

August 15, 2014

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

RE: *PacifiCorp*  
Docket No. ER14-\_\_\_\_\_-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”), 16 U.S.C. § 824d (2006), Part 35 of the Federal Energy Regulatory Commission’s (“FERC” or the “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:

- Project Construction Agreement for West Valley EIM Participation between Exelon Generation Company, LLC (“Exelon”) and PacifiCorp, executed August 14, 2014, designed as PacifiCorp Rate Schedule No.702 (“Construction Agreement”).

PacifiCorp respectfully requests that the Commission accept the Construction Agreement filed herewith. As explained further below, PacifiCorp respectfully requests an effective date for the Construction Agreement of August 16, 2014.

## **1. Background and Reason for Filing**

On March 25, 2014, PacifiCorp submitted for Commission filing and acceptance amendments to its OATT to provide for PacifiCorp’s voluntary participation in the Energy Imbalance Market (“EIM”), administered by the California Independent System Operator Corporation (“CAISO”), as the PacifiCorp EIM Entity, in Docket No. ER14-1578 (“PacifiCorp EIM Filing”). The PacifiCorp EIM Filing implemented the EIM through PacifiCorp’s OATT as to PacifiCorp’s two Balancing Authority Areas.

In its June 19, 2014 Order Conditionally Accepting in Part and Rejecting in Part Proposed Tariff Revisions to Implement Energy Imbalance Market,<sup>2</sup> the Commission concluded as follows:

...PacifiCorp has met its burden of proof to demonstrate that the proposed OATT revisions are just and reasonable pursuant to section 205 of the FPA. We also

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

<sup>2</sup> *PacifiCorp*, 147 FERC ¶ 61,227 (2014) (the “June 19 Order”).

find that the record in this proceeding is sufficient to permit the Commission to make determinations and to direct compliance filings, where necessary, to modify the proposed OATT revisions.<sup>3</sup>

The Commission granted PacifiCorp's requested effective dates in the PacifiCorp EIM Filing, including a phased-in approach for various sections of its new Attachment T.<sup>4</sup>

Since the June 19 Order, Exelon has formally applied for its West Valley generating station to become a PacifiCorp EIM Participating Resource, pursuant to Section 3.3 of PacifiCorp's Attachment T. Section 3.3.3 of Attachment T provides that any resource for which a Transmission Customer has applied to become a PacifiCorp EIM Participating Resource must meet minimum telemetry and metering requirements in order to be certified. To that end, PacifiCorp has identified certain upgrades to the West Valley resource necessary to accommodate Exelon's request to participate in the EIM on or soon after October 1, 2014.

The Construction Agreement included herewith provides for the work necessary to complete the updates and facilitate the West Valley resource to become certified as a PacifiCorp EIM Participating Resource.

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

Pursuant to Section 35.11 of the Commission's regulations,<sup>5</sup> PacifiCorp respectfully requests waiver of the Commission's prior notice and filing requirements so as to permit an effective date of August 16, 2014, for the Construction Agreement.<sup>6</sup> Good cause for waiver of the prior notice requirement exists here because the filing is for new service that is not pursuant to an accepted contract or settlement and this filing is being made prior to the commencement of service.<sup>7</sup>

Exelon has applied for its West Valley resource to be a PacifiCorp EIM Participating Resource in the EIM on or soon after October 1, 2014. As a result there are operational reasons for the parties to move forward as soon as possible to advance their respective scopes of work under the Construction Agreement, to facilitate West Valley's participation in the EIM. Under these circumstances, good cause exists to make the Construction Agreement effective as requested.

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.

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<sup>3</sup> *Id.* at P 80.

<sup>4</sup> *Id.* at P 71.

<sup>5</sup> 18 C.F.R. § 35.11 (2013).

<sup>6</sup> *See Prior Notice Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139 (1993).

<sup>7</sup> *See, e.g., Cleveland Elec. Illuminating Co.*, 76 FERC ¶ 61,156 at 61,926 (1996).

