

RELATED CORRESPONDENCE

GENERAL AGREEMENT

CONSUMERS POWER COMPANY/THE DOW CHEMICAL COMPANY

June, 1978



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TABLE OF CONTENTS

PREAMBLE	1 - 2
1. CONSTRUCTION OF GENERATING PLANT	2
A. Generating Plant Description	2 - 3
B. Commercial Operation Dates	3 - 6
C. Responsibility for the Generating Plant	6 - 7
D. Warranty Performance Tests	7 - 8
E. Coordination Procedures	8 - 9
2. LICENSING AND OTHER ASSISTANCE	9 - 11
3. WATER RESOURCES MANAGEMENT	11 - 13
4. STEAM SERVICE	13
A. Nature of Service to be Provided	13 - 16
B. Delivery Points and Measurements	16 - 17
C. Monthly Rate	17 - 18
(1) Commodity Charge	18 - 22
(2) Capacity Charge	22 - 36
(3) Allocation Procedure	36 - 39
(4) Prudent Expenditures	39 - 40
(5) Books and Records	40 - 41
D. Payment	41 - 42
E. Condensate Return and Makeup Water	42 - 44
F. Flow Rate Changes	44
1. Changes in Reserved Steam Flow Rates	44
2. Unused NSSS	44 - 45
3. Stretch Steam	45 - 46

Table of Contents
Page 2

G.	Radioactivity	46 - 48
H.	Early Steam	48 - 49
5.	REAL PROPERTY	49
A.	Property Conveyed by Dow to Consumers Power	49
B.	Repurchase by Dow	49 - 53
6.	DISCHARGE OF LIABILITY	53 - 54
7.	FORCE MAJEURE	54
8.	INSURANCE AND INDEMNITY	54 - 55
9.	TERM AND TERMINATION	56
A.	Term	56
B.	Termination Prior to the Commercial Steam Operation Date	56
C.	Termination After the Commercial Steam Operation Date	56 - 57
D.	Payments by Dow Upon Termination	57 - 59
E.	Termination Notice	60
F.	Termination Disputes	60
10.	ASSIGNMENT	60
11.	CHANGES IN AGREEMENT TERMS	61
12.	DISPUTES	61
13.	REGULATION	62
14.	WAIVERS	63
15.	GOVERNING LAW	63
16.	OBLIGATIONS OF CONFIDENTIALITY	63
17.	OTHER AGREEMENTS	63 - 64

GENERAL AGREEMENT

AGREEMENT, made this 21st day of June, 1978, by and between CONSUMERS POWER COMPANY (hereinafter called "Consumers Power"), a Michigan corporation having its principal office at Jackson, Michigan, and THE DOW CHEMICAL COMPANY (hereinafter called "Dow"), a Delaware corporation authorized to do business in the State of Michigan, having its principal office therein at Midland, Michigan;

W I T N E S S E T H:

WHEREAS, Dow utilizes substantial quantities of electric energy and steam in the operation of its chemical plant complex, including all contiguous administrative and other facilities ("Dow's Midland Complex"), located in Sections 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 35 and 36 in the City of Midland and Midland Township, and Sections 1, 2 and 11 in Ingersoll Township, all in Midland County, Michigan, Sections 31 and 32 in Williams Township, Bay County, Michigan, and Sections 5, 6, 7 and 8 in Tittabawassee Township, Saginaw County, Michigan; and

WHEREAS, Dow desires to purchase from Consumers Power and Consumers Power desires to sell to Dow process steam and electric energy in accordance with this Agreement and an Electric Service Contract executed concurrently herewith (the "Electric Service Contract"); and

WHEREAS, Consumers Power is constructing a two-unit nuclear power plant and related facilities (the "Generating Plant") on a site (the "Generating Plant Site") on the Tittabawassee River in the City of Midland and Sections 27, 28, 33, 34 and 35, Midland Township, Midland County, Michigan, the Generating Plant Site having been purchased in part from Dow; and

WHEREAS, the parties desire that this Agreement and the Electric Service Contract supersede the General Agreement between them dated December 13, 1967, as amended, and the electric service, steam service and water supply contracts between them dated January 30, 1974 as of the date hereof, and the electric service contract between them dated December 30, 1969 as of the effective date of the Electric Service Contract;

NOW, THEREFORE, in consideration of the mutual undertakings and promises herein made, Consumers Power and Dow hereby agree as follows:

1. CONSTRUCTION OF GENERATING PLANT

A. Generating Plant Description

Consumers Power is constructing and proposes to operate on the Generating Plant Site a Generating Plant consisting of two units ("Unit 1" and "Unit 2") having a total combined capability of approximately 1,300 MW of electric energy and approximately 4,050,000 lb/hour of steam for process steam service, each unit having a pressurized water nuclear

steam supply system ("NSSS") and an electric turbine-generator. In addition, the Generating Plant will include, among other things, a cooling pond, process steam evaporators, and associated auxiliaries, piping, valves and other equipment for generating steam and electric energy and for regulating, metering, monitoring and conducting process steam to the point of its delivery to Dow. The Generating Plant is more particularly and fully described in Consumers Power's application to the U.S. Nuclear Regulatory Commission ("NRC") for reactor construction permits and operating licenses, as the same has been and may be amended from time to time (NRC Docket Nos 50-329, 50-330).

All piping, valves, and other equipment for conducting, regulating, monitoring and utilizing the process steam beyond the delivery point shall be owned, designed, constructed, operated and maintained by Dow and shall not be part of the Generating Plant, whether or not described in said application to the NRC.

B. Commercial Operation Dates

Consumers Power shall use its best efforts to place Unit 2 of the Generating Plant in commercial operation for electric service on or about March 1, 1981 and to place the entire Generating Plant in commercial operation for process steam service and electric service on or about March 1, 1982. Provided that Consumers Power has used its best efforts as set forth in the preceding sentence, Consumers Power shall in no event be liable to Dow if Consumers Power fails for any reason to

place Unit 2 or the entire Generating Plant in commercial operation as aforesaid.

Units 1 and 2 of the Generating Plant will be deemed to be placed in commercial operation for electric service when Consumers Power so declares by written notice to Dow. The date on which the Generating Plant is declared to be in commercial operation for process steam service shall be called the "Commercial Steam Operation Date." The declaration of the Commercial Steam Operation Date shall be made by written notice from Consumers Power to Dow; provided, however, that the Generating Plant may not be declared in commercial operation for process steam service prior to March 1, 1982, unless Dow, in its discretion, shall consent in writing to the declaration of an earlier Commercial Steam Operation Date. Consumers Power may declare the Generating Plant in commercial operation for process steam service when:

- (1) Unit 2 (a) has produced or has been able to produce steam at the secondary side of the steam generators ("Secondary Steam") at or above the flow rates which would be required in order to supply process steam at Dow's then Reserved Steam Flow Rate for 600 Psig process steam (as established pursuant to Section 4.A) and at all flow rates within the range of flow rates associated with Dow's then Reserved Steam Flow Rate for 175 Psig process steam as shown on Exhibit A for 70% or more of the time over a period of six months, and (b) has adequate physical facilities to

deliver Secondary Steam to the process steam evaporators at or above such flow rates; and

- (2) Unit 1 has produced Secondary Steam at or above the flow rates which would be required in order to supply process steam at Dow's then Reserved Steam Flow Rate for 600 Psig process steam and at all flow rates within the range of flow rates associated with Dow's then Reserved Steam Flow Rate for 175 Psig process steam as shown on Exhibit A for at least 100 continuous hours; and
- (3) Process steam evaporators and associated equipment for 175 Psig process steam (including one spare evaporator) have been installed, tested and shown to be adequate to deliver process steam to Dow in accordance with the specifications for such steam set forth in Section 4.A, assuming delivery of process steam to Dow at all flow rates within the range of flow rates associated with Dow's then Reserved Steam Flow Rate for 175 Psig process steam as shown on Exhibit A, and two process steam evaporators and associated equipment for 600 Psig process steam have been installed, tested and shown to be adequate to deliver process steam to Dow in accordance with the specifications for such steam set forth in Section 4.A, assuming delivery of process steam to Dow at Dow's then Reserved Steam Flow Rate for 600 Psig process steam; and

- (4) Consumers Power does not, in the exercise of reasonable diligence, then know of any technical, operational, financial or legal circumstance (other than Dow's inability to accept delivery of or to utilize process steam) that prevents it, or threatens to imminently prevent it, from delivering process steam to Dow at Dow's then Reserved Steam Flow Rate for 600 Psig process steam and at all flow rates within the range of flow rates associated with Dow's then Reserved Steam Flow Rate for 175 Psig process steam as shown on Exhibit A in accordance with this Agreement.

