference loads, Western reserves the  
25 right to adjust Western's power sales obligations under this Contract, as Western  
26 deems appropriate. Changes in organizational status include but are not limited  
27 to:

28 18.1.1 Merging with another entity;

1 18.1.2 Acquiring or being acquired by another entity;

2  
3 18.1.3 Creating a new entity from an existing one;

4  
5 18.1.4 Joining or withdrawing from a member-based power supply  
6 organization; or

7  
8 18.1.5 Adding or losing members from its membership organization.

9  
10 18.2 For the purposes of this Section 18, a member is any preference entity that  
11 is included in a membership, which has the responsibility of supplying power to  
12 the end-use consumer or customer. Memberships include but are not limited to:

13 18.2.1 Municipality;

14  
15 18.2.2 Cooperative;

16  
17 18.2.3 Joint powers authority; or

18  
19 18.2.4 Governmental agency.

20  
21 18.3 For purposes of this Section 18, participation in a State promulgated direct  
22 access program shall not be deemed to be a change in a Customer's  
23 organizational status or its obligation to supply electric power to preference  
24 loads.

25  
26 18.4 Prior to making an organizational change, Biggs may request an opinion  
27 from Western as to whether Biggs' proposed organizational change will result in  
28 an adjustment of Biggs' Base Resource percentage under this Section 18. Biggs

1 shall provide Western with all relevant documents and information regarding the  
2 proposed organizational change. Based on the documents and information  
3 furnished, Western will provide Biggs with an opinion.  
4

5 18.5 In addition to the above, if the change in organizational status results in a  
6 proposed transfer of the Contract, or any portion thereof, Section 37 of the  
7 General Power Contract Provisions (GPCP), "Transfer of Interest in Contract,"  
8 generally requires the Customer to obtain prior written approval from Western's  
9 Administrator. Organizational changes that typically propose transfer of the  
10 Contract, or a portion of the Contract, and require prior written approval from  
11 Western include but are not limited to:

12 18.5.1 Merging with another entity;

13  
14 18.5.2 Acquiring or being acquired by another entity;

15  
16 18.5.3 Joining an entity; and

17  
18 18.5.4 Creating a new entity.  
19

20 19. **BUSINESS PROTOCOLS:**

21 Western reserves the right to make process or procedural improvements in the efficient  
22 and effective administration of this Base Resource Contract as needed.  
23

24 20. **ENFORCEABILITY:**

25 It is not the intent of the Parties that this Contract confer any rights on third parties to  
26 enforce the provisions of this Contract except as required by law or express provision in  
27 this Contract. Except as provided in this Section, this Contract may be enforced, or  
28 caused to be enforced, only by Western or Biggs, or their successors or assigns.

1 21. **GENERAL POWER CONTRACT PROVISIONS:**

2 The GPCP, effective July 10, 1998, attached hereto, are hereby made a part of this  
3 Contract, the same as if they had been expressly set forth herein; Provided, That, in the  
4 event of a conflict between the GPCP and the provisions in the body of this Contract,  
5 the Contract shall control. The usage of the term "Contractor" in the GPCP shall mean  
6 Biggs. The usage of the term "firm" in Articles 17 and 18 of the GPCP shall be deemed  
7 to be replaced with the words "Base Resource."  
8

9 22. **APPENDIX MADE PART OF CONTRACT:**

10 A description of the CVP and its estimated output under certain hydrological conditions  
11 are provided in Appendix A attached hereto. The information provided in Appendix A is  
12 for planning purposes only. Western may revise Appendix A to reflect operational  
13 changes, as necessary. Western will notify Biggs of any revisions to Appendix A as  
14 soon as practicable.  
15

16 23. **EXHIBITS MADE PART OF CONTRACT:**

17 Exhibit A (Base Resource Percentage and Point(s) of Delivery), Exhibit B (Exchange  
18 Program), Exhibit C (Scheduling Procedures and Protocols), and Exhibit D (Regulation  
19 and Reserves) existing under this Contract may vary during the term hereof. Each of  
20 said exhibits shall become a part of this Contract during the term fixed by its provisions.  
21 Exhibits A, B, C, and D are attached hereto, and each shall be in force and effect in  
22 accordance with its terms until respectively superseded by a subsequent exhibit, as  
23 allowed by the terms of each exhibit.

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1 **IN WITNESS WHEREOF**, the Parties have caused this Contract to be executed the day  
2 and year first above written.