### **3. Designations**

PacifiCorp respectfully requests that the Construction Agreement attached herewith be designated as follows:

Project Construction Agreement for West Valley EIM Participation between Exelon and PacifiCorp, designed as PacifiCorp Rate Schedule No. 702.

### **4. Enclosure**

The following enclosure is attached hereto:

Enclosure 1 Clean version of PacifiCorp Rate Schedule No. 702

### **5. Communications**

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

Mark M. Rabuano  
Senior Counsel  
PacifiCorp  
825 N.E. Multnomah Street, Suite 1800  
Portland, OR 97232  
(503) 813-5744  
[Mark.Rabuano@Pacifcorp.com](mailto:Mark.Rabuano@Pacifcorp.com)

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

Mark Gohlke  
Exelon Generation Company, LLC  
100 Constellation Way, Suite 500C  
Baltimore, Maryland 21202  
[mark.gohlke@exeloncorp.com](mailto:mark.gohlke@exeloncorp.com)

Utah Public Service Commission  
Heber M. Wells Building  
160 East 300 South  
Salt Lake City, UT 84114  
[psc@utah.gov](mailto:psc@utah.gov)

### **7. Conclusion**

For the foregoing reasons, PacifiCorp respectfully requests that the Commission accept the attached Construction Agreement, in order to permit the agreement to become effective August 16, 2014 as proposed.

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

Respectfully Submitted,

/s/ Mark M. Rabuano  
Mark M. Rabuano

*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 15<sup>th</sup> day of August, 2014.

/s/ Mark M. Rabuano

Mark M. Rabuano  
PacifiCorp  
825 N.E. Multnomah Street, Suite 1800  
Portland, OR 97232  
(503) 813-5744  
(503) 813-7252 (facsimile)  
Mark.Rabuano@Pacifcorp.com

**PROJECT CONSTRUCTION AGREEMENT**  
**PROJECT TITLE: EXELON/WEST VALLEY EIM PARTICIPATION**

This Project Construction Agreement (the “Agreement”) made and entered into this 14th day of August, 2014, between *Exelon Generation Company, LLC*, hereinafter called “Exelon” or “Customer,” and *PacifiCorp*, hereinafter called “PacifiCorp” or “Company,” is for work to be performed by Company. Hereinafter, Exelon and PacifiCorp may be individually referred to as a “Party” or collectively referred to as the “Parties.”

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;
- B. WHEREAS, Exelon is an electric generation owner which owns the West Valley generating station located in Salt Lake County, Utah;
- C. WHEREAS, PacifiCorp and Exelon, through its affiliate CER Generation II, LLC, are parties to a Large Generator Interconnection Agreement which facilitates the interconnection of the West Valley generating station to PacifiCorp’s transmission system;
- D. WHEREAS, Exelon, as the transmission customer, has applied for the West Valley generating station to be eligible to participate in the Energy Imbalance Market (“EIM”) as a PacifiCorp EIM Participating Resource pursuant to PacifiCorp’s Open Access Transmission Tariff and has requested that PacifiCorp perform certain work to accommodate Customer’s request;
- E. WHEREAS, PacifiCorp has determined that to accommodate Exelon’s request, certain upgrades will be required to the West Valley generating station (the “Project”), as further described and detailed in this Agreement; and
- F. WHEREAS, PacifiCorp has agreed to perform the work required to complete the upgrades according to the terms set forth herein.

NOW THEREFORE, the Parties enter into this Agreement with the understanding that each mutually benefits from this Agreement. The parties further agree to the following:

1. DEFINITIONS

**Good Utility Practice** shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time

period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

## 2. TERM & TERMINATION

The term of this Agreement shall commence on the later of the date of full execution of this Agreement or another date designated by the Federal Energy Regulatory Commission (“Commission” or “FERC”), if filed at the Commission and accepted for filing (“Effective Date”). This Agreement shall terminate ninety (90) days following Company’s receipt of final payment of actual costs by Customer.

