



825 NE Multnomah Street  
Portland, OR 97232

ORIGINAL

UTAH PUBLIC  
SERVICE COMMISSION

March 22, 2013

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

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RECEIVED

RE: *PacifiCorp*  
Docket No. ER13-\_\_\_\_-000

Dear Secretary Bose:

*Docket No. 13-999-01*

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2006), Part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. Part 35 (2012), and Order No. 714<sup>1</sup> regarding electronic filing of tariff submittals, PacifiCorp hereby tenders for filing the following jurisdictional agreement:

Mona Relay Replacement Agreement ("Agreement"), dated March 18, 2013, between Intermountain Power Agency ("IPA") and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 696.

**1. Background and Reason for Filing**

PacifiCorp, as successor-in-interest to Utah Power & Light, and IPA are parties to an agreement entitled "Mona Interconnection Agreement between Deseret Generation & Transmission Co-Operative, Utah Power & Light Company and Intermountain Power Agency," dated April 27, 1989, and designated as PacifiCorp First Revised Rate Schedule No. 342 (the "Interconnection Agreement"), which was accepted by Commission for filing on May 4, 2009.<sup>2</sup> Under the Interconnection Agreement, PacifiCorp provides certain operation and maintenance services for IPA at the Mona Substation, as that facility is defined in Section 4.22 of the Interconnection Agreement.

IPA has requested replacement of the existing relays at the Mona Substation to improve system reliability and communication. On March 18, 2013, IPA and PacifiCorp entered into the Agreement. Under the Agreement, PacifiCorp agrees to perform certain work to accommodate IPA's request and IPA agrees to perform certain ancillary upgrades.

Accordingly, PacifiCorp respectfully requests that the Commission accept the Agreement, attached hereto, for filing.

<sup>1</sup> *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).

<sup>2</sup> Letter Order, Docket No. ER09-835-000, May 4, 2009.

2. **Effective Date and Request for Waiver**

In accordance with 18 C.F.R. § 35.3(a)(1), PacifiCorp respectfully requests that the Commission establish an effective date of May 22, 2013, for the Agreement.

To the extent that any filing requirement in Part 35 of the Commission's regulations is not satisfied by this filing and the materials enclosed herewith, PacifiCorp respectfully requests waiver of such requirements.

3. **Designation**

PacifiCorp requests that the Agreement be designated as PacifiCorp Rate Schedule No. 696.

4. **Enclosure**

The following enclosure is attached hereto:

Mona Relay Replacement Agreement between IPA and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 696.

5. **Communications**

All communications and correspondence regarding this filing should be forwarded to the following persons:

Patrick C. Cannon  
Senior Counsel  
PacifiCorp  
825 N.E. Multnomah, Suite 1800  
Portland, OR 97232  
(503) 813-5613  
(503) 813-7252 (facsimile)  
[Patrick.Cannon@PacifiCorp.com](mailto:Patrick.Cannon@PacifiCorp.com)

Rick Vail  
Vice President, Transmission  
PacifiCorp  
825 N.E. Multnomah, Suite 1600  
Portland, OR 97232  
(503) 813- 6938  
(503) 813- 6893 (facsimile)  
[Richard.Vail@PacifiCorp.com](mailto:Richard.Vail@PacifiCorp.com)

6. **Service List**

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, a copy of this filing is being served on each of the following:

Mr. Saifuddin Mogri  
Operating Agent Office, IPP  
111 N. Hope St., Rm 1263  
Los Angeles, CA 90012  
Ph: (213) 367-0447  
Email: [Saifuddin.Mogri@LADWP.com](mailto:Saifuddin.Mogri@LADWP.com)

Utah Public Service Commission  
Heber M. Wells Building  
160 East 300 South  
Salt Lake City, UT 84114

If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

Respectfully Submitted,

/s/ Patrick C. Cannon  
Patrick C. Cannon

*Attorney for PacifiCorp*

## CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused a copy of the foregoing document to be served via first-class mail or electronic mail upon each of the parties listed in the enclosed Service List.

Dated at Portland, Oregon this 22<sup>nd</sup> day of March, 2013.

/s/ Patrick C. Cannon

Patrick C. Cannon

PacifiCorp

825 N.E. Multnomah, Suite 1800

Portland, OR 97232

(503) 813-5613

(503) 813-7252 (facsimile)

[patrick.cannon@pacificorp.com](mailto:patrick.cannon@pacificorp.com)

**MONA RELAY REPLACEMENT AGREEMENT**

This Mona Relay Replacement Agreement (the "Agreement") is made and entered into as of the 18<sup>th</sup> day of March, 2013, between the Intermountain Power Agency, hereinafter "IPA" and PacifiCorp (formerly Utah Power & Light). Hereinafter, IPA and PacifiCorp may be individually referred to as a "Party" and collectively as the "Parties."

The Los Angeles Department of Water and Power ("LADWP") is the Operating Agent for IPA and will administer this Agreement on behalf of IPA.

**RECITALS:**

A. WHEREAS, PacifiCorp is a transmission provider which owns and operates certain facilities for the transmission of electric power and energy located in Utah; and

B. WHEREAS, IPA is a transmission provider which owns and operates certain facilities for the transmission of electric power and energy located in Utah and California; and

C. WHEREAS, PacifiCorp, as successor-in-interest to Utah Power & Light, and IPA are parties to an agreement entitled "Mona Interconnection Agreement between Deseret Generation & Transmission Co-Operative, Utah Power & Light Company and Intermountain Power Agency," IPA No. 129 dated April 27, 1989, and designated as PacifiCorp Rate Schedule No. 342 (the "Interconnection Agreement"), pursuant to which PacifiCorp provides certain operation and maintenance services for IPA at the Mona Substation, as that facility is defined in Section 4.22 of the Interconnection Agreement; and

D. WHEREAS, IPA has requested replacement of the existing relays at the Mona Substation to improve system reliability and communication and has requested that PacifiCorp perform certain work to accommodate IPA's request (the "PacifiCorp Work," as more fully described in Section 2.(a) below); and

E. WHEREAS, PacifiCorp has agreed to perform the PacifiCorp Work according to the terms set forth herein; and

F. WHEREAS, in connection with the PacifiCorp Work, IPA will perform certain ancillary upgrades (the "IPA Work," as more fully described in Section 2.(b) below) to certain IPA equipment and facilities identified in Section 8.2 of the Interconnection Agreement ("IPA Facilities").

NOW THEREFORE, the Parties agree as follows:

1. TERM & TERMINATION

The term of this Agreement shall commence on the date designated by the Federal Energy Regulatory Commission ("FERC") following PacifiCorp's submittal of this Agreement to FERC for approval, and except for those provisions which reasonably should survive

termination, shall terminate ninety (90) days following completion of both the PacifiCorp Work and the IPA Work.

2. SCOPE AND PERFORMANCE OF PACIFICORP WORK AND IPA WORK:

(a) PacifiCorp Work. PacifiCorp will replace the line relays and power line carrier electronics on the two Mona-IPP 345kV transmission lines named IPP-Mona Line 1, and IPP-Mona Line 2 at the Mona Substation, including the surveying, engineering, procurement and installation of the following facilities ("Project Facilities") depicted in the attached Exhibit A:

- (i) 11A relay – SEL 421 using POTT logic over power line carrier
- (ii) 11B relay – SEL311L line current differential relay using a digital communication channel over the microwave system.
- (iii) 11A and 11B – will initiate reclosing using the KVTR relay.
- (iv) SEL 421 – will not be used for reclosing or breaker failure.
- (v) Panel installation to contain the power line carrier transmitter/receivers, hybrids and amplifiers.
- (vi) Install 2 PL 346 panels for the 11A relay.
- (vii) Use the PL 243SBE design for 11A relay application.
- (viii) Remove existing equipment; I1CM, I1RM, I1CP, I1RP, I2CM, I2RM, I2CP and I2RP.
- (ix) Each SEL 421 relay system will use a two channel RFL 9780 power line carrier transceiver.
- (x) The two SEL 311L relays will use multi-mode fiber to communicate with the LADWP channel bank.
- (xi) Multi-mode 48-fiber cable with patch panels will be installed in the PacifiCorp and LADWP facilities.
- (xii) Power line carrier equipment will be installed at the Mona Substation.
- (xiii) Purchase and install one (1) 48-fiber multi-mode 62.5 micrometer ADSS underground cable.
- (xiv) Purchase and install two (2) 48-fiber patch panels.
- (xv) Purchase and install four (4) line tuning units.

- (xvi) Purchase and install four (4) tuning packs for traps.
- (xvii) Purchase and install four (4) coax cables from PLC electronics to line tuning units
- (xviii) Purchase and install two (2) RFL 9780 redundant PLC equipment.
- (xix) Purchase and install one (1) fiber jumper, fiberduct.
- (xx) To support the SEL 311L relays, a fiber optic cable will be installed between the Mona Substation Control Building and the IPA communication building.
- (xxi) Install the new tie-line fiber cable into the IPA Facilities, terminating in a location as designated by IPA, and connect to the Mona Substation, at a location as designated by PacifiCorp, for connection to the SEL 311L relay.

(b) IPA Work. IPA will install a new RFL IMUX 2000 channel bank in the IPA Facilities, and connect the RFL IMUX 2000 channel bank to a new T1 circuit on the digital microwave going back to the Intermountain Converter Station. In addition, IPA will provide access and oversight to PacifiCorp for the installation of the tie-line fiber cable and patch panel in the IPA Facility and will make the fiber jumper connections between the RFL IMUX and the fiber patch panel in the IPA Facility.

### 3. OWNERSHIP OF BETTERMENTS/RESPONSIBILITY:

(a) Ownership of PacifiCorp Betterments. Pursuant to Sections 11.4 and 8.1 of the Interconnection Agreement, PacifiCorp shall own the betterments created by the PacifiCorp Work.

(b) Ownership of IPA Work. IPA shall own the betterments created by the IPA Work.

### 4. BUDGET:

Pursuant to Section 11.5 of the Interconnection Agreement, PacifiCorp's initial construction cost budget for the PacifiCorp work is \$830,846, which initial construction cost budget is hereby approved by IPA.

### 5. PROJECT SCHEDULE:

The PacifiCorp Work and IPA Work shall be completed no later than December 31, 2013. Pursuant to Section 11.5 of the Interconnection Agreement, PacifiCorp's initial construction schedule is as follows, which initial schedule is hereby approved by IPA:

Design Engineering	09/01/2012 - 04/30/2013
Material Procurement	11/01/2012 - 02/28/2013
Construction (Panel Shop)	03/01/2013 - 05/31/2013
Relay Setting	03/01/2013 - 06/30/2013
Commissioning	10/01/2013 - 12/31/2013

6. OPERATION AND MAINTENANCE:

Operation and maintenance responsibilities for the PacifiCorp Work shall be as set forth in Section 10 of the Interconnection Agreement.

7. STANDARD OF WORK:

The PacifiCorp Work and the IPA Work shall be performed in a good and workmanlike manner in accordance with Prudent Utility Practice as that term is defined in Section 4.32 of the Interconnection Agreement.<sup>1</sup>

8. CHANGES:

(a) The Parties may at any time mutually agree to changes and/or additions to the scope or schedule of the PacifiCorp Work or the IPA Work. If such direction results in a material change in the amount or character of work, an equitable adjustment in estimated costs and other such provisions of this Agreement shall be made and this Agreement shall be modified accordingly.

(b) No change to this Agreement shall be binding upon the Parties unless and until a change order is executed by each Party which is in writing and expressly states that it constitutes a change order to this Agreement. The issuance of information, advice, approvals, or instructions verbally or by an exchange of e-mail or in any other manner short of a writing executed by both Parties shall not constitute a change order.

(c) PacifiCorp will file each amendment to this Agreement with FERC as a restated agreement.

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<sup>1</sup> Any of the practices, methods and acts, which, in the exercise of reasonable judgment in the light of the facts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry prior thereto) known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety and expedition, taking into account the fact that Prudent Utility Practice is not intended to be limited to the optimum practice, methods or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice includes due regard for manufacturers' warranties and requirements of governmental agencies of competent jurisdiction and shall apply not only to functional parts of the Project, but also to appropriate structures, landscaping, painting, signs, lighting, other facility and public relations programs reasonably designed to promote public enjoyment, understanding and acceptance of the Project.



9. INSPECTION AND ACCESS:

(a) Each Party may, at its discretion, inspect the construction of the other Party's work-in-progress upon reasonable notice to and under the supervision of the other Party.

(b) To the extent either Party requires access to property of the other Party to carry out work under this Agreement, such access shall be granted on reasonable terms and conditions.

10. TESTING:

(a) All testing shall be coordinated between and PacifiCorp and IPA.

(b) Before the PacifiCorp Work is energized, it shall be tested by PacifiCorp to ensure safe and reliable operation in accordance with Prudent Utility Practice, all applicable FERC, North American Electric Reliability Corporation and Western Electricity Coordinating Council criteria and requirements, and all applicable federal, state, and local law, regulations, and requirements.

(c) If testing indicates that modifications to the PacifiCorp Work are required, IPA shall bear the cost of all such modifications in accordance with the cost allocation in Section 4 above, except to the extent that any such modifications are required as a result of PacifiCorp's or its agents' or its subcontractors' failure to adhere to specifications, negligence, willful misconduct, or failure to comply with Prudent Utility Practice.

(d) IPA will assign testing personnel at the Mona Substation at its discretion.

11. GOVERNING LAW:

This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. Litigation to enforce or interpret this Agreement shall be filed only in the United States District Court for the District of Utah or the Third Judicial District Court for Salt Lake County, Utah. The Parties hereby submit to the jurisdiction and venue of such courts for the stated purpose.

12. NO PARTNERSHIP:

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

13. NON-ASSIGNABILITY:

Neither this Agreement, nor any part thereof, may be assigned without the express written consent of the other Party, which consent will not be unreasonably withheld. Any attempt

to assign this Agreement that lacks such express written consent will be voidable at the option of the non-assigning Party.

14. ENTIRE CONTRACT:

This Agreement and the Interconnection Agreement constitute the entire agreement between the Parties with respect to the subject matter hereof and there are no oral or written understandings, representations or commitments of any kind, express or implied, which are not expressly set forth herein.

15. NOTICES:

Any correspondence regarding this Agreement shall be directed to the appropriate Party (or Parties) as shown below:

IPA:	Steven Pruett, System Protection 111 N. Hope St., Rm 932 Los Angeles, CA 90012 Phone: (213) 367-5175 e-mail steven.pruett@ladwp.com
	Mr. Saifuddin Mogri Operating Agent Office, IPP 111 N. Hope St., Rm 1263 Los Angeles, CA 90012 Ph: (213) 367-0447 Email: Saifuddin.Mogri@LADWP.com
PacifiCorp:	Rick Vail, VP Transmission PacifiCorp 825 NE Multnomah Street, Suite 1600 Portland, OR 97232 Ph: (503) 813-6938 Email: Rick.Vail@PacifiCorp.com
	Rachel Matheson, Transmission Customer Account Manager PacifiCorp 1407 W. North Temple, Suite 270 Salt Lake City, UT 84116 Ph: (801) 220-2534 Email: Rachel.Matheson@PacifiCorp.com

16. BILLING AND PAYMENT:

Billings and payments shall be sent to the address(es) set out below:

Customer:	Attn.: Supervisor, System Protection 111 N. Hope St., Rm 932 Los Angeles, CA 90012 Ph: (213) 367-XXXX
With a copy by e-mail to:	Mr. Saifuddin Mogri Operating Agent Office, IPP 111 N. Hope St., Rm 1263 Los Angeles, CA 90012 Ph: (213) 367-0447 Email: Saifuddin.Mogri@LADWP.com

17. LIMITATION OF LIABILITY:

Except as otherwise expressly provided in this Agreement, each Party's liability to the other Party for any loss, cost, claim, injury, damage, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as specifically authorized by this Agreement.

18. FORCE MAJEURE:

A Party shall not be subject to any liability or damages for inability to meet its obligations under this Agreement to the extent that such failure shall be due to causes beyond the control of the Party, including, but not limited to the following: (a) the operation and effect of any new or modified rules, regulations and orders promulgated by FERC, any applicable state public utility commission, any municipality, or any governmental agency of the United States, or subdivision thereof (so long as the claiming party has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such government action); (b) restraining order, injunction or similar decree of any court; (c) any Force Majeure event.

“Force Majeure” shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

The Party claiming Force Majeure shall make every reasonable attempt to remedy the cause thereof as diligently and expeditiously as possible. Except for the obligation to pay amounts owed for services performed under this Agreement when due, time periods for

performance obligations of either Party herein shall be extended for the period during which Force Majeure was in effect.

19. SUCCESSORS:

This Agreement will be binding upon the Parties and will inure to the benefit of their respective successors.

20. SEVERABILITY:

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. MULTIPLE COUNTERPARTS:

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all of which constitute one and the same instrument.

22. CONTRACTORS AND SUBCONTRACTORS:

Nothing in this Agreement shall prevent PacifiCorp or IPA from utilizing the services of any third-party contractor or subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that PacifiCorp and IPA shall require a third-party contractor and subcontractor to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such third-party contractor and subcontractor.

23. NO THIRD-PARTY BENEFICIARIES:

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

24. JURY WAIVER:

TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE, OR TO REQUEST THE CONSOLIDATION OF, ANY ACTION

IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH  
A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement effective  
as of the day and year first herein above written.

**PACIFICORP**

**INTERMOUNTAIN POWER AGENCY**

/s/ Rick Vail  
Signature

/s/ Minh T. Le  
Signature

Rick Vail  
Printed Name of Signor

Minh T. Le  
Printed Name of Signor

VP - Transmission  
Title of Signor

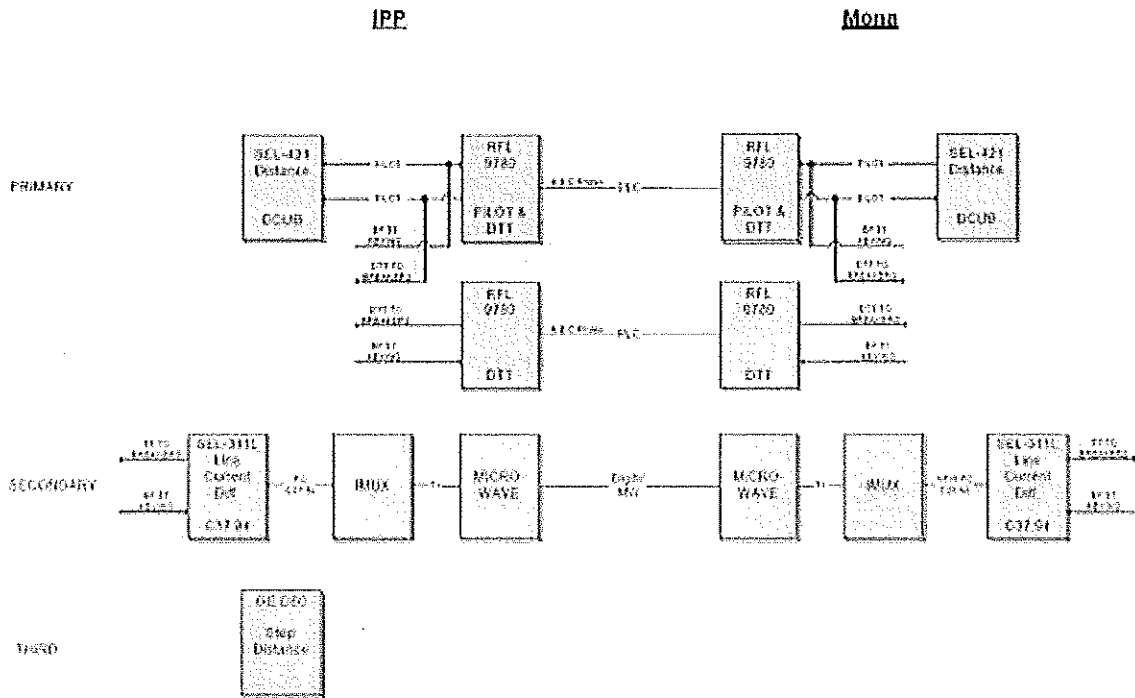
Operating Agent  
Title of Signor

3/18/13  
Date

3/5/2013  
Date

# Exhibit A

## IPP – Mona Line 1 & 2 345kV Line Relay Replacement Preliminary Relay and Communication Diagram



## MONA RELAY REPLACEMENT AGREEMENT

This Mona Relay Replacement Agreement (the "Agreement") is made and entered into as of the 18<sup>th</sup> day of March, 2013, between the Intermountain Power Agency, hereinafter "IPA" and PacifiCorp (formerly Utah Power & Light), Hereinafter, IPA and PacifiCorp may be individually referred to as a "Party" and collectively as the "Parties."

The Los Angeles Department of Water and Power ("LADWP") is the Operating Agent for IPA and will administer this Agreement on behalf of IPA.

### RECITALS:

A. WHEREAS, PacifiCorp is a transmission provider which owns and operates certain facilities for the transmission of electric power and energy located in Utah; and

B. WHEREAS, IPA is a transmission provider which owns and operates certain facilities for the transmission of electric power and energy located in Utah and California; and

C. WHEREAS, PacifiCorp, as successor-in-interest to Utah Power & Light, and IPA are parties to an agreement entitled "Mona Interconnection Agreement between Deseret Generation & Transmission Co-Operative, Utah Power & Light Company and Intermountain Power Agency," IPA No. 129 dated April 27, 1989, and designated as PacifiCorp Rate Schedule No. 342 (the "Interconnection Agreement"), pursuant to which PacifiCorp provides certain operation and maintenance services for IPA at the Mona Substation, as that facility is defined in Section 4.22 of the Interconnection Agreement; and

D. WHEREAS, IPA has requested replacement of the existing relays at the Mona Substation to improve system reliability and communication and has requested that PacifiCorp perform certain work to accommodate IPA's request (the "PacifiCorp Work," as more fully described in Section 2.(a) below); and

E. WHEREAS, PacifiCorp has agreed to perform the PacifiCorp Work according to the terms set forth herein; and

F. WHEREAS, in connection with the PacifiCorp Work, IPA will perform certain ancillary upgrades (the "IPA Work," as more fully described in Section 2.(b) below) to certain IPA equipment and facilities identified in Section 8.2 of the Interconnection Agreement ("IPA Facilities").

NOW THEREFORE, the Parties agree as follows:

#### 1. TERM & TERMINATION

The term of this Agreement shall commence on the date designated by the Federal Energy Regulatory Commission ("FERC") following PacifiCorp's submittal of this Agreement to FERC for approval, and except for those provisions which reasonably should survive termination, shall terminate ninety (90) days following completion of both the PacifiCorp Work and the IPA Work.

2. SCOPE AND PERFORMANCE OF PACIFICORP WORK AND IPA WORK:

(a) PacifiCorp Work. PacifiCorp will replace the line relays and power line carrier electronics on the two Mona-IPP 345kV transmission lines named IPP-Mona Line 1, and IPP-Mona Line 2 at the Mona Substation, including the surveying, engineering, procurement and installation of the following facilities ("Project Facilities") depicted in the attached Exhibit A:

- (i) 11A relay – SEL 421 using POTT logic over power line carrier
- (ii) 11B relay – SEL311L line current differential relay using a digital communication channel over the microwave system.
- (iii) 11A and 11B – will initiate reclosing using the KVTR relay.
- (iv) SEL 421 – will not be used for reclosing or breaker failure.
- (v) Panel installation to contain the power line carrier transmitter/receivers, hybrids and amplifiers.
- (vi) Install 2 PL 346 panels for the 11A relay.
- (vii) Use the PL 243SBE design for 11A relay application.
- (viii) Remove existing equipment; I1CM, I1RM, I1CP, I1RP, I2CM, I2RM, I2CP and I2RP.
- (ix) Each SEL 421 relay system will use a two channel RFL 9780 power line carrier transceiver.
- (x) The two SEL 311L relays will use multi-mode fiber to communicate with the LADWP channel bank.
- (xi) Multi-mode 48-fiber cable with patch panels will be installed in the PacifiCorp and LADWP facilities.
- (xii) Power line carrier equipment will be installed at the Mona Substation.
- (xiii) Purchase and install one (1) 48-fiber multi-mode 62.5 micrometer ADSS underground cable.
- (xiv) Purchase and install two (2) 48-fiber patch panels.
- (xv) Purchase and install four (4) line tuning units.
- (xvi) Purchase and install four (4) tuning packs for traps.
- (xvii) Purchase and install four (4) coax cables from PLC electronics to line tuning units



- (xviii) Purchase and install two (2) RFL 9780 redundant PLC equipment.
- (xix) Purchase and install one (1) fiber jumper, fiberduct.
- (xx) To support the SEL 311L relays, a fiber optic cable will be installed between the Mona Substation Control Building and the IPA communication building.
- (xxi) Install the new tie-line fiber cable into the IPA Facilities, terminating in a location as designated by IPA, and connect to the Mona Substation, at a location as designated by PacifiCorp, for connection to the SEL 311L relay.

(b) IPA Work. IPA will install a new RFL IMUX 2000 channel bank in the IPA Facilities, and connect the RFL IMUX 2000 channel bank to a new T1 circuit on the digital microwave going back to the Intermountain Converter Station. In addition, IPA will provide access and oversight to PacifiCorp for the installation of the tie-line fiber cable and patch panel in the IPA Facility and will make the fiber jumper connections between the RFL IMUX and the fiber patch panel in the IPA Facility.

3. OWNERSHIP OF BETTERMENTS/RESPONSIBILITY:

(a) Ownership of PacifiCorp Betterments. Pursuant to Sections 11.4 and 8.1 of the Interconnection Agreement, PacifiCorp shall own the betterments created by the PacifiCorp Work.

(b) Ownership of IPA Work. IPA shall own the betterments created by the IPA Work.

4. BUDGET:

Pursuant to Section 11.5 of the Interconnection Agreement, PacifiCorp's initial construction cost budget for the PacifiCorp work is \$830,846, which initial construction cost budget is hereby approved by IPA.

5. PROJECT SCHEDULE:

The PacifiCorp Work and IPA Work shall be completed no later than December 31, 2013. Pursuant to Section 11.5 of the Interconnection Agreement, PacifiCorp's initial construction schedule is as follows, which initial schedule is hereby approved by IPA:

Design Engineering	09/01/2012 - 04/30/2013
Material Procurement	11/01/2012 - 02/28/2013
Construction (Panel Shop)	03/01/2013 - 05/31/2013
Relay Setting	03/01/2013 - 06/30/2013
Commissioning	10/01/2013 - 12/31/2013

6. OPERATION AND MAINTENANCE:

Operation and maintenance responsibilities for the PacifiCorp Work shall be as set forth in Section 10 of the Interconnection Agreement.

7. STANDARD OF WORK:

The PacifiCorp Work and the IPA Work shall be performed in a good and workmanlike manner in accordance with Prudent Utility Practice as that term is defined in Section 4.32 of the Interconnection Agreement.<sup>1</sup>

8. CHANGES:

(a) The Parties may at any time mutually agree to changes and/or additions to the scope or schedule of the PacifiCorp Work or the IPA Work. If such direction results in a material change in the amount or character of work, an equitable adjustment in estimated costs and other such provisions of this Agreement shall be made and this Agreement shall be modified accordingly.

(b) No change to this Agreement shall be binding upon the Parties unless and until a change order is executed by each Party which is in writing and expressly states that it constitutes a change order to this Agreement. The issuance of information, advice, approvals, or instructions verbally or by an exchange of e-mail or in any other manner short of a writing executed by both Parties shall not constitute a change order.

(c) PacifiCorp will file each amendment to this Agreement with FERC as a restated agreement.

9. INSPECTION AND ACCESS:

(a) Each Party may, at its discretion, inspect the construction of the other Party's work-in-progress upon reasonable notice to and under the supervision of the other Party.

(b) To the extent either Party requires access to property of the other Party to carry out work under this Agreement, such access shall be granted on reasonable terms and conditions.

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<sup>1</sup> Any of the practices, methods and acts, which, in the exercise of reasonable judgment in the light of the facts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electrical utility industry prior thereto) known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety and expedition, taking into account the fact that Prudent Utility Practice is not intended to be limited to the optimum practice, methods or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice includes due regard for manufacturers' warranties and requirements of governmental agencies of competent jurisdiction and shall apply not only to functional parts of the Project, but also to appropriate structures, landscaping, painting, signs, lighting, other facility and public relations programs reasonably designed to promote public enjoyment, understanding and acceptance of the Project.

10. TESTING:

(a) All testing shall be coordinated between and PacifiCorp and IPA.

(b) Before the PacifiCorp Work is energized, it shall be tested by PacifiCorp to ensure safe and reliable operation in accordance with Prudent Utility Practice, all applicable FERC, North American Electric Reliability Corporation and Western Electricity Coordinating Council criteria and requirements, and all applicable federal, state, and local law, regulations, and requirements.

(c) If testing indicates that modifications to the PacifiCorp Work are required, IPA shall bear the cost of all such modifications in accordance with the cost allocation in Section 4 above, except to the extent that any such modifications are required as a result of PacifiCorp's or its agents' or its subcontractors' failure to adhere to specifications, negligence, willful misconduct, or failure to comply with Prudent Utility Practice.

(d) IPA will assign testing personnel at the Mona Substation at its discretion.

11. GOVERNING LAW:

This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. Litigation to enforce or interpret this Agreement shall be filed only in the United States District Court for the District of Utah or the Third Judicial District Court for Salt Lake County, Utah. The Parties hereby submit to the jurisdiction and venue of such courts for the stated purpose.

12. NO PARTNERSHIP:

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

13. NON-ASSIGNABILITY:

Neither this Agreement, nor any part thereof, may be assigned without the express written consent of the other Party, which consent will not be unreasonably withheld. Any attempt to assign this Agreement that lacks such express written consent will be voidable at the option of the non-assigning Party.

14. ENTIRE CONTRACT:

This Agreement and the Interconnection Agreement constitute the entire agreement between the Parties with respect to the subject matter hereof and there are no oral or written understandings, representations or commitments of any kind, express or implied, which are not expressly set forth herein.

15. NOTICES:

Any correspondence regarding this Agreement shall be directed to the appropriate Party (or Parties) as shown below:

IPA:	Steven Pruett, System Protection 111 N. Hope St., Rm 932 Los Angeles, CA 90012 Phone: (213) 367-5175 e-mail steven.pruett@ladwp.com
	Mr. Saifuddin Mogri Operating Agent Office, IPP 111 N. Hope St., Rm 1263 Los Angeles, CA 90012 Ph: (213) 367-0447 Email: Saifuddin.Mogri@LADWP.com
PacifiCorp:	Rick Vail, VP Transmission PacifiCorp 825 NE Multnomah Street, Suite 1600 Portland, OR 97232 Ph: (503) 813-6938 Email: Rick.Vail@PacifiCorp.com
	Rachel Matheson, Transmission Customer Account Manager PacifiCorp 1407 W. North Temple, Suite 270 Salt Lake City, UT 84116 Ph: (801) 220-2534 Email: Rachel.Matheson@PacifiCorp.com

16. BILLING AND PAYMENT:

Billings and payments shall be sent to the address(es) set out below:

Customer:	Attn.: Supervisor, System Protection 111 N. Hope St., Rm 932 Los Angeles, CA 90012 Ph: (213) 367-XXXX
With a copy by e-mail to:	Mr. Saifuddin Mogri Operating Agent Office, IPP 111 N. Hope St., Rm 1263 Los Angeles, CA 90012 Ph: (213) 367-0447 Email: Saifuddin.Mogri@LADWP.com

17. LIMITATION OF LIABILITY:

Except as otherwise expressly provided in this Agreement, each Party's liability to the other Party for any loss, cost, claim, injury, damage, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as specifically authorized by this Agreement.

18. FORCE MAJEURE:

A Party shall not be subject to any liability or damages for inability to meet its obligations under this Agreement to the extent that such failure shall be due to causes beyond the control of the Party, including, but not limited to the following: (a) the operation and effect of any new or modified rules, regulations and orders promulgated by FERC, any applicable state public utility commission, any municipality, or any governmental agency of the United States, or subdivision thereof (so long as the claiming party has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such government action); (b) restraining order, injunction or similar decree of any court; (c) any Force Majeure event.

"Force Majeure" shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure event does not include acts of negligence or intentional wrongdoing by the Party claiming Force Majeure.

The Party claiming Force Majeure shall make every reasonable attempt to remedy the cause thereof as diligently and expeditiously as possible. Except for the obligation to pay amounts owed for services performed under this Agreement when due, time periods for performance obligations of either Party herein shall be extended for the period during which Force Majeure was in effect.

19. SUCCESSORS:

This Agreement will be binding upon the Parties and will inure to the benefit of their respective successors.

20. SEVERABILITY:

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. MULTIPLE COUNTERPARTS:

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all of which constitute one and the same instrument.

22. CONTRACTORS AND SUBCONTRACTORS:

Nothing in this Agreement shall prevent PacifiCorp or IPA from utilizing the services of any third-party contractor or subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that PacifiCorp and IPA shall require a third-party contractor and subcontractor to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such third-party contractor and subcontractor.

23. NO THIRD-PARTY BENEFICIARIES:

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

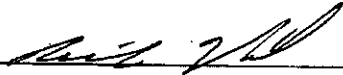
24. JURY WAIVER:

TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE, OR TO REQUEST THE CONSOLIDATION OF, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement effective as of the day and year first herein above written.

**PACIFICORP**

**INTERMOUNTAIN POWER AGENCY**

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

*Rick Vail*  
\_\_\_\_\_  
Printed Name of Signor

\_\_\_\_\_  
Printed Name of Signor

*UP-Transmission*  
\_\_\_\_\_  
Title of Signor

\_\_\_\_\_  
Title of Signor

*3/18/13*  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement effective as of the day and year first herein above written.

PACIFICORP

INTERMOUNTAIN POWER AGENCY

\_\_\_\_\_  
Signature

Minh T. Le  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Signor

MINH T LE  
\_\_\_\_\_  
Printed Name of Signor

\_\_\_\_\_  
Title of Signor

Operating Agent  
\_\_\_\_\_  
Title of Signor

\_\_\_\_\_  
Date

3/5/2013  
\_\_\_\_\_  
Date



# Exhibit A

## IPP - Mona Line 1 & 2 345kV Line Relay Replacement Preliminary Relay and Communication Diagram