Consumers Power shall be relieved of the requirement to meet the above-listed criteria (1), (2) and (3), to the extent that the criteria cannot be met because of Dow's inability or failure to accept delivery of process steam. The notice of Commercial Steam Operation Date by Consumers Power shall indicate that Consumers Power has complied with the above-listed criteria (1) through (4), or that the criteria cannot be met because of Dow's inability or failure to accept delivery of process steam.

C. Responsibility for the Generating Plant

As between the parties hereto, Consumers Power shall be responsible for the design, construction, operation and maintenance of the Generating Plant.

Dow shall not, by reason of this Agreement or any contract or other document referred to herein, acquire or assert any right of ownership, control or direction over the Generating Plant or over the concept, design, construction or operation thereof. Notwithstanding anything to the contrary in this Agreement or any contract or other document referred to herein, Consumers Power reserves the exclusive right to make changes in the Generating Plant and in the concept, design, construction and operation thereof, at any time or times hereafter and to whatever extent it may deem desirable, except that the Generating Plant design will provide for at least two units, each capable of producing at least 4,050,000 lb/hour of process steam in accordance with this Agreement.

Without in any way limiting the foregoing, Consumers Power shall keep Dow currently informed whenever practical concerning Consumers Power's construction schedules, the progress of engineering design and construction, and proposed changes in engineering design, construction and operating and maintenance practices and procedures that will significantly affect the aggregate cost of process steam service to Dow.

D. Warranty and Performance Tests

Dow shall use its best efforts to accept delivery of the process steam from the Generating Plant as and when requested by Consumers Power in order to enable Consumers Power to perform warranty or performance tests on Generating Plant equipment; provided, however, that nothing herein shall obligate Dow to make any significant capital investment,

significantly modify any of its then existing physical facilities or significantly change any of its then current manufacturing schedules or operating practices. Dow shall not incur any liability (i) for charges under Section 4.C by virtue of its acceptance of delivery of process steam outside the range of flow rates associated with Dow's Reserved Steam Capacity in order to enable Consumers Power to perform such tests or (ii) for charges under Section 4.C or Section 4.H for process steam which Dow is unable to utilize, but delivery of which it has accepted in order to enable Consumers Power to perform such tests. However, Dow will be liable for charges under Section 4.C or 4.H, as the case may be, except as provided in (i) above, for such process steam to the extent that Dow is able to utilize it.

E. Coordination Procedures

The parties recognize their inability to foresee and contractually resolve all design, construction, operation and maintenance situations and issues. They also recognize that detailed and continuing exchanges of information will be necessary in order to optimize the design, construction, operation and maintenance of their respective systems and equipment, consistent with their respective rights and responsibilities under this Agreement. To that end, each party shall designate, from time to time, an individual or individuals responsible for exchanging information with the other party and for resolving issues which may arise or be expected to arise affecting design, construction, operation and maintenance of the Generating Plant under this Agreement.

Resolutions of such issues shall be in writing, executed by authorized representatives of both parties, and, together with sample calculations and other information, incorporated into a manual (the "Coordination Manual") for use by the parties. Such resolutions and other information, and the sample calculation methods, shall be binding, except as they may conflict with applicable laws, orders, rules, regulations, or this Agreement. The parties shall use their best efforts to resolve by agreement any factual dispute arising under this Section 1.E, failing which the dispute shall be resolved as provided in Section 12.

2. LICENSING AND OTHER ASSISTANCE

Consumers Power shall secure and maintain in effect any and all permits, licenses or other governmental authorizations required from governmental bodies having jurisdiction for the construction and operation of the Generating Plant. Consumers Power shall use its best efforts to promptly inform Dow, where practical, of the commencement of any administrative or judicial proceedings, with respect to such permits, licenses or authorizations, that may significantly affect process steam service to Dow or Dow's facilities or operations. Dow shall secure and maintain in effect any and all permits, licenses or other authorizations required from government authorities for the construction, use, and maintenance of the piping, valves and other equipment to be furnished by Dow, and for the use of process steam delivered to Dow.

Each party shall, to the extent requested by the other party, prepare or assist in the preparation of reports, data, descriptions,

drawings and calculations concerning the facilities or operations of the party of whom the request is made, in order that the requesting party may obtain any necessary permits, licenses and approvals for (i) the construction and operation of the Generating Plant, (ii) construction and operation of facilities for the distribution, delivery and use of the process steam, and (iii) the use of the process steam. Such preparation and assistance shall include, but need not be limited to, the furnishing of services of technical personnel to make adequate presentations of such reports, data, descriptions, drawings and calculations at meetings and hearings.

Dow shall also cooperate fully with Consumers Power to ensure that all conditions of the permits, licenses, and approvals for the construction and operation of the Generating Plant are met insofar as Dow property, facilities, personnel and activities may be affected to the extent Dow is aware of such conditions or upon the request of Consumers Power.

Without in any way limiting the foregoing, Dow shall prepare or assist in the preparation of an emergency plan, satisfactory to the NRC, Consumers Power and Dow, covering evacuation of the personnel in Dow's Midland Complex and other necessary action in connection therewith, and shall promptly carry out any applicable provisions of the emergency plan whenever required to do so by the terms of the emergency plan or by the NRC.

The Final Safety Analysis Report submitted by Consumers Power to the NRC for the Generating Plant utilizes certain information provided by Dow respecting Dow's facilities and operations. If Dow proposes to make significant alterations in any of its facilities or operations so described, or in the above-mentioned emergency plan, it will fully describe the proposed alterations to Consumers Power in writing as promptly as practicable and in any event before implementing such alterations, including such information as Consumers Power may require for any NRC review or approval necessary in connection with such alterations. Except for the foregoing obligation to inform Consumers Power, Dow may implement such alterations.

The foregoing obligations of both parties set forth in this Section 2 shall be performed as expeditiously as practicable, due consideration being given to the schedules for obtaining and maintaining the necessary permits, licenses and approvals.

Dow shall bear its own costs incurred in performing its obligations under this Section 2. Costs incurred by Consumers Power in performing its obligations under this Section 2 shall be allocated in accordance with Section 4.C.

3. WATER RESOURCES MANAGEMENT

The parties recognize that it is necessary for both parties to take water from and discharge effluent into the Tittabawassee River, and that such use of the river by either party may affect the ability of the

other to utilize the river within applicable water quality standards and discharge limitations. Each party therefore agrees that it will use its best efforts to limit, control or modify its intakes from or discharges into the river to the extent that it may do so consistent with its operating requirements to the end that the other party will not be unduly restricted in its operations.

