

MASTER MATERIALS AND INSTALLATION CONTRACT
BETWEEN
PACIFICORP
AND
RACOM CORPORATION
FOR
PACIFICORP MOBILE RADIO INSTALLATION SERVICES

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EXHIBITS

- Exhibit A – Scope of Work/Specifications
 - Appendix A – Location Information
 - Appendix B – Inventory and Spares
- Exhibit B – Pricing Schedule
- Exhibit C – Form of Release
- Exhibit D - Company’s Travel and Expense Reimbursement Policy
- Exhibit E - Letter of Credit Terms
- Exhibit F - Contractor Health, Safety and Environmental
- Exhibit G - Contractor Information Form
- Exhibit H - Company’s Criteria

MASTER MATERIALS AND INSTALLATION CONTRACT

BETWEEN

PACIFICORP

AND

RACOM CORPORATION

FOR

PACIFICORP MOBILE RADIO INSTALLATION SERVICES

PARTIES

The Parties to this Master Materials and Installation Agreement (as amended, modified and supplemented from time to time, this "Contract") are PACIFICORP (hereinafter "Company") whose address is 825 NE Multnomah Street, Portland, Oregon 97232, and RACOM Corporation (hereinafter "Contractor") whose address is 201 West State Street, Marshalltown, IA 50158. Company and Contractor are hereinafter sometimes referred to collectively as the "Parties" and individually as a "Party."

RECITALS

Contractor is in the business of supplying and installing two-way radios and providing related services.

Company and Contractor desire to enter this Contract to set forth the terms and conditions pursuant to which Company may order from Contractor and Contractor will provide to Company, materials and related services during the term of this Contract.

ARTICLE 1. DEFINITIONS

Defined Terms:

Acceptance Criteria shall mean a detailed description of the relevant inspection and acceptance testing protocols.

CIPS Covered Assets shall mean any assets identified by Company as "critical assets" or "critical cyber assets," as those terms are defined in the North American Electric Reliability Corporation Glossary of Terms.

Company's Criteria shall mean applicable requirements used as the baseline for determining whether an individual is a restricted person, as set forth on Exhibit H, Company's Criteria.

Company's Facilities shall mean any facilities owned, operated or otherwise controlled by Company which require Company authorization to obtain access.

Critical Infrastructure Information (CII) shall mean information concerning CIPS Covered Assets that: i) relates to the production, generation or transmission of energy; ii) could be useful to a person planning an attack on critical infrastructure; and iii) provides strategic information beyond the geographic location of the critical asset, and which is identified as CII by Company.

Critical Performance Date shall be the respective deadline identified in the Project Schedule for the completion of each Critical Performance Milestone.

Critical Performance Milestone shall have the meaning set forth in ARTICLE 4, PROJECT TIMETABLE; MILESTONES; CRITICAL PERFORMANC MILESTONES.

Deliverables shall mean all Equipment, Software, Services and any permits, licenses, drawings, manuals, calculations, specifications and other items that are to be provided, obtained and/or prepared and delivered to Company by Contractor, as set forth in the relevant Scope of Work.

Emergency shall mean conditions under which, without effecting an immediate repair or replacement, (i) life, health or safety would be endangered by operation of any of the Company's assets; (ii) any of the Company's assets would be unavailable for commercial use; or (iii) any of the Company's assets could not be operated, or demonstrated to be operating, in compliance with environmental regulations.

Equipment shall mean all equipment, materials, goods, parts, and associated hardware to be delivered to Company by Contractor under this Contract.

Final Acceptance shall mean the successful completion of all the Work required to be performed by Contractor in accordance with the terms of this Contract and which meets the Acceptance Criteria set forth in this Contract.

Force Majeure Event shall mean a delay caused by any national or general strike (but excluding strikes relating solely to the work force of Company, Contractor or a Subcontractor), fire, riots, acts of God, acts of the public enemy, floods, acts of terrorism, unavoidable transportation accidents or embargoes, or other events which are: (i) not reasonably foreseeable as of the date this Contract is executed; and (ii) attributable to a cause beyond the control and without the fault or negligence of the Party incurring such delay. The term Force Majeure Event does not include a delay caused by seasonal weather conditions, inadequate construction forces, general economic conditions, changes in the costs of goods or Contractor's failure to place orders for Equipment, materials, construction equipment or other items sufficiently in advance to ensure delivery and/or availability when needed.

Material Adverse Change "MAC" shall mean, with respect to the Contractor, if the Contractor, in the reasonable opinion of Company, has experienced a material adverse change in the Contractor's financial condition or Contractor's ability to fulfill its obligations under this Contract, including, but not limited to, any such change that results in its inability to satisfy ARTICLE 9, CREDIT REQUIREMENT or ARTICLE 10, SECURITY, including any event or circumstance that would give Company the right to terminate for cause pursuant to ARTICLE 27, TERMINATION FOR CAUSE.

Milestone shall have the meaning set forth in ARTICLE 4, PROJECT TIMETABLE; MILESTONES; CRITICAL PERFORMANCE MILESTONES.

Net Replacement Costs shall mean the "cost to cover" remedy available to Company in the event of a default by Contractor under this Contract. The Net Replacement Costs shall be calculated by: (i) subtracting the unpaid balance of the total price of Work to be performed from the costs incurred by Company to obtain a replacement contractor to finish such Work that Contractor was otherwise obligated to provide under this Contract (or the costs, internal or third party, incurred by Company to complete such remaining Work itself); and (ii) adding a sum for additional managerial, administrative, and other reasonable costs Company incurs as a result of Contractor's default.

Notice shall mean a formal written communication which, pursuant to the Contract, one Party must deliver to the other in order to invoke a Contract right set forth herein.

Personnel shall mean the employees of Contractor and the employees of any Subcontractors or other agents of Contractor who are employed to perform Work under this Contract.

Pricing Schedule shall mean a detailed description of the applicable payment schedule and payment terms, as more particularly described in ARTICLE 5, CONSIDERATION AND PAYMENT; TRAVEL EXPENSES.

Project Schedule shall mean a detailed description of the Milestones, Critical Performance Milestones and Critical Performance Dates, as more particularly described in ARTICLE 4, PROJECT TIMETABLE; MILESTONES; CRITICAL PERFORMANCE MILESTONES.

Release shall mean any project-specific Work release issued by the Company from time to time pursuant to the master terms and conditions set forth in this Contract.

Scope of Work or **Specifications** shall be detailed in the exhibits to this Contract and in the "scope of work" or "specifications" attachment appended to the Release for specific Work assignments.

Sensitive Personnel shall mean all Personnel with authorized unescorted physical access to Company's Facilities or authorized cyber access to Company's CIPS Covered Assets

Service(s) shall mean any labor, skill or advice, including without limitation installation services and design and engineering services provided to Company pursuant to this Contract.

Software shall mean the computer software code, if any, that is specified in the Scope of Work which shall be deemed licensed to the Company under the terms of a separate licensing agreement executed between the Contractor and the Company or between a third party provider and the Company.

Subcontractor shall mean any entity or person (including subcontractors at any tier, laborers and materials suppliers) having an agreement with Contractor or any other Subcontractor to perform a portion of Contractor's obligations under this Contract.

Term shall mean the period of time commencing on on _____, 2011 and continuing through _____, unless earlier terminated as provided herein.

Work shall mean all obligations, duties, requirements and responsibilities required for the successful completion of Contractor's obligations thereunder, including furnishing of all Deliverables (including obtaining all applicable licenses and permits) in accordance with the terms and conditions set forth herein.

Workers' Compensation Laws shall mean the statutory requirements of the state and/or federal regulations (e.g., FELA, USL&H, Jones Act) where the Work is to be performed.

Work Site shall mean the location or locations on Company's premises where the Services are to be performed.

ARTICLE 2. DESCRIPTION OF AND PERFORMANCE WORK

Contractor shall perform the Work in accordance with the Scope of Work. Contractor shall be solely responsible for the means, methods, and procedures of performing the Work. Except as otherwise provided in this Contract or in the applicable Release. Contractor shall provide the necessary utilities and support services. Time is of the essence with respect to Contractor's obligations under this Contract.

In the event of a partial failure of Contractor's sources of supply, Contractor will first meet all of Company's requirements hereunder prior to any allocation to other customers.

ARTICLE 3. RELEASES

For each project to be performed under this Contract, the authorized representative of Company will submit to Contractor a Release substantially in the form attached hereto as Exhibit C, Form of Release. A unique Release, each with a corresponding unique identifying number, shall be provided for each project issued under this Contract. The Release will identify and describe: (i) the Scope of Work or Specifications for the Work to be accomplished; (ii) the location of the Work Site; (iii) the project schedule, schedule milestones, and guaranteed dates for the Work, as well as any liquidated damages to be assessed in the event of Contractor's failure to timely perform the Work; (iv) whether the performance of such Work will require authorized unescorted physical access to Company's Facilities, or authorized cyber access to Company's CIPS Covered Assets; (v) the designated project representatives for each Party; (vi) project-specific invoicing instructions; and (viii) any other project-specific terms and conditions applicable to the Work. The terms and conditions of this Contract shall apply to each Release, as supplemented by the project-specific elements of the Work identified in the Release. This Contract and the applicable Release shall, together, constitute the entire agreement between the Parties with respect to any specific Work assignment under this Contract. A Release may also be issued in the form of a purchase order issued through the Company's procurement system provided that such purchase order specifically references this Contract and further provided that such purchase Order is acknowledged and accepted by Contractor.

In the event of any Emergency, Company will provide Contractor with a verbal notice to be followed as soon as practicable thereafter by a Release.

ARTICLE 4. PERIOD OF PERFORMANCE

The Contract shall be effective for Work performed pursuant to a Release that is authorized during the Term of the Contract, whether or not such Work is completed prior to the expiration of such Term. The expiration of the Term shall not impact the Parties' respective rights or obligations with respect to any Work authorized prior to expiration. Moreover, neither the expiration of the Term nor any earlier termination of this Contract shall impact any warranties, indemnities, insurance requirements, confidentiality obligations, termination obligations, or other obligations which by their own terms are intended to survive the expiration of this Contract, all of which shall continue in full force and effect after such date.

Each Release will specify a project schedule for Contractor's performance of the Work. Contractor shall commence performance in accordance with the terms of a Release and shall complete the Work according to the schedule milestones and any project guaranteed dates set forth in such Release. Time is of the essence. Unless otherwise excused by the terms of this Contract, Contractor's failure to timely complete Work in accordance with the timetables and project guaranteed

dates set forth in a specified Release shall result in the assessment of liquidated damages, to the extent such liquidated damage amounts are set forth in such Release.

ARTICLE 5. PROJECT TIMETABLE; MILESTONES

Time is of the essence in the performance of the Work. The Project Schedule shall set forth the major tasks that must be completed by the Contractor (each, a "Milestone") and the anticipated completion dates for such tasks ("Milestone Completion Dates") including all design, development and other Milestones to be achieved. Such Project Schedule shall specify any tasks, obligations or responsibilities which the Company must perform or fulfill in order for the Contractor to achieve the Milestone Completion Dates for each Milestone, and the date by which the Company is to fulfill each Company obligation (the "Company Obligation Completion Date"). Certain critical Milestones shall be identified in the Scope of Work and Project Schedule ("Critical Performance Milestones"). While timely completion of each Milestone is important to the success of the Work, the occurrence of a Critical Performance Milestone by its respective Critical Performance Date is of critical important to the completion of the Work in a timely manner consistent with the Company's vital business interests. The Contractor shall commit sufficient manpower and resources to insure the completion of each Critical Performance Milestone by the appropriate Milestone Completion Date.

It is understood by the Parties that the Milestone Completion Dates for interim Milestones (that is, Milestones which are not defined as Critical Performance Milestones) are subject to adjustment by the Parties' Project Managers working together in the course of the Work and that Critical Performance Milestones may only be modified by mutually agreed upon changes per ARTICLE 17, CHANGES. .

ARTICLE 6. CONSIDERATION AND PAYMENT; TRAVEL EXPENSES

Except as otherwise set forth in the applicable Release, the total amount of consideration payable for the Work to be performed pursuant to this Contract will be specified in Exhibit B, Pricing and Payment Schedule.

Except as otherwise set forth in the applicable Release, and as full consideration for the satisfactory performance of Contractor's obligations under this Contract, Company will pay Contractor all undisputed amounts within thirty (30) days of receipt and approval of properly submitted invoice(s), net of any retention amounts that are entitled to be withheld by Company pursuant to the terms of this Contract. The total amount of consideration payable for the Work is specified in Exhibit B, Pricing and Payment Schedule.

Except as otherwise set forth in the applicable Release, all invoices shall be addressed as follows:

All invoices shall be addressed as follows:

PacifiCorp
Attn: Meg Meadors (LCT 700)
825 NE Multnomah St.
Portland, OR 97232

INVOICES WHICH DO NOT CONTAIN THE ABOVE INFORMATION, OR ARE NOT ADDRESSED AS ABOVE, MAY CAUSE PAYMENT DELAY.

Contractor shall submit to Company monthly a proper, single invoice for all Work performed during the preceding calendar month for each Release issued hereunder. Contractor shall itemize each invoice by applicable Release number along with project name. Immediately under each Release number and project name, Contractor shall provide further itemization by listing the applicable assignment performed, hours worked, and documenting (with appropriate supporting information) the amounts invoiced under the Contract and Release. Invoices for Work performed under one Release shall not be commingled with the costs for performing Work under any other Release and receipts, if applicable, must be attached.

Contractor shall identify and clearly set forth on the invoice any discount for early payment. Company may offset any such payment to reflect amounts owing from Contractor to Company or its subsidiaries pursuant to this Contract or any other agreement between the Parties or otherwise. In addition, Company may withhold all payments otherwise due Contractor until such time as Contractor has provided any Default Security required by this Contract. If required by Company, the final payment due under due under any Release, including any retention amounts withheld, shall not become due until Contractor has furnished Company a final release from all claims and demands arising out of the Work in a form acceptable to Company.

Upon request by Company, Contractor shall also provide interim lien and claim releases executed by Contractor, interim and/or final lien and claim releases executed by Subcontractors through the date of each invoice submitted.

To the extent travel and related expenses of Contractor are reimbursable under the terms of this Contract (and not included as part of a fixed fee rate), such expenses must be pre-approved and will be reimbursed at Contractor's cost to the extent that such expenses are supported by original receipts or invoices and are in accordance with Company's travel policy attached hereto as Exhibit D, Company's Travel and Expense Reimbursement Policy. Travel and expense invoices shall be submitted along with invoices for the Work completed in connection therewith, which such invoices are described above.

ARTICLE 7. ACCEPTANCE OF DELIVERABLES

Deliverables supplied by the Contractor for the Work performed under this Contract for which Company's review and acceptance is required, as defined in the applicable Scope of Work, shall be deemed accepted once written acceptance by the Company has occurred pursuant to the terms of this Contract. All Work and Deliverables will be subject to review and/or testing at the agreed time or times by Company, as designated in the Scope of Work, which shall have the right to reject as unsatisfactory, any Work or Deliverables that do not meet Acceptance Criteria as agreed pursuant to the Scope of Work. Neither inspection and/or testing of Work or Deliverables, nor the lack of same, nor acceptance of the Work or Deliverables by the Company, nor payment therefore, prior to Final Acceptance by the Company shall relieve the Contractor from any obligations under this Contract. All testing for the Work performed pursuant to this Contract will occur according to the process defined in the Scope of Work and the schedule identified in the Project Schedule.

ARTICLE 8. TAXES

The consideration paid under the Contract issued hereunder includes all taxes arising out of Contractor's performance hereunder, including without limitation state and local sales and use taxes, value-added taxes, import duties, payroll taxes, income taxes and other taxes relating to the performance of the Work. State and local sales and use taxes shall be stated separately and shown on all invoices as a separate line item. Upon request of Company, Contractor shall promptly provide to Company evidence satisfactory to Company of the payment of all applicable taxes.

ARTICLE 9. ACCOUNTING AND AUDITING

Contractor shall keep accurate and complete accounting records in support of all cost billings and claims to Company in accordance with generally accepted accounting principles. Company, or its audit representatives, shall have the right at any reasonable time or times to examine, audit, and copy the records, vouchers, and their source documents which relate to any claim for compensation other than pricing elements which are fixed in amount by this Contract. Such documents shall be available for examination, audit and copying for three (3) years after the completion or termination of this Contract.

Contractor shall assist Company with preparing necessary audit material and will allow Company to review any work papers prepared by independent auditors as allowed by professional standards.

Audit findings by Company's representative will be considered to be final and conclusive for the period audited. Any over collections shall be returned to Company within thirty (30) calendar days from date of Notice of overcharge.

ARTICLE 10. CREDIT REQUIREMENTS

Contractor shall meet the requirements of any one or more of clause (i) or clause (ii) below: **(i)** Contractor maintains a senior unsecured debt rating from Standard & Poor's of BBB- or better; or **(ii)** if Contractor does not maintain a satisfactory debt rating, Contractor meets ALL of the following credit standards: a) tangible net worth ten (10) times the projected maximum liability of Contractor under this Contract; b) no change in the condition of its earnings, net worth, or working capital over the last twenty-four (24) months, which would reasonably be anticipated to impair the Contractor's ability to meet its obligations under this Contract; and c) Contractor is not in default under any of its other agreements and is current on all of its financial obligations.

If requested by Company, Contractor shall within thirty (30) calendar days provide Company with copies of its most recent annual and quarterly financial statements prepared in accordance with generally accepted accounting principles.

