

- (c) the amount for each month of the remaining term of this Agreement by which the obligation of the person identified in Section 3.2(a) to deliver capacity to the U.S. Entity would be reduced, which amount shall be determined during any such month, as the reduction of monthly amount of energy specified under Section 3.2(b) divided by the hours in the month and multiplied by the fraction 168/96, provided, however, such reduction in capacity obligation shall be revised to match changes in the original amounts specified by British Columbia for any Operating Year;
- (d) a legally binding acknowledgement that the obligation of the United States under the Treaty for each future Operating Year to deliver the amount of energy finally specified for each month in Section 3.2(b) is reduced for each such Operating Year and that the Canadian Entitlement capacity for each such month during the remaining term of this Agreement is permanently limited to the Canadian Entitlement capacity calculated under the Treaty less the greater of:
 - (i) the maximum capacity amount for a month established by Section 3.2(c) during the current Operating Year; or
 - (ii) the maximum capacity amount for a month established by Section 3.2(c) for any previous Operating Year.

Each acknowledgement provided under Section 3.2(d) above shall confirm satisfaction of energy reductions and limitations on capacity amounts based on all previous instruments issued by British Columbia pursuant to this Section 3.2.

- 3.3. If British Columbia provides a written instrument to Bonneville pursuant to Section 3.2, Bonneville shall accept the reductions identified in Sections 3.2(b) and 3.2(c) of the obligation of the person identified in Section 3.2(a), provided, however, such reductions shall be revised to reflect any revisions provided by British Columbia prior to the start of any Operating Year. As soon as practicable, Bonneville shall sign amendments to contracts with such person or other instruments necessary to provide for such reductions.