## 3. SCOPE AND PERFORMANCE OF WORK:

- a. **Project Description and Scope.** The Project shall consist of the Company’s replacement of the revenue meters at the West Valley generating station and the installation of communications for the purpose of net generation calculations between the gross and auxiliary meters (the “Project Facilities”). A more detailed description of the Project and the scope of work for the respective Parties is attached to this agreement as Exhibit A.

## 4. OWNERSHIP/RESPONSIBILITY FOR COSTS:

### 4.1 Estimated Costs

The Company’s estimated cost for Company’s scope of work for the Project is \$95,230.

### 4.2 Payment of Actual Costs

Company shall only commence work following the Effective Date of this Agreement. Customer shall reimburse Company for the actual cost to complete the work. Following completion of the Project, Company shall calculate its actual costs for the Project completed. Company’s actual costs shall include all direct costs plus applicable overheads. Company will forward a copy of the calculation to Customer along with an invoice or a refund for the difference between the estimated and actual cost one hundred twenty (120) calendar days after completion of construction. Customer will have thirty (30) calendar days after receiving any invoice to make a payment.

Company shall keep accurate and complete accounting records in support of all cost billings and claims in accordance with generally accepted accounting principles.

5. PROJECT SCHEDULE:

The Parties shall develop a mutually agreed to schedule for the completion of the Project, which will commence upon the Effective Date. All project schedule milestones shall be best estimates of the Parties at the time the schedule was developed.

6. STANDARD OF WORK:

All work performed pursuant to this Agreement by either Party or their agents shall be performed in a good and workmanlike manner in accordance with Good Utility Practice and with any and all prudent and applicable safety and reliability standards.

7. CHANGES:

The Parties may at any time, in writing, mutually agree to changes and/or additions within the general scope of this Agreement or any amendment hereto, direct the omission of or variation in Work, or alter the schedule. If such direction results in a material change in the amount or character of the Work, an equitable adjustment in estimated costs and other such provisions of this Agreement as may be affected shall be made and this Agreement shall be modified in writing accordingly.

No change shall be binding upon the Parties 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 an authorized change order pursuant to this provision.

All revisions to this Agreement, if originally filed at FERC, will be filed by Company as a restated agreement.

8. INSPECTION:

Customer may, at its discretion, inspect Company construction work in progress upon reasonable notice and with supervision by Company.

9. TESTING:

Before the new facilities required for the Project are energized, such new facilities shall be tested by Company to ensure their safe and reliable operation in accordance with Good 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. If testing indicates that modifications are required, Customer 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 Company's or its agents' or its subcontractors' negligence, willful misconduct, or failure to comply with Good Utility Practice.

#### 10. ACCESS:

Company shall grant Customer and its designees reasonable escorted access to the Project Facilities consistent with such access rights as are established in prior agreements between the Parties, provided that Customer provides Company with reasonable notice and complies with Company's safety and security rules.

#### 11. GOVERNING LAW:

Enforcement or interpretation of this Agreement shall be in the state court of the State of Utah, and all parties hereby submit to the jurisdiction of said court for the stated purpose. Furthermore, this Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

#### 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 express written consent will be deemed voidable.

#### 14. PROVISIONAL REMEDIES:

Either party may seek provisional legal remedies, if in such party's judgment such action is necessary to avoid irreparable damage or preserve the status quo.

#### 15. ENTIRE CONTRACT:

This Agreement constitutes 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.

16. NOTICES:

Any correspondence regarding this work shall be directed to the appropriate party (or parties) as shown below:

Customer:

Technical Notifications

Jerame Bevins

Phone: 801-967-1200

Mobile: 214-934-2871

E-mail: jerame.blevins@exeloncorp.com

Procurement Notifications

Mark Gohlke

Phone: 214-623-1061

E-mail: mark.gohlke@exeloncorp.com

Safety Notifications

Kathy McNeese

Phone: 817-446-2801

E-mail: kathy.mcneese@exeloncorp.com

PacifiCorp:

PacifiCorp Transmission Services

Attn: Kristopher Bremer

825 NE Multnomah St., Suite 1600

Portland, OR 97232

Phone: 503-813-6496

e-mail: Kristopher.bremer@pacificorp.com

17. BILLING AND PAYMENT:

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

Customer:

Email: a/p-invoices@exeloncorp.com

or, if mailing address required

Exelon Corporation

Accounts Payable

P.O. Box 17456

Baltimore, MD 21297

All billing and payment notifications should reference #50086607

PacifiCorp:

Central Cashiers Office  
Attn: PacifiCorp Transmission Services  
825 NE Multnomah St., Suite 550  
Portland, OR 97232  
Phone:  
Fax:

#### 18. MUTUAL INDEMNIFICATION:

Insofar as both Parties have their own Work to be completed as set forth in Exhibit A, each Party (“Indemnifying Party”) agrees to protect, defend, indemnify and hold harmless the other Party, its officers, employees and agents (collectively the “Indemnified Party”) against and from any and all liability, suits, loss, damage, claims, actions, costs and expenses of any nature, including court costs and attorney's fees, even if such actions or claims are completely groundless, growing out of injury to or death of the Indemnifying Party or its subcontractors of any tier, their employees, agents or guests, or any other person or persons, or any and all destruction, loss or damage to property arising in any way in connection with, or related to, the Indemnifying Party’s performance of any Work or any of its obligations under the Agreement, except as to injury to persons or damage to property on the Work site caused by the sole negligence of the Indemnified Party.

The indemnification obligations set forth herein shall not be limited by amounts or types of damages, compensation or benefits payable by or for the Indemnifying Party, contractors, subcontractors, sub-subcontractors, material suppliers or any person or entity for which any of them may be liable, under workers compensation acts, or any disability or employee benefit acts, in the event claims are asserted against persons or entities indemnified under this section by an employee of the Indemnifying Party, a contractor, a subcontractor, a sub-subcontract or, a material supplier, anyone directly or indirectly employed by any of them or anyone (or for whose acts they may be liable.)

Moreover, at the request of the Indemnified Party, the Indemnifying Party shall defend any action, claim or suit asserting a claim that might be covered by this indemnity. The Indemnifying Party shall pay all costs and expenses that may be incurred by the Indemnified Party in enforcing this indemnity and defense agreement, including attorney's fees actually paid by the Indemnified Party.

#### 19. 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. All indemnity obligations and commensurate insurance obligations incurred by either Party pursuant to Section 18 of this Agreement shall be exempt from the liability caps set forth herein.

#### 20. 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 the Commission, 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.

Provided, 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 when due, time periods for performance obligations of either Party herein shall be extended for the period during which Force Majeure was in effect.

#### 21. SUCCESSORS:

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

#### 22. 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.

23. JURY TRIAL:

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.**

24. MULTIPLE COUNTERPARTS:

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

25. CONTRACTORS AND SUBCONTRACTORS:

Nothing in this Agreement shall prevent Company or Customer 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 Company and Customer 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.

26. 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.

27. SURVIVAL

The provisions of Sections 4, as well as all payment obligations and liabilities incurred before the termination or expiration of this Agreement, will survive its termination or expiration.

28. MODIFICATIONS OR AMENDMENTS

No modification or amendment of any provision of this Agreement shall be effective unless set forth in a written document signed by authorized representative of the Parties.

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

PACIFICORP

EXELON GENERATION COMPANY, LLC

/s/Rick Vail  
Signature

/s/Mark Gohlke  
Signature

Rick Vail  
Printed Name of Signor

Mark Gohlke  
Printed Name of Signor

VP - Transmission  
Title of Signor

Procurement Manager  
Title of Signor

8/14/14  
Date

July 31, 2014  
Date

## Exhibit A

## Scope of Work

Work to be completed by PacifiCorp:

- Procure, install, own and maintain 10 (5 gross, 5 auxiliary) new revenue meters to replace the existing meters.
- Procure, install, own and maintain new test switches between instrument transformers and meters.
- Provide the Customer with drawings/specifications for the new revenue meters and panels.
- Design, test and install the program in the new revenue meters.
- Make and test the final terminations for the new revenue meters.
- Perform commissioning and testing of the new revenue meters.

