

**Service Agreement For
Long-Term Firm Point-To-Point Transmission Service
Under PacifiCorp's Open Access Transmission Tariff,
Volume No. 11**

- 1.0 This Service Agreement, dated as of June 12, 2007, is entered into, by and between the PacifiCorp Transmission Function ("Transmission Provider"), and the PacifiCorp Merchant Function, a.k.a. Commercial & Trading Group (C&T), the commercial arm of the regulated commodity business ("Transmission Customer") for the provision of Long-Term Firm Point-to-Point Transmission Service.
- 2.0 The Transmission Customer has been determined by the Transmission Provider to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.
- 3.0 The Transmission Customer has provided to the Transmission Provider an Application deposit in accordance with the provisions of Section 17.3 of the Tariff.
- 4.0 Service under this Service Agreement shall commence on the later of: (1) the requested Service commencement date , (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties .
- Service under this agreement shall be in accordance with the attached Specifications
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

PacifiCorp - Transmission Function
Director, Transmission Services
825 N.E. Multnomah St., Suite 1600
Portland, Oregon 97232

Transmission Customer:

PacifiCorp - Merchant Function / C&T
Manager, Contract Administration
825 N.E. Multnomah St., Suite 600
Portland, Oregon 97232

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

PacifiCorp - Transmission Function

By:  Dir., Transmission June 12, 2007
Name Title Date

Transmission Customer:

PacifiCorp - Merchant Function / C&T

By:  Trading Director 8 Jun 2007
Name Title Date

**Specifications For Firm Point-To-Point
Transmission Service**

1.0 Term of Transaction:

Start Date: Transmission Service under this Agreement shall start upon completion of the capital additions required to upgrade the capacity of south to north transfers on the Wasatch Front cutplane. Transmission Provider estimates the completion date of the capital additions to be approximately August 1, 2009. Upon completion of the capital additions, Transmission Provider shall provide notice to Transmission Customer establishing the Start Date for this Service Agreement.

Termination Date: Fourteen (14) years from the start date as established above.

2.0 Description of capacity and energy to be transmitted by Transmission Provider including the electric Control Area in which the transaction originates:

Firm capacity and associated energy in the amounts as shown in Section 5.0 shall be transmitted by the Transmission Provider. All capacity and associated energy transmitted under this Service Agreement shall be scheduled pursuant to the scheduling practices of the Tariff.

This transaction originates in the control area of the Transmission Provider and terminates in the control area of The Transmission Provider.

3.0 Point(s) of Receipt: Mona, as represented by MPAC as posted on PacifiCorp's OASIS

Delivering Party: PacifiCorp

4.0 Point(s) of Delivery: PACE (Terminal Sub)

Receiving Party: PacifiCorp

5.0 Maximum amount of capacity and energy to be transmitted (Reserved Capacity): 250 MW

6.0 Designation of party(ies) subject to reciprocal service obligation: none

7.0 Name(s) of any Intervening Systems providing transmission service: none

8.0 Service under this Service Agreement shall be subject to the combination of the charges detailed below. The appropriate charges for individual transactions shall be determined in accordance with the terms and conditions of the Tariff. The following charges reflect the rates which are effective upon the Start Date of this Service Agreement.

8.1 Transmission Charge:

- Long-Term Firm Point-to-Point Transmission Service Transmission Charge:

The currently effective yearly delivery charge as provided in Schedule 7 of the Tariff. At the time of execution of this Service Agreement, the yearly delivery rate is \$24.30 per kW per year billed monthly at \$2.025 per kW per month.

8.2 System Impact and/or Facilities Study Charge(s): none

8.3 Direct Assignment Facilities Charge: none

8.4 Ancillary Services Charges:

- a) Scheduling, System Control and Dispatch Service:

The product of the currently effective Scheduling, System Control and Dispatch Service Charge as provided for in Schedule 1 of the Tariff and the amount of energy delivered from the Transmission Provider's Transmission System at the Point(s) of Delivery.

- b) Reactive Supply and Voltage Control from Generation Sources Service:

The product of the currently effective Reactive Supply and Voltage Control from Generation Sources Service Charge as provided for in Schedule 2 of the Tariff and the amount of energy delivered from the Transmission Provider's Transmission System at the Point(s) of Delivery.

- c) Regulation and Frequency Response Service:

Only to the extent required pursuant to Schedule 3 of the Tariff.

- d) Energy Imbalance Service:

Only to the extent required pursuant to Schedule 4 of the Tariff.

e) Operating Reserve - Spinning Reserve Service:

The product of the currently effective Spinning Reserve Service Charge as provided for in Schedule 5 of the Tariff and the amount of energy delivered to the Transmission Provider's Transmission System at the Point(s) of Receipt listed in Exhibit B from generation resources included in Transmission Provider's control area.

f) Operating Reserve - Supplemental Reserve Service:

The product of the currently effective Supplemental Reserve Service Charge as provided for in Schedule 6 of the Tariff and the amount of energy delivered to the Transmission Provider's Transmission System at the Point(s) of Receipt listed in Exhibit B from generation resources included in Transmission Provider's control area.

8.5 Transmission Service over both the PacifiCorp Zone and the MidAmerican Zone: _____