

SCHEDULE 10

Generator Imbalance Service

(a) Generator Imbalance Service is provided when a difference occurs between the output of a generator located in the Transmission Provider's Control Area and a delivery schedule from that generator to (1) another Control Area or (2) a load within the Transmission Provider's Control Area over a single hour. The Transmission Provider must offer this service, to the extent it is physically feasible to do so from its resources or from resources available to it, when Transmission Service is used to deliver energy from a generator located within its Control Area. The Transmission Customer must either purchase this service from the Transmission Provider or make alternative comparable arrangements, which may include use of non-generation resources capable of providing this service, to satisfy its Generator Imbalance Service obligation. To the extent the Control Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by that Control Area Operator. The Transmission Provider may charge a Transmission Customer a penalty for either hourly generator imbalances under this Schedule or a penalty for hourly energy imbalances under Schedule 4 for imbalances occurring during the same hour, but not both unless the imbalances aggravate rather than offset each other.

(b) Generator imbalances will be subject to charges as specified below. The amount of generator imbalance shall be calculated separately for each hour and settlements will occur on a

cash basis for each hour's imbalances. Hourly imbalance charges between the Transmission Provider and the Transmission Customer will be net billed for the billing period.

(c) An Energy Imbalance Cost (EIC) shall be determined for each hour. The EIC shall be calculated as follows:

1. The EIC will be equal to the market price of energy for each hour calculated pursuant to this Section (c)(1). The hourly EIC will be based upon the hourly Mid-Columbia Price Index published by Powerdex.

(d) The charges for Generation Imbalance Service are set forth below:

1. The Transmission Provider shall establish a deviation band of +/- 5.0 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s). Within the deviation band, any deviation between hourly scheduled energy and actual generation of energy shall be repaid as a cash settlement as follows:
 - a. PGE shall pay the Transmission Customer at a rate equal to 100% of PGE's hourly EIC at the time of each over-generation.
 - b. The Transmission Customer shall pay PGE at a rate equal to 100% of PGE's hourly EIC at the time of each under-generation.
2. Outside the deviation band, any deviation between hourly scheduled energy and actual generation of energy shall be repaid as a cash settlement as follows:

- a. PGE shall pay the Transmission Customer at a rate equal to 90% of PGE's hourly EIC at the time of each over-generation.
 - b. The Transmission Customer shall pay PGE at a rate equal to 110% of PGE's hourly EIC at the time of each under-generation.
3. For any deviation between hourly scheduled energy and actual generation of energy exceeding +/-25%, Transmission Customer will pay an adder of 25% of EIC as a cash settlement on under-generation or have its payment reduced by 25% of EIC for over-generation, except that an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent of 2 MW. An intermittent resource, for the limited purpose of this Schedule is an electric generator that is not dispatchable and cannot store its fuel source and therefore cannot respond to transmission security constraints.
- (e) Crediting Mechanism. Excess charges and under payments for energy imbalance and generation imbalance service provided outside the +/- 5.0 percent deviation bands established in Schedules 4 and 10 and outside the +/- 7.5 percent deviation band in Schedule 4R of the Tariff shall be referred to as Penalty Charges. PGE will distribute revenue received from such Penalty Charges as follows:
- 1) Revenue from Penalty Charges will be distributed based upon energy imbalance calculations for each hour of a month.
 - 2) An Offending Customer is one which has incurred Penalty Charges
 - 3) A Non-offending Customer is one which has not incurred Penalty Charges during the same hour as the Offending Customer(s).
 - 4) For each hour, in which there is one or more Offending Customer, the revenues from Penalty Charges will be allocated as follows:
 - A. The sum of the revenues from Penalty Charges incurred by the Offending Customers will be distributed among all of the Non-offending Customers according to the percentage of power

delivered to the Non-offending Customer's load or from the Non-offending Customer's generation that hour.

- B. The hourly distributions of revenues from Penalty Charges will be credited to the Non-offending Customer.

(f) Notwithstanding the foregoing, deviations from scheduled transactions in order to respond to directives by the Transmission Provider, a Balancing Authority, or a Reliability Coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental and decremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.