ARTICLE 11. SECURITY

In the event Contractor is unable to satisfy the credit requirements set forth in ARTICLE 9, CREDIT REQUIREMENTS at any time during the performance of Work, or if Contractor experiences a Material Adverse Change at any time during such performance, then Contractor shall provide Company with security against defaults by Contractor under this Contract in such form and amount as may be reasonably required by Company ("Default Security"), and pursuant to such additional agreements or instruments as may be reasonably required by Company, including but not limited to letters of credit, third party guaranties, escrow accounts, labor and material payment bonds and/or surety bonds. Company may at any time, at its own discretion or pursuant to a request by Contractor, recalculate the amount of Default Security required pursuant to this Article, in which case Company shall increase or decrease the existing amount of Default Security, as appropriate. At no time shall the amount of Default Security to which Company is entitled pursuant to this Article be less than Company's Net Replacement Costs.

The terms of any letter of credit required by Company shall conform to the attached Exhibit E, Letter of Credit Terms, as well as the requirements of this Contract and be issued by a bank acceptable to Company. The letter of credit shall provide for payment to Company of the letter of credit stated amount if Contractor defaults under the terms of this Contract. The Company shall have the right to call the entire amount of the letter of credit if Contractor has not renewed the letter of credit thirty (30) calendar days prior to its expiration.

Contractor's expenses of complying with additional Default Security obligations as set forth in this Article shall be borne by the Contractor.

ARTICLE 12. WITHHOLDING PAYMENT

Company may, without limiting any other rights or remedies Company may have, withhold from payment amounts which reflect the reasonable cost to repair or replace unsatisfactory Work or the value of any claim against Company, which Contractor has failed to settle pursuant to its indemnity obligations under the Contract. Company may also retain from any payment sufficient funds to discharge any delinquent accounts of Contractor for which liens on Company's property have been or can be filed, and Company may at any time pay therefrom for Contractor's account such amounts as are, in the opinion of Company, due thereon, including any sums due under any federal or state law.

ARTICLE 13. DELIVERY

Delivery of the Equipment is a substantial and material consideration under this Contract and shall be DDP (INCOTERMS 2000), on or before the dates defined in this Contract, subject to and as may be modified by the additional terms and conditions set forth in this Contract, including without limitation ARTICLE 21, RISK OF LOSS.

ARTICLE 14. SHIPPING AND HANDLING

1. Packing

- a. Contractor is responsible for assuring that the Equipment covered under this Contract is suitably packaged to ensure against damage under normal handling and transportation methods. All Equipment or components shall be identified with the Company's equipment number or tag number, if required by the Scope of Work.
- b. Any articles or Equipment that might otherwise be lost shall be boxed or wired in bundles and plainly marked for identification. All un-palletized deliveries including, but not limited to, boxes, Equipment, and components shall be delivered with a gross weight less than forty (40) pounds. Any shipment containing, but not limited to, boxes, Equipment, and components with a single gross weight limit which exceeds forty (40) pounds shall be palletized, with all boxes, Equipment, or components securely attached to the pallet. All parts exceeding one thousand (1000) pounds gross weight shall be prepared for shipment by palletizing with slings or harness for handling by crane. Boxed parts, where it is unsafe to attach slings to the box, shall be packed on pallets with slings or harness attached to the pallet or part, the slings or harness shall be so attached to readily allow ease in attachment to the hoisting equipment.
- c. Within 48 hours prior to the shipment of any items, the Contractor shall notify Company of shipping information, including shipping date, date of Equipment arrival on site, and the designated carrier.

2. Shipment Routing

Prior to the shipment of any Equipment, Contractor shall become knowledgeable of transportation conditions, such as clearances and restrictions, height and width, bridge load limits and other limitations affecting their transportation. Such limitations or the lack of transportation facilities shall not become the basis for claims or damages or for an extension of time for completion of work under this Contract.

ARTICLE 15. CORRECTION OF WORK

Any time prior to final completion of any Work and acceptance by Company, Company may reject Work which, in Company's opinion, fails to conform to this Contract. Contractor, at its sole expense, shall: (i) promptly re-perform or replace any Deliverables so as to conform with the requirements of this Contract; and (ii) remove from the Work Site all Deliverables rejected by Company, whether incorporated in the Work or not.

To the extent the Work of Contractor or others must be disturbed to allow such corrective action by Contractor, Contractor shall reimburse Company for all costs incurred by Company to restore anything disturbed to its previous condition.

If Contractor fails to promptly remedy rejected Work, Company may, without limiting or waiving any other rights or remedies it may have, correct the Work and remove and dispose of rejected Equipment at the expense of Contractor, and may deduct from amounts due Contractor any cost so incurred by Company.

ARTICLE 16. WARRANTY

Contractor warrants that all Deliverables shall conform to the applicable Scope of Work and all other specifications, drawings, samples, and other descriptions that are incorporated into this Contract, and in the applicable Release, and shall be free of defects in workmanship. Contractor further warrants that all Equipment shall be of the quality specified, or of the best grade if no quality is specified, and, unless otherwise provided in this Contract or in the applicable Release, will be new, and free from defects in design. In addition, with respect to any Deliverables constituting or incorporating Software, Contractor warrants that all such Software shall be free from virus, worms, disabling devices, "trap doors" and "time bombs." Contractor further warrants that Contractor owns or holds all requisite rights and licenses with respect to the Deliverables and that the performance by Contractor of its obligations hereunder, including the provision of the Deliverables to Company, will not infringe the intellectual property rights of a third party.

At any time for a period of five (5) years from the date of final completion of the Work called for under any Release and acceptance thereof by Company, Contractor shall at its own expense promptly repair, replace and/or re-perform any portion of the Work that is defective or in any way fails to conform to the Contract requirements. Any repair, replacement or re-performance will meet the requirements of this Contract for a period equal to the greater of (i) the remainder of the original warranty period and (ii) a period of two (2) years, which shall be determined as of the date of Company's acceptance of such repair, replacement or re-performance.

If Contractor fails to promptly make any repair, replacement or re-performance as required herein, Company may conduct the necessary Work at Contractor's expense. The Contractor cannot void the warranty for repair, replacement or re-performance performed under these circumstances. Provided that such repair, replacement or re-performance is conducted in a reasonable manner and with workmanship and care consistent with industry standards, the Contractor shall reimburse the Company for the cost of any warranty repair, replacement or re-performance self-performed by Company.

If any Deliverables fail to meet the foregoing warranties, the Company shall have the right to self-perform Emergency warranty work as Company deems necessary. The Company agrees to notify the Contractor of such Emergency work within 48 hours. The Contractor cannot void the warranty for any repair, replacement or re-performance performed under these Emergency circumstances. Provided that the Emergency repair, replacement or re-performance is performed in a reasonable manner and with workmanship and care measured by industry standards, the Contractor shall reimburse the Company for the cost of any Emergency warranty work self-performed by Company.

The foregoing warranties are not intended as a limitation, but are in addition to all other express warranties set forth in this Contract and the applicable Release and such other warranties as are implied by law, custom, and usage of trade.

ARTICLE 17. TESTING AND ACCEPTANCE

Following installation of the Equipment, the Equipment will be operated by Company and tested, at Company's sole option, by either Company or Contractor to ensure that the Equipment conforms to all requirements of this Contract. Testing performed by Company may be witnessed by Contractor. Installation is established by the Contractor.

Any deficiencies discovered during the testing phase which are not caused by the fault or negligence of Company shall be corrected promptly by Contractor at Contractor's sole expense. The testing phase will be repeated following correction of the deficiencies. The Contractor shall have three attempts to pass all applicable tests defined by the Company. If the Contractor fails three attempts, the Company shall have the right to negotiate a settlement reflecting the diminished value of the Equipment as the result of its deficiencies.

ARTICLE 18. CHANGES

Company may at any time in writing direct changes and/or additions within the general scope of this Contract and any Release issued hereunder, direct the omission of or variation in Work, or alter the schedule. If any such direction results in a material change in the amount or character of the Work, an equitable adjustment in the price and other such provisions as may be affected shall be made and this Contract or the applicable Release shall be modified in writing accordingly. Any claim by Contractor for an adjustment under this Article shall be processed in accordance with the provisions of ARTICLE 24, CLAIM NOTICE AND RESOLUTION PROCEDURE.

No change shall be binding upon Company until a change order is executed by an authorized representative of Company which EXPRESSLY STATES THAT IT CONSTITUTES A CHANGE ORDER TO THIS CONTRACT OR THE APPLICABLE RELEASE. THE ISSUANCE OF INFORMATION, ADVICE, APPROVALS, OR INSTRUCTIONS BY ANYONE OTHER THAN THE AUTHORIZED COMPANY REPRESENTATIVE SHALL NOT CONSTITUTE AN AUTHORIZED CHANGE ORDER PURSUANT TO THIS ARTICLE.

ARTICLE 19. INSURANCE AND WORKERS' COMPENSATION

Without limiting any liabilities or any other obligations of Contractor, Contractor shall, prior to commencing Work, secure and continuously carry with insurers having an A.M. Best Insurance Reports rating of A:-VII or better the following insurance coverage:

Workers' Compensation. Contractor shall comply with all applicable Workers' Compensation Laws and shall furnish proof thereof satisfactory to Company prior to commencing Work.

All workers' compensation policies shall contain provisions that the insurance companies will have no right of recovery or subrogation against the Company, its parent, divisions, affiliates, subsidiary companies, co-lessees, or co-venturers, agents, directors, officers, employees, servants, and insurers, it being the intention of the Parties that the insurance as effected shall protect all of the above-referenced entities.

Employers' Liability. Contractor shall maintain employers' liability insurance with a minimum single limit of \$500,000 each accident, \$500,000 disease each employee, and \$500,000 disease policy limit.

Commercial General Liability. Contractor shall maintain commercial general liability insurance on the most recently approved ISO policy, or its equivalent, written on an occurrence basis, with limits not less than \$1,000,000 per occurrence/ \$2,000,000 general aggregate (on a per location and/or per job basis) bodily injury and property damage, including the following coverage:

- a. Premises and operations coverage
- b. Independent contractor's coverage
- c. Contractual liability
- d. Products and completed operations coverage
- e. Coverage for explosion, collapse, and underground property damage
- f. Broad form property damage liability
- g. Personal injury liability, with the contractual exclusion removed
- h. Sudden and accidental pollution liability, if applicable

Business Automobile Liability. Contractor shall maintain business automobile liability insurance on the most recently approved ISO policy, or its equivalent, with a minimum single limit of \$1,000,000 for bodily injury and

property damage including sudden and accidental pollution liability, with respect to Contractor's vehicles whether owned, hired or non-owned, assigned to or used in the performance of the Work.

Professional Liability. Contractor shall maintain professional liability insurance covering damages arising out of negligent acts, errors, or omissions committed by Contractor in the performance of this Contract, with a liability limit of not less than \$1,000,000 each claim. Contractor shall maintain this policy for a minimum of two (2) years after completion of the Work or shall arrange for a two (2) year extended discovery (tail) provision if the policy is not renewed. The intent of this policy is to provide coverage for claims arising out of the performance of Work or Services under this Contract and caused by any error, omission, breach or negligent act for which the Contractor is held liable.

Transit and Installation. Contractor will provide transit insurance covering the Equipment that is transported by any conveyance (air, land and water), and shall provide offsite storage, if applicable. Such coverage shall insure against all-risk of loss, including loading, unloading, transportation, lifting and lowering and other handling of such property, with a limit sufficient to cover the full replacement cost of the Equipment being shipped and provide valuation of not less than CIF plus 10%. Coverage shall attach at Contractor's point of shipment and shall continue until installation is complete at the final destination.

Umbrella or Excess Liability. Contractor shall maintain umbrella or excess liability insurance with a minimum limit of \$5,000,000 each occurrence/aggregate where applicable to be excess of the coverages and limits required in employers' liability insurance, commercial general liability insurance and business automobile liability insurance above. Contractor shall provide Notice to Company, if at any time its full umbrella limit is not available, and will purchase additional limits, if requested by Company.

Except for workers' compensation insurance, the policies required herein shall include provisions or endorsements naming Company, its officers, directors, agents, and employees as additional insureds.

To the extent of Contractor's negligent acts or omissions, all policies required by this Contract shall include: (i) provisions that such insurance is primary insurance with respect to the interests of Company and that any other insurance maintained by Company is excess and not contributory insurance with the insurance required hereunder; (ii) provisions that the policy contain a cross liability or severability of interest clause or endorsement; and (iii) provisions that such policies not be canceled or their limits of liability reduced without: (a) ten (10) calendar days prior written Notice to Company if canceled for nonpayment of premium; or (b) thirty (30) calendar days prior written Notice to Company if canceled for any other reason. Unless prohibited by applicable law, all required insurance policies shall contain provisions that the insurer will have no right of recovery or subrogation against the Company, its parent, divisions, affiliates, subsidiary companies, co-lessees, or co-venturers, agents, directors, officers, employees, servants, and insurers, it being the intention of the Parties that the insurance as effected shall protect all of the above-referenced entities. No required insurance policies shall contain any provisions prohibiting waivers of subrogation

A certificate in a form satisfactory to Company certifying to the issuance of such insurance shall be furnished to Company prior to commencement of Work by Contractor. Commercial General Liability coverage written on a "claims-made" basis, if any, shall be specifically identified on the certificate.

Commercial general liability insurance coverage provided on a "claims-made" basis shall be maintained by Contractor for a minimum period of five (5) years after the completion of this Contract and for such other length of time necessary to cover liabilities arising out of the Work.

ARTICLE 20. INDEMNIFICATION

Contractor specifically and expressly agrees to indemnify, defend, and hold harmless Company and its officers, directors, employees and agents (hereinafter collectively "Indemnitees") against and from any and all claims, demands, suits, losses, costs and damages of every kind and description, including attorneys' fees and/or litigation expenses, brought or made against or incurred by any of the Indemnitees resulting from or arising out of any negligence or wrongful acts of Contractor, its employees, agents, representatives or Subcontractors of any tier, their employees, agents or representatives in the performance or nonperformance of Contractor's obligations under this Contract or in any way related to this Contract. The indemnity obligations under this Article shall include without limitation:

- a. Loss of or damage to any property of Company, Contractor or any third party;

- b. Bodily injury to, or death of any person(s), including without limitation employees of Company, or of Contractor or its Subcontractors of any tier; and
- c. Claims arising out of workers' compensation, unemployment compensation, or similar such laws or obligations applicable to employees of Contractor or its Subcontractors of any tier.

Contractor's indemnity obligations owing to Indemnitees under this Contract are not limited to the applicable insurance coverage identified in ARTICLE 18, INSURANCE AND WORKERS COMPENSATION. Contractor's indemnity obligation under this Article shall not extend to any liability caused by the sole negligence of any of the Indemnitees.

For Work performed in the States of Oregon and Washington, and to the limited extent that this Contract requires Contractor to perform Work meeting the statutory definition of "construction" in either of the above-referenced states, Contractor's indemnity obligations under this Article shall extend only to liability for damage arising out of death or bodily injury to persons or damage to property to the extent that the death or bodily injury to persons or damage to property arises out of the fault of the Contractor, or the fault of the Contractor's agents, representatives or Subcontractors.

To the extent applicable, Contractor specifically and expressly waives any immunity under either Industrial Insurance, Title 51, RCW, or Workers' Compensation Law, Chapter 656, ORS, and acknowledges that this waiver was mutually negotiated by the Parties herein.

The invalidity, in whole or in part, of any of the foregoing paragraphs will not affect the remainder of such paragraph or any other paragraphs in this Article.

ARTICLE 21. CONSEQUENTIAL DAMAGES

IN NO EVENT SHALL COMPANY BE LIABLE FOR CONSEQUENTIAL, SPECIAL, OR INDIRECT DAMAGES, INCLUDING LOST PROFITS OR LOST GOODWILL, ARISING OR RELATED TO THIS CONTRACT, WHETHER SUCH DAMAGES ARE ARISING FROM CONTRACT OR NEGLIGENCE.

ARTICLE 22. RISK OF LOSS

Contractor assumes risk of loss and full responsibility for the cost of replacing or repairing damage to the Equipment (including any insurance deductible and any uninsured losses) and all materials, supplies and maintenance equipment which are purchased by Contractor or Company for permanent installation or for use during performance of the Work, regardless of whether Company has title thereto under this Contract, except to the extent such loss or damage is a result of the negligence or intentional misconduct of Company or Company's agents during such time as such agents are acting under Company's control. Company shall bear this risk and responsibility after the date of Final Acceptance, except to the extent such loss or damage is the result of the negligence, intentional misconduct, or breach of this Contract by Contractor or its Subcontractors or their respective agents.

ARTICLE 23. LIENS

Contractor shall: (i) indemnify, defend, and hold harmless Company from all laborers', materialmen's and mechanics' liens, or claims made or filed upon the Work, or the property on which the Work is located on account of any labor performed or labor, Services and Equipment furnished by Subcontractors of any tier; and (ii) keep the Work and said property free and clear of all liens or claims arising from the performance of any Work covered by this Contract by Contractor, its Subcontractors of any tier.

If any lien arising out of this Contract is filed before or after Work is completed, Contractor, within ten (10) calendar days after receiving from Company written Notice of such lien, shall obtain release of or otherwise satisfy such lien. If Contractor fails to do so, Company may take such steps and make such expenditures as in its discretion it deems advisable to obtain release of or otherwise satisfy any such lien or liens, and Contractor shall upon demand reimburse Company for all costs incurred and expenditures made by Company in obtaining such release or satisfaction.

Contractor's obligation to indemnify, defend and hold harmless Company from liens shall not in any way be rendered unenforceable, or altered, amended, eliminated or otherwise conditioned by any laws and regulations related to processing such liens. Company shall have no obligation to deliver a copy of any notice of claim or right to a lien to Contractor or any other person or entity.