In the event that it is necessary for Consumers Power to obtain cooling water or alternate means of effluent disposal from another source or sources or to install additional facilities and equipment in order to operate the Generating Plant in compliance with applicable water quality standards or discharge limitations, Dow will cooperate and assist Consumers Power to the extent practicable. To that end, Dow will make available at a reasonable cost to Consumers Power any of Dow's rights of way, water, facilities or equipment that can be utilized by Consumers Power without interfering with Dow's operations. Consumers Power further agrees to reimburse Dow for out-of-pocket costs incurred by Dow in providing assistance to Consumers Power.

The costs mentioned in the preceding paragraph and other costs incurred by Consumers Power in obtaining an alternate source or sources of cooling water and/or installing additional facilities or equipment for controlling or discharging effluent from the Generating Plant will be allocated by agreement between the parties in accordance with the allocation principles established in Section 4.C(3); provided, however, the fact that costs associated with the cooling pond are treated as

power-related in this Agreement shall not be determinative of the treatment for billing purposes of costs subsequently incurred for obtaining cooling water from an alternate source or sources or for installing facilities or equipment to control or discharge effluent. In the event the parties cannot agree as to the allocation of any such costs, the dispute will be resolved in accordance with Section 12 of this Agreement.

4. STEAM SERVICE

A. Nature of Service to be Provided

The Generating Plant has been designed to provide process steam at the pressures ("Design Steam Pressures") and qualities ("Design Steam Qualities") at steam flow rates up to and including the following steam flow rates ("Design Steam Flow Rates"):

<u>Design Steam Flow Rates (Lb/Hr)</u>	<u>Design Steam Pressures (Psig) at the delivery point</u>		<u>Design Steam Qualities (% Dry Steam) at the evaporator outlet</u>	
	Normal	Variance	Normal	Minimum
400,000	600	± 10%	99.7	98
3,650,000	175	± 10%	99.7	95

The term "process steam" as used throughout this Agreement refers to the steam supplied to Dow by Consumers Power from the process steam evaporators. The use of the terms "process steam" or "process steam service" throughout this Agreement shall not be controlling for

purposes of determining whether this Agreement is a contract for the sale of goods under the Uniform Commercial Code.

As is more fully set forth in Section 4.C, Dow shall pay a capacity charge for process steam based on the Design Steam Flow Rates, which are the maximum flow rates allocated to Dow's use hereunder. Dow's entitlement to process steam at any given time, however, shall be based upon Dow's Reserved Steam Flow Rates. Dow's initial Reserved Steam Flow Rates shall be 400,000 Lb/hr of 600 Psig process steam and 1,500,000 Lb/hr of 175 Psig process steam. Dow may change its Reserved Steam Flow Rates from time to time, either before or after the Commercial Steam Operation Date, as hereinafter provided in this Section 4. Dow may take delivery of 600 Psig process steam at any flow rate up to the 600 Psig Reserved Steam Flow Rate and may take delivery of 175 Psig process steam at flow rates from and including the minimum flow rate and up to and including the maximum flow rate associated with Dow's 175 Psig Reserved Steam Flow Rate as shown on Exhibit A. Should Dow at any time take delivery of 175 Psig process steam at flow rates greater than the maximum flow rate or less than the minimum flow rate associated with Dow's 175 Psig Reserved Steam Flow Rate as shown on Exhibit A, the parties understand and agree that electric energy for Consumers Power's integrated electric system will thereby be reduced and will be replaced with electric energy from other sources within or without Consumers Power's system. In such event, Dow shall not be deemed to be in breach of this Agreement, but shall reimburse Consumers Power's costs for replacing such electric energy, to the extent provided in Section 4.C.

Consumers Power shall use its best efforts to supply process steam to Dow on a reasonably consistent and reliable basis at pressures not less than the Normal Design Steam Pressures nor more than the Normal Design Steam Pressures plus ten percent (10%) and at the Normal Design Steam Qualities at all steam flow rates, recognizing that it may not be possible to do so during low flow conditions, or transient conditions such as but not limited to NSSS or turbine-generator start-up or shut-down; changeover from one NSSS to the other, changeover to or from the extraction steam mode; rapid process steam load swings; or placement in or removal from service of process steam evaporators. Consumers Power shall also use its best efforts to supply process steam to Dow with only such chemicals and at such conductivities as the parties shall agree in accordance with Section 1.E, recognizing the sensitivity of Dow's processes and products to such contaminants and conductivities.

Both the 600 Psig process steam and the 175 Psig process steam will be supplied from the NSSS of Unit 1 if it is available and is capable of producing Secondary Steam sufficient to provide the required flow rates of process steam. In the event the NSSS of Unit 1 is not capable of producing Secondary Steam sufficient to provide the required flow rates of process steam, then Consumers Power shall supply process steam using the NSSS of Unit 2, if Unit 2 is available, and the use of the Unit 2 Secondary Steam for the generation of electricity shall be subordinate to such obligation.

Consumers Power may use, sell or otherwise dispose of any steam produced by the Generating Plant in excess of that needed to supply the process steam being delivered to Dow at any time. Dow may, without restriction, use, generate power with, sell, or otherwise dispose of process steam delivered to Dow.

B. Delivery Points and Measurements

Mutually agreed upon delivery points for (1) process steam and (2) condensate return, demineralized water and backup primary and secondary makeup water, shall be established at or near the property line separating Dow's Midland Complex from the Generating Plant Site.

Secondary Steam from either Unit will pass through process steam evaporators installed in the evaporator building of the Generating Plant in order to generate process steam for delivery to Dow. For purposes of calculating the monthly bill for process steam service pursuant to Section 4.C, the heat content of the steam, and the steam flow rate as measured by the Secondary Steam condensate return, shall be measured on the Secondary Steam side of the process steam evaporators, and the heat content of the condensate water shall be based on the temperature of the water measured in the condenser hotwell of the Unit receiving the Secondary Steam condensate return from the process steam evaporators, by suitable measuring equipment furnished, installed and maintained by Consumers Power. Billings will not be adjusted for water losses or heat content losses between the points of measurement and the delivery point for steam, and the parties recognize that such losses

will occur. However, Consumers Power shall use its best efforts to minimize and correct any abnormal water losses and heat content losses between the points of measurement for billing purposes and the delivery point for process steam. For purposes of determining compliance with Section 4.A, the flow rate, pressure and quality of process steam shall be measured or calculated from measurements made on the process steam side of the process steam evaporators (and, with respect to the pressure measurement, corrected for the calculated pressure loss to the point of delivery of the process steam) by suitable measuring equipment furnished, installed and maintained by Consumers Power.

Consumers Power shall test such measuring equipment at mutually agreeable intervals, and keep the same within accepted standards of accuracy. Dow shall be given advance notice of each such test in order that its representatives may witness the same. In case of any failure of any of the measuring equipment utilized to calculate the billing to Dow for process steam, then billing for process steam service furnished during such period shall be calculated or estimated by other methods agreed upon by the parties pursuant to Section 1.E.

C. Monthly Rate

D. Payment

Bills for steam service shall be rendered for each calendar month on the basis of Consumers Power's meter readings and calculations based thereon, and shall be due and payable on or before the due date shown on each bill. The due date of each bill shall be not less than twenty-one (21) days following the date of mailing or personal delivery of the bill to Dow. Each bill shall show the beginning and closing dates of the period for which the bill is rendered, the due date, the quantity of each class of process steam provided, itemized charges and the amount payable. A delayed payment charge of two percent (2%) of the total bill shall be added to any bill which is not paid on or before the due date shown thereon, notwithstanding the existence of any dispute or disagreement concerning the bill.

