

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____

Date _____

STATE OF OREGON
Acting by and through
The Energy Facility Siting Council
c/o Energy Siting Division Administrator
Oregon Department of Energy
550 Capitol St NE – 1st floor
Salem, Oregon 97301-3737

Ladies and Gentlemen:

At the request and for the account of **Site Certificate Holder, address**, and on behalf of the **Project Name**, we, **Financial Institution** hereby establish effective immediately, in favor of you, the STATE OF OREGON, acting by and through The Energy Facility Siting Council ("Beneficiary") this Irrevocable Standby Letter of Credit Number _____ (the "Letter of Credit") in the amount of USD **\$x,xxx,xxx (write out number)** (as such amount may be reduced from time to time by partial draws hereunder, the "Stated Amount").

We are informed that this Letter of Credit is being issued in connection with the Site Certificate for the **Project Name** with the STATE OF OREGON dated **month day, year**, as may be amended from time to time.

This Letter of Credit is issued, presentable, and payable at our offices at **Financial Institution, address** Attention: Standby Letter of Credit Department and expires with our close of business on **date** (the "Expiration Date").

It is a condition of this Letter of Credit that it shall be automatically extended without amendment for successive one (1) year periods from the present or any future Expiration Date hereof, unless we provide you with written notice by overnight courier or registered mail of our election not to extend this Letter of Credit at least sixty (60) days prior to any such Expiration Date (the present or any future expiration date as aforesaid is referred to herein as the "Expiration Date"). For the purposes hereof, "Business Day" shall mean any day on which commercial banks are not authorized or required to close in New York.

Subject to the terms and conditions herein, funds under this Letter of Credit are available at sight against your draft drawn on us bearing upon its face the clause "Drawn under **Financial Institution** Letter of Credit **Number _____ dated __, 20__** and accompanied by the following documents:

1. The original of this Letter of Credit and all subsequent amendments, if any; and
2. Your sight draft drawn on us; and
3. A dated draw certificate signed by an authorized officer of the Beneficiary and on Beneficiary's letterhead in the form of attached Exhibit(s) A, B or C to this Letter of Credit (incorporated herein by reference and made an integral part hereof).

Partial drawing and multiple presentations are permitted under this Letter of Credit, provided that the Stated Amount of this Letter of Credit shall be permanently reduced by the amount of each such draw paid by us.

This Letter of Credit may not be transferred or any of the rights hereunder assigned. Any purported transfer or assignment shall be void and of no force or effect.

The **Financial Institution** agrees that a draft drawn and presented in conformity with the terms of this Letter of Credit will be duly honored upon presentation. If a draft made by Beneficiary does not conform to the terms and conditions of this Letter of Credit, we will give Beneficiary prompt notice that the demand for payment will not be affected. Such notice will include a statement of reasons for the denial. Upon being notified that the demand for payment was not affected in conformity with this Letter of Credit, Beneficiary may attempt to correct the nonconforming demand; provided, however, that any draft or document prescribed to correct such nonconforming demand must be provided on or prior to the Expiration Date.

This Letter of Credit sets forth in full our undertaking and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to herein, except only the exhibits referred to hereby and any such reference shall not be deemed to incorporate by reference any document, instrument or agreement except for such exhibits.

Except as otherwise expressly stated herein, this Letter of Credit is issued subject to the International Standby Practices ("ISP98"), International Chamber of Commerce Publication No. 590. As to matters not covered by the ISP98, this Letter of Credit shall be governed by the laws of the State of Oregon without regard to the principles of conflicts of laws thereunder.

Authorized Signature

Authorized Signature

[EFSC LETTERHEAD]

DRAW CERTIFICATE

[DATE]

Financial Institution

Address

City, State Zip

Attention: Standby Letter of Credit Department

Drawn under Irrevocable Standby Letter of Credit Number _____ dated __, 20__

Ladies and Gentlemen:

Any capitalized term used herein shall have the meaning defined for that term by the Letter of Credit.

The undersigned, the duly elected and acting _____ of the Beneficiary, hereby certifies as follows:

1. **Site Certificate Holder** has permanently ceased commercial operation of the energy facility described in the Site Certificate for the **Project Name**, as amended from time to time (the "Site Certificate").

2. Either [Select Applicable Provision]:

Site Certificate Holder has failed to submit to Beneficiary a retirement plan for the **Project Name** as required by OAR 345-027-0110.

Or

Beneficiary has issued a final order disapproving the final retirement plan proposed by **Site Certificate Holder** for the **Project Name**.