ARTICLE 24. CONFLICTS, ERRORS, OMISSIONS, OR DISCREPANCIES IN CONTRACT DOCUMENTS

Contractor shall advise Company in writing of all conflicts, errors, omissions, or discrepancies among the various documents comprising this Contract immediately upon discovery and prior to Contractor's performing the affected Work. Company shall resolve such conflicts and such resolution shall be final. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be considered as if shown or mentioned in both.

ARTICLE 25. CLAIM NOTICE AND RESOLUTION PROCEDURE

In the event Contractor has a claim or request for a time extension, additional compensation, any other adjustment of the Contract terms, or any dispute arising out of the Work (hereinafter "Claim"), Contractor shall provide Company with Notice of such Claim within five (5) business days following the occurrence of the event giving rise to the Claim. Contractor's failure to give Notice as required will constitute a waiver of all of Contractor's rights with respect to the Claim.

As soon as practicable after Claim notification, Contractor shall submit the Claim to Company with all supporting information and documentation. Contractor shall also respond promptly to all Company inquiries about the Claim and its basis.

Any Claim which is not disposed of by mutual agreement between the Parties, shall be decided by Company which shall provide a written Notice to Contractor. Such decision shall be final unless Contractor, within thirty (30) calendar days after such receipt of Company's decision, provides to Company a written protest, stating clearly and in detail the basis thereof. Contractor's failure to protest Company's decision within that time period shall constitute a waiver by Contractor of its right to dispute the decision. Even if a Claim arises, Contractor shall continue its performance of this Contract.

ARTICLE 26. SUSPENSION OF WORK

Company may, by written notice, direct Contractor to suspend performance of any or all of the Work for a specified period of time. If such suspension is not caused by the fault or negligence of Contractor, Contractor will be compensated an equitable amount for incremental costs incurred by Contractor as a result of such suspension, such claims to be made by Contractor in accordance with the provisions set forth in ARTICLE 24, CLAIM NOTICE AND RESOLUTION PROCEDURE above. Upon receipt of such notice to suspend, Contractor shall 1) discontinue Work, 2) place no further orders or subcontracts, 3) suspend all orders and subcontracts, 4) protect and maintain the Work, and 5) otherwise mitigate Company's costs and liabilities for those areas of Work suspended.

ARTICLE 27. TERMINATION FOR CONVENIENCE

Company may terminate this Contract at any time without cause prior to its completion by sending to Contractor written notice of such termination. Upon such termination, Company shall pay to Contractor an equitable amount for all Work satisfactorily performed by Contractor as of the date of termination. Company shall not be liable for anticipated profits based upon Work not yet performed.

ARTICLE 28. TERMINATION FOR CAUSE

1. For purposes of this Contract, a material default by Contractor shall be the occurrence of any of the following:
 - a. A breach by Contractor of any of its material obligations under this Contract, if such breach continues uncured for a period of ten (10) calendar days after receipt of written Notice from Company, unless such breach cannot by its nature be remedied within such period in which event Contractor shall provide evidence reasonably satisfactory to Company within ten (10) calendar days after receipt of such Notice that the cure of such breach has commenced and Contractor thereafter makes reasonable and continuous progress to that end. For purposes of this Contract, a material default by Contractor shall be deemed to include, without limitation, Contractor's refusal or neglect to supply sufficient and properly skilled workmen, materials of the proper quality or quantity, or equipment necessary to perform the Work described in this Contract, or Contractor's failure in any respect to prosecute the Work described in this Contract or any part thereof in accordance with the Critical Performance Milestones and Critical Performance Dates and in accordance with all of the material provisions of this Contract;

- b. A determination that any representation, statement or warranty made by Contractor in this Contract, or any other statement, report or document which Contractor is required to furnish to Company, was false or misleading in any material respect;
 - c. The occurrence of any of the following: (i) the filing by or against Contractor of a proceeding under any bankruptcy or similar law, unless such proceeding is dismissed within thirty (30) calendar days from the date of filing; (ii) the making by Contractor of any assignment for the benefit of creditors; (iii) the filing by or against Contractor for a proceeding for dissolution or liquidation, unless such proceeding is dismissed within thirty (30) calendar days from the date of filing; (iv) the appointment of or the application for the appointment of a receiver, trustee or custodian for any material part of Contractor's assets unless such appointment is revoked or dismissed within thirty (30) calendar days from the date thereof; the attempt by Contractor to make any adjustment, settlement or extension of its debts with its creditors generally; (v) the insolvency of Contractor; or (vi) the filling or recording of a notice of lien or the issuance or the obtaining of a levy of execution upon or against a material portion of Contractor's assets, unless such lien or levy of execution is dissolved within thirty (30) calendar days from the date thereof.
 - d. A Material Adverse Change has occurred with respect to Contractor and Contractor fails to provide such performance assurances as are reasonable requested by Company, including without limitation the posting of Default Security pursuant to ARTICLE 10, SECURITY.
2. Upon the occurrence of any such material default, following the applicable process described in this Article, Company shall be entitled upon written Notice to Contractor, and without Notice to Contractor's sureties and without limiting any of Company's other rights or remedies, to terminate this Contract or whole or in part or to terminate Contractor's right to proceed with that portion of the Work affected by any such material default and collect the Net Replacement Costs incurred to complete the Work.
 3. Upon the occurrence of any such material default, following the applicable process described in this Article, Company shall be entitled to seek performance by any guarantor of Contractor's obligations hereunder or draw upon any Default Security provided for in this Contract.
 4. Upon receipt of any such written Notice of termination of the entire Contract or of any right to proceed with any portion of the Work following the applicable process described in this Article, Contractor shall, at its expense, for that portion of the Work affected by any such termination:
 - a. Assist Company in making an inventory of all Equipment in storage at Contractor's facility, en route to Contractor's facility, in storage or manufacture elsewhere, en route to Company and on order from the suppliers;
 - b. Assess the status of any Deliverables still due and preserve any Work performed; and
 - c. To the extent that they are assignable, assign to Company any and all subcontracts and equipment rental agreements as designated in writing by Company.
 5. In the event of such termination, Company may, for the purpose of completing the Work or enforcing these provisions, take possession of all Equipment, tools, appliances, documentation, software source media, flow charts, documents and other Deliverables at the Company's Work Site belonging to or under the control of Contractor, and may use them or may finish the Work by whatever method it may deem expedient including: (i) Company may hire a replacement contractor or contractors to complete the remaining Work that Contractor was otherwise obligated to complete under the Contract using such form of agreement as Company may deem advisable; or (ii) Company may itself provide any labor or materials to complete the Work. Contractor shall cooperate with and assist Company in attempting to acquire from Contractor's suppliers and Subcontractors the right to take possession of and use any and all proprietary materials in the event of such termination. All proprietary materials of Contractor or Subcontractors shall remain subject to the provisions herein, and Company shall not have any broader rights to use or disclose such proprietary materials as a result of such termination. Any Software embodying any of Contractor's proprietary materials shall also be subject to the provisions herein. In the event of such a termination, Contractor shall not be entitled to receive any further payment until the Work is completed, and such amounts may be offset against Company's Net Replacement Costs.
 6. All rights and remedies provided in this Article are cumulative, and are not exclusive of any other rights or remedies that may be available, whether provided by law, equity, statute, in any other agreement between the Parties or otherwise. Upon the occurrence of any such material default, following the applicable process described in this Article, Company shall be entitled to pursue any and all other rights and remedies, including without limitation damages, that Company may have against Contractor under this Contract or at law or in equity (provided, however

that Company shall not be entitled to collect any damages at law attributable to late delivery, performance or any other item for which this Contract specifically provides Liquidated Damages as an exclusive remedy).

ARTICLE 29. DELAYS

Force Majeure. Neither Party shall be liable for delays caused by a Force Majeure Event; provided, however, that both Parties agree to seek to mitigate the potential impact of any such delay. Any delay attributable to a Force Majeure Event shall not be the basis for a request for additional compensation. In the event of any such delay, the required completion date may be extended for a reasonable period not exceeding the time actually lost by reason of the Force Majeure Event. The imposition of any Liquidated Damages, if applicable, for performance or completion of the Work shall be extended by an amount of time equivalent to the length of time for the Force Majeure Event.

Company-Caused Delay. If the Contractor is actually delayed in its performance of the Work by the actions or omissions of the Company (excluding Company's good faith exercise of rights and remedies provided under the Contract), or by changes ordered with respect to the Work, and if the Contractor is able to prove that it has used all reasonable means to avoid or minimize the effects of the delay, then the Contractor's guaranteed completion dates shall be equitably adjusted to reflect the impacts of such Company-caused delays. Company may, at its discretion, in lieu of granting an extension of time, require Contractor to regain the schedule whereby Company shall compensate Contractor for all additional costs reasonably incurred thereby. No adjustment under this Article shall be made for any delay to the extent that it is caused or contributed to by Contractor or performance would have otherwise been delayed by any other cause, including the fault or negligence of Contractor.

Contractor Caused Delays. In the event the Work is not delivered in accordance with the Scope of Work, and the delay is in no way related to either a Force Majeure or Company-caused delay, the Contractor shall pay such liquidated damages as indicated in the applicable Release.

Request for Time Extension. Any request for time extension or additional compensation shall be made in accordance with ARTICLE 24, CLAIM NOTICE AND RESOLUTION PROCEDURE.

If, at any time, Company determines the progress of the Work is unsatisfactory, Contractor may be directed to work overtime, increase its workforce, work additional shifts, add supervision or take other corrective actions to ensure the timely and orderly prosecution of the Work, at no additional cost to Company.

ARTICLE 30. NONDISCLOSURE

Definition of Confidential Information. The term "Confidential Information" means: (i) proprietary information of Company; (ii) information marked or designated by Company as confidential; (iii) Critical Infrastructure Information of Company; (iv) information, whether or not in written form and whether or not designated as confidential, which is known to Contractor as being treated by Company as confidential; (v) information provided to Company by third parties which Company is obligated to keep confidential (including but not limited to Contractor's credit or financial information and information relating to an identified or identifiable natural person, whether or not such information is publicly available); and (vi) information developed by Contractor in connection with the performance of this Contract.

Nondisclosure. Contractor agrees that it will not disclose Confidential Information, directly or indirectly, under any circumstances or by any means, to any third person without the express written consent of Company.

Nonuse. Contractor further agrees that it will not use Confidential Information except as may be necessary to perform the Work called for by this Contract.

Protection. Confidential Information will be made available by Contractor to its employees only on a "need to know" basis and only after notifying such employees of the confidential nature of the information and after having obligated them to the nonuse and nondisclosure obligations of this Contract. Contractor agrees to take all reasonable precautions to protect the confidentiality of Confidential Information and, upon request by Company, to return to Company any documents which contain or reflect such Confidential Information.

Critical Infrastructure Information. Confidential Information of Company labeled as CII shall be protected consistent with the following requirements: (a) CII shall be protected at all times, either by appropriate storage or having it under the personal observation and control of a person authorized to receive it; (b) each person who works with protected CII is personally responsible for taking proper precautions to ensure that unauthorized persons do not gain access to it; (c) reasonable steps shall be taken to minimize the risks of access to CII by unauthorized personnel (when not in use, CII shall be secured in a secure container, such as a locked desk, file cabinet or facility where security is provided); (d)

documents or material containing CII may be reproduced to the minimum extent necessary, consistent with the need to carry out the Work, provided that the reproduced material is marked and protected in the same manner as the original material; (e) material containing CII should be disposed of through secured shredding receptacles or other secured document destruction methods; (f) CII shall be transmitted only by the following means: (i) hand delivery; (ii) United States first class, express, certified or registered mail, bonded courier, or through secure electronic means; (iii) e-mail with encrypted file (such as, WinZip with password) (the password should not be included in e-mail, but should be delivered by phone or in an unrelated e-mail not mentioning the document name; password-protected Microsoft Office documents do not meet the encryption requirements); and (g) documents or material containing CII shall be returned to Company or certified destroyed upon completion of the Work.

Unless waived by Company, Contractor shall require its employees and Subcontractors of any tier to adhere to these confidential information and nondisclosure terms.

ARTICLE 31. LIQUIDATED DAMAGES

If Contractor fails to perform the Work in accordance with and within the time specified in a specified Release, the Company will incur some degree of damages. The Parties expressly acknowledge and agree that it would be difficult or impossible to determine with absolute precision the amount of damages that would or might be incurred by Company as a result of Contractor's failure to perform the Work in accordance with and within the time specified in a Release. The Parties accordingly agree, having taken into account all factors that they deem appropriate, including all of the respective rights and obligations under this Contract, that liquidated damages are in lieu of actual damages and are the Parties' reasonable estimate of fair compensation for the losses that are reasonably anticipated to be incurred by Company from such failure with respect to such matters and do not constitute a penalty. The payment of liquidated damages (and, to the extent applicable, termination of the Contract and/or Release by Company for default in accordance with the terms hereof) shall be Contractor's sole and exclusive obligations and Company's sole and exclusive remedy with respect to the failure to timely perform in accordance with the guaranteed dates set forth in a specified Release. The amount of liquidated damages shall be specified within each Release.

In the event that the provisions for the payment of liquidated damages as specified in a Release are held to be unenforceable as a matter of laws, Contractor agrees to pay the Company all actual damages suffered by the Company due to the circumstances giving rise to the liability to pay liquidated damages (had they been enforceable) including loss of profit or income, loss of use, loss or production, loss of contracts, incidental damages and consequential damages, but subject to the maximum amounts which would have been payable if the liquidated damages provision had been enforceable.

ARTICLE 32. [INTENTIONALLY DELETED]

ARTICLE 33. DESIGNATED REPRESENTATIVE AND NOTICES

In conjunction with this Contract, the Parties shall designate representatives authorized to act as their respective project representatives. All communications relating to the day-to-day activities under this Contract shall be exchanged between such designated representatives through any agreed form of communication.

Any formal Notice required to be delivered in writing under the terms of this Contract shall be delivered to the representative of the other Party as designated below. All formal written Notices shall be: (i) hand delivered; (ii) deposited in the mail, properly stamped with the required postage; (iii) sent via registered or certified mail; or (iv) sent via recognized overnight courier service. The Parties' addresses for purposes of Notice shall be as set forth below:

If to Company:

PacifiCorp

825 NE Multnomah St.

Portland OR, 97323

Attn: Bob Ward

Telephone: (503) 813-5826

If to Contractor:

RACOM Corporation

201 West State Street

Marshalltown, IA 50158

Attn: Mike Miller

Telephone: 888-752-1067

Either Party may change the name or address of the designated recipient of Notices by delivery of a Notice of such change as provided for in this Article.

ARTICLE 34. CONTRACTOR'S PERSONNEL/DRUGS, ALCOHOL AND FIREARMS

Contractor shall employ in the performance of the Work only persons qualified for the same. Contractor shall at all times enforce strict discipline and good order among its employees and the employees of any Subcontractor of any tier. Contractor shall not permit or allow the introduction or use of any firearms, illegal drugs or intoxicating liquor upon the Work under this Contract, or upon any of the grounds occupied, controlled, or used by Contractor in the performance of the Work. Contractor shall immediately remove from the Work, whenever requested by Company, any person considered by Company to be incompetent, insubordinate, careless, disorderly, in violation of the above restriction on firearms, illegal drugs or intoxicating liquor, or under the influence of illegal drugs or intoxicating liquor, and such person shall not again be employed in the performance of the Work herein without the consent of Company.

ARTICLE 35. ACCESS TO COMPANY'S FACILITIES

34.1 Unescorted Physical Access to Company's Facilities

In the event that the Work requires unescorted physical access to Company's Facilities, Contractor and Personnel shall be required to comply with the Company's access requirements:

- a. Ensure that Personnel have passed the background checks consistent with the criteria and requirements as set forth on Exhibit H, Company's Criteria prior to requesting unescorted physical access to Company's Facilities;
- b. Ensure that Personnel complete Company provided or approved CIPS compliance training prior to requesting unescorted physical access to Company's Facilities;
- c. Ensure that Personnel have passed Contractor's drug and alcohol exam and are in compliance with Contractor's substance abuse/drug and alcohol policy as outlined in ARTICLE 35 SUBSTANCE ABUSE/DRUG AND ALCOHOL POLICY.
- d. Keep accurate and detailed documentation to confirm completion dates for background checks, CIPS compliance training, and drug tests and certify to Company such documentation by completing a Contractor / Vendor Information Form for each Personnel, in the form attached as Exhibit G, Contractor Information Form.

34.2 Authorized Cyber or Unescorted Physical Access to Company's CIPS Covered Assets

Company shall specify in the Scope of Work whether or not the Work requires any authorized cyber or authorized unescorted physical access to Company's CIPS Covered Assets. If the Work requires such access, for all Sensitive Personnel, Contractor shall:

- a. Ensure that Sensitive Personnel (and any Personnel with access to CII) are informed of and comply with Company's CII requirements;
- b. Ensure that Sensitive Personnel have passed the background checks consistent with the criteria and requirements as set forth on Exhibit H, Company's Criteria, prior to requesting cyber or unescorted physical access to CIPS Covered Assets;
- c. Ensure that Sensitive Personnel complete Company provided or approved CIPS compliance training prior to requesting cyber or unescorted physical access to CIPS Covered Assets;

- d. Report Sensitive Personnel terminations for cause immediately to Company but not longer than twelve (12) hours from time of termination and report all other Sensitive Personnel terminations or changes in employment status for those who no longer require access within twelve (12) hours from time of occurrence;
- e. Ensure that Sensitive Personnel have passed Contractor's drug and alcohol exam and are in compliance with Contractor's substance abuse/drug and alcohol policy as outlined in ARTICLE 35, SUBSTANCE ABUSE/ DRUG AND ALCOHOL POLICY.
- f. Keep accurate and detailed documentation to confirm completion dates for background checks, CIPS compliance training and drug tests and certify to Company such documentation by completing a Contractor/Vendor Information Form for each Sensitive Personnel in the form attached as Exhibit G, Contractor Information Form.