The various adjustments to the Capacity Charge and Commodity Charge required pursuant to Section 4.C shall be reflected as additional charges to Dow or as credits to Dow, as the case may be, on the next

monthly bill rendered after the amounts of any such adjustments are determined. Appropriate information supporting or explaining any adjustments shall accompany such bills. In no event shall interest be charged or credited to Dow as a result of any adjustments.

E. Condensate Return and Makeup Water

Throughout the term of this Agreement, Dow shall use its best efforts to deliver to Consumers Power Company, at delivery points established pursuant to Section 4.8, the following supplies of water:

- (1) Continuous return of steam condensate and demineralized water for use on the process steam side of the process steam evaporators, equivalent to that required to supply one hundred percent (100%) of the process steam delivered to Dow, including any blowdown losses. Such steam condensate and demineralized water shall be delivered at no cost to Consumers Power Company; and
- (2) A backup supply for all or such portion of Consumers Power's additional requirements of primary and secondary makeup water for the Generating Plant as Consumers Power may from time to time request for delivery on a continuous or non-continuous basis, but not to exceed 750,000 gallons per day. Such backup supply may be, at Dow's option, either filtered Lake Huron water supplied to Dow by the City of Midland or Dow's demineralized water. To

the extent that such makeup water is filtered Lake Huron water, Consumers Power shall pay Dow therefor at the rate for filtered water then being charged by the City of Midland exclusive of any penalty, minimum charge or readiness-to-serve charge. To the extent such makeup water is Dow's demineralized water, Consumers Power shall pay Dow therefor at Dow's booked operating costs plus ten percent (10%). Consumers Power's costs for all such makeup water shall be allocated in accordance with the allocation principles established in Section 4.C.

The supplies of water described in (1) and (2) above shall meet such specifications as shall be mutually agreed upon by the parties pursuant to Section 1.E.

Dow, at its expense, shall construct, operate and maintain all piping, treatment and other water supply facilities necessary to furnish and deliver such supplies of water to the delivery points.

Suitable equipment for measuring the flow of primary and secondary makeup water furnished under (2) above, shall be furnished, installed and maintained by Dow. Dow shall test such measuring equipment at mutually agreeable intervals, and shall keep the same within accepted standards of accuracy. Consumers Power shall be given advance notice of each such test in order that its representatives may witness the same. In case of any failure of any of the measuring equipment utilized to calculate the billing to Consumers Power for water delivered during any

period, the billing for water furnished during such period shall be calculated or estimated by other methods agreed upon by the parties, pursuant to Section 1.E.

F. Flow Rate Changes

(1) Changes in Reserved Steam Flow Rates

Dow may change its Reserved Steam Flow Rate for 175 Psig process steam to any flow rate listed in Column (1) of Exhibit A, on two years' notice for an increase or one year's notice for a decrease, or upon such longer notice as Dow may agree, or upon such shorter notice as Consumers Power may agree. No such notice of increase or decrease may be given less than twelve (12) calendar months from the last such notice unless Consumers Power agrees. Dow may change its Reserved Steam Flow Rate for 600 Psig process steam only with Consumers Power's prior written approval.

(2) Unused NSSS

Under certain circumstances, when Dow takes delivery of 175 Psig process steam from Unit 1 NSSS at flow rates less than the 175 Psig Design Steam Flow Rate, the full output of the Unit 1 NSSS will not be utilized, resulting in unused NSSS capacity. To the extent that this unused NSSS capacity cannot be used to generate electric power,

Dow may, upon thirty (30) days' notice to Consumers Power, utilize this unused NSSS capacity by taking delivery of 600 Psig process steam up to the actual capacity of the 600 Psig process steam evaporators and the process steam delivery system. Dow will pay Consumers Power for this 600 Psig process steam at fuel cost (including commodity and capacity charges associated with the fuel as provided in Section 4.C). In the event Dow utilizes unused NSSS capacity as provided above, such utilization shall not be deemed a change in Dow's then Reserved Steam Flow Rate for 600 Psig process steam and Exhibits A and B shall not be revised to reflect the increased flow rate of 600 Psig process steam being delivered to Dow.

(3) Stretch Steam

In the event that:

- (a) Consumers Power has additional steam associated with an NRC-licensed NSSS output above the levels warranted by the NSSS vendor available from the Generating Plant; and
- (b) Consumers Power is unable to utilize such additional steam in the turbines presently planned to be installed in the Generating Plant; and
- (c) the supply of additional process steam utilizing such additional steam is permitted under applicable laws, rules, regulations and orders and the provisions

of Consumers Power's operating license(s) for the
Generating Plant;

then Consumers Power will offer Dow first opportunity to purchase such additional process steam under the terms and conditions of this Agreement. The offer shall remain open until terminated by ninety (90) day notice. Within that period, Dow shall notify Consumers Power if it elects to purchase such additional steam or any part thereof.

G. RADIOACTIVITY

Consumers Power does not guarantee, but will use its best efforts, to operate the process steam equipment so that, subject to the limitations of Consumers Power's measuring equipment and procedures, process steam delivered to Dow will not contain, at statistically significant levels, radioactivity greater than that contained in the treated Lake Huron makeup water supplied to the process steam evaporators. Dow does not guarantee, but will use its best efforts, to supply to Consumers Power, subject to the limitation of Dow's measuring equipment and procedures, (1) steam condensate which will not contain, at statistically significant levels, radioactivity greater than that contained in process steam delivered to Dow, or (2) demineralized water which will not contain, at statistically significant levels, radioactivity greater than that contained in untreated Lake Huron water. If Consumers Power furnishes process steam containing levels in excess of the above specifications, the parties will cooperate to eliminate the condition and problems arising therefrom, with Consumers Power to have

the ultimate responsibility for the steam condensate containing those excessive levels. Both parties will use best efforts in the design and operation of their respective facilities to minimize possibilities of system contamination and to facilitate recovery from any such condition.

To the extent set forth in the FSAR, as will be incorporated in the Coordination Manual, Consumers Power shall install, operate and maintain instruments and controls to monitor the process steam delivered to Dow and steam condensate and demineralized water delivered to Consumers Power for radioactivity. The instruments and controls to be installed shall include on-line analyzers for gross gamma activity, and off-line sensitive instruments for low level beta counting and tritium analysis, or equivalent instruments and controls, and/or such other instruments and controls as may be required by the NRC or other governmental agency having jurisdiction. In addition, Consumers Power shall institute procedures for analysis for radioactivity in blowdown streams from each of the operating process steam evaporators. Without relieving Consumers Power of its obligations under this Section 4.G, Dow shall install, operate and maintain, to the extent set forth in the Coordination Manual, instruments, controls and procedures to monitor or analyze for radioactivity in process steam delivered to Dow, and in steam condensate and demineralized water delivered to Consumers Power by Dow, and in Dow products manufactured utilizing such process steam, including such instruments, controls and procedures as may be required of Dow by any governmental agency having jurisdiction.

Upon determination by either party of the presence, or possible presence, at statistically significant levels, (i) in process steam, of radioactivity in excess of that contained in the treated Lake Huron makeup water supplied to the process steam evaporators, or (ii) in steam condensate, of radioactivity in excess of that contained in treated Lake Huron water, or (iii) in demineralized water, of radioactivity in excess of that contained in untreated Lake Huron water, or (iv) in Dow products manufactured utilizing such process steam, of radioactivity in excess of baseline levels determined pursuant to the Coordination Manual, then such party shall immediately notify the other. Each party shall take appropriate, prompt corrective action; provided, however, that neither party shall be required to take any such action with respect to plant and equipment operated by or under the control of the other party.