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WESTERN AREA POWER ADMINISTRATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_ Power Marketing Manager \_\_\_\_\_  
Address: \_\_\_\_\_ 114 Parkshore Drive \_\_\_\_\_  
\_\_\_\_\_ Folsom, CA 95630-4710 \_\_\_\_\_

CITY OF BIGGS

(Attest)

By: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

City of Biggs

Resolution No./CERTIFICATE

EXHIBIT A  
(Base Resource Percentage and Point(s) of Delivery)

1. This Exhibit A, to be effective under and as part of Contract 00-SNR-00305 (Contract), shall become effective upon execution of the Contract; and shall remain in effect until either superseded by another Exhibit A or termination of the Contract.
2. On the effective date of this Exhibit A, Biggs' percentage of the Base Resource is 0.27889%.
3. Biggs' Base Resource percentage may be adjusted by Western as specified in the Contract.
4. Biggs' Base Resource percentage will be adjusted effective January 1, 2015, in accordance with the Marketing Plan, to establish the 2015 Resource Pool for new power allocations.
5. The point(s) of delivery for Biggs' Base Resource shall be \_\_\_\_\_.
6. This Exhibit A shall be replaced by Western as necessary in accordance with Sections 9, 15, 16, and 18 of the Contract.

EXHIBIT B  
(Exchange Program)

1. This Exhibit B, to be effective under and as a part of Contract 00-SNR-00305, (Contract) shall become effective upon execution of the Contract; and, shall remain in effect until superseded by another Exhibit B or termination of the Contract.
2. The Parties acknowledge that the exchange program procedures will change between the date the Contract is executed and the date of initial service hereunder. The Parties agree to work together collaboratively to develop exchange program arrangements which will maximize the benefits of CVP.
3. Prior to the date of initial service, Western shall replace this Exhibit B with Exhibit B, Revision 1. At such time as Western promulgates Revision 1 to this Exhibit B, Biggs shall have a one-time option of (1) executing Revision 1 to this Exhibit B within the time specified in the transmittal letter, or (2) terminating the Contract upon 30-days advance written notice. In the event Biggs fails to take either action within the specified time frame, Exhibit B, Revision 1, shall be deemed to become effective.
4. Western shall make subsequent revisions to Exhibit B, after consultation with its Customers.
5. Western will manage an exchange program to allow for Customers to fully and efficiently use their Base Resource percentage energy. The program consists of the following two elements:
  - 5.1 Seasonal exchange: a mechanism that allows a Customer with seasonal load variation to make that portion of its Base Resource percentage that it is unable to use due to insufficient load, available to the seasonal exchange program. In coordination with Western, Biggs will be able to exchange its unusable Base Resource percentage, through Western, with other Customers.
  - 5.2 Hourly exchange: a mechanism that provides for Western to retain all Base Resource energy in excess of a Customer's load on an hourly basis.
6. General Principles:
  - 6.1 Customers must take their percentage of the Base Resource.
  - 6.2 If a Customer's total load in any hour, as established in its day ahead schedule, is less than its Hourly Base Resource Schedule, then the energy in excess of the schedule is made available to the Western exchange program.

- 6.3 Western shall establish an estimated pool energy “rate” for the purpose of pool transaction settlements.
- 6.4 Customers with total load greater than their Base Resource percentage in any hour may request pool energy from Western, if available.
- 6.5 Exchange program suppliers shall have first priority for purchases from the pool, during hours when they are not depositing energy, up to the amount of energy previously deposited.
- 6.6 Western will allocate pool energy to Customers that have requested pool energy.
- 6.7 Pool takers are obligated to pay at the pool energy “rate.”
- 6.8 Pool providers are credited funds at the pool energy “rate.”
- 6.9 Western takes all remaining pool energy not taken by Customers and provides it into the open market(s).
- 6.10 Revenues collected by Western from the open market(s) will first be credited to the pool providers up to the pool energy “rate.”
- 6.11 Any remaining revenue will be used to offset Western’s overall costs.