Contractor shall not allow any Sensitive Personnel who have not met the foregoing requirements of this Section 34.2 to perform Work, unless Contractor has received prior written consent from Company.

34.3 Personnel Screening

For Personnel required to obtain authorization for unescorted physical access to Company's Facilities or cyber or unescorted physical access to Company's CIPS Covered Assets, the following requirements must be met by Contractor:

- a. Contractor shall conduct, at Contractor's cost and expense, the requisite background checks for the current and past countries of residence of all Personnel consistent with the Company's Criteria set forth on Exhibit H, Company's Criteria. All background checks will be conducted in accordance with federal, state, provincial, and local laws, and subject to existing collective bargaining unit agreements or other agreements, if any.
- b. The background checks shall be updated no less frequently than every seven (7) years or upon request by Company, and shall, at a minimum, consist of a social security number verification and seven-year criminal background check, including all convictions for a crime punishable by imprisonment for a term exceeding one year.
- c. Contractor shall ensure that each of the Personnel undergoing a background check sign an appropriate authorization form prior to background checks being conducted, acknowledging that the background check is being conducted, and authorizing the information obtained to be provided to Company.
- d. Company may also request that Contractor provide an ongoing and updated list of persons that have been denied access to the Work or Company's Facilities. Employment history, education verification, and professional certifications for Personnel may also be required by Company.
- e. For purposes of this Contract, a background check is valid for seven (7) years prior to the assignment date; provided, however, that in the event any Personnel for whom a background check is required has had a break in service with Contractor for greater than two (2) years, a new background check will be required. Regardless of when performed, all background checks shall be documented pursuant to the requirements set forth in subsection 34.3.

34.4 Contractor Designee

Contractor shall designate one person to be responsible for compliance with the requirements of this Article, and all reporting and inquiries shall be made via e-mail to CIPS-Contracting@PacifiCorp.com. Any event giving rise to a reporting obligation under this Article shall be reported to Company within twelve (12) hours of its occurrence.

ARTICLE 36. SUBSTANCE ABUSE/DRUG AND ALCOHOL POLICY

- a. Contractor shall have in place and ensure compliance with a substance abuse/drug and alcohol policy that meets or exceeds the requirements of all applicable federal, state and local statutes or regulations. Contractor shall subject each of the Personnel to a drug test at Contractor's sole cost and expense. Such drug test shall, at a minimum, be a five (5) Panel Drug Test, which should be recognizable at testing labs as a "SamHSA5 panel at 50NG – THC cut-off."
- b. For any Personnel who have had a recent drug test, such recent drug test shall be documented pursuant to the previous paragraph. Contractor warrants that Contractor and the Personnel are in compliance with Contractor's substance abuse/drug and alcohol policy.
- c. During the course of Work performed under this Contract, Contractor shall keep accurate and detailed

documentation of its drug policy and Personnel drug tests, which it shall submit to Company upon request.

- d. Contractor shall designate one person to be responsible for compliance with the requirements of this Article and all reporting and inquiries shall be made to a duly authorized representative of Company in a timely manner.

ARTICLE 37. DEPARTMENT OF TRANSPORTATION

Contractor shall ensure Department of Transportation compliance, including but not limited to valid driver's license, equipment inspections, hours of service and all appropriate documentation for any Personnel who may drive while on assignment to Company.

ARTICLE 38. BUSINESS ETHICS

Contractor, its employees, agents, representatives and Subcontractors shall at all times maintain the highest ethical standards and avoid conflicts of interest in the conduct of Work for the Company.

ARTICLE 39. LABOR

Contractor shall be aware of, and familiar with, all collective bargaining agreements which do or may pertain to or affect the Work or other work at the Work Site. Contractor shall plan and conduct its operations so that its employees and Subcontractors of any tier will work harmoniously with Company employees and other workers employed on the same or related projects to assure that there will be no delays, work stoppages, excessive labor costs, or other labor difficulties. Contractor represents and warrants that its employees and the employees of Subcontractors employed in the performance of the Work may legally work in the United States.

ARTICLE 40. COOPERATION WITH OTHERS/WORK RULES

Contractor shall fully cooperate and coordinate with Company employees and other contractors who may be awarded other work. Contractor shall not commit or permit any act which will interfere with the performance of work by Company employees or other contractors.

Contractor shall at all times maintain discipline among its employees, including the employees of its Subcontractors of any tier. The Contractor shall comply with Work Site conditions and work rules established by the Company and shall cooperate with Company in enforcing such rules.

Any employee of Contractor or its Subcontractors of any tier, who is deemed by the Company to be incompetent or disorderly or who poses a danger to the safety of the Work, shall be removed from the Work upon the written request of the Company and shall not again be employed in the Work without the consent of the Company. Any such removal shall not result in a delay in or change to Contractor's obligations regarding the schedule of the Work to be performed pursuant to this Contract.

ARTICLE 41. STANDARD WORK SCHEDULE

Work scheduled and performed by the Contractor on the Company's premises shall conform to published working hours and shall account for the Company's observed holidays. Due diligence shall be considered by the Contractor for all union work rules.

ARTICLE 42. INSPECTION AND TESTING

All Work will be subject to inspection and testing at any reasonable time or times by Company, which shall have the right to reject unsatisfactory Work. Neither the inspection and testing of Work nor the lack of same nor acceptance of the Work by Company nor payment thereof shall relieve Contractor from any of its obligations under this Contract.

Any inspection and testing performed by Company shall not relieve Contractor of the responsibility for providing quality control measures to assure that the Work strictly complies with the Contract requirements. Contractor shall cooperate with any inspection and testing performed by Company.

Any deficiencies discovered during the testing phase which are not caused by the fault or negligence of Company shall be corrected promptly by Contractor at Contractor's sole expense. The testing phase will be repeated following correction of the deficiencies, and shall be performed at Contractor's expense.

ARTICLE 43. DRAWING REVIEW

Review by Company of any drawing(s) or other Deliverables submitted by Contractor is only to determine the general conformance with the design concepts and shall not relieve Contractor of its responsibility to comply with all requirements of this Contract and for the accuracy of the drawings or the materials fabricated from such drawings.

ARTICLE 44. SAFETY AND HEALTH/ACCIDENT AND DAMAGE PREVENTION

Contractor shall be solely responsible for being aware of and initiating, maintaining and supervising compliance with all safety laws, regulations, precautions, and programs in connection with the performance of the Work. Prior to the start of any Work, Contractor shall assure that each of its own employees, together with all employees of its Subcontractors of any tier, are fully informed concerning all safety, health, and security regulations pertaining to their Work.

Contractor shall conduct all Work in such a manner as to avoid the risk of bodily harm to persons or risk of damage to any property.

In the event Contractor fails to promptly correct any violation of safety or health regulations, Company may suspend all or any part of the Work. Contractor shall not be entitled to any extension of time or reimbursement for costs caused by any such suspension order. Failure of Company to order discontinuance of any or all of Contractor's operations shall not relieve Contractor of its responsibility for the safety of personnel and property.

Contractor shall maintain an accurate record of and shall promptly report to Company all cases of property damage in excess of \$100 and of death, occupational diseases, or injury to employees or any other third parties and incident to performance of Work under this Contract. Contractor promptly shall provide Company with Notice of any safety citation issued by any governmental entity and a copy thereof.

ARTICLE 45. PROTECTION OF EXISTING FACILITIES; SITE REGULATIONS

Contractor shall protect existing equipment and facilities, and avoid interference with Company's operations. Contractor shall not remove or alter any part of the existing structures, equipment or facilities without the prior knowledge and consent of Company.

Contractor while performing Work at the Work Site shall make itself aware of and adhere to the Company Work Site regulations, if any, including without limitation environmental protection, loss control, dust control, safety, and security including, but not limited to, the provisions outlined in Exhibit F, Contractor Health, Safety and Environmental.

ARTICLE 46. PROGRESS MEETINGS

Progress meetings will be held as deemed necessary by Company. Progress meetings will be utilized to review progress of Work under this Contract and to discuss any delays, unusual conditions, or critical items which have affected or could affect the progress of the Work.

ARTICLE 47. PRESERVATION OF PUBLIC/PRIVATE ACCESS

Contractor shall not damage, close, or obstruct any highway, road, or other public or private easement, except to the extent allowed by permits. If such facilities are closed, obstructed, damaged, or made unsafe by Contractor, Contractor shall, at its sole expense, make such repair as necessary and shall also provide such temporary guards, lights, and other signals as necessary or required for safety or as reasonably requested by Company.

ARTICLE 48. SUPERINTENDENCE BY CONTRACTOR

Contractor shall have competent supervisory personnel satisfactory to Company and with authority to act for Contractor present at the Work Site at all times the Work is in progress.

ARTICLE 49. USE OF PREMISES AND TRESPASS

Contractor shall confine the storage of materials and construction equipment to locations acceptable to Company and in accordance with all applicable ordinances, regulations, or laws. Contractor shall provide adequate safety barriers, signs, lanterns, and other warning devices and service to properly protect any person having access to or near the Work

Site. Contractor shall be solely responsible for any act of trespass or any damage to adjacent property resulting from or in connection with its operations under this Contract.

ARTICLE 50. UNDERGROUND OBSTACLES

Contractor shall be responsible for ascertaining the location of and avoiding damage to all underground installations including without limitation cable, gas, water pipes, telephone lines, and other underground installations, whether the location of the excavation, digging, or trenching required for performance of the Work is fixed by Company or by Contractor.

ARTICLE 51. CLEANUP

Contractor shall keep the Work Site, including storage areas used by it, free from accumulation of waste materials or rubbish arising out of the Work, and prior to completion of the Work shall remove and properly dispose of any such rubbish from and about the Work Site as well as remove all tools, equipment and other materials that are not the property of Company. Upon completion of the Work, Contractor shall leave the Work Site in a condition satisfactory to Company. In the event of Contractor's failure within a reasonable time to comply with any of the foregoing, Company may, after Notice to Contractor of such failure, perform the cleanup and removal at the expense of Contractor.

ARTICLE 52. SITE INVESTIGATION

With respect to Work to be performed under this Contract, Contractor will satisfy itself as to the nature and location of the Work, the general, local, physical and other conditions of the Work, particularly those bearing upon transportation, access, disposal, handling and storage of materials, availability and quality of labor, water, electric power, roads, uncertainties of weather, including flash floods or similar physical conditions at the Work Site, the character of conditions on the ground, the character, quality and quantity of surface and subsurface material to be encountered; the character of equipment and facilities needed preliminary to and during the prosecution of the Work, and all other matters which could in any way affect the Work or the cost thereof under this Contract. The failure of Contractor to adequately investigate and acquaint itself with the available information concerning these conditions and all other matters which could in any way affect the Work or the cost thereof under this Contract shall not relieve Contractor from its responsibility for properly estimating the difficulties and costs of successfully performing the Work and completing this Contract, and shall not be grounds for adjusting either the price or the schedule. Company assumes no responsibility for any understanding or representation made by any of its officers or agents during or prior to the negotiations and execution of this Contract.

ARTICLE 53. CHANGED CONDITIONS

Contractor shall immediately and before such physical conditions are disturbed, provide Notice to Company of subsurface or latent physical conditions: (i) differing materially from those indicated in this Contract and the applicable Release and which could not have been discovered pursuant to the site investigations for which Contractor is responsible under ARTICLE 51, SITE INVESTIGATION; and (ii) that are of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in Work. Company will promptly investigate the conditions, and if it finds that such subsurface or latent conditions could not reasonably have been anticipated by the Contractor and do materially differ and cause an increase or decrease in the cost of, or the time required for performance of this Contract and the applicable Release, an equitable adjustment shall be made and this Contract and the applicable Release modified in writing accordingly. Any claim by Contractor for adjustment hereunder shall be made pursuant to ARTICLE 24, CLAIM NOTICE AND RESOLUTION PROCEDURE.

ARTICLE 54. OWNERSHIP OF DESIGNS, DRAWINGS, AND WORK PRODUCT

All materials prepared or developed hereunder specifically for Company by Contractor or its employees, or Subcontractors or their employees or agents, including documents, calculations, maps, sketches, designs, tracings, notes, reports, data, Software, models and samples, shall become the property of Company when prepared, whether delivered to Company or not, and shall, together with any materials furnished Contractor and its employees by Company hereunder, be delivered to Company upon request, and, in any event, upon termination or final acceptance of the Work. Contractor agrees that all Work prepared by it, or its employees, agents or Subcontractors of any tier, or their employees, under this Contract which is subject to protection under copyright laws constitutes "work made for hire," all copyrights to which

belong to Company. In any event, Contractor assigns to Company all intellectual property rights in such Work whether by way of copyright, trade secret or otherwise, and whether or not subject to protection by copyright laws.

Contractor shall retain all rights to its preexisting standard details, specifications, Software or other intellectual property. Such materials, and any other materials such as drawings, reports, notes or specifications necessary to the Company's use, maintenance or repair of the Equipment and/or Software, are hereby licensed to Company, through a fully paid, non-exclusive perpetual license, for Company's own use to the fullest extent necessary to enable Company to continue to use, maintain and repair such Equipment.

ARTICLE 55. PATENT AND COPYRIGHT INDEMNITY

Contractor shall indemnify, defend, and hold harmless Company, its directors, officers, employees, and agents against and from all claims, losses, costs, suits, judgments, damages, and expenses, including attorneys' fees, of any kind or nature whatsoever on account of infringement of any patent, copyrighted or uncopyrighted work, including claims thereof pertaining to or arising from Contractor's performance under this Contract. If notified promptly in writing and given authority, information and assistance, and contingent upon Company not taking any position adverse to Contractor in connection with such claim, Contractor shall defend, or may settle at its expense, any suit or proceeding against Company so far as based on a claimed infringement which would result in a breach of this warranty and Contractor shall pay all damages and costs awarded therein against Company due to such breach.

In case any Equipment, Software or Service or combination thereof is in such suit held to constitute such an infringement and the use of said Equipment, Software or Service is enjoined, Contractor shall, at its expense and through mutual agreement between the Company and the Contractor, either procure for Company the right to continue using said Equipment, Software or Service, or replace same with a non-infringing Equipment, Software or Service, or modify same so it becomes non-infringing, or remove the infringing Equipment, Software or Service and refund the purchase price and any transportation costs separately paid by Company. If removal renders Work unusable for the purposes hereunder, Contractor shall refund all monies paid for the Work. The foregoing states the entire liability of Contractor for intellectual property infringement relating to Equipment, Software, Services or any combination thereof.

ARTICLE 56. COMPLIANCE WITH LAWS; EQUAL OPPORTUNITY

Contractor shall at all times comply with all applicable laws, statutes, regulations, rules, ordinances, codes, and standards, including without limitation those governing wages, hours, desegregation, employment discrimination, employment of minors, health and safety. Contractor shall comply with equal opportunity laws and regulations to the extent that they are applicable. Contractor confirms that its employees and the employees of Subcontractors employed in the performance of the Work may legally work in the United States.

Contractor shall indemnify, defend and hold harmless Company, its directors, officers, employees and agents from all losses, costs and damages by reason of any violation thereof and from any liability, including without limitation fines, penalties and other costs arising out of Contractor's failure to so comply.

ARTICLE 57. INDEPENDENT CONTRACTOR

Contractor is an independent contractor, and all persons employed by Contractor in connection herewith shall be employees of Contractor and not employees of Company in any respect. Contractor is not an agent of Company and shall maintain complete control over its employees.

ARTICLE 58. RELEASE OF INFORMATION – ADVERTISING AND PROMOTION

Contractor shall not publish, release, disclose or announce to any member of the public, press, official body or any other third party any information concerning this Contract and/or the Work to be performed under this Contract, or any part thereof, without the prior written consent of Company, except as required by law. Neither the names of Company, nor the name of the Work Site shall be used in any advertising or other promotional context by Contractor without the prior written consent of Company.

ARTICLE 59. NONEXCLUSIVE RIGHTS

Nothing in this Contract is to be construed as granting to Contractor an exclusive right to provide any or all of the Work anticipated herein. The use of Contractor's services is completely discretionary with Company. This Contract shall not be construed in any way to impose a duty upon Company to use Contractor.

ARTICLE 60. ASSIGNMENT

Contractor shall not assign this Contract, or any part hereof, or any rights or responsibilities hereunder without the prior written consent of Company, and any attempted assignment in violation hereof shall be void.

ARTICLE 61. SUBCONTRACTS

Contractor shall not subcontract any or all of the Work without prior written consent of Company which shall not be unreasonably withheld; and Contractor shall be fully responsible for the acts or omissions of any Subcontractors of any tier and of all persons employed by them, shall maintain complete control over all such Subcontractors, and neither the consent by Company, nor anything contained herein, shall be deemed to create any contractual relation between the Subcontractor of any tier and Company.

ARTICLE 62. NONWAIVER

The failure of Company to insist upon or enforce strict performance by Contractor of any of the terms of this Contract or to exercise any rights herein shall not be construed as a waiver or relinquishment of Company's right to exercise or enforce such terms or rights on any future occasion.

ARTICLE 63. SEVERABILITY

Any provision of this Contract prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Contract.

ARTICLE 64. APPLICABLE LAW AND VENUE

This Contract shall be interpreted in accordance with the substantive and procedural laws of the state in which the project Work Site is located (or, for Releases providing construction extending across state lines, the state in which the majority of the Work Site is located), as designated in the applicable Release for such project. Any litigation between the Parties arising out of or relating to this Contract will be conducted exclusively in appropriate federal or state courts of such state, and Contractor consents to jurisdiction by such courts. The Parties each hereby waive its respective rights to a jury trial with respect to any matter of dispute arising out of or related to this Contract.

ARTICLE 65. ENTIRE AGREEMENT/DOCUMENTS INCORPORATED BY REFERENCE

This Contract any referenced exhibits and attachments and the Release, including all exhibits and attachments thereto, constitute the complete agreement between the Parties and all understandings, representations, warranties, agreements and any referenced attachments, if any, existing between the Parties regarding the subject matter hereof are merged into and superseded by this Contract, which fully and completely expresses the agreement of the Parties with respect to the subject matter hereof. Any Scope of Work, Specifications, drawings, schedules or other documents corresponding to this Contract are incorporated by reference into this Contract. In the event of a conflict between any Scope of Work, Specifications, drawings, schedules or other attachment or exhibit and the above terms and conditions of this Contract, the above terms and conditions of this Contract shall take precedence and control.

Company assumes no responsibility for any understanding or representation made by any of its employees, officers or agents during or prior to the negotiations and execution of this Contract, unless such understanding or representation is expressly stated in the Contract.

ARTICLE 66. EXECUTION AND EFFECTIVE DATE

This Contract has been executed by duly authorized representatives of the Parties and shall be effective as of the date signed by Company.

CONTRACTOR:
RACOM Corporation

COMPANY:
PacifiCorp

By: _____
(Signature)

By: _____
(Signature)

Name: _____
(Type or Print)

Name: _____
(Type or Print)

Title: _____

(Date Executed)

Title: _____

(Date Executed)

Exhibit - A



Statement of Work

Mobile Radio Installation Project

February 10, 2011

A sub-project of:

NARROWBAND COMPLIANCE PROJECT



Statement of Work
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Appendix B – Inventory and Spares

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Attachment A - Radio Installation Guide

Attachment B – AVL Installation Guide

Attachment C – Radio Programming Record

Attachment D Vehicle Installation Record

Introduction

This document describes the initiation, planning, execution, monitoring and controlling and closing of PacifiCorp's Mobile Radio Installation Project. The project will replace a portion of PacifiCorp's existing mobile radios with new Tait MPT mobile radios and is a sub-project of the larger PacifiCorp Narrowband Compliance Project (NC). The NC will provide new Tait MPT infrastructure in all of PacifiCorp's service area currently served by wide-band systems. These radio systems are a critical part of PacifiCorp's operations. It is important that the overall NC, the mobile radio installation project, and PacifiCorp's operations be closely coordinated.

The goal of the mobile radio installation project is to replace the predetermined set of mobile radios with Tait MPT radios while ensuring the following:

- Quality and safety standards are uncompromised.
- Downtime for and impact on PacifiCorp operations are minimized by closely coordinating scheduled activities.
- Costs are minimized by using resources and time effectively.

Project Scope

Overview

The mobile radio installation project area is divided into 26 zones (Appendix A). Each zone will have one or more PacifiCorp service center or office where the installations will be performed. PacifiCorp will provide the radios and accessories for all installations to RACOM at the beginning of the project. RACOM will bring all necessary radios and equipment to each installation location. RACOM will remove the old radios and antennas from PacifiCorp's vehicles, install new Tait radios, coax, antennas and accessories (including but not limited to AVL units, remote head kits, in-cab speakers), and test each radio to ensure proper operation. These installation activities will start in April 2011 and will be completed by September 2011.

Installation Base Assumptions

General

Equipment

- **Current Equipment (for removal or replacement)**
 - **Radio Types (including but not limited to)**
 - **Motorola**
 - Spectra
 - **Kenwood**
 - TK 780
 - TK 7180
 - **GE**
 - Ranger
 - **Other**
 - In-cab speakers
 - Switch assemblies
 - Outside amplified speakers
- **New Equipment (example, not comprehensive)**
 - **Standard Radio Configuration**
 - Tait TM8200 series mobile - transceiver, 50 watt, VHF, dual mode, m-UHF connector, keypad microphone, radio chassis and control head

- Ignition sense kit
- In-cab speaker
- Antenna and mounting kit
- **Additional Components (replacement only, no net new)**
 - Non-standard Antennas/mounts
 - Outside Speaker
 - Automatic Vehicle Location units (AVL)

Radio Program, Bench Test and Ship

All new radios will be initially programmed and benched at the PacifiCorp warehouse or mutually agreed upon location per the Radio Installation Guide (Attachment A). Radio asset information will be recorded and the radios and accessories prepared for shipment to the appropriate PacifiCorp service location. These activities must be completed in time to ensure that the radios are received prior to the installation activities.

PacifiCorp will:

- Provide the radio personality profile and a list of MPT ID & ANI numbers for assignment.
- Provide a list of vehicles to receive outside speakers, Sprite TW5300 AVL receivers, and any other special configuration.

RACOM will:

- Program the radios with the appropriate MPT ID & ANI
 - Retrieve and catalog individual radio calibration files by radio serial number.
 - Load configuration tables into the radio.
 - Apply the PacifiCorp provided sticker with serial number, ANI number and MPT ID to the bottom of the radio.
 - Configure MPT ID, ANI number, and conventional home channel.
- Pre-install the Sprite TW5300 AVL unit as required
- Bench test and record the results in the Radio Programming Record (Attachment C) using currently calibrated test equipment
- Prepare the radios and accessories for shipment

Basic Installation Directives

Use the following directives for all mobile radio installations:

RACOM's resources will conduct themselves in a safe and professional manner when on PacifiCorp property or in PacifiCorp vehicles.

- Follow all OSHA safety guidelines.
- Follow all warnings in the installation instructions.
- Follow all general and site specific PacifiCorp safety requirements.
- RACOM must follow the manufacturer's instructions and PacifiCorp's specifications for all installations.
- All coaxial cable is to be replaced; they will not be re-used in any vehicles.
- Some unique radio installations may require special consideration regarding radio and antenna mounting and antenna or accessory re-use. In these cases, the RACOM must follow the direction of the Business Liaison and record any deviations from standard in the Vehicle Installation Record.
- RACOM will provide miscellaneous screws, connectors, tie wraps, etc.

Removal of Existing Radio

- Remove existing VHF radios in assigned vehicles including any power wiring, outside speakers that are old or worn (see next bullet), antennas, and coaxial cable that will no longer be used, fill and seal any holes created by equipment removal.
- The outside speakers will be examined to determine whether they require replacement. If the speakers are damaged, or if the sound is not of a similar quality to a new speaker, the speaker will be replaced. A recommendation will be made when the vehicle is made available to RACOM at the beginning of each shift. The acceptance of this recommendation will be noted on the Vehicle Installation Record.
- Existing external alerting devices such as relays that drive or light alerts will not be reconnected to the new radio, they will be left in place and their ends appropriately capped to prevent shorting.
- If an in-vehicle portable charger exists, it is to remain in-place.
- Remove all old radios and accessories from PacifiCorp location within five business days after completion.
- Dispose of any non-reusable antennas, coaxial cable, and power cables removed from the vehicles and any new equipment packaging by placing in PacifiCorp provided dumpsters.

Installation of New Radios

- RACOM must follow the Radio Installation Guide (Attachment A) and PacifiCorp's specifications for all installations.
- Install the new radio, microphone hanger (grounded), coaxial cable, antenna, and optional Sprite TW5300 AVL receiver and/or outside speaker if specified.
- Electrical Connection
 - Radio *must* be attached to the positive terminal of the battery or to a direct-connected fused terminal block (not the vehicle fuse panel or any existing "Charge Guard" device.)
 - Type ATC automotive blade fuses and holder supplied by PacifiCorp must be used. The ACG type fuse and holder typically supplied with the Tait radio will not be used
 - The radio power ground return must directly connect to the body frame or battery grounding lug. Other radio accessories may be connected to body frame.
 - Ignition cable will be connected to ACC or IGN at the vehicles fuse box using the appropriate ATC or ATM fuse tap.
 - The number of wire splices must be minimized and are to be inspectable.
 - Wire size must equal to or exceed the wire size provided with the radio and the wire must be stranded.
 - Installer will wire the mobile radio outside speaker output only when an outside speaker exists in the current installation. The speaker is to be wired as balanced (not grounded).
- Mounting
 - Radio/control head and microphone (as applicable)
 - The radio/control head shall be placed in the old radio's location or as otherwise authorized by the Business Liaison.
 - Unacceptable locations: Any place which presents a safety hazard or renders the radio controls difficult to reach, or in a place where the control head is difficult to view from a normal driving position.
 - Radio chassis (if a remote control head applies) The radio chassis will be mounted as indicated below or as otherwise authorized by the Business Liaison.
 - Trucks
Mount behind the seat on the passenger side. The power/control connections should be easily accessible for future programming of the radio and the serial number of the radio should be easily read.
 - Cars

Mount in the trunk. Install so that radio is out of direct traffic use and so that power/control connections are easily accessible for future programming of the radio and the serial number of the radio should be easily read.

- Vans
 - Mount behind passenger seat if equipped with utility screen, or behind last seat. Install so that power/control connections are easily accessible for future programming of the radio and the serial number of the radio should be easily read.
- Accessory Installation (as applicable)
 - Speakers
 - In-cab speaker– Replace existing speakers. Install speaker in existing location or as otherwise authorized by the Business Liaison.
 - Outside speaker - Install outside speaker such that it is accessible but out of the way of normal operation of vehicle. Pick-up trucks may have outside speaker installed in engine compartment as authorized by the Business Liaison.
 - VHF Antenna
 - If the current antenna placement does not interfere with vehicle operations, the current penetration should be used.

For new vehicle installations, or installations where the current placement will affect vehicle operations, the following placements are acceptable

 - Middle of roof (Recommended 1st choice)
 - Middle of trunk (2nd choice)
 - Side of hood (cowl or fender) (3rd choice) - (NOTE: When antenna is installed here, performance suffers).
 - Antenna must not be mounted on a bumper.
 - For vehicles with structures over the cab, subject to substation overhead clearance limits, placement in the middle of the roof is not recommended. The number of vehicles affected by substation overhead clearance limits should be discussed during the zone planning meeting with the Local Vehicle Coordinator.
 - On boom trucks, the antenna should be placed in an area that has the least interference with boom operation.
 - Headset Junction Boxes
 - Headset junction boxes will be left in place and connected to the radio. A standard RJ45 connection is expected to be sufficient for connection.
 - In cases where work beyond a standard connection is needed, the installer is to consult with the Business Liaison to determine whether the work will be performed by PacifiCorp or by RACOM and charged as time and materials.
 - RF Power Amplifier
 - If there is currently an RF power amplifier in the vehicle it will be left in-place and connected to the new radio. New power amplifiers will not be installed as part of this project.
 - Automatic Vehicle Location Unit and GPS antenna
 - GPS antenna/receiver should be mounted on the exterior of the cab roof, the roof will be penetrated, and the cabling will be threaded behind the headliner to the AVL unit.
 - The AVL unit or vehicular monitoring interface will be mounted in the vehicle in a place where it is unlikely to be in the way of normal operation of the vehicle.
 - The AVL unit will be connected to the radio as specified in the AVL installation Guide. (See Attachment B)
 - Program the AVL unit as specified in the AVL installation Guide (Attachment B)
- Labeling

- Place PacifiCorp-provided jump start warning labels near vehicle battery.
- Instruct the end user on the operation of the radio in conventional mode at the time of installation and distribute PacifiCorp provided laminated instruction card.
- A PacifiCorp representative will sign the Vehicle Installation Records after installation and RACOM will supply a list of the installed vehicles.
- PacifiCorp will perform a thorough quality check on some vehicles to determine the level of quality and may add unsatisfactory vehicles to the punch-list for correction of issues.

Radio Testing

All mobile radios will be tested as instructed in the Radio Installation Guide (Attachment A) and to the parameters in the tables detailed in the Vehicle Installation Record (Attachment D). Measurements are to be conducted with vehicle engine idling, using currently calibrated test equipment.

Disposal of Old Radios

- RACOM will provide PacifiCorp with a compliance certificate for the total inventory stating that if reused, the radios will not interfere with the PacifiCorp radio system. If disposed of, the radios were recycled in accordance with all state and federal regulations and in an environmentally responsible manner.

Project Requirements/Responsibilities

RACOM Responsibilities

Safety/Compliance

- Ensure all installation activities are conducted in a safe, professional and workmanlike manner in compliance with RACOM's statement of quality and OSHA and PacifiCorp safety standards.
- All onsite personnel are required to pass a RACOM-provided criminal background and drug test and complete PacifiCorp-mandated training prior to beginning work.
- Provide personnel information to PacifiCorp 1 month prior to coming to plant sites for any activity. This will allow PacifiCorp time to review and establish security access for RACOM employees and sub-contractors.
- RACOM must obtain any legal permits required to perform this work in each jurisdiction where installations are required.
- PacifiCorp's personnel may have union representation in the business unit concerned with this contract. Respondents must be prepared to perform the work in an environment that includes those personnel and work in harmony with our employees, contractors and labor management groups including but not limited to union management.

Project Management

- Assign a project manager who will be responsible for the successful implementation of the project.
- Manage the work of any RACOM resources, allocating and utilizing resources in an efficient manner.
- Complete the work with minimum business disruption.
- Maintain close co-ordination of project activities and issues with PacifiCorp.
- Provide a weekly status report.
- Develop and provide location cost estimates for each Zone.

- Develop and maintain the mobile installation project schedule that is mutually agreed upon by RACOM and PacifiCorp, taking into consideration the overall Narrowband Compliance project schedule and business needs.
- The schedule may be subject to change for reasons of inclement weather or other unforeseen events limiting PacifiCorp vehicle availability. If such an event occurs, every effort will be made to redirect the installation crew to an unaffected area to continue work.
- Record and manage RACOM project risks/issues and escalate where necessary.
- Ensure there are a sufficient number of installers to complete the installation activities on schedule.
- Plan and conduct the technical/safety kickoff meeting for each location.
- Plan and conduct location initial and final planning calls with PacifiCorp.
- Plan and conduct location lessons learned calls with PacifiCorp as required to improve project processes.
- Return any unused or extra parts to PacifiCorp.
- Follow up and resolve any issues with the installation or operation of the radio or the vehicle that was caused by the installation in a timely manner.
- Provide a post-installation help line for routine incident resolution.
- Conduct post-installation customer satisfaction surveys for each vehicle.
- Guarantee all work and follow up on and resolve issues that present themselves post-installation.
- Train the end users or supervisor on the conventional operation of the radio at the time of the installation.
 - This will consist of showing the supervisor and any operators present how to select the conventional mode and channel and/or leaving the PacifiCorp laminated instruction card in the vehicle and conduct a brief Q&A session
 - Inventory management/installation records
- Keep and track PacifiCorp's radio inventory, maintaining the list of radios, serial numbers, ANI numbers and MPT IDs.
- Maintain PacifiCorp's spares radio and parts inventory list as described in Appendix B.
- Return and track defective equipment.
- Pick up and distribute the PacifiCorp supplied materials from warehouses in Salt Lake City and Portland.
- Complete and deliver a Vehicle Installation Record for every vehicle from which a radio is removed or replaced (see Attachment D).
- Compile asset management information from the Vehicle Installation Record (vehicle ID, MPT ID # radio serial number, and location) in Microsoft Excel™ format.

PacifiCorp Responsibilities

Project Management

- Provide Project Manager for escalation of risks/issues.
- Provide Project Workstream Lead for primary project contact.
- Provide Business Liaison(s) as the primary field point of contact.
- PacifiCorp will provide secured access to the vendor within a reasonable period after the receipt of personnel information from RACOM. Reference section 2.1 above
- Provide at the site a safety orientation as required by company policy and site procedures.
- Work with RACOM to coordinate the overall Narrowband Compliance project and mobile installation project schedules.
- Provide RACOM initial radio inventory, radio serial numbers, MPT ID numbers, and provide vehicle list before location installation start date.
- Develop usage content and provide the laminated instruction cards.
- Participate in location initial planning and location final planning calls with RACOM.

- Coordinate installation activities with PacifiCorp's operations and RACOM.
- Provide contact information of local vehicle coordinator who will coordinate vehicle availability during installation.
- Provide on-site coordination with RACOM.
- Ensure the predetermined vehicles are available for RACOM to perform the installation tasks.

Project Communication Plan

This section outlines the communications requirements for the mobile radio installation project. It identifies key stakeholders, roles and responsibilities and communication methods.

Key Stakeholder Organizations

- PacifiCorp Operations – System end user
- PacifiCorp Fleet – Vehicle installation location
- PacifiCorp Telecom – Infrastructure and overall project management
- RACOM –Project management and installation

Roles and Responsibilities

RACOM Project Manager – Steve Holmes

RACOM's project manager shall:

- Work with PacifiCorp's mobile installation project coordinator and project manager to coordinate the mobile installation project schedule with the overall NARROWBAND COMPLIANCE PROJECT schedule
- Develop and maintain the mobile installation project schedule that is mutually agreed upon by RACOM and PacifiCorp project managers
- Develop and provide to PacifiCorp the initial budget estimates
- Coordinate installation activities with PacifiCorp's coordinator and PacifiCorp's project manager
- Ensure there are a sufficient number of installers to complete the installation activities on time
- Plan and conduct the technical/safety kickoff meeting
- Plan and conduct zone initial and final planning calls with PacifiCorp
- Conduct a go/no-go storm check phone call to PacifiCorp distribution control supervisor(s) prior to the start of each day.
- Plan and conduct zone lessons learned call with PacifiCorp as required to improve project processes
- Plan and conduct asset management; deliver asset data in MS Excel™ format within five business days of each zone completion.
- Act as a liaison between RACOM and PacifiCorp

RACOM Team Leader

RACOM team leader, during the installations and in the absence of RACOM's project manager, shall:

- Conduct the technical/safety kickoff meeting
- Provide On-Site coordination with PacifiCorp's local vehicle coordinator
- Record asset information, vehicle number, radio serial number and MPT ID number
- Ensure adherence to quality and safety standards
- Ensure that technical service orders are completed and signed

PacifiCorp Project Manager – Joe Brisley
 PacifiCorp’s project manager shall:

- Provide point of escalation for risks and issues.
- Provide oversight and supervision for the mobile installation planning.

PacifiCorp Mobile Installation Workstream Lead – Heidi Hartson
 PacifiCorp’s mobile installation project coordinator shall:

- Work with RACOM’s project manager to coordinate the overall Narrowband Compliance Project and mobile installation project schedules
- Participate in zone initial and final planning calls with RACOM’s project manager
- Provide RACOM’s project manager with a list of vehicles, radio serial numbers and MPT ID numbers
- Act as a liaison between PacifiCorp and RACOM
- Provide vehicle list six weeks in advance of zone installation start date
- Coordinate installation activities with PacifiCorp operations and RACOM’s project manager
- Provide contact information for local vehicle coordinator who will coordinate vehicle availability during installation

PacifiCorp Local Vehicle Coordinator
 PacifiCorp local vehicle coordinator shall:

- Provide on-site coordination with RACOM’s team leader or RACOM’s project manager
- Ensure there is adequate and reasonably clean space for RACOM to perform the installation activities
- Ensure there are the predetermined and sufficient number of vehicles available for RACOM to perform the installation activities

Formal Communications

This matrix provides an overview of the communications documents and meeting used by the project

What	Target Audience	Purpose	Content - Responsibility	When	Type / Method
Mobile Installation Project Schedule	PacifiCorp	Provide a timeline to follow for planning and deployment	Schedule of deliverables, sites, and activities – RACOM	Initial schedule with RFP response, ongoing maintenance	MS Project preferred
Location Initial Planning	PacifiCorp /RACOM	Initiate location activity planning	Initial information about location – PacifiCorp /RACOM	6 weeks prior to location installation	Phone call or meeting with follow up e-mail as required
Location Cost Estimate	PacifiCorp	Provide a cost estimate to PacifiCorp for each location	Cost estimate - RACOM	4 weeks prior to location installation	MS Excel
Vehicle List	RACOM	Provide a list of PacifiCorp vehicles to be installed	Vehicle number and location - PacifiCorp	4 weeks prior to location installation	MS Excel
Location Final Planning	PacifiCorp /RACOM	Finalize location activity planning	Final information about location installation - PacifiCorp /RACOM	3 week prior to location installation	Phone call or meeting with follow up e-mail as required
Radio Inventory	RACOM /PacifiCorp	PacifiCorp provides a list of radios with serial numbers and MPT ID. RACOM maintains list throughout the installation.	radio serial numbers and MPT ID – PacifiCorp	Provided prior to installation, maintained daily during installation.	MS Excel
Vehicle	PacifiCorp	Record of detailed	The installer’s name, date	Within 5 business	Electronic copy

What	Target Audience	Purpose	Content - Responsibility	When	Type / Method
Installation Record		vehicle information	and location installed, test results, MPT ID, vehicle number, radio serial number - RACOM	days after location installations are completed	of document signed by installer & local PacifiCorp representative
Radio Calibration File	PacifiCorp	Provide calibration file of the radio	Calibration file retrieved after configuration tables are loaded onto the radio – RACOM	Within 5 business days after radio programming is completed	Electronic copy referenced by serial #
Customer Satisfaction Surveys	PacifiCorp	Manage installation quality and user perception	To be developed but minimally including training, neatness and timeliness of installation.	Within 5 business days after location installations are completed	Satisfaction Survey Cards
Asset Management	PacifiCorp	Provides a list of installed vehicles, serial numbers and MPT IDs.	vehicle ID, radio serial number, accessory serial numbers, MPT ID and location – RACOM	Within 5 business days after Zone installations are completed	MS Excel
Weekly Report	PacifiCorp	Keep PacifiCorp aware of project progress	Reporting of project planning, implementation progress, and Risks/Issues - RACOM	Weekly	Email and supporting documentation

Contact List

RACOM

Name	Role	Office Phone Number	Mobile Phone Number	E-Mail
Steve Holmes	RACOM project manager	(515) 289-2400	(515) 681-1745	steve.holmes@RACOM.net
RACOM Network Control Center	RACOM central dispatch	888-752-1070		netcontrol@RACOM.net
Mike Miller	Project Sponsor	(888) 752-1067		Mike.Miller@RACOM.net

PacifiCorp

Name	Role	Office Phone Number	Mobile Phone Number	E-Mail
Bob Metcalf	MEHC Program Manager	515 242 4379	515 979 1600	rsmetcalf@midamerican.com
Bob Ward	PacifiCorp Program Manager	503 813 5826	503 913 4759	Robert.ward@pacificorp.com
Joe Brisley	PacifiCorp Project	503 813 7032	503 484 4564	Joe.brisley@pacificorp.com

Name	Role	Office Phone Number	Mobile Phone Number	E-Mail
	Manager			
Heidi Hartson	Project Workstream Lead	503 813 6375	503 347 0613	Heidi.hartson@pacificorp.com
Kevin Stephens	Pacific Power Business Liaison	503 967 6160	541 967 6155	Kevin.stephens@pacificorp.com
Lynn Hansen	Rocky Mountain Power Business Liaison	801 629 4224	801 726 0717	lynn.hansen@pacificorp.com
Randy Worthington	Rocky Mountain Power Business Liaison	801 220 7292	801 910 1604	Randy.worthington@pacificorp.com
Bill Fields	PacifiCorp Energy Hydro Business Liaison	503 813 6605		Bill.fields@pacificorp.com
Jim Wilcox	PacifiCorp Energy Thermal Business Liaison	801 220 4741		James.wilcox@pacificorp.com

Informal Communications

Phone Calls – All conversations that affect the decision making concerning the mobile radio installation project shall be followed up with an e-mail describing that topic.

E-mail – All e-mails shall have an appropriate subject line.

Glossary

This glossary provides a list of common term and definitions used by the project. Team members are reminded to use terms that are clearly understood when communicating. If a term is ambiguous they should provide additional definition to ensure clarity.

- MPT ID number – A unique number that identifies the MPT radio on the system – May also be referred to as unit ID in MPT system
- Serial number – A unique number that identifies the physical radio
- Vehicle number – A unique number that identifies the PacifiCorp vehicle, May also be referred to unit number in asset management.
- Asset management – The systems and processes used to establish and maintain the relationship between items. In this case, between the vehicle, radio and MPT ID
- Unit – Caution should be used when with this term because it could mean MPT unit ID or PacifiCorp vehicle unit number

- In-Cab Speaker – also known as Remote Speaker or External Speaker. A speaker, external to the control unit, that is connected to the radio via an external jack. The Tait 8200 series uses a Remote Speaker option cable connected to the Power connector.
- Out-Side Speaker – A weather proof speaker, typically a horn type, mounted on the outside of the vehicle and connected to a switch. This switch is wired to the remote speaker output.

Project Schedule

The mobile radio installation project schedule will be maintained by RACOM's project manager and be coordinated with the overall Narrowband Compliance Project schedule. The Narrowband Compliance Project go-live date will be used as a fixed date for scheduling each of the zones planning and installation activities.

The mobile radio installation project will use a rolling wave planning and scheduling technique to take advantage of lessons learned. The lessons learned will be conducted after each zone and will be used to improve the planning and execution of next zone.

Major Project Milestone

- Initial zone and location information complete
 - Address and contact information
 - Vehicle information
- Frequency, fleet map and radio personalities complete
- Radio program and bench complete
- Zone installation activities
- Project closure

Major Milestone Events for Each Zone

- There are 26 zones with one or more installation locations. (see Appendix A)
- Milestone payments will be made at the completion of each zone upon customer and client acceptance.

These milestones represent significant events that reoccur for each zone

- Initial zone planning
- Final zone planning
- Zone installation activities
- Zone post installation activities
- Zone go-live
- Zone administrative closure

Change Management Process

RACOM recommended changes to project scope, deliverables, or budget will be documented and submitted to the Business Liaison for review and approval. Any changes accepted by PacifiCorp will follow PacifiCorp's Change Management process to obtain necessary PacifiCorp management approvals before any changes to project scope, schedule, deliverables, or costs are made.

Punchlist

- It is understood that PacifiCorp operational priorities may prevent RACOM from performing installation during the scheduled times. PacifiCorp will make every effort to minimize these occurrences.
- If RACOM is unable to complete all installations in a given zone because of PacifiCorp operational priorities, the vehicle can be added to a punch list of uncompleted items (Not to exceed 10% of the number of vehicles per zone).
- The remainder of the zone can be considered complete and RACOM may invoice for installed mobiles
- At an agreed upon time, RACOM will complete installations and all other items on the punchlist.
- Punchlist completion will be considered the final milestone.

Risk Management Process

RACOM follows the risk management practices from the Project management Institute (PMI). All projects carry an inherent risk but by proactively planning, identifying and managing risk greatly improve the rate of project success. We work closely with all project stakeholders, through regular ongoing communication, to identify and manage not only threats that may negatively impact the project but opportunities that will improve project performance.

Weather is one of the risks that can negatively impact the project by making travel difficult or requiring PacifiCorp crews to be put into service. Throughout the project we will monitor weather conditions and work closely with PacifiCorp and the installation teams to reduce, as much as possible, the negative impact it might have on the schedule, cost or safety.

Quality Management Plan

Quality is an integral part of RACOM. We believe quality is everyone's responsibility and maintain and improve quality by using well trained and dedicated staff. Examples of our commitment to quality are; applying best industry practices to all of our work, using best of class products and performing quality check lists.

Cost Estimates

Fixed Unit Rate

Fixed Service Rates

Travel and Per Diem

Contract Rates

- Level 1 Rates – applicable to first 8 hour shift between 6:00 AM and 6:00 PM Monday through Friday, excludes holidays:
- Level 2 Rates – applicable to any continual hours worked past 8 hours Monday thru Friday on non-holidays or any hours between 6:00 PM and 6:00 AM Monday thru Friday on non-holidays, the first 8 hours on holidays,
- Level 3 rates – applicable to any hours from 12:00 AM Saturday to 12:00 AM Monday; any hours past 8 hours on a holiday

The cost estimate is based on the current contract between PacifiCorp and RACOM. The contract provides for fixed unit cost for the removal and installation of radios as well as time and travel rates for travel, per diem and services. RACOM will prepare a cost estimate for each zone based on the information available at the time. This information includes the number of vehicles, location of the

PacifiCorp service centers, the available time and the number of installers required to complete the installation activities. It should be noted that while the cost estimates are based on the contract rates, it is not a firm fixed price for the project. At the conclusion of each zone's installation, RACOM will prepare and submit a final invoice to PacifiCorp for payment.

RACOM's project manager will make every effort to minimize the cost to PacifiCorp for the project by:

- Planning and coordinating all activities with PacifiCorp's project manager and PacifiCorp coordinator
- Using installation resources effectively
- Gaining PacifiCorp's preauthorization for any overnight stays
- Improve efficiencies by incorporating lessons learned into the planning and execution process

Pricing Schedule
Contract Rates

Pricing rates should be all inclusive, encompassing; labor, misc parts, tools, project management and documentation.

Hourly Rates

Level 1 Rates Approximately 25% – applicable to first 8 hour shift between 6:00 AM and 6:00 PM Monday through Friday, excludes holidays

Level 2 Rates Approximately 65% – applicable to any continual hours worked past 8 hours Monday thru Friday on non-holidays or any hours between 6:00 PM and 6:00 AM Monday thru Friday on non-holidays, the first 8 hours on holidays,

Level 3 rates Approximately 10% – applicable to any hours from 12:00 AM Saturday to 12:00 AM Monday; any hours past 8 hours on a holiday

A time window will be scheduled, the vehicle will be brought to the location and installation must be completed during the allotted time.

Unit Pricing						
	Item	Approximate quantities	Per unit price Level 1 (25%)	Per unit price Level 2 (65%)	Per unit price Level 3 (10%)	
A	Dash mount radio installation (chassis and control head single unit).	850	\$ 187.50	\$ 238.13	\$ 268.13	
A	Remote control head radio installation (separate from chassis)	550	\$ 281.25	\$ 357.19	\$ 402.19	
A	Remove a generic mobile radio-including but not limited to: radio, accessories, coax and antenna.3	1450	\$ 87.50	\$ 111.13	\$ 123.98	
A	Automatic Vehicle Location unit and GPS antenna installation and programming.	657	\$ 93.75	\$ 119.06	\$ 134.06	
A	Outside speaker installation.	600	\$ 56.25	\$ 71.44	\$ 80.44	
Subtotal – A	Cost based on fixed rates and listed quantities (final cost to be adjusted to actual quantities) including any taxes where applicable.		\$ 134,325.00	\$ 443,047.44	\$ 76,562.68	\$ 653,935.12
B	Per-Diem daily rate – Includes overnight stays and meals – requires pre-approval. (Rate and total	TBD by schedule	\$ 150.00	\$ 93,900.00		

	est. cost)				
B	Total estimated Mileage charge (per mile rate and total est. cost)	As needed	\$ 1.95	\$ 127,939.50	
B	Other Travel (Estimate total cost)	Air Travel	\$ 10,550.00		
B	Homestart (all Homestart - employee home - locations are within 60 miles of the service center)	As needed	\$ 626.11		
Subtotal - B	Cost based on fixed rates and estimated quantities and estimated other costs as listed (final cost to be adjusted to actual quantities). including any taxes where applicable.				\$ 232,389.50
	Total Cost - sum of Subtotal - A and Subtotal - B.				\$886,324.62

Other Cost / Pricing

Recycling or Re-Purposing Credit - not Level dependant.	1450	75% of the sale of radios			See note 2
Re-programming a radio	If requested	\$ 35.00	\$ 44.45	\$ 50.05	
In-vehicle portable radio charger installation	If Requested	\$ 100.00	\$ 127.00	\$ 143.00	
Deprogram old radio, pack and ship in preparation for resale (Deprogram all frequencies.)	1450	\$ 33.75	\$ 40.50	\$ 45.64	See note 3
Initial Programming/Bench and ship to location - (Includes initial programming and configuration as described in 4.2)		\$ 68.75	\$ 83.94	\$ 92.94	See note 1
Technician Hourly Rate	As needed and pre-approved by PacifiCorp Business Liaisons or Project/ Program Manager	\$88	\$110	\$125	

Note 1 All initial programming and configuration as described in 4.2 shall be performed during normal business hours at the PacifiCorp warehouse prior to shipping to the field

Note 2 RACOM will make reasonable effort to sell PacifiCorp's old radio equipment with 75 % of the profit being credited to PacifiCorp and 25 % of the profit going to RACOM.

Note 3 Remove generic radio price includes placing old radio on the PacifiCorp provided pallet

Note 4 All Deprogramming shall be performed during normal business hours at a PacifiCorp or RACOM warehouse

Exhibit A - Appendix A: Location Information

Zone	Business Unit	Location	State		Estimate of mobiles from 2011/1	Address 1
14	RMP	DOUGLAS	WY		8	835 SMYLIE RD, DOUGLAS, WY. 82633
14	RMP	LARAMIE	WY		7	115 McConnell, Laramie, WY. 82070
14	PE Thermal	Wyodak Thermal Plant	WY		2	Near Gillette, WY (east)
14	RMP	CASPER	WY		36	2840 E Yellowstone Hwy, Casper, WY. 82602
14	RMP	CASPER tech ops	WY			610 Antler, Casper, WY
14	RMP	BUFFALO	WY		4	62 TW RD, BUFFALO, WY. 82834
14	PE Thermal	Dave Johnston Thermal Plant	WY		13	Near Glenrock, WY (east)
14		ZONE 14			70	
15	RMP	RIVERTON	WY		8	1315 East Park Ave, Riverton, WY. 82501
15	RMP	CODY	WY		17	226 W YELLOWSTONE AVE, CODY, WY. 82414
15	RMP	WORLAND	WY		10	1905 Robertson Ave, Worland, WY. 82401
15		ZONE 15			35	
16	PE Thermal	Jim Bridger Thermal Plant	WY		55	Near Point of Rock, WY (north)
16	RMP	RAWLINS	WY		8	1408 Pacific ST, Rawlins, WY. 82301
16	RMP	Kemmerer	WY		2	
16	PE Thermal	Naughton Thermal Plant	WY		26	Near Kemmerer, WY (south)

16	RMP	PINEDALE	WY		8	62 SOUTH JACKSON AVE, PINEDALE, WY. 82941
16	RMP	ROCK SPRINGS	WY		32	415 N ST, ROCK SPRINGS, WY. 82901
16	RMP	ROCK SPRINGS tech ops	WY			7720 Foothill Blvd, Rock Springs, WY
16		ZONE 16			131	
17	RMP	REXBURG	ID		29	2nd North 170 West, Rexburg, ID. 83440
17	RMP	SHELLEY	ID		25	852 E 1400 N, Shelley, ID. 83274
17	RMP	Rigby Tech Ops	ID			610 North Annis Hwy, Rigby, ID
17		ZONE 17			54	
18	RMP	PRESTON	ID		26	509 S 2nd E, Preston, ID. 83263
18	RMP	MONTPELIER	ID		6	24852 US HWY 89, MONTPELIER, ID. 83254
18	RMP	LAVA HOT SPRINGS	ID		9	85 S 6TH W, LAVA HOT SPRINGS, ID. 83246
18	PE HYDRO	IDAHO HYDRO	ID		12	822 Grace Power Plant Rd, Grace, Idaho
18		ZONE 18			53	
19	RMP	TREMONTON	UT		7	596 NORTH 400 WEST, TREMONTON, UT. 84337
19	RMP	SMITHFIELD	UT		15	780 North Main, Smithfield, UT. 84335
19	RMP	EVANSTON	WY		19	105 Commerce Dr, Evanston, WY. 82930
19		ZONE 19			41	
20	RMP	Wasatch Restoration Center	UT		37	
20	RMP	LAYTON	UT		21	635 North 1200 West, Layton, UT. 84041
20	RMP	OGDEN	UT		62	1438 W 2550 S, Ogden, UT 84401
20	RMP	WEST VALLEY CITY	UT		48	12840 Pony Express Rd, Draper, UT 84020
20	RMP	SALT LAKE CITY	UT		70	1569 West North Temple, Salt Lake City, UT. 84116
20	PE HYDRO	UTAH HYDRO	UT		22	(1218 12th st. Ogden, Ut) (1018 N 1630 E Orem, UT)
20	RMP	TERMINAL SUB, SLC,	UT		44	4800 West 500 South, Salt Lake City, UT. 84104
20	PE Thermal	Gadsby Thermal Plant				1359 West North Temple - Rear. Salt Lake City, UT 84116

20		ZONE 20			304	
21	RMP	TOOELE	UT		13	555 North Main, Tooele, UT. 84074
21	RMP	AMERICAN FORK	UT		48	70 North 2nd East, American Fork, UT. 84003
21	RMP	PARK CITY	UT		20	6280 N Silver Creek Rd, Park City, UT. 84098
21	RMP	Santaquin (New)??	UT		8	
21		ZONE 21			89	
22	RMP	RICHFIELD	UT		23	710 North Main, Richfield, UT. 84701
22	RMP	Gunnison	UT		2	
22	RMP	Delta	UT		4	60 North 400 West, Delta UT 94624
22		ZONE 22			29	
23	PE Thermal	Blundell Thermal Plant	UT		9	Near Milford, UT (north)
23	RMP	CEDAR CITY	UT		29	2217 Kittyhawk Dr, Cedar City, UT. 84720
23	RMP	HURRICANE (Dixie SVC & St George)	UT		12	455 N Old Hwy 91, Hurricane, UT 84737
23		Zone 23			50	
24	RMP	VERNAL	UT		7	183 South 500 East, Vernal, UT, 84078
24	RMP	PRICE	UT		23	2011 South Hwy 10, Price, UT. 84501
24	PE Thermal	Carbon Thermal Plant				Near Helper UT (north)
24	PE Thermal	Hunter Thermal Plant	UT		5	Near Castle Dale, UT (south)
24	PE Thermal	Huntington Thermal Plant	UT		36	Near Huntington, UT (west)
24		Zone 24			71	
25	RMP	MOAB	UT		18	320 North 1st West, Moab, UT. 84532
25		ZONE 25			18	
26	PP	Madras	OR		10	1655 NW MILL ST, MADRAS, OR. 97741
26	PP	Bend Sub Ops	OR		4	201 SW Columbia, Bend OR 97702
26	PP	Bend	OR		29	328 NE Webster, Bend OR 97701
26		ZONE 26			43	
27	PP	Lakeview/Alturas	OR		6	1339 S. 3 rd , Lakeview, OR 97630

27	PP	Klamath Falls	OR	28	1950 MALLARD LN, KLAMATH FALLS, OR. 97601
27	PP	Klamath Falls Sub Ops	OR	8	1950 MALLARD LN, KLAMATH FALLS, OR. 97601 (same address, different building)
27	PE HYDRO	KLAMATH HYDRO	OR	19	26020 Hwy 66, Keno, Oregon
27		ZONE 27		61	
28	PP	Yreka	CA	19	300 S MAIN, YREKA, CA. 96097
28	PP	Yreka Sub Ops	CA	3	1842 S Oregon St. Yreka, CA 96097
28	PP	Crescent City	CA	11	1054 Northcrest Dr, Crescent City, CA. 95531
28	PP	Mount Shasta	CA	4	412 Mill St. Mt. Shasta CA 96067
28		ZONE 28		37	
29	PE HYDRO	ROGUE HYDRO	OR	21	(1111 Mill Creek Dr. Prospect, Oregon) (925 S. Grape St, Medford, OR)
29	PP	Grant's Pass Sub Ops	OR	1	1420 Williams Hwy, Grants Pass, OR. 97527 (same address, different building)
29	PP	Medford (Grape Street Office)	OR	31	925 South Grape St, Medford, OR. 97501
29	PP	Medford Sub Ops	OR	11	925 South Grape St, Medford, OR. 97501 (same address, different building)
29	PP	Grant's Pass	OR	32	1420 Williams Hwy, Grants Pass, OR. 97527
29		ZONE 29		96	
30	PE HYDRO	UMPQUA HYDRO	OR	38	7279 Toketee Ranger Station Rd, Idleyld,OR
30	PP	Roseburg	OR	22	4025 Old Hwy 99 South, Roseburg, OR. 97471
30	PP	Roseburg Sub Ops	OR	10	4025 Old Hwy 99 South, Roseburg, OR. 97471
30		ZONE 30		70	
32	PP	Coos Bay	OR	15	135 Lockhart, Coos Bay, OR 97420
32		ZONE 32		15	
33	PP	Albany/Willamette Power Sub Ops	OR	6	1247 Montgomery St. SE Albany, OR 97322
33	PP	Albany	OR	45	830 Old Salem Rd, Albany OR 97321

33	PP	Lincoln City	OR	9	416 NE Hwy 101, Lincoln City, OR. 97367
33		ZONE 33		60	
34	PE HYDRO	NORTH HYDRO (Lewis River)	WA	44	105 MERWIN VILLAGE CT, Ariel, WA 98603
34	PE HYDRO	HYDRO STAFF	OR	6	LCT - 825 N E Multnomah Street Portland, OR 97232
34	PP	Portland	OR	32	7719 NE 21st Ave, Portland, OR 97211
34	PP	Portland Sub Ops	OR	11	7719 NE 21st Ave, Portland, OR 97211
34		ZONE 34		93	
35	PP	Astoria (Clatsop)	OR	24	2340 SE Dolphin, Warrenton, OR 97146
35		ZONE 35		24	
36	PP	Hood River	OR	9	1290 Tucker Rd, Hood River, OR. 97031
36		ZONE 36		9	
38	PP	Sunnyside	WA	16	409 E Lincoln Ave, Sunnyside, WA. 98944
38	PP	Yakima Sub Ops (keys road office)	WA	2	500 North Keys Rd, Yakima, WA. 98901
38	PP	Yakima (keys road office)	WA	53	500 North Keys Rd, Yakima, WA. 98901
38		ZONE 38		71	
39	PP	Walla Walla	WA	26	650 E DOUGLAS, WALLA WALLA, WA. 99362
39	PP	Pendleton	OR	31	4235 Westgate Ave, Pendleton, OR. 97801
39	PP	Walla Walla Sub Ops	WA	7	650 E DOUGLAS, WALLA WALLA, WA. 99362
39		ZONE 39		64	
40	PP	Enterprise	OR	9	111 W NORTH ST, ENTERPRISE, OR. 97828
40		ZONE 40		9	
	PE HYDRO	Total PE Hydro		162	
	PP	Total PP		509	
	RMP	TOTAL RMP		765	
	PE Thermal	TOTAL PE Thermal		146	
		TOTAL ALL		1582	

Exhibit A, Appendix B – Inventory and Spares

Spares List

The RACOM will maintain the spares list and contact PacifiCorp Workstream Lead for replacements if needed.

Mobile transceiver, chassis, control head, etc	20
Larsen 1/4 Wave, Wideband, Mobile Antenna - 88709 NMOWBQC	20
Mobile Ant kit,NMO, 17', no conn MAX-BM-NC	20
Ignition Sense Cable TMAA04-05	20
Inst TMA Rmt 6m for Single CHd (Remote Control head)	10
In-cab speaker	20
Outside speaker	15

Tracking information for Spares:

If spares are needed in a location, notes will be included on the Vehicle Information Record that state whether the original equipment failed, or is a net-new install at the direction of the Business Liaison, or is a replacement that was not previously noted in documentation.

If the quantity of spares falls below 40%, PacifiCorp is to be notified that an order is required.

This information should be clearly called out in the location rollup asset management documentation.

PacifiCorp and RACOM will work with Tait's policies to define an RMA process that is mutually acceptable.

Exhibit A, Appendix C Responsibility Assignment Matrix

Item	RACOM project manager	RACOM team leader	PacifiCorp project manager	PacifiCorp coordinator	PacifiCorp Other (telecom, stores, trainers)
*** Project Management and Project Schedule ***					
Develop NARROWBAND COMPLIANCE PROJECT infrastructure go-live schedule			X		
Develop & maintain mobile radio installation project schedule	X				
Coordinate overall schedules – NARROWBAND COMPLIANCE PROJECT & operations	X		X	X	
*** Radio Programming Activities ***					
Develop frequency plan and fleet map					X
Develop radio program personalities					X
Program and bench radio		X			
Deliver radio, antennas, etc. to site		X			
*** Installation Activities ***					
Coordinate installation activities	X	X		X	
Coordinate vehicles				X	
Coordinate radio installations	X	X			
Ensure quality & safety standards are followed	X	X			
*** Old Radio Disposal Activities ***					
Reprogram old radios		X			
Ensure that old radios are properly dispose and reported to PacifiCorp	X				
*** Asset Management ***					
Provide list of vehicles, serial numbers and MPT ID to RACOM			X		
Provide asset management information to PacifiCorp	X				
*** Cost ***					
Prepare cost estimate	X				
Approve cost estimate			X		
Conduct end user training (conventional		X			

Item	RACOM project manager	RACOM team leader	PacifiCorp project manager	PacifiCorp coordinator	PacifiCorp Other (telecom, stores, trainers)
briefing and QA session at time of installation)					

Exhibit A, Attachment A - Radio Installation Guide

Document Name	Description
MMA-00028-04	Tait TM81/8200 Installation Guide



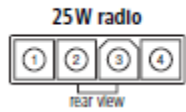
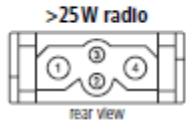
Installation Guide
MMA-00028-04.pdf

(ATTACHED)

A TMAA04-05 ignition sense kit is available. The kit comprises a mating plug for the radio's auxiliary connector and a 4m (13 foot) length of cable to connect to the vehicle's ignition signal. Refer to the installation instructions supplied in the kit for full details.



Power and Remote Speaker Connections



Pin	Signal	Function
1	AGND	Earth return
2	SPK-	External speaker -
3	SPK+	External speaker +
4	+13V8 BATT	DC power input (10.8V to 16.0V)

Exhibit A, Attachment B – AVL Installation Guide

Document Name	Description
AVL Installation Guide[1]	WS5300 In-Vehicle Telematics Equipment
AVL Installation Guide	TW5300 Receiver-Antenna Installation Guide



WS5300 Installation
Overview.pdf



TW5300 Installation
Guide.pdf

(BOTH ATTACHED)

Exhibit A, Attachment C – Radio Programming Record

The following is a draft of the Radio Programming Record to be completed during the Program and Bench Process.

Technician -	Test Location -	Date -
--------------	-----------------	--------

Radio Personality -	Revision & Date	By
---------------------	-----------------	----

Serial Number	MPT ID	ANI	TX Power (watts)	TX Freq (+/_ Hz)	TX Audio Dev (KHz)	CTCSS TX Dev (Khz)	RX Sens (db)	Pass (Y/N)

Ship to Location -	Shipped By -	Ship Date
--------------------	--------------	-----------

Exhibit B
Company's Travel and Expense Reimbursement Policy

**** Receipts are required for all reimbursable expenses except meals less than \$25.00 ****

- **Airfare and lodging:** All travel, that you request reimbursement from PacifiCorp, must be approved prior to booking. Contract firms may make their own arrangements for air travel, rental car and hotel stays, but expenses must meet these guidelines. PacifiCorp will reimburse for coach class travel only. Charges in excess of coach ticket are the responsibility of the contract firm. Booking flights less than seven (7) days prior to departure is strongly discouraged and must be approved by the hiring manager. PacifiCorp will only reimburse for standard hotel rooms and prefers that contractors use hotels where negotiated discounts are available. Check with PacifiCorp for hotels with discounted rates. The contractor is welcome to utilize the PacifiCorp, or your own corporate, discounts.
- **Rental cars / ground transportation:** If a rental car is required, there will be only one car per contract firm and rental will require the approval of the hiring manger. PacifiCorp may require proof of insurance. A discounted rate is also available with Enterprise for car rentals.
- **PacifiCorp** will reimburse shuttle, cab or mileage for one trip to and from the airport up to a maximum of \$50 for each business trip. If you park at the airport, PacifiCorp will reimburse you for economy parking only. Receipts for all ground transportation, parking and mileage are required.
- **Use of personal or company vehicles** will be reimbursed at the currently effective IRS allowed rate per mile. Required automobile insurance is required.
- **Meals:** PacifiCorp will reimburse for breakfast, lunch and dinner for each day of contract work for non-local contractors. The standard meal reimbursement should not exceed \$55 per day. However, this is not a per diem amount that is automatically paid for each day of work. PacifiCorp will not reimburse for any meals that the contractor (or contracting agency) purchases for PacifiCorp employees, such as team lunches/dinner.
- **PacifiCorp** will only reimburse for meal gratuities @ 15%. All other gratuities are not reimbursable (e.g. taxis, porters, bellhops, or hotel staff).
- **Non-Reimbursable Expenses:** The following is a listing, though not all inclusive, of expenses that will not be reimbursed;
 - Business gifts
 - Expenses for non-business purposes
 - Fines
 - Local travel time (defined as within 50 miles of consultants office)
 - General office supplies.
 - Personal entertainment or recreation (in-room movies, health club)
 - Expenses incurred by contractor family members.
 - Expenses not supported with a valid receipt.
 - Alcoholic beverages.
 - Laundry service.
 - Personal hygiene products (shampoo, razors blades, toothbrushes)
 - Parking for local contractors.
- **Expense report documentation:** Accurate expense reports submitted in a timely manner substantially reduce the invoice processing time. Reports include a worksheet or listing of each expense, with date, type of expense and amount noted. **Receipts are required for all reimbursable expenses except meals less than \$25.00 .** You can use a standard form from your company or request one from PacifiCorp. Please see the sample entry below if you are creating your own worksheet.

EXAMPLE

Date	Type of expense	Amount	Location (i.e., Plant location)	Receipt included
5/1/2010	Hotel room charge	98.11	Portland	Yes
5/1/2010	Meals	27.24	Portland	Yes
5/1/2010	Vehicle Rental	34.55	Portland	Yes
5/1/2010	Fuel	12.95	Portland	Yes

Exhibit C
Letter of Credit Terms

The following are the terms and conditions required by PacifiCorp when establishing a Letter Of Credit.

- PacifiCorp must approve the issuing bank.
- Applicant (Contractor and/or Supplier) name appearing in the Letter of Credit and Contract must be EXACTLY the same.
- If issuing bank is located outside the United States (US) then it must be confirmed by US banking institution approved by PacifiCorp.
- It is to be an Irrevocable Standby Letter Of Credit in favor of PacifiCorp.
- Drafts are payable at sight.
- The expiry date must be no earlier than 12 months from issuance.
- Partial and multiple drawings are permitted.
- The Letter of Credit is available by PacifiCorp's draft (s) at sight when accompanied by a copy of an invoice and one of the two following statements, signed by a representative of PacifiCorp, reading as follows:
 1. We hereby certify that the Applicant has violated the terms and conditions of the Contract dated month/date/year. The undersigned, an authorized representative of PacifiCorp (Beneficiary) hereby certifies that the Applicant has failed to comply with and/or violated the terms and conditions of that certain Contract (s) signed by and between the Applicant and Beneficiary and the amount of the accompanying draft drawn under Letter of Credit No. #0000000 represents the amount the Beneficiary is entitled to draw on the Letter of Credit as a result of the occurrence of such failure to comply and/or violation; or
 2. Applicant has not renewed or provided to Beneficiary an acceptable replacement Letter of Credit within 30 days of expiration of the original Letter of Credit No. 0000000.
- In all events the issuing bank will fund the draw of the beneficiary within 24 hours of presentment.

The LOC will provide for the beneficiary to deliver the required documents to fund the draw by either mail or courier with the address of the issuing bank stated as the point of delivery.

Exhibit F**Contractor Health, Safety and Environmental**

Contractor: _____

Applicability

The health, safety and environmental requirements below apply to all contractors performing work at all PacifiCorp worksites. The contractor named above (hereinafter, Contractor) shall also ensure compliance with these requirements by all of its subcontractors of every tier. Any, and all training required in order for Contractor's personnel and the personnel of Contractor's subcontractors to comply with these requirements shall be received by those personnel prior their performance of applicable work. All such training shall be at Contractor's expense.

Security

Contractor shall be responsible for the security of all contractor-furnished material and equipment, as well as any PacifiCorp-furnished material and equipment received by Contractor.

The PacifiCorp project manager or other on-site PacifiCorp project supervisory personnel (hereinafter, PacifiCorp Supervisor) may require identification of persons entering or leaving PacifiCorp sites or project sites. PacifiCorp may also require searches of vehicles entering or leaving its sites or project sites. PacifiCorp-owned project materials may only be removed from project sites with prior express written approval from the PacifiCorp Supervisor. Contractor shall each day provide the PacifiCorp Supervisor the number of contractor personnel working on the project and when, where, and what work will occur.

Personal Protective Equipment Requirements

On all PacifiCorp work sites including pre-bid meetings and job walks.

Contractor shall ensure that their employees are provided with and wear;

- o Non-Metallic Hard Hat satisfying ANSI Z89.1-2003 Class E
- o Safety Glasses with Side Shields, satisfying ANSI Z87.1 -2003
- o Safety Footwear, satisfying ANSI Z-41/ASTM F2413 with a class 75 rating
- o Synthetic clothing should not be worn on any PacifiCorp worksite where energized work may be performed

When work is to be performed by Contractor on Electrical Equipment that is or may become energized, at 50 volts or greater, or within the area of a Sub-Station, Contractors employees shall wear, at a minimum;

- o Long sleeve FR Shirts with an ATPV of 8.0 cal/cm² for shirt fabrics), with sleeves rolled down and buttoned. Note: Shirts or clothing with a higher ATPV may be required for

1

2

work on some equipment at those sites where indicated by signage. Consult with PacifiCorp Supervisor to determine applicability of higher levels of protection.

When setting or removing meters from energized meter bases Contractors employees shall utilize;

- o Face Shields that satisfy ANSI Z87.1 -2003

Tools, Equipment and Safety Supplies

Except as specifically noted elsewhere in the contract, Contractor shall provide all tools, equipment and supplies, including safety supplies, to perform the work in a safe and appropriate manner.

Safety, Health and Environmental Accident and Damage Prevention

Prior to starting any work, Contractor shall inspect the project site to ensure Contractor fully recognizes and understands all health, safety, and environmental site conditions. Contractor shall also, prior to starting work, review and understand all health, safety, and environmental laws, regulations, permit conditions, and requirements applicable to performance of Contractor's project work.

Prior to start of any work, Contractor shall ensure that each of its employees and its subcontractors are fully informed concerning all applicable safety, health, environmental and security regulations and project requirements, as well as all pertinent health, safety or environmental site conditions.

Contractor shall ensure, through health, safety & environmental discussions each day that all workers present are fully informed concerning all applicable safety, health, environmental and security regulations and project requirements, as well as all pertinent health, safety or environmental site conditions or potential injurious exposures. Contractor shall ensure all workers at each of Contractor's PacifiCorp work locations each day participate in these discussions on the health and safety aspects and potential environmental impacts of the day's work. Such meetings or discussions shall be repeated any time there are changes in the work group or work conditions resulting in new hazards or new potential exposures. These meetings shall be documented on a contractor provided form. Example *Tailboard forms* are attached for your reference. These documents shall be retained with project documentation and available to the PacifiCorp Supervisor.

Contractor shall conduct operations in such a manner as to prevent or control the risk of bodily harm to persons, environmental damage or releases, and/or damage to property. Unsafe, unhealthful and environmentally threatening conditions shall be addressed immediately. Records shall be generated of all such conditions and all steps undertaken to mitigate them.

Contractor shall ensure that when working on or in the area of energized, unguarded electrical equipment, or equipment that may become energized at 50 volts or above, that such work is performed by Qualified Persons. When work that is typically completed by non-high voltage electrical contractor is being performed they shall provide a Qualified Person to act as a safety watch and be responsible to monitor all work of non-qualified workers, on a continuous basis, stop any work that could create a hazard, and ensure all safety rules are observed. The qualified person shall ensure that a job briefing is conducted with the persons under his care before each job Contractor shall ensure compliance with all applicable requirements set forth in OSHA, DOT, EPA or any other applicable Federal, state and/or local regulations. Such responsibility shall apply to both its operations and those of its subcontractors. When a PacifiCorp Supervisor notices infractions of safety, health or environmental requirements and notifies Contractor, Contractor shall immediately correct the condition and record the actions taken to make such corrections.

In the event Contractor fails to promptly correct any noted infraction of safety, health, or environmental requirements, or if there is a safety or environmental incident, a PacifiCorp Supervisor may order a suspension of the work via the *Health, Safety or Environmental Incident Notice*. When satisfactory

corrective action is complete, an order to resume work will be issued by a PacifiCorp Supervisor. Contractor shall not be entitled to any extension of time or any claim for damage or excess costs by reason of a notice of infraction, a suspension order, or any corrective action. Failure of PacifiCorp to order discontinuance of Contractor's operations shall not relieve Contractor of its responsibility for the safety of personnel and property. Contractor is responsible for the manner in which all tools and equipment are stored, handled transported, and used, and for the proper use of safety equipment and devices necessary to safeguard personnel at the site, including those of PacifiCorp and other contractors. Contractor will furnish its personnel with personal protective equipment, appropriate to the specific work activity, in accordance with applicable regulations and PacifiCorp site rules. All of its personnel shall wear appropriate protective equipment for the tasks undertaken. All vehicles shall have seats firmly secured and adequate for the number of occupants to be carried. Personnel shall not ride in or upon any moving vehicle, except in a seat or other space specifically designed for human occupancy and in the manner for which it was designed. Seat belts and anchorages meeting the requirements of 49 CFR Part 571 (Department of Transportation, Federal Motor Vehicle Safety Standards) shall be installed in all motor vehicles and shall be used by all occupants at all times when the vehicle is in motion.

Smoking

Smoking is prohibited in all PacifiCorp buildings, enclosed equipment, structures and vehicles, as well as any other area where such prohibitions are posted.

Site control

Contractor shall furnish and utilize safety devices and equipment as appropriate to secure the jobsite and safeguard its personnel, as well as PacifiCorp and subcontractor personnel and members of the public. Contractor shall at all times maintain the jobsite in the safest condition reasonably possible. At all times, it shall be Contractor's duty to correct or arrange to give warning of any hazardous condition. Appropriate precautions and security shall be established by Contractor to protect the public from site hazards and to reduce the site's potential as an attractive nuisance. Barriers, barricade tapes and signs shall identify unsafe conditions. Danger area signs and barricades shall be designated by a predominantly red color. Danger area barricade tape shall be red and shall be lettered with either "DANGER" or "DANGER - DO NOT ENTER." Caution area signs, barricades, and barricade tape shall be designated by a predominantly yellow color. Caution area barricade tape shall be yellow and shall be lettered with "CAUTION." Barricades and barricade tape and/or flagging shall have properly completed information signs attached in a conspicuous location at each entry point stating the date, reason for the barricade and the person to contact for additional information. Signs, barricades, or other precautionary material shall be removed immediately upon termination of the hazard. PacifiCorp uses a protective switching and tagging procedure to ensure systems are safe prior to work being performed on them. Contractor shall familiarize its personnel and the personnel of its subcontractors with the *Switching Terminology* and the *Switching Order Processing Policy* documents, and shall follow all Dispatch and Grid Dispatch procedures appropriate for the work.

In the event of an incident requiring outside assistance, Contractor's personnel shall call 911 (local county dispatch emergency number) in order to receive the appropriate emergency assistance.

All accidents and fires are to be reported to Dispatch and to the PacifiCorp Supervisor. The person that reports the emergency must give his name, state the nature of the emergency and the location of the emergency. The Dispatcher and the PacifiCorp Supervisor will log the event and notify PacifiCorp Risk Management.

In the event of a fire, accident, or evacuation emergency, Contractor must assemble and account for its personnel. Upon completion of an accurate personnel count, Contractor is to report the status of its personnel to the PacifiCorp Supervisor.

Incident Reporting

Contractor shall maintain an accurate record of all cases of property damage and of death, occupational diseases, or injury to its employees or to any third parties that are related to performance of work under the contract. All such incidents shall promptly be reported to the PacifiCorp Supervisor on a *Contractor Incident Report*.

Weekly Reporting

Additionally every Wednesday before 1PM Contractor shall provide either electronically or via fax a copy of the *Contractor Safety Report* of any incidents that have occurred since the previous report. If no incidents have occurred a Copy of the *Contractor Safety Report* shall be submitted denoting no incidents. This is required whenever contractor has any personnel working on any PacifiCorp property. *Contractor Safety Report* is attached for your use.

In the event of an environmental release, Contractor's personnel shall immediately contact the Spill Hotline answering service at (800) 947-7455, which will take the name and phone number of the caller. A Power Delivery Health, Safety and Environment Department employee will return the call. In addition, all environmental incidents shall be reported to the PacifiCorp Supervisor.

Hazardous Materials

Contractor's personnel and those of its subcontractors are required at all times to be familiar with and abide by all provisions of the OSHA Hazard Communication Standard and SARA Title III, Emergency Planning and Community Right-to-know Act (EPCRA) rules.

Cleanup

Contractor shall keep the work area, including storage areas used by it, free from accumulation of waste and trash.

Contractor is solely responsible for the transport, storage, security, handling, use, removal, disposal, and all other aspects of materials it brings to, causes to have brought to, or receives at the jobsite. Contractor shall promptly remove all of its unused material (unless desired by Company to be left on site) and all of its generated waste and shall leave none behind at completion of the project. Upon completion of the work, Contractor shall leave the work area in a condition satisfactory to PacifiCorp.

In the event of Contractor's failure, within a reasonable time, to satisfactorily clean the area, PacifiCorp may, after written notice to Contractor, perform the clean-up and removal at Contractor's expense.

Health, Safety and Environmental Violations

All health, safety and environmental violations with respect to work performed by Contractor, or its subcontractors of any tier, must be corrected by Contractor. Contractor shall be solely liable for all costs, including government-imposed penalties, associated with health, safety, and/or environmental violations attributable to Contractor or its subcontractors.

Abnormal or Hidden Hazards

Contractor shall inspect the project site to ascertain all site abnormalities and hidden hazards.

Contractor shall make note of these abnormalities and hidden hazards, shall determine methods for addressing them and shall record such determinations. Contractor shall inform its personnel and its subcontractors of the abnormalities and hidden hazards and its determinations in their regard. All notes, records of determinations, etc. with regard to site abnormalities and hidden hazards shall be copied for and provided to the PacifiCorp Supervisor.

Subcontractors

These requirements apply to all subcontractors. It is the responsibility of Contractor to inform all its subcontractors regarding the applicable work rules and security, environmental, health, and safety requirements prior to the start of any subcontracted work, and to train such subcontractors if necessary. PacifiCorp will provide copies of these requirements to subcontractors upon request.

Contractor Acknowledgement

The undersigned Contractor representative hereby acknowledges receipt of these requirements. Contractor represents that it has reviewed and understands these requirements, and will abide by and enforce these requirements with its personnel and those of its subcontractors.

CONTRACTOR

Name: _____

Title: _____

Signature: _____

Date: _____

Rev3 04-29-05
System Operations

Order Title:

Equipment Description:

Job Location:

GPS Coordinates:

EMERGENCY PHONE NUMBER:

YES NA YES NA YES NA

Job plan review Confined space & shoring Environmental clean-up

Other work groups (contractors) Proper rigging & pulling equip Gates & fences secure

Safety Manual Inspection of tools & equipment Non-standard construction

Grounding Manual review Mobile substation barriers Communication check (radio, other)

Fall protection Chemicals (acid, SF6,PCB's) Health hazards / MSDS

Job assignments

N/A -- Not applicable

YES NA

Compass / Switch order number?

Hold De-energized test? Voltage detector Buzzing Grounding method used?

Assurance Clearance point(s)?

Clearance

Comments or unusual switching:

YES NA

What is the minimum approach distance? Type of cover-up / barrier required?

How is electrical apparatus or equipment being isolated, disabled or modified?

What are the potential induced currents, voltages and back feed?

Vehicle grounding / barricading plan?

Stored energy device, spring, air, capacitor, mechanical, other?

Other potential hazards or safety considerations?

Re-Tailboard:

Initials: - -

Re-Tailboard:

Initials: - -

CREW INITIALS: --- --- ---

TIME: GF: DATE:

DATE: MGR: DATE:

TAILBOARD CONDUCTED BY: SIGNATURE

Note reasons for re-tailboarding, include initials of individual responsible for job planning and anyone new to the crew.

Weather, (lighting) terrain & other considerations (slips, trips & falls)

SIGNATURE SIGNATURE

SIGN OFF

Vermin droppings & other contamination
PPE review (FR clothing, hearing footwear, eyewear, hard hats and other PPE)

SWITCHING REVIEW

POTENTIAL HAZARDS & PLANNED CONTROL MEASURES

Note: Points checked "YES" below include a brief outline of the planned control measures

RE-TAILBOARD

TAILBOARD AND RISK ASSESSMENT

JOB PLANNING

Use back of form for additional comments, if needed

"EVERYONE'S INTENTION SHOULD BE PREVENTION"

Company Name: - Example Only - Do Not Duplicate - _____

Rev3 04-29-05

Job Description: GPS Coordinates:

Job Location:

Facility Point #

Order Number:

EMERGENCY PHONE NUMBER:

YES NA YES NA YES NA

Job plan review Fall protection Communication check (radio, other)

Other work groups (contractors) Confined space, trenching/shoring Health Hazards / MSDS

APM / RMD (Resource Manual) review Non-standard construction Environmental clean-up

Grounding manual review Proper rigging & pulling equip Job assignments

Inspection of tools & equipment

Substation Circuit # Voltage(s)

YES NA Recloser # Compass / switch order #

Hold De-energized test? Voltage detector Buzzing Grounding method used?

Assurance Open point(s)?

Clearance Clearance point(s)?

YES NA

How is electrical apparatus or equipment being isolated, disabled or modified?

What is the minimum approach distance? Type of cover-up / barrier required?

What is the potential back feed or induction?

What are the hazardous deteriorated facilities?

Traffic control measures put in place?

Vehicle grounding / barricading plan?

Other potential hazards or safety considerations?

Initials: - -

Initials: - -

CREW INITIALS: _____ -- --- --- ---

TIME: DATE:

DATE: DATE:

SIGN OFF

TAILBOARD CONDUCTED BY: SIGNATURE

SIGNATURE SIGNATURE

GF:

MGR:

Re-Tailboard:

Re-Tailboard:

PPE (FR clothing, hearing, footwear, eyewear, hard hats, safety vests and other PPE)

Note reasons for re-tailboarding, include initials of individual responsible for job planning and anyone new to the crew.

RE-TAILBOARD

Points checked "YES" below must include a brief outline of planned control measures

Weather, (lightning) terrain & other considerations (slips, trips & falls)

POTENTIAL HAZARDS & PLANNED CONTROL MEASURES

N/A Not applicable

SWITCHING REVIEW

Lines & Services Work

"NOT GROUNDED

NOT DEAD"

JOB PLANNING

TAILBOARD AND RISK ASSESSMENT

Use back of form for additional comments, if needed

Company Name: Example Only - Do Not Duplicate

Rev3 04-29-05

Underground Work

Job Description:

Job Location:

Order Number:

Facility Point #:

EMERGENCY PHONE NUMBER: *Use back of form for additional comments, if needed*

YES NA YES NA YES NA

Job plan review Confined space & shoring Environmental clean-up

Other work groups (contractors) Escape Plan Proper rigging & pulling equip

Safety Manual Rescue Plan Non-standard construction

Grounding Manual review Air test acceptable Communication check (radio, other)

Fall protection Permit /Non-permit Health Hazards / MSDS

Inspection of tools & equipment Vehicle grounding / barriers Job assignments

Gates & fences secure

N/A -- Not applicable

Voltage(s)

Compass / Switch order #

YES NA Recloser Number

Hold De-energized test? Voltage detector Buzzing Grounding method used?

Assurance Open point(s)

Clearance Clearance point(s)

YES NA

What is the minimum approach distance?

How is electrical apparatus or equipment being isolated, disabled or modified?

What is the potential back feed or induction?

What are the hazardous deteriorated facilities?

Other potential hazards or safety conditions?

Initials: - -

Initials: - -

CREW INITIALS: --- --- ---

TIME: GF:

DATE: MGR:

Company Name: Example Only - Do Not Duplicate

DATE:

SIGNATURE SIGNATURE

Circuit Number(s)

Substation(s) Circuit Number(s)

Type of cover-up / barrier required?

POTENTIAL HAZARDS & PLANNED CONTROL MEASURES

TAILBOARD CONDUCTED BY: SIGNATURE

DATE:

TAILBOARD AND RISK ASSESSMENT

GPS Coordinates:

Substation(s)

"NOT GROUNDED

NOT DEAD"

JOB PLANNING

Weather, (lightning) terrain & other considerations (slips, trips & falls)

PPE (FR clothing, hearing, footwear, eyewear, hard hats, safety vests and other PPE)

SWITCHING REVIEW

Re-Tailboard:

SIGN OFF

Points checked "YES" below must include a brief outline of planned control measures

Note reasons for re-tailboarding, include initials of individual responsible for job planning and anyone new to the crew.

RE-TAILBOARD

Re-Tailboard:

Use additional sheets for more incidents.

Contractor Safety Report

Report is due by **1:00 p.m. each Wednesday**. Please complete form and fax to 503-813-7190 or email to ContractorSafetyInfo@pacificorp.com. Any questions, contact Ryan Meurisse at 503-813-7101.

Contractor Name:

Report Date:

Company Contact Name and Number:

There are no new incidents to report.

Incident 1

___ Vehicle Incident – Preventable ___ OSHA Recordable