Or

Site Certificate Holder has failed to comply with the terms and conditions of the approved final retirement plan for the **Project Name** and Beneficiary's order authorizing retirement of the **Project Name**.

3. As a result of said breach of the Site Certificate, the Beneficiary is entitled pursuant to the provisions of the Site Certificate to make demand under the Letter of Credit in the amount of \$_____.

4. The undersigned has concurrently presented to you its sight draft drawn in the amount specified in Paragraph 3 above, which amount does not exceed the lesser of (a) the amount the

Beneficiary is entitled to draw pursuant to the provisions of the Site Certificate, and (b) the Stated Amount as of the date hereof. The date of the sight draft is the date of this Certificate, which is not later than the Expiration Date.

5. Funds paid pursuant to the provisions of the Letter of Credit shall be wire transferred to the Beneficiary in accordance with the following instructions:

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this certificate as of the ____ day of _____, 20__.

STATE OF OREGON, acting by and through the Energy Facility Siting Council, as Beneficiary

By: _____

Title: _____

[EFSC LETTERHEAD]

DRAW CERTIFICATE

[DATE]

Financial Institution

Address

City, State Zip

Drawn under Irrevocable Standby Letter of Credit Number _____ dated __, 20__

Ladies and Gentlemen:

Any capitalized term used herein shall have the meaning defined for that term by the Letter of Credit.

The undersigned, the duly elected and acting _____ of the Beneficiary, hereby certifies as follows:

1. Financial Institution has heretofore provided written notice to the Beneficiary of the Financial Institution's intent not to renew the Letter of Credit following the present Expiration Date thereof.
2. Site Certificate Holder is required to deliver to the Beneficiary and keep in effect, a bond or letter of credit that satisfies the requirements of Condition number of the Site Certificate for the Project Name, as amended from time to time (the "Site Certificate").
3. Neither Site Certificate Holder nor any person acting on its behalf has, at least thirty (30) days prior to the present Expiration Date of the Letter of Credit, delivered to Beneficiary a bond or letter of credit that satisfies the requirements of Condition number of the Site Certificate.
4. As a result of said breach of the Site Certificate, the Beneficiary is entitled pursuant to the provisions of the Site Certificate to make demand under the Letter of Credit in the amount of \$ ____.
5. The undersigned has concurrently presented to you its sight draft drawn in the amount specified in Paragraph 4 above, which amount does not exceed the lesser of (a) the amount the Beneficiary is entitled to draw pursuant to the provisions of the Site Certificate, and (b) the Stated Amount as of the date hereof. The date of the sight draft is the date of this Certificate, which is not later than the Expiration Date.
6. Funds paid pursuant to the provisions of the Letter of Credit shall be wire transferred to the Beneficiary in accordance with the following instructions:

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this certificate as of the _____ day of _____, 20_.

STATE OF OREGON, acting by and through the Energy Facility Siting Council, as Beneficiary

By: _____

Title: _____

[EFSC LETTERHEAD]

DRAW CERTIFICATE

[DATE]

Financial Institution

Address

City, State Zip

Attention: Standby Letter of Credit Department

Drawn under Irrevocable Standby Letter of Credit Number __dated __, 20__

Ladies and Gentlemen:

Any capitalized term used herein shall have the meaning defined for that term by the Letter of Credit.

The undersigned, the duly elected and acting _____of the Beneficiary, hereby certifies as follows:

1. **Site Certificate Holder** has begun construction of the project described in the Site Certificate for the Project Name, as amended from time to time (the "Site Certificate") but has not completed construction by the deadline specified in Condition **Number** of the Site Certificate.
2. Neither **Site Certificate Holder** nor any successor has requested an amendment of the Site Certificate extending the construction completion deadline in compliance with applicable rules.
3. As a result of said breach of the Site Certificate, the Beneficiary is entitled pursuant to the provisions of the Site Certificate to make demand under the Letter of Credit in the amount of \$ _____.
4. The undersigned has concurrently presented to you its sight draft drawn in the amount specified in Paragraph 4 above, which amount does not exceed the lesser of (a) the amount the Beneficiary is entitled to draw pursuant to the provisions of the Site Certificate, and (b) the Stated Amount as of the date hereof. The date of the sight draft is the date of this Certificate, which is not later than the Expiration Date.
5. Funds paid pursuant to the provisions of the Letter of Credit shall be wire transferred to the Beneficiary in accordance with the following instructions:

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this certificate as of the ____ day of _____, 20__.

STATE OF OREGON, acting by and through the Energy Facility Siting Council, as Beneficiary

By: _____

Title: _____