Work to be completed by Exelon:

- Procure the Company's approved communications conductor to run between the gross and auxiliary meters.
- Install the communications wire between the meter locations in a manner (raceway or trenching) to be mutually-agreed upon by the Parties.
- Maintain the ends of each of the communications wire in position for the Company's personnel to make the terminations at each of the meters.
- Provide the Company's personnel with access to the West Valley generating station in order to access the facilities required to perform the work associated with the Project.
- Coordinate and communicate outage windows for each generator such that work can take place safely and expediently.

RECEIVED

AUG 14 2014

**PROJECT CONSTRUCTION AGREEMENT**  
**PROJECT TITLE: EXELON/WEST VALLEY EIM PARTICIPATION**

TRANSMISSION SERVICES  
PACIFICORP

This Project Construction Agreement (the "Agreement") made and entered into this 14<sup>th</sup> day of August, 2014, between *Exelon Generation Company, LLC*, hereinafter called "Exelon" or "Customer," and *PacifiCorp*, hereinafter called "PacifiCorp" or "Company," is for work to be performed by Company. Hereinafter, Exelon and PacifiCorp may be individually referred to as a "Party" or collectively referred to as the "Parties."

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;
- B. WHEREAS, Exelon is an electric generation owner which owns the West Valley generating station located in Salt Lake County, Utah;
- C. WHEREAS, PacifiCorp and Exelon, through its affiliate CER Generation II, LLC, are parties to a Large Generator Interconnection Agreement which facilitates the interconnection of the West Valley generating station to PacifiCorp's transmission system;
- D. WHEREAS, Exelon, as the transmission customer, has applied for the West Valley generating station to be eligible to participate in the Energy Imbalance Market ("EIM") as a PacifiCorp EIM Participating Resource pursuant to PacifiCorp's Open Access Transmission Tariff and has requested that PacifiCorp perform certain work to accommodate Customer's request;
- E. WHEREAS, PacifiCorp has determined that to accommodate Exelon's request, certain upgrades will be required to the West Valley generating station (the "Project"), as further described and detailed in this Agreement; and
- F. WHEREAS, PacifiCorp has agreed to perform the work required to complete the upgrades according to the terms set forth herein.

NOW THEREFORE, the Parties enter into this Agreement with the understanding that each mutually benefits from this Agreement. The parties further agree to the following:



## 1. DEFINITIONS

**Good Utility Practice** shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

## 2. TERM & TERMINATION

The term of this Agreement shall commence on the later of the date of full execution of this Agreement or another date designated by the Federal Energy Regulatory Commission ("Commission" or "FERC"), if filed at the Commission and accepted for filing ("Effective Date"). This Agreement shall terminate ninety (90) days following Company's receipt of final payment of actual costs by Customer.

## 3. SCOPE AND PERFORMANCE OF WORK:

- a. **Project Description and Scope.** The Project shall consist of the Company's replacement of the revenue meters at the West Valley generating station and the installation of communications for the purpose of net generation calculations between the gross and auxiliary meters (the "Project Facilities"). A more detailed description of the Project and the scope of work for the respective Parties is attached to this agreement as Exhibit A.

## 4. OWNERSHIP/RESPONSIBILITY FOR COSTS:

### 4.1 Estimated Costs

The Company's estimated cost for Company's scope of work for the Project is \$95,230.

### 4.2 Payment of Actual Costs

Company shall only commence work following the Effective Date of this Agreement. Customer shall reimburse Company for the actual cost to complete the work. Following completion of the Project, Company shall calculate its actual costs for the Project completed. Company's actual costs shall include all direct costs plus applicable overheads. Company will forward a copy of the calculation

to Customer along with an invoice or a refund for the difference between the estimated and actual cost one hundred twenty (120) calendar days after completion of construction. Customer will have thirty (30) calendar days after receiving any invoice to make a payment.

Company shall keep accurate and complete accounting records in support of all cost billings and claims in accordance with generally accepted accounting principles.

