AGREEMENT TO AMEND ADMINISTRATIVE ORDER ON CONSENT

This Amendment is entered into effective March 1, 2017, by and between the Montana Department of Environmental Quality ("MDEQ") and Talen Montana, LLC, fka PPL Montana, LLC, ("Talen") in its capacity as operator of the Colstrip Steam Electric Station (the "Facility"), collectively the "Parties."

RECITALS

1. The Parties are party to an Administrative Order on Consent relating to the Facility dated August 3, 2012, a copy of which is attached hereto as Exhibit 1 (the "AOC").

2. Section XX of the AOC provides that the AOC generally cannot be amended without a signed agreement of the Parties.

3. The Parties desire to amend the public notice and participation portions of the AOC to more effectively utilize MDEQ's resources without diminishing the public's notice and participation.

AGREEMENT

1. The Parties hereby stipulate that Sections V and XII of the AOC are amended as follows:

V. Public Participation

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B. Within 10 days of submission of the Cleanup Criteria and Risk Assessment Report for each site to the Department under Article VI B., the Department will set a public meeting and notify PPLM. PPLM shall then, within 10 days, publish a notice of meeting in the local newspaper and the Billings Gazette. The notice must advise the public of the time and place of the community meeting and of a 30-day public comment period, which will extend at least 10 days following the meeting, the manner in which comments may be
submitted, and the manner that copies of the Report may be reviewed. The Department shall post the Report on its website upon receipt of the report and shall conduct the community meeting. The Department will respond to substantive public comment as part of its actions on the submission.

Upon receipt of the Cleanup Criteria and Risk Assessment Report, the Department shall post the report on its website. If the Department disapproves the report, the Department shall also post its written disapproval of the report and any revised reports submitted by Talen addressing concerns identified by the Department in its disapproval.

The Department shall post a preliminary approval or preliminary conditional approval of the report or revised report on its website and a notice to the public of a 30-day period within which to comment on the report. The notice shall also provide that, upon receipt of a written request within 10 days of the posting the notice by 10 or more persons or by a group having 10 or more members, DEQ will conduct a public meeting on the report. If a request for a public meeting has been received, the Department will set a public meeting and publish a notice of the meeting on its website and in the local newspaper and the Billings Gazette. The public meeting must be held at least 10 days prior to the close of the public comment period. The Department may extend the public comment period to accommodate the public meeting. The Department shall conduct the public meeting. The Department will respond to substantive public comment as part of its final action on the submission.

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C. Within 10 days of submission of the Remedy Evaluation Report for each site to the Department under Article VI C., the Department will set a public meeting date and notify PPLM. PPLM shall then, within 10 days, publish a notice of meeting in the local newspaper and the Billings Gazette. The notice must advise the public of the time and place of the community meeting and of a 30-day public comment period, which will extend at least 10 days following the
meeting, the manner in which comments may be submitted, and the manner that copies of the Report may be reviewed. The Department shall post the Report on its website upon receipt of the report and shall conduct the community meeting. The Department will respond to substantive public comment as part of its action on the submission.

Upon receipt of the Remedy Evaluation Report for each site, the Department shall post the report on its website. If the Department disapproves the report, the Department shall also post its written disapproval of the report and any revised reports submitted by Talen addressing concerns identified by the Department in its disapproval.

The Department shall post a preliminary approval or preliminary conditional approval of the report or revised report on its website and a notice to the public of a 30-day period within which to comment on the report. The notice shall also provide that, upon receipt of a written request within 10 days of the posting the notice by 10 or more persons or by a group having 10 or more members, DEQ will conduct a public meeting on the report. If a request for a public meeting has been received, the Department will set a public meeting and publish a notice of the meeting on its website and in the local newspaper and the Billings Gazette. The public meeting must be held at least 10 days prior to the close of the public comment period. The Department may extend the public comment period to accommodate the public meeting. The Department shall conduct the public meeting. The Department will respond to substantive public comment as part of its final action on the submission.

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E. Within 10 days of submission of the Final Remediation Action Report for each site to the Department under Article VI E., the Department will set a public meeting date and notify PPLM. PPLM shall then, within 10 days, publish a notice of meeting in the local newspaper and the Billings Gazette. The notice must advise the public of the time and place of the community meeting and
of a 30-day public comment period, which will extend at least 10 days following the meeting, the manner in which comments may be submitted, and the manner that copies of the Report may be reviewed. The Department shall post the Report on its website upon receipt of the report and shall conduct the community meeting. The Department will respond to substantive public comment as part of its action on the submission.

Upon receipt of the Final Remedial Action Report for each site, the Department shall post the report on its website. If the Department disapproves the report, the Department shall also post its written disapproval of the report and any revised reports submitted by Talen addressing concerns identified by the Department in its disapproval.

The Department shall post a preliminary approval or preliminary conditional approval of the report or revised report on its website and a notice to the public of a 30-day period within which to comment on the report. The notice shall also provide that, upon receipt of a written request within 10 days of the posting the notice by 10 or more persons or by a group having 10 or more members, DEQ will conduct a public meeting on the report. If a request for a public meeting has been received, the Department will set a public meeting and publish a notice of the meeting on its website and in the local newspaper and the Billings Gazette. The public meeting must be held at least 10 days prior to the close of the public comment period. The Department may extend the public comment period to accommodate the public meeting. The Department shall conduct the public meeting. The Department will respond to substantive public comment as part of its final action on the submission.

F. Within 10 days of submission of a Facility Closure Plan to the Department under Article IX B., the Department will set a public meeting date and notify PPLM. PPLM's shall then, within 10 days, publish a notice of meeting in the local newspaper and the Billings Gazette. The notice must advise the public of the time and place of the community meeting and of a 30-day public
comment period, which will extend at least 10 days following the meeting, the manner in which comments may be submitted, and the manner that copies of the Plan may be reviewed. The Department shall post the Plan on its website upon receipt of the report and shall conduct the community meeting. The Department will respond to—substantive public comment as part of its action on the submission.

Upon receipt of the Facility Closure Plan, the Department shall post the plan on its website. If the Department disapproves the plan, the Department shall also post its written disapproval of the plan and any revised plans submitted by Talen addressing concerns identified by the Department in its disapproval.

The Department shall post a preliminary approval or preliminary conditional approval of the plan or revised plan on its website and a notice to the public of a 30-day period within which to comment on the report. The notice shall also provide that, upon receipt of a written request within 10 days of the posting the notice by 10 or more persons or by a group having 10 or more members, DEQ will conduct a public meeting on the plan. If a request for a public meeting has been received, the Department will set a public meeting and publish a notice of the meeting on its website and in the local newspaper and the Billings Gazette. The public meeting must be held at least 10 days prior to the close of the public comment period. The Department may extend the public comment period to accommodate the public meeting. The Department shall conduct the public meeting. The Department will respond to substantive public comment as part of its final action on the submission.

G. The Department shall conduct a public meeting annually to inform the public of progress made by the Department and Talen under the AOC and to accept any input the public may have on implementation of the AOC. In its discretion, the Department may combine the annual public meeting with any public meeting conducted to obtain public comment on a report submitted by Talen.
XII. Department Action on Submissions

A. Unless otherwise expressly provided to the contrary in this Agreement, whenever PPLM Talen is required under the AOC to submit a work plan, report or other document (the Submission) to the Department for action, such submissions shall be processed in accordance with this Article. The Department shall make a good faith effort to respond in writing to any Work Plan submitted by PPLM Talen hereunder within 30 days and any Report submitted by PPLM Talen hereunder within 75 days, and identify the Department’s substantive concerns, if any, or provide the Department’s preliminary approval, preliminary conditional approval, or disapproval. The Department may, at its discretion provide preliminary conditional approval rather than disapproval, in order to avoid unnecessary delays.

B. If the Department disapproves of PPLM’s Talen’s Submission, the Department shall include a detailed statement of reasons supporting the disapproval. PPLM Talen shall thereafter, within 60 days submit to the Department a response addressing the concerns identified by the Department. Within 30 days after the receipt of PPLM’s Talen’s response, the Department shall either (1) finally preliminarily approve the submission as originally made or as revised, together with reasonable conditions, if any, dealing with concerns identified by the Department as part of the prior disapproval and PPLM’s Talen’s response thereto, or (2) disapprove the Submission, giving a detailed statement of its reasons in writing. However, the Department may, if it determines that additional public participation is required, treat its decision regarding PPLM’s response as a new Submission for purposes of public participation under Paragraph A of this Article and under Article V.

Upon issuing a preliminary approval or disapproval of a report, the Department shall follow the public participation procedures set forth in Article V. The Department may consult with Talen in responding to public comments on the report.
2. Except as expressly amended herein, the remaining provisions of the AOC remain effective and unchanged.

For Talen Montana, LLC:

[Signature]
Date: 3/17/17

For the Montana Department of Environmental Quality:

[Signature]
Date: 3/10/17