EXHIBIT C  
(Scheduling Procedures and Protocols)

1. This Exhibit C, to be effective under and as a part of Contract 00-SNR-00305 (Contract), shall become effective upon execution of the Contract; and, shall remain in effect until superseded by another Exhibit C or termination of the Contract.
2. Both Parties recognize that these scheduling procedures and protocols may require modification from time-to-time. In such event, Western shall make the appropriate modifications to this Exhibit C as mutually agreed to by the Parties. For more information on changes to scheduling protocols and procedures, refer to Sections 10 and 12 of this Contract.
3. Designation of Scheduling Coordinator (SC): Biggs shall notify Western of its designated Scheduling Coordinator not less than 60 days prior to the date of initial service. In the event that Biggs' Scheduling Coordinator arrangement changes, Biggs shall notify Western in writing, not less than 30 days prior to the change, unless a shorter notification period is agreed to by Western.
4. Scheduling Procedures:
  - 4.1 Western will determine the Maximum Operating Capability, total generation, and ramping rates for the Base Resource.
  - 4.2 Not less than 24 hours prior to the active day, Western will notify (Customer) of its share of the Base Resource Operating Capability, Minimum Base Resource and total energy available for that day. Based on these criteria, Biggs shall notify Western of its preferred schedule for that day. Western will use a compilation of all Customers' preferred schedules as a basis for determination of the optimal generation schedule. Western will then notify Biggs of its Hourly Base Resource Schedule for that day.
  - 4.3 For weekdays, Biggs shall provide Western with a copy of its day ahead load and resource schedule, including the information listed in Section 4.5 below, by 9:00 a.m. of the business day prior to the day the schedule will be implemented, or at least two (2) hours prior to the submission time required by the ISO or control area operator, whichever is earlier. For weekends and holidays, as defined by the WSCC, Biggs shall provide Western with its day-ahead schedule by 9:00 a.m. of the business day, at least two days prior to the day the schedule will be implemented, or at least two (2) hours prior to the submission time required by the ISO or control area operator, whichever is earlier. The day-ahead schedule shall include megawatt values for each hourly period of each day and a megawatt-hour total for each day. The day-ahead schedule amounts shall be to the nearest tenth of a megawatt, with the day-ahead schedule of Western power not to exceed Biggs' percentage of the Base

Resource Operating Capability for any hour, as it may be adjusted to accommodate exchanges or purchases under the Western exchange program.

4.4 In the event of curtailments or emergencies, Western shall notify Biggs as soon as practicable so it may adjust its schedule in a timely manner.

4.5 The following information shall be included in the day ahead schedule:

4.5.1 Western power by hour;

4.5.2 Other power by hour [If Western is Biggs' SC];

4.5.3 Biggs' forecasted system load by hour [If Western is Biggs' SC].

4.6 Biggs' unscheduled Western power in any hour is not available to Biggs as an operating reserve or to meet any ancillary service requirements of the ISO or the control area operator for Biggs' load.

4.7 Schedules shall be transmitted by a communication link established between Western and Biggs or as otherwise agreed to by the Parties. The communication link shall be provided and paid for by Biggs. The data format shall be acceptable to both Parties and shall be in conformance with established WSCC protocol in effect at the time.

5. Schedule Changes:

5.1 Biggs may not adjust its Western power schedule after the final hour ahead schedules have been accepted by the ISO or control area operator as applicable.

5.2 Daily schedules shall be confirmed by Biggs and Western's dispatchers at the end of the active day, at which time Biggs and Western's dispatchers will attempt to resolve any scheduling conflicts.

5.3 No after-the-fact schedule change by either Party shall be allowed.

EXHIBIT D  
(Regulation and Reserves)

1. This Exhibit D to be effective under and as a part of Contract 00-SNR-00305 (Contract), shall become effective upon execution of the Contract; and shall remain in effect until either superseded by another Exhibit D or termination of the Contract.
2. The Parties acknowledge that the protocols and procedures of the ISO relating to regulation and operating reserves will change between the date the Contract is executed and the date of initial service hereunder. The Parties agree to work together collaboratively to develop arrangements which will maximize the benefits of operating reserves and regulation capabilities of the CVP. The method in which Western provides these services to Biggs may be physical, financial, or both.
3. Prior to the date of initial service, Western shall replace this Exhibit D with Exhibit D, Revision 1. At such time as Western promulgates Revision 1 to this Exhibit D, Biggs shall have a one-time option of (1) executing Revision 1 to this Exhibit D within the time specified in the transmittal letter, or (2) terminating the Contract upon 30-days advance written notice. In the event Biggs fails to take either action within the specified time frame, Exhibit D, Revision 1, shall be deemed to become effective.
4. Western shall make subsequent revisions to Exhibit D, after consultation with its Customers.