5. PROJECT SCHEDULE:

The Parties shall develop a mutually agreed to schedule for the completion of the Project, which will commence upon the Effective Date. All project schedule milestones shall be best estimates of the Parties at the time the schedule was developed.

6. STANDARD OF WORK:

All work performed pursuant to this Agreement by either Party or their agents shall be performed in a good and workmanlike manner in accordance with Good Utility Practice and with any and all prudent and applicable safety and reliability standards.

7. CHANGES:

The Parties may at any time, in writing, mutually agree to changes and/or additions within the general scope of this Agreement or any amendment hereto, direct the omission of or variation in Work, or alter the schedule. If such direction results in a material change in the amount or character of the Work, an equitable adjustment in estimated costs and other such provisions of this Agreement as may be affected shall be made and this Agreement shall be modified in writing accordingly.

No change shall be binding upon the Parties 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 an authorized change order pursuant to this provision.

All revisions to this Agreement, if originally filed at FERC, will be filed by Company as a restated agreement.

8. INSPECTION:



Customer may, at its discretion, inspect Company construction work in progress upon reasonable notice and with supervision by Company.

9. TESTING:

Before the new facilities required for the Project are energized, such new facilities shall be tested by Company to ensure their safe and reliable operation in accordance with Good 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. If testing indicates that modifications are required, Customer 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 Company's or its agents' or its subcontractors' negligence, willful misconduct, or failure to comply with Good Utility Practice.

10. ACCESS:

Company shall grant Customer and its designees reasonable escorted access to the Project Facilities consistent with such access rights as are established in prior agreements between the Parties, provided that Customer provides Company with reasonable notice and complies with Company's safety and security rules.

11. GOVERNING LAW:

Enforcement or interpretation of this Agreement shall be in the state court of the State of Utah, and all parties hereby submit to the jurisdiction of said court for the stated purpose. Furthermore, this Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

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 express written consent will be deemed voidable.

14. PROVISIONAL REMEDIES:

Either party may seek provisional legal remedies, if in such party's judgment such action is necessary to avoid irreparable damage or preserve the status quo.

15. ENTIRE CONTRACT:

This Agreement constitutes 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.

16. NOTICES:

Any correspondence regarding this work shall be directed to the appropriate party (or parties) as shown below:

Customer:

Technical Notifications

Jerame Bevins

Phone: 801-967-1200

Mobile: 214-934-2871

E-mail: [jerame.blevins@exeloncorp.com](mailto:jerame.blevins@exeloncorp.com)

Procurement Notifications

Mark Gohlke

Phone: 214-623-1061

E-mail: [mark.gohlke@exeloncorp.com](mailto:mark.gohlke@exeloncorp.com)

Safety Notifications

Kathy McNeese

Phone: 817-446-2801

E-mail: [kathy.mcneese@exeloncorp.com](mailto:kathy.mcneese@exeloncorp.com)

PacifiCorp:

PacifiCorp Transmission Services

Attn: Kristopher Bremer

825 NE Multnomah St., Suite 1600

Portland, OR 97232

Phone: 503-813-6496

e-mail: [Kristopher.bremer@pacificorp.com](mailto:Kristopher.bremer@pacificorp.com)

17. BILLING AND PAYMENT:

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

Customer:

Email: [a/p-invoices@exeloncorp.com](mailto:a/p-invoices@exeloncorp.com)

or, if mailing address required

Exelon Corporation  
Accounts Payable  
P.O. Box 17456  
Baltimore, MD 21297

All billing and payment notifications should reference #50086607

PacifiCorp:

Central Cashiers Office  
Attn: PacifiCorp Transmission Services  
825 NE Multnomah St., Suite 550  
Portland, OR 97232  
Phone:  
Fax:

18. MUTUAL INDEMNIFICATION:

Insofar as both Parties have their own Work to be completed as set forth in Exhibit A, each Party ("Indemnifying Party") agrees to protect, defend, indemnify and hold harmless the other Party, its officers, employees and agents (collectively the "Indemnified Party") against and from any and all liability, suits, loss, damage, claims, actions, costs and expenses of any nature, including court costs and attorney's fees, even if such actions or claims are completely groundless, growing out of injury to or death of the Indemnifying Party or its subcontractors of any tier, their employees, agents or guests, or any other person or persons, or any and all destruction, loss or damage to property arising in any way in connection with, or related to, the Indemnifying Party's performance of any Work or any of its obligations under the Agreement, except as to injury to persons or damage to property on the Work site caused by the sole negligence of the Indemnified Party.