Each party shall make available to the other for inspection, at all reasonable times, records of tests and measurements for such radioactivity, and upon request of the other party shall furnish appropriate samples for off-line analysis.

H. Early Steam

Prior to the Commercial Steam Operation Date, process steam may be available for delivery to Dow on either an interruptible or a firm basis. If Consumers Power desires to make any such process steam available to Dow, and Dow agrees to purchase and accept delivery of such process steam, the parties shall agree upon the terms and conditions

under which such process steam shall be supplied to Dow; provided, however, that the rate for any such process steam delivered to Dow on an interruptible basis shall be a charge consisting of the then-current cost of fuel (including the commodity and capacity charges associated with the fuel) plus ten percent (10%) of such cost.

5. REAL PROPERTY

A. Property Conveyed by Dow to Consumers Power

Pursuant to the provisions of the General Agreement between the parties dated December 13, 1967, as amended, Dow conveyed to Consumers Power certain parcels of land located in the City of Midland and Township of Midland, Midland County, Michigan, all as more fully described in the warranty deed, covenant deed and quit-claim deed from Dow to Consumers Power, each dated January 6, 1975, recorded in the Office of the Register of Deeds of Midland County, Michigan, at Liber 432 of Deeds, Pages 274, 277, and 283, respectively, all of such parcels being hereinafter called the "Land."

B. Repurchase by Dow

If at any time Consumers Power elects to sell or otherwise transfer to any third party the Land or any part thereof, and as a result the Land or part thereof will or may be used for purposes other than the Generating Plant and facilities related thereto and any expansions of or additions to the same, then Consumers Power shall first

offer the Land or part to Dow for repurchase by Dow. The price to be paid therefor by Dow shall be the greater of (i) the appraised value thereof as determined by an appraiser mutually satisfactory to Consumers Power and Dow, or (ii) the price set forth in any bona fide written offer made to Consumers Power for the Land or part thereof by such third party. The following shall not be deemed to be an election by Consumers Power to sell or otherwise transfer the Land or any part thereof within the meaning of this Section 5.3: (i) the creation of a mortgage or other lien interest on the Land or any part thereof; (ii) a foreclosure on the Land or any part thereof, pursuant to such mortgage or other lien interest, or (iii) a sale of the Land or any part thereof by the trustee, mortgagee, or other creditor under such mortgage or lien interest following any such foreclosure; provided, however, that Consumers Power will use its best efforts to avoid any situation or correct any condition that may result in any such foreclosure or sale. The sale or transfer to other electric generating or distributing entities of an undivided interest or interests in the Generating Plant shall not be deemed to be a sale or transfer resulting in the use of Generating Plant property for purposes other than the Generating Plant and facilities related thereto and any expansions or additions to the same; provided, that the Generating Plant will continue to be used for the production of electricity and provided further that such sale or transfer will be subject to Dow's rights under this Agreement and will not impair or preclude the fulfillment of Consumers Power's obligations to Dow under this Agreement and the Electric Service Contract.

If Consumers Power shall offer any property to Dow for repurchase hereunder, Dow shall be free to exercise its right of repurchase for a period of sixty (60) days following receipt of Consumers Power's written offer of such property for repurchase. Failure to notify Consumers Power in writing within such period of sixty (60) days shall terminate Dow's right of repurchase. In the event Dow repurchases land hereunder, Consumers Power will give Dow a covenant deed covering such land, subject to liens, encumbrances and restrictions then of record, and will not warrant, whether expressly or impliedly, the quality of any structure, equipment or facility thereon or that such structure, equipment or facility is fit or suitable for any particular purpose, or make any other warranty whatsoever with respect to such structure, equipment or facility. Further it is recognized that any property which Dow may have a right to repurchase hereunder may be subject to the lien of a trust mortgage or other instrument securing Consumers Power's indebtedness, and any repurchase of such property by Dow shall be conditioned upon Consumers Power's securing a release of such property from the lien of such mortgage or other instrument within one hundred twenty (120) days (or such longer period as the parties may agree upon in writing) following the date on which Dow notifies Consumers Power in writing of its election to repurchase the property. Consumers Power agrees to use its best efforts to obtain such release within the time specified. The Resale Closing Date shall be such date, following the date Consumers Power secures a release of such property from the lien of such mortgage or other instrument, as the parties may agree upon in writing.

Any general tax levied on any property resold to Dow hereunder by or for the State of Michigan or any county, city, village, township, school district, community college district, or other subdivision or agency of the State of Michigan, for the calendar year in which the Resale Closing Date occurs (hereinafter called the "year of sale") shall be prorated between the parties hereto as provided in this Section 5.B. For purposes of such proration, any such general tax levied on a valuation assessed as of December 31 immediately preceding the year of sale, as finally equalized, shall be deemed to be a tax levied for the year of sale, which is also the "tax year," irrespective of the time of levy, the due date, or the fiscal year of such State, subdivision or agency. If a valuation is not assessed on the property to be resold, apart from other real property, the parties shall agree upon an equitable portion of the valuation assessed as of said December 31, as finally equalized, on the real property on which the property to be resold or any fraction thereof is a part which shall be allocable to the property to be resold. The general tax allocable to the property to be resold for purposes of such proration shall be determined by applying the rate of such tax to said equitable portion of said assessed valuation. That portion of such tax levied on or allocable to the property to be resold for the year of sale which bears the same ratio to the whole of such tax as the number of days from January 1 to the day before the Resale Closing Date, inclusive, in the year of sale bears to the total number of days in the year of sale shall be treated as a tax imposed on Consumers Power and shall be payable by Consumers Power. That portion of any such tax levied on

or allocable to the property to be resold for the year of sale which bears the same ratio to the whole of such tax as the number of days from the Resale Closing Date to December 31, inclusive, in the year of sale bears to the total number of days in the year of sale shall be treated as a tax imposed on Dow and shall be payable by Dow.

On or before the Resale Closing Date, Consumers Power shall pay all special taxes and assessments, including unpaid installments thereof not then due and payable, which are assessed against the property being resold or any part of such property, and which become liens on such property or personal obligations against the owner of such property on or before the Resale Closing Date.

The provisions of this Section 5.3 shall be effective to the full extent permitted by law, now or hereafter applicable; provided that if the rule against perpetuities, or any other rule of law, limits the time during which any provision of this Section 5.3 can be effective, then such provision shall continue to be effective for no longer than the time limited by such other rule of law or 21 years after the death of the last survivor of all of the corporate officers of Consumers Power and Dow as of May 1, 1969, and all of their children living on May 1, 1969, whichever period is applicable. A list of such officers and their children is attached hereto and made a part hereof as Exhibit D.

6. DISCHARGE OF LIABILITY

Each party covenants and agrees not to sue, and releases and wholly discharges the other party with respect to any liability the

other party may have for any breach of the General Agreement between the parties dated December 13, 1967, as amended, or the electric service, steam service or water supply contracts between the parties, all dated January 30, 1974, occurring before the date of this Agreement. The parties understand that this discharge of liability is a compromise of doubtful and disputed claims, and that the consideration given in connection herewith is not to be construed as an admission of liability on the part of either party. The parties further understand and agree that this Discharge of Liability shall not be construed as an agreement by the parties that Consumers Power's expenditures to date for constructing the Generating Plant have been reasonable and prudent except as specifically provided in Section 4.C.(4).

7. FORCE MAJEURE

Notwithstanding any other provision of this Agreement, any delay or failure by either party in the performance of this Agreement, other than for the payment of money, shall be excused if and to the extent such delay or failure is due to act of God; war; action of the elements; storm or flood; fire; riot; labor dispute or disturbance; the exercise of authority or regulation by governmental or military authorities; or any other cause or causes beyond the reasonable control of the non-performing party.

