the study will be completed and the reasons for the delay. A Customer shall be responsible for the cost of the System Impact Study and shall be provided with the results thereof, including relevant workpapers.

7.2 Facilities Study

Based on the results of the System Impact Study, Bonneville also may perform, pursuant to a separate agreement with the Customer, a Facilities Study addressing the detailed engineering, design, and cost of incremental transmission facilities. The Facilities Study shall be completed as soon as reasonably practicable and will be used by Bonneville to provide the Customer with an estimate of the cost for constructing incremental facilities. The Customer shall be responsible for the costs of the Facilities Study and shall be provided with the results thereof, including relevant workpapers. Bonneville shall be responsible for the costs of any Facilities Study undertaken to determine the costs of adding incremental facilities associated with Bonneville's addition of new owned or purchased resources used to serve Bonneville's load.

7.3 Due Diligence

Bonneville shall use due diligence to install any transmission facilities required to integrate a new Network Resource or to interconnect a new Member System designated by the Customer in accordance with section 6.3.

7.4 Incremental Transmission Costs Associated With Adding New Network Resources and New Member Systems

After the Effective Date, Customer and Bonneville each shall be responsible for the incremental transmission facility costs associated with integration of new Network Resources, new Member Systems and new Native Load Customers. The costs of any such incremental facilities directly assigned to Bonneville or the Customer shall not be included in the calculation of Bonneville's Annual Transmission Costs. The costs of such facilities shall be determined in a formal Bonneville rate hearing pursuant to section 7(i) of the Northwest Power Act. Any incremental facilities costs assigned to the Customer shall be reflected in an amendment to the Service Agreement.

7.5 Changes in Service Requests

Under no circumstances shall a Customer's decision to cancel or delay the addition of a new Network Resource and/or designation of a new Member System in any way reduce or relieve the Customer's obligation to pay the costs of any incremental facilities constructed by Bonneville and charged to the Customer pursuant to this section; provided, however, that upon receipt of a Customer's written notice of such a cancellation or delay, Bonneville shall use the same reasonable efforts to mitigate the costs and charges owed to Bonneville as it would to reduce its own costs and charges.

7.6 Annual Load and Resource Information Updates

A Customer shall provide Bonneville with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Service under this Tariff. The Customer also shall provide Bonneville with timely written notice of material changes in any other information provided in its Application relating to the Customer's Network Load, Network Resources, its transmission system, or other aspects of its facilities or operations affecting Bonneville's ability to provide reliable service under this Tariff.

8. Ancillary Services

A customer may purchase the ancillary services necessary for prudent utility operations from Bonneville or from another supplier where the purchase is technically feasible and consistent with NERC and WSCC requirements.

9. Transmission Losses

Transmission losses shall be determined on the basis of average estimated system losses. The Customer shall compensate Bonneville for losses by either providing additional energy for losses associated with service pursuant to this Tariff or by buying losses from Bonneville in accordance with Bonneville's Firm Power Products and Services Rate Schedule or its successor.

10. Curtailments

10.1 System Reliability

Notwithstanding any other provisions of this Tariff, Bonneville reserves the right, consistent with Good Utility Practice to curtail Network Integration Service, without liability on Bonneville's part, to make necessary adjustments to, changes in, or repairs on its lines, substations, and facilities, and in cases where the continuance of Network Integration Service would endanger persons or property. In the event of any adverse condition(s) or disturbance(s) on the Bonneville system or on any other system(s) directly or

indirectly interconnected with the Bonneville system, Bonneville, consistent with Good Utility Practice, also may curtail Network Integration Service in order to: (i) limit the extent or damage of the adverse condition(s) or disturbance(s); (ii) prevent damage to generating or transmission facilities; or (iii) expedite restoration of service. Bonneville shall give Customers as much advance notice as is practicable in the event of such curtailments. Any curtailments of Network Integration Service will be not unduly discriminatory relative to Bonneville's use of the Network Transmission System on behalf of its Native Load Customers.

10.2 Transmission Constraints

During any period when Bonneville determines that a transmission constraint exists on the Network Transmission System, and such constraint may impair the reliability of the Bonneville system, Bonneville shall take whatever actions, consistent with Good Utility Practice, that are reasonably necessary to maintain the reliability of the Bonneville system and to avoid curtailment of service. To the extent Bonneville determines that the reliability of the Network Transmission System can be maintained by redispatching resources (including reductions in off-system purchases and sales), Bonneville shall initiate procedures pursuant to the Network Operating Agreement or pursuant to provisions in individual service agreements to redispatch Bonneville's and its Customers' resources on a leastcost basis without regard to the ownership of such resources. To the extent and for the duration that it is determined necessary to relieve a transmission constraint to reliably serve Bonneville Native Load Customers and a Customer's Network Load, Bonneville and its Customers shall be required to redispatch their resources (including reducing purchases and sales), in accordance with the least-cost redispatch procedures implemented by Bonneville pursuant to the Network Operating Agreement or other agreement. Any redispatch under this section shall not be unduly discriminatory as between Bonneville and its Customers. To the extent reasonable, practicable, and consistent with Good Utility Practice, Bonneville shall curtail, on a pro rata basis, all similarly situated uses (e.g., nonfirm uses would be curtailed first, and then firm uses) that are affected by the emergency.