The indemnification obligations set forth herein shall not be limited by amounts or types of damages, compensation or benefits payable by or for the Indemnifying Party, contractors, subcontractors, sub-subcontractors, material suppliers or any person or entity for which any of them may be liable, under workers



compensation acts, or any disability or employee benefit acts, in the event claims are asserted against persons or entities indemnified under this section by an employee of the Indemnifying Party, a contractor, a subcontractor, a sub-subcontract or, a material supplier, anyone directly or indirectly employed by any of them or anyone (or for whose acts they may be liable.)

Moreover, at the request of the Indemnified Party, the Indemnifying Party shall defend any action, claim or suit asserting a claim that might be covered by this indemnity. The Indemnifying Party shall pay all costs and expenses that may be incurred by the Indemnified Party in enforcing this indemnity and defense agreement, including attorney's fees actually paid by the Indemnified Party.

#### 19. 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. All indemnity obligations and commensurate insurance obligations incurred by either Party pursuant to Section 18 of this Agreement shall be exempt from the liability caps set forth herein.

#### 20. 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 the Commission, 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.

Provided, 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 when due, time periods for performance obligations of either Party herein shall be extended for the period during which Force Majeure was in effect.

21. SUCCESSORS:

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

22. 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.

23. JURY TRIAL:

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.

24. MULTIPLE COUNTERPARTS:

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

25. CONTRACTORS AND SUBCONTRACTORS:

Nothing in this Agreement shall prevent Company or Customer 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 Company and Customer 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.

26. 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.

27. SURVIVAL

The provisions of Sections 4, as well as all payment obligations and liabilities incurred before the termination or expiration of this Agreement, will survive its termination or expiration.

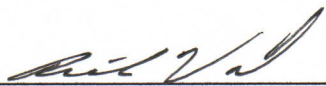
28. MODIFICATIONS OR AMENDMENTS

No modification or amendment of any provision of this Agreement shall be effective unless set forth in a written document signed by authorized representative of the Parties.

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

PACIFICORP

EXELON GENERATION COMPANY, LLC

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Signature

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

Mark Gohlke  
\_\_\_\_\_  
Printed Name of Signor

*VP - TRANSMISSION*  
\_\_\_\_\_  
Title of Signor

Procurement Manager  
\_\_\_\_\_  
Title of Signor

*8/14/14*  
\_\_\_\_\_  
Date

July 31, 2014  
\_\_\_\_\_  
Date



## Exhibit A

### Scope of Work

#### Work to be completed by PacifiCorp:

- Procure, install, own and maintain 10 (5 gross, 5 auxiliary) new revenue meters to replace the existing meters.
- Procure, install, own and maintain new test switches between instrument transformers and meters.
- Provide the Customer with drawings/specifications for the new revenue meters and panels.
- Design, test and install the program in the new revenue meters.
- Make and test the final terminations for the new revenue meters.
- Perform commissioning and testing of the new revenue meters.

#### Work to be completed by Exelon:

- Procure the Company's approved communications conductor to run between the gross and auxiliary meters.
- Install the communications wire between the meter locations in a manner (raceway or trenching) to be mutually-agreed upon by the Parties.
- Maintain the ends of each of the communications wire in position for the Company's personnel to make the terminations at each of the meters.
- Provide the Company's personnel with access to the West Valley generating station in order to access the facilities required to perform the work associated with the Project.
- Coordinate and communicate outage windows for each generator such that work can take place safely and expediently.