

**SCHEDULE 489
LARGE NONRESIDENTIAL
COST-OF-SERVICE OPT-OUT
(>4,000 kW)**

AVAILABLE

In all territory served by the Company.

APPLICABLE

To each Large Nonresidential Customer whose Demand has exceeded 4,000 kW more than once within the preceding 13 months and who has previously enrolled in a long-term opt-out window. To obtain service under this schedule, Customers must initially enroll a minimum of 1 MWa determined by a demonstrated usage pattern such that projected usage for a full 12 months is at least 8,760,000 kWh (1 MWa) from one or more Service Points (SPs). Each SP must have a Facility Capacity of at least 250 kW. Customers with existing enrolled SPs meeting the 1 MWa criteria above may, in a subsequent enrollment window enroll additional SPs so long as the 250 kW Facility Capacity requirement is met. Service under this schedule is limited to the first 300 MWa that applies to Schedules 485, 489, 490, 491, 492, and 495. Beginning with the September 2004 Enrollment Period^{***} C, Customers have a minimum five-year option and a fixed three-year option.

MONTHLY RATE

The Monthly Rate will be the sum of the following charges at the applicable Delivery Voltage per SP*:

	<u>Delivery Voltage</u>			
	<u>Secondary</u>	<u>Primary</u>	<u>Subtransmission</u>	
<u>Basic Charge</u>	\$3,340.00	\$1,890.00	\$3,970.00	
<u>Distribution Charges</u> **				
The sum of the following:				
per kW of Facility Capacity				
First 4,000 kW	\$1.53	\$1.49	\$1.49	
Over 4,000 kW	\$1.22	\$1.18	\$1.18	
per kW of monthly On-Peak Demand	\$2.61	\$2.53	\$1.27	
<u>System Usage Charge</u>				
per kWh	(0.024) ¢	(0.025) ¢	(0.025) ¢	(R)

* See Schedule 100 for applicable adjustments.

** The Company may require a Customer with dedicated substation capacity and/or redundant distribution facilities to execute a written agreement specifying a higher minimum monthly Facility Capacity and monthly Demand for the SP.

*** A list of Enrollment Periods can be found in Schedule 129.

SCHEDULE 489 (Continued)

MARKET BASED PRICING OPTION

Energy Supply

The Customer may elect to purchase Energy from an Electricity Service Supplier (ESS) (Direct Access Service) or from the Company. Such election will be for all of the Customer's SPs under this schedule.

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Direct Access Service

In addition to the above charges, the Customer is subject to charges from its serving ESS for Electricity, Transmission and other services as well as any other charges specified in the service agreement between the Customer and the ESS.

Company Supplied Energy

Upon not less than five business days notice, the Customer may choose the Company Supplied Energy Charge option. The election of this option will be effective on the next regularly scheduled meter reading date, but with not less than a five business day notice to the Company prior to the scheduled meter read date.

The Company Supplied Energy Option is the Intercontinental Exchange Mid-Columbia Daily on- and off-peak Electricity Firm Price Index (ICE-Mid-C Index) plus 2 mills per kWh plus losses. If prices are not reported for a particular day or days, the average of the immediately preceding and following reported days' on- and off-peak prices will be used to determine the price for the non-reported period. Prices reported with no transaction volume or as "survey-based" will be considered reported.

Wheeling Charge

The Wheeling Charge will be \$1.793 per kW of monthly Demand.

Transmission Charge

Transmission and Ancillary Service Charges will be as specified in the Company's Open Access Transmission Tariff (OATT) as filed and approved by the Federal Energy Regulatory Commission.

SCHEDULE 489 (Continued)

MINIMUM CHARGE

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The minimum charge will be the Basic and Distribution Charges. In addition, the Company may require the Customer to execute a written agreement specifying a higher minimum charge or minimum Facility Capacity and/or Demand, if necessary, to justify the Company's investment in Facilities. The minimum Facility Capacity and Demand (in kW) will be 200 kW and 4,000 kW for primary voltage and subtransmission voltage service respectively.

ON AND OFF PEAK HOURS

On-peak hours are between 6:00 a.m. and 10:00 p.m. Monday through Saturday. Off-peak hours are between 10:00 p.m. and 6:00 a.m. Monday through Saturday and all day Sunday.

LOSSES

The following adjustment factors will be used where losses are to be included in the energy charges:

Subtransmission Delivery Voltage	1.0356
Primary Delivery Voltage	1.0496
Secondary Delivery Voltage	1.0685

REACTIVE DEMAND CHARGE

In addition to the Monthly Rate, the Customer will pay 50¢ for each kilovolt-ampere of Reactive Demand in excess of 40% of the maximum Demand. Such charge is separate from and in addition to the Minimum Charge specified.

ADJUSTMENTS

Service under this schedule is subject to adjustments approved by the Commission. Adjustments applicable to this schedule are summarized in Schedule 100.

SPECIAL CONDITIONS

Customers selecting this schedule must enter into a service agreement. In addition, the Customer acknowledges that:

1. Customer is giving up the right granted under state law to receive Electricity from the Company at a rate based on the cost of electric generating resources owned in whole or in part by the Company. Customers enrolled for service under the Minimum Five-Year Option during Enrollment Periods* A through L must give the Company not less than two years notice to terminate service under this schedule. Customers enrolled for service under the minimum Five-Year Option subsequent to Enrollment Period* L must provide not less than three years notice to terminate service under this schedule. Such notices will be binding.

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* A list of Enrollment Periods can be found in Schedule 129.

SCHEDULE 489 (Continued)

SPECIAL CONDITIONS (Continued)

2. At the time service terminates under this schedule, the Customer will be considered a new Customer for purposes of determining available service options. A Customer served under the Company Supplied Energy option must meet the terms of the service agreement associated with that service prior to termination of service under this schedule.
3. The rate the Customer pays for Electricity may be higher or lower than the rates charged by the Company to similar customers not taking service under this schedule, including competitors to the Customer.
4. Neither the Company, its employees and agents, the Commission nor any other agency of the State of Oregon has made any representation to the Customer regarding future Electricity prices that will result from the Customer's election of service under this schedule.
5. The Customer is selecting this schedule based solely upon its own analysis of the benefits of this schedule. The Customer has available to it Energy experts that assisted in making this decision.
6. The Customer warrants that the person signing the service agreement has full authority to bind the Customer to such agreement.
7. Direct Access Service is available only on acceptance of a Direct Access Service Request (DASR) by the Company. A Customer is required to have interval metering and meter communications in place prior to initiation of service under this schedule.
8. If the Customer is served at either primary or subtransmission voltage, the Customer will provide, install, and maintain on the Customer's premises all necessary transformers to which the Company's service is directly or indirectly connected. The Customer also will provide, install, and maintain the necessary switches, cutouts, protection equipment, and in addition, the necessary wiring on both sides of the transformers. All transformers, equipment, and wiring will be of types and characteristics approved by the Company, and the arrangement and operation of such equipment will be subject to the approval of the Company.
9. Customers selecting service under this Schedule will be limited to a Company/ESS Split Bill.

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SCHEDULE 489 (Concluded)

TERM

Minimum Five-Year Option

The term of service will not be less than five years. Service will be year-to-year thereafter. Customers enrolled for service during Enrollment Periods* A through L must give the Company not less than two years notice to terminate service under this schedule. Customers enrolled for service subsequent to Enrollment Period* L must give the Company not less than three years notice to terminate service under this schedule. Such notices will be binding.

Fixed Three-Year Option

The term of service will be three years. Upon completion of this three year term, the Customer will select service under any other applicable rate schedule, subject to all notice requirements and provisions of the schedule.

* A list of Enrollment Periods can be found in Schedule 129.

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