

AMENDMENT 1

SERVICE AGREEMENT FOR FIRM POINT TO POINT

TRANSMISSION SERVICE

BETWEEN

SIERRA PACIFIC POWER COMPANY

(Transmission Provider)

AND

PLUMAS SIERRA RURAL ELECTRIC COOPERATIVE

(Transmission Customer)

DATED: September 1, 2007

**Service Agreement For
Firm Point-to-Point Transmission Service**

- 1.0 This Service Agreement, dated as of September 20, 2007, is entered into, by and between Sierra Pacific Power Company ("Transmission Provider"), and Plumas Sierra REC ("Transmission Customer").
- 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 the amount of \$20,160.00 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.
- 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:

Chris Tomchuk, Manager, Transmission Business Development & Contracts
Sierra Pacific/Nevada Power Company
6100 Neil Road M/S S3B40
Reno, Nevada 89520
Phone: (775) 834-5678 Fax: (775) 834-3047
Email: ctomchuk@sppc.com

With a copy to:

Rich Salgo, Director, Electric System Control Operations
Sierra Pacific Power Company
6100 Neil Road M/S S3B40
Reno, Nevada 89520
Phone: (775) 834-5874 Fax: (775) 834-3047
Email: rsalgo@sppc.com

Point to Point Customer:

Robert Marshall
Chief Executive Officer
Plumas Sierra REC
73233 State Route 70
Portola, CA 96122-7069
Phone: (530) 832-4261 Fax: (530) 832-6070
Email: marshall@psln.com

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:

By:


Mario Villar

Executive, Transmission
Title

2/8/08
Date

Transmission Customer:

By:


Robert Marshall

Chief Executive Officer
Title

1/29/08
Date

Specifications For Long-Term Firm Point-To-Point
Transmission Service

1.0 Term of Transaction: Five (5) Years

Start Date: March 1, 2008

Termination Date: February 28, 2013

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

7 MW from the Gonder 230kV Substation Point-of-Receipt to the Marble Substation Point-of-Delivery in Sierra Pacific Power Company's Control Area. Service is conditional firm as described in Section 5.0 below.

3.0 Point of Receipt Delivering Party

Gonder.IPP 230 kV Substation UAMPS

4.0 Point of Delivery Receiving Party

Marble Substation Plumas Sierra

5.0 Maximum amount of capacity and energy to be transmitted (Reserved Capacity): 7 MW

Transmission Customer has elected Conditional Firm Service in the months below and selected the "System Conditions" Option. Currently Sierra Pacific has insufficient import capacity at Gonder due to firm commitments; however, when the 541 MW Combined Cycle unit at Sierra's Tracy Generating Station is in commercial operation this will be available. This is anticipated in June 2008. Capacity is conditional in the following months:

<u>Month</u>	<u>MWH</u>	<u>Hours</u>	<u>Service</u>
March 2008	7	All	Firm
April 2008	0	All	Firm
May 2008	7	All	Firm



Issued By: Mario Villar
Transmission Executive
Issued On: October 30, 2007

Effective: March 1, 2008

If the 541MW combined cycle unit at Sierra's Tracy Generating Station is not in commercial operation by June 2008, additional months will have to be designated as conditional firm until the unit is in commercial operation.

- 6.0 Designation of party(ies) subject to reciprocal service obligation:
Plumas Sierra Rural Electric Cooperative and affiliates
- 7.0 Name(s) of any Intervening Systems providing transmission service: None
- 8.0 Service under this Service Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.) During the conditional firm period, Transmission Customer shall continue to pay for Schedule 7 Zone A Long-Term Firm Point-to-Point Transmission Service; Schedule 1 Scheduling, System Control and Dispatch Service; and Schedule 2 Reactive Supply and Voltage Control from Generation or Other Sources Service on Reserved Capacity.
- (1) Monthly Demand Charge: Zone A per Attachment H of the Tariff
 - (2) Facilities Study Charge: Facilities Study was not necessary.
 - (3) Direct Assignment Facilities Charge: Including, but not limited to, real time metering and communications costs and other costs yet to be determined, if any necessary to fulfill obligations for service under this agreement and as permitted under this tariff.
 - (4) Ancillary Services: (other than Scheduling, System Control and Dispatch Service; and Reactive Supply and Voltage Control from Generation or Other Sources Service) may be self-provided as provided in the Tariff.
 - (a) Scheduling System, Control and Dispatch Service: Zone A per Schedule 1 of the Tariff.
 - (b) Reactive Supply and Voltage Control from Generation or Other Service: Zone A per Schedule 2 of the Tariff.
 - (c) Regulation and Frequency Response Service: Transmission Customer will self provide this ancillary service. Transmission Customer has the right to change its election by providing written notice to the Transmission Provider per the terms and conditions of the Tariff and the Transmission Provider's business practices.
 - (d) Energy Imbalance Service: Zone A per Schedule 4 of the Tariff.

- (e) Operating Reserve - Spinning Reserve Service:
Transmission Customer will self provide this ancillary service.

 - (f) Operating Reserve - Supplemental Reserve Service:
Transmission Customer will self provide this ancillary service.

 - (g) Loss Compensation Service:
Transmission Customer has elected Physical Delivery under Zone A per Schedule 10 of the Tariff. Transmission Customer has the right to change its election by providing written notice to the Transmission Provider per the terms and conditions of the Tariff and the Transmission Provider's business practices.
- (5) Redispatch Charges: Pursuant to the Tariff.
- (6) Power Factor Requirements: None under this transmission service agreement.