8. INSURANCE AND INDEMNITY

Consumers Power shall secure and maintain in force during the life of this Agreement financial protection against nuclear hazards

associated with the Generating Plant, in such form and amounts as may be required by law. Notwithstanding anything to the contrary in this Agreement, Dow shall indemnify and save Consumers Power, its officers, directors, agents and employees harmless from and against all loss, expense, liability or damages arising out of injury (including death) or damage to any person or property whatsoever, to the extent such injury or damage is caused by or results from process steam from and after its delivery to Dow hereunder, or from Dow's use or misuse of such steam, or from the presence of such steam in Dow's facilities or products; provided, however, that such indemnification shall apply only to the extent that Consumers Power is not otherwise insured or indemnified against such loss, expense, liability or damages and only if (1) the injury or damage was caused by radioactivity, chemicals, or other physical characteristics covered by the specifications set forth in this Agreement or in the Coordination Manual; and (2) the process steam delivered to Dow complied (subject to the limitations of the parties' measuring equipment and procedures) with the applicable specifications covering radioactivity, chemicals or other physical characteristics causing such injury or damage. Consumers Power shall use its best efforts to mitigate any loss, expense, liability or damages for which Dow indemnifies Consumers Power. As used in this Section 8, the word "expense" shall be deemed to include, but not be limited to, any and all reasonable and necessary expenses incurred by Consumers Power in defending any claim, action or proceeding brought against Consumers Power for any of the above-named reasons.

9. TERM AND TERMINATION

A. Term

Subject to the rights of termination set forth in this Section 9, this Agreement shall be effective as of the date hereof and shall extend for an initial term expiring thirty-five (35) years from and after the Commercial Steam Operation Date, and from year to year thereafter at Dow's option, unless sooner terminated by mutual consent.

B. Termination Prior to the Commercial Steam Operation Date

Dow, at its option, may terminate this Agreement prior to the Commercial Steam Operation Date only if:

- (1) Consumers Power is, or will be, unable to declare the Generating Plant to be in commercial operation for process steam in accordance with Section 1.B, regardless of the reason therefor, including those reasons set forth in Section 7, on or before December 31, 1984; or
- (2) Dow is, or will be, prevented by governmental action from utilizing process steam from the Generating Plant.

C. Termination after the Commercial Steam Operation Date

Dow, at its option, may terminate this Agreement after the Commercial Steam Operation Date only if:

- (1) Consumers Power is prevented from, or is unable to, deliver process steam to Dow on a reasonably consistent and reliable basis in accordance with this Agreement regardless of the reason therefor, including those reasons set forth in Section 7; or
- (2) Dow gives at least two (2) years' notice to Consumers Power of its election, made in its sole discretion, to terminate, which notice may not be given prior to the Commercial Steam Operation Date.

D. Payments by Dow Upon Termination

- (1) In the event of a termination pursuant to paragraph B(2) or C(2) above, Dow shall pay Consumers Power an amount equal to the Allocated Steam Investment (prior to deduction of the fixed savings credit, "F"), as defined in Section 4.C(2), less sinking fund depreciation or amortization and adjusted for the remaining portion of Investment Tax Credit attributable to the Allocated Steam Investment for which Dow has not yet received credit, for the period over which Consumers Power has taken any depreciation or amortization with respect to assets includable within the Allocated Steam Investment, as shown in the sample calculations contained in the Coordination Manual;

- (2) In the event of a termination pursuant to paragraph B(1) or C(1), Dow shall pay Consumers Power an amount equal to one-half (1/2) of the amount provided in paragraph D(1) above plus one-half (1/2) of the difference between the accumulated actual booked depreciation and the accumulated sinking fund depreciation for the Allocated Steam Investment (prior to deduction of the fixed savings credit, "F"), as shown in the sample calculations contained in the Coordination Manual.
- (3) In the event of a termination pursuant to Section 9.C.(2) at any time after twenty (20) years from the Commercial Steam Operation Date or in the event of expiration of this Agreement, Dow shall remain obligated to pay Consumers Power, in addition to any amount owing under subsection D.(1), a portion of the costs, if any, thereafter incurred by Consumers Power to decommission the Generating Plant and to restore the Generating Plant Site, calculated in accordance with the following formula:

$$D = \left(\frac{t_1}{t_2} \text{ times } \frac{ASI}{T_1} \text{ times } Y \right) - Z$$

Where: D = Dow's payment pursuant to this Section 9(3).

t_1 = Time from the Commercial Steam Operation Date to the date of termination.

- t_2 = Time from the Commercial Steam Operation Date to the date that the Generating Plant is retired from service.
- ASI = The undepreciated allocated steam investment determined in accordance with Section 4.C.
- TI = The undepreciated total investment in the Generating Plant.
- Y = The cost of decommissioning the Generating Plant, including but not limited to any required site-restoration costs and the then present value of payments required for surveillance of the Generating Plant after it has been decommissioned.
- Z = The then present value, at a discount rate equal to Consumers Power's rate of return on its electric business, of the portion of the monthly aggregate estimated decommissioning and site-restoration costs paid by Dow pursuant to Section 4.C.

Payment of such amount shall be made within thirty (30) days after presentation of properly itemized invoice, supported by copies of such records substantiating said costs as Dow may reasonably require. If D as calculated above is negative, such amount shall be refunded by Consumers Power to Dow.

E. Termination Notice

Should Dow elect to terminate this Agreement pursuant to this Section 9, Dow shall give Consumers Power written notice of its termination, the reasons therefor and the effective date thereof, and Consumers Power shall continue to provide process steam to Dow until such effective date.

F. Termination Disputes

In the event that the parties disagree with respect to the availability of any termination option or the amount of any termination payment under this Section 9, the matter shall be resolved in accordance with Section 12.

10. ASSIGNMENT

The terms, conditions and obligations hereof are binding upon and shall inure to the benefit of the successors and assigns of the parties hereto. Each party hereby consents to any such assignment by the other party so long as the terms, conditions, and obligations hereof continue to be binding upon the assigning party as a guarantor of the performance of its assignee, and in such case no other written consent to such assignment shall be required. Any other assignment of this Agreement or any part thereof by either party, except by operation of law, without the prior written consent of the other party, shall be void and not merely voidable.

11. CHANGES IN AGREEMENT TERMS

The terms of this Agreement shall not be changed, superseded or supplemented except in writing, signed by authorized officers of the parties hereto.

12. DISPUTES

The parties shall use their best efforts to resolve any disputes under this Agreement by negotiation and mutual agreement. In the event the parties are unable to resolve any factual dispute referred to this Section pursuant to Sections 1.(E), 3, 4.C and 9, the parties shall submit the dispute to an arbitrator or arbitrators upon whom they shall mutually agree. Except as to factual disputes under the Sections expressly set forth above, the arbitrator or arbitrators shall have no authority to make any adjudication or to enter any award unless specifically agreed by the parties in writing. Arbitrators may be individuals or firms. The parties shall agree upon the assumptions, procedures and time for decision to be utilized by the arbitrator or arbitrators. The parties agree that a judgment may be rendered by an appropriate circuit court upon any award made by the arbitrator or arbitrators pursuant to a submission hereunder, subject to the authority of such court to vacate, modify or correct such award. Consumers Power shall not be deemed to have acted unreasonably or imprudently or to have breached its obligations under this Agreement in any way by continuing to expend funds on the Generating Plant or by failing to expend funds on the Generating Plant during the pendency of any such dispute.

13. REGULATION

It is expressly understood and agreed that the parties mutually have made an analysis of the various costs of the construction and operation of the Generating Plant and have in good faith agreed upon a reasonable and proper method of allocating costs and expenses between the process steam supplied to Dow hereunder and the electric power and other steam to be generated by the Generating Plant; that the rates and charges set forth in this Agreement reflect the results of such analysis and method; and that such rates and charges, as well as the other terms, conditions and provisions of this Agreement are, and will continue to be, just, reasonable, non-discriminatory and non-preferential.

Both parties recognize that there is a question as to whether the MPSC now has, or may hereafter acquire, jurisdiction over the rates, charges, terms, conditions and provisions of this Agreement. Accordingly, if this Agreement or any of its terms, conditions or provisions is the subject of, or becomes an issue in, any proceeding before the MPSC, or other governmental agency or court having jurisdiction, the parties will cooperate, and each party will use its best efforts, so that it may be demonstrated to the satisfaction of the MPSC, other agency or court, as the case may be, that to the extent the same are in issue, the rates, charges, term, conditions and provisions of this Agreement are just, reasonable, non-discriminatory and non-preferential and are fair to other customers of Consumers Power and do not have an adverse effect on the public interest.

14. WAIVERS

The failure of either party to insist, in any one instance or more, upon the performance of any of the terms or conditions of this Agreement, or to exercise any right or privilege herein conferred, shall not be construed as thereafter waiving any such terms, conditions, rights or privileges but the same shall continue and remain in full force and effect.

15. GOVERNING LAW

This Agreement shall be deemed to be a Michigan contract and shall be construed in accordance with and governed by the laws of the State of Michigan.

16. OBLIGATIONS OF CONFIDENTIALITY

The parties understand that certain obligations assumed by Dow under this Agreement may require that Dow disclose to Consumers Power information which Dow deems confidential, hereinafter called "Confidential Information." Dow is willing to disclose said Confidential Information to Consumers Power for Consumers Power's internal review and evaluation if Consumers Power executes a secrecy agreement of the form set forth in Exhibit E.

17. OTHER AGREEMENTS

This Agreement cancels and supersedes, as of the effective date hereof, the General Agreement between the parties dated December

13, 1967, as amended, and the water supply contract, the electric service contract, and the steam supply contract between the parties, all dated January 30, 1974. With respect to the subject matter hereof, this Agreement supersedes all previous representations, understandings and negotiations, either written or oral, between the parties hereto or their representatives, and, together with the electric service contract dated December 30, 1969, and the Electric Service Contract constitutes the entire agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate by their duly authorized representatives as of the day and year first above written.

CONSUMERS POWER COMPANY

By: [Signature]

602 808

6-12-78

CK [Signature] 6/12/78

[Signature] 6/12/78

THE DOW CHEMICAL COMPANY

By: [Signature]

Q Q Q 6-12-78

L W P

[Signature]

POOR ORIGINAL

EXHIBIT A

NSSS at 2,468 Mwt

Increase in Electrical Generating Capability for Various Reserved Steam Flow Rates of 175 Psig Process Steam Below the Design Flow Rate

(1) 175 Psig Process Reserved Steam Flow Rate 1,000 Lb/Hour	(2) Minimum Process Steam Flow 1,000 Lb/Hour	(3) Maximum Process Steam Flow 1,000 Lb/Hour	(4) Increase in Electrical Capability-kW from the Unit 1 Turbine Generator
1,100	1,000	3,200	24,000
1,100	1,100	3,100	30,000
1,200	1,200	3,000	35,000
1,300	1,300	3,000	40,000
1,400	1,400	2,900	45,000
1,500	1,500	2,800	50,000
1,600	1,600	2,700	56,000
1,700	1,700	2,500	61,000
1,800*	1,800	2,400	66,000
1,900*	1,900	2,200	72,000
2,000*	2,000	2,000	77,000
2,100*	1,900	2,100	74,000
2,200*	1,900	2,200	71,000
2,300	1,800	2,300	68,000
2,400	1,800	2,400	64,000
2,500	1,700	2,500	62,000
2,600	1,700	2,600	59,000
2,700	1,600	2,700	56,000
2,800	1,500	2,800	49,000
2,900	1,400	2,900	44,000
3,000	1,300	3,000	38,000
3,100	1,100	3,100	32,000
3,200	1,000	3,200	25,000
3,300	1,000	3,300	19,000
3,400	1,000	3,400	14,000
3,500	1,000	3,500	8,000
3,650	1,000	3,650	0

*Dow may elect one of these Reserved Steam Flow Rates, but understands that continuous operation within the minimum to maximum range at these Reserved Steam Flow Rates does not appear feasible.

NOTES:

1. Column 4 is based on General Electric Company heat balances as amended as of the date of execution of this Agreement, and will be revised to reflect actual demonstrated turbine generator capability after the acceptance tests have been satisfactorily completed or whenever physical changes occur in the Generating Plant which result in significant changes in the heat balances.
2. This table is based upon a core output of 2,468 Mwt and will be revised as necessary to reflect any increases in NSSS capability.
3. This table is based on delivery of 400,000 lb/hour of Psig process steam. If Dow increases its Reserved Steam Flow Rate for 600 Psig process steam above 400,000 lb/hour, column (4) will be revised to reflect any resulting changes in electrical capability.
4. All revisions referred to in notes (1) through (3) above shall be made by agreement of the parties pursuant to Section 1.E.

EXHIBIT B

Annual Backup Charge

(1) 175 Psig Reserved Steam Flow Rate 1,000 Lb/Hour	(2) Annual Backup Charge
1,000	\$1,890,000
1,100	2,010,000
1,200	2,110,000
1,300	2,220,000
1,400	2,330,000
1,500	2,440,000
1,600	2,550,000
1,700	2,660,000
1,800	2,760,000
1,900	2,870,000
2,000	2,970,000
2,100	3,060,000
2,200	3,140,000
2,300	3,220,000
2,400	3,290,000
2,500	3,370,000
2,600	3,450,000
2,700	3,530,000
2,800	3,600,000
2,900	3,690,000
3,000	3,760,000
3,100	3,840,000
3,200	3,920,000
3,300	4,000,000
3,400	4,070,000
3,500	4,150,000
3,650	4,250,000

NOTES:

1. This table is based on a Reserved Steam Flow Rate of 400,000 lb/hr of 600 Psig steam.

EXHIBIT C

Partial Classification of Generating Plant Investment

Power - "P"

Power investment shall include, but not be limited to, the following principal systems, components and related auxiliaries and facilities, and other investment:

- Turbine generators less any extraction features to supply process steam
- Condensers and circulating water systems and cooling pond
- Generator main bus and disconnects
- Main step-up transformers
- Transmission lines and switchyard
- Base site cost of \$1.5 million plus associated overheads
- Unit 2 main steam lines
- Unit 2 turbine generator extraction lines to the feedwater heaters
- Unit 2 condensate system
- Unit 2 condensate feedwater polishing system
- Unit 2 feedwater system

Common - "C₁ and C₂"

Investment common to electric and steam service shall include, but not be limited to NRC licensing costs, and the following principal systems, components and related auxiliaries and facilities:

- C₁
 - Nuclear steam supply systems
 - Reactor Buildings
 - Auxiliary Building
 - Component cooling water systems
 - Emergency diesel generators

- C₂
 - Unit 1 main steam lines
 - Unit 1 turbine generator extraction lines to the feedwater heaters
 - Unit 1 condensate system
 - Unit 1 condensate feedwater polishing system
 - Unit 1 feedwater system

Steam - "S"

Steam service investment shall include, but not be limited to, the following principal systems, components and related auxiliaries and facilities:

- Turbine generator extraction features for supplying process steam
- Main steam lines, condensate and feedwater cross-connections between Units 1 and 2 to facilitate backup process steam supply from Unit 2
- Process steam extraction lines and process condensate return lines from the turbines to the process steam evaporator building
- Process steam evaporator building
- Process steam flow and radiation monitoring systems

- Process steam lines and return piping between process steam evaporator building and Generating Plant Site boundary
- Iron removal system on Secondary Steam side of process steam evaporator system

Site Sensitive - "M"

Site sensitive investment shall include, but not be limited to, the following systems, components and related auxiliaries and facilities, and other investment:

- Relocation of drains, brine lines, utilities, etc.
- Subsidence surveillance
- Plant makeup water line and components from railroad bridge to the Generating Plant
- Reactor cavity flooding system (PLOCAP)
- Hazardous gas detection and isolation systems
- Containment penetration pressurization and leak chase systems
- Incremental cost of increasing reactor cavity design pressure to meet ACRS requirements
- Site cost above that included in "P"

EXHIBIT D

The following were the corporate officers of Consumers Power Company and The Dow Chemical Company, and their children, who were living on May 1, 1969.

CONSUMERS POWER COMPANY

<u>Officer</u>	<u>Children</u>
A. H. Aymond Chairman of the Board	Charles H. Aymond Robert D. Aymond William G. Aymond
James H. Campbell President	Bruce H. Campbell James B. Campbell Scott R. Campbell
Harry R. Wall Senior Vice President	Nancy Wall Reif Suzanne M. Wall Stephen H. Wall John H. Wall
John B. Simpson Senior Vice President	Jean Simpson
Robert D. Allen Senior Vice President	Robin E. Allen Mark W. Allen
Birum G. Campbell Vice President	Birum G. Campbell, III William B. Campbell
W. Anson Hedgecock Vice President	Wealtha Hedgecock Rea William A. Hedgecock, Jr.
Ralph C. Bretting Vice President	George C. Bretting Patricia A. Bretting
Floyd C. Fisher Vice President	Debra L. Fisher Steven C. Fisher Pamela Fisher Allen

Russell C. Youngdahl
Vice President

Karen Youngdahl Pawlick
Ann K. Youngdahl
Russell C. Youngdahl, Jr.
Kathryn M. Youngdahl

Walter R. Boris
Vice President

Charry D. Boris
Percilla D. Boris
Emily D. Boris

John W. Kluberg
Vice President and Controller

Lynn Kluberg Cunningham
Karen L. Kluberg

Paul A. Perry
Secretary

Patricia A. Perry
Ruth A. Perry
Robert P. Perry
Donna J. Perry

Herbert J. Palmer
Treasurer

Mary Palmer Wallsteadt
Herbert J. Palmer, Jr.

Harold P. Graves
General Counsel

David B. Graves
James F. Graves

Samuel N. Spring
Assistant Controller

Robert S. Spring
James M. Spring
Thomas E. Spring
Richard A. Spring
David W. Spring

Richard M. Griswold
Assistant Secretary

(No Children)

Roger T. Berg
Assistant Secretary

Thomas R. Berg

Robert L. Bayn
Assistant Treasurer

Robert L. Bayn, Jr.
Janice M. Bayn
Dennis L. Bayn

Donald W. Aldrich
Assistant Treasurer

Claudia J. Aldrich
Tracy E. Aldrich
Steven R. Aldrich

THE DOW CHEMICAL COMPANYOfficer

Carl A. Gerstacker
Chairman of the Board

Herbert D. Doan
President, Chief Executive
Officer

Leland I. Doan
Chairman of the Executive
Committee

C. B. Branch
Executive Vice President

Donald K. Ballman
Senior Vice President

Earle B. Barnes
Vice President, General
Manager of U. S. Area

A. P. Beutel
Vice President, Director of
Government Affairs

John M. Henske
Vice President, Director of
Corporate Product Department

Julius E. Johnson
Vice President, Director of
Research and Development

Children

Bette Mignon Gerstacker
Lisa Jayne Gerstacker

Jeffrey William Doan
Christine Mary Doan
Michael Alden Doan
Ruth Alden Doan

Leland A. Doan
Herbert Dow Doan
Dorothy Doan Arbury

Jaquith Lee Wright
Pamela Jill Bendall
Kristi Marie Branch
Gretchen Kit Branch
Audrea Denise Branch
Derek Karl Branch
Timotha Victoria Branch

Donald K. Ballman, Jr.
Brenda Ballman Keyser

Ronald L. Barnes
Larry B. Barnes
David A. Barnes
Thomas H. Barne.

Phillip R. Beutel
Betty Ann Hanley
Richard A. Beutel

Allison Weissman
Kathryn McDonald
John D. Henske
Robert C. Henske

Peggy Louise Jaster
Andrea Kay Smith
Jan Elyse Johnson
Reed Moery Johnson

Officer

G. James Williams
Vice President, Commercial
Director of the U. S. Area

Herbert H. Dow
Secretary

Robert B. Bennett
Treasurer

H. H. Lyon
Controller, Assistant
Secretary

William A. Groening, Jr.
General Counsel,
Assistant Secretary

Children

Schuyler Bailard
Patricia A. Williams
George James Williams, Jr.

Dana E. Dow
Willard H. Dow
Pamela G. Dow

Stephanie L. Solar
Constance L. Howard

Thomas H. Lyon
Peter M. Lyon
Margo A. Lyon

Mary Flores
William Andrew Groening
Janet Marsh
Phyllis Groening
Theodore Groening

EXHIBIT E

Dow is willing to disclose Confidential Information to Consumers Power subject to the following conditions:

- (A) Consumers Power shall use Confidential Information only for Consumers Power's internal review and evaluation;
- (B) Consumers Power shall use their best efforts to maintain Confidential Information in secret and in confidence from all third parties;
- (C) Consumers Power shall promptly notify Dow of any inquiry or demand made by any governmental agency or authority or any inquiry or demand made as the result of an administrative or judicial proceeding where an answer to the same would divulge or tend to divulge Confidential Information; and
- (D) Consumers Power shall not, without written consent of Dow, disclose any Confidential Information in answer to said inquiry or demand except to the extent necessary to secure governmental licenses or permits or when required by compulsory process of a court or administrative agency. Consumers Power shall use its best efforts to secure confidential treatment of such information by the

governmental authorities involved, and shall permit Dow to assist in discussions with such authorities regarding such confidential treatment. In the event efforts to secure confidential treatment are not successful, Dow shall have the right, to the extent permissible by law, to consult and advise Consumers Power concerning such answers.

Consumers Power's obligations of confidence as set forth in this Agreement shall not apply to any information that is:

- (1) known by Consumers Power before being obtained from Dow;
- (2) generally available to the public without the fault of Consumers Power; or
- (3) obtained or acquired by Consumers Power in good faith from a third party who has the same in good faith and is not under any obligation to Dow in respect thereto.

Consumers Power's obligations under this Agreement shall terminate upon written release by Dow.

Further, Consumers Power shall particularly advise its officers, employees, representatives and agents who have access to Confidential Information of this Agreement and shall require each and every one of them to abide fully by the same.

Except for Consumers Power's right to evaluate said Confidential Information of Dow, no rights or licenses under the proprietary rights of either party hereto are granted by or to be implied from this Agreement.

Upon execution of this Agreement, please return one fully executed copy of this document to M. S. Jenkins, Patent Department, The Dow Chemical Company, Midland, Michigan 48640.

Understood and Accepted by:

CONSUMERS POWER COMPANY

THE DOW CHEMICAL COMPANY

By _____
Name:
Title:
Date:

By _____
Name:
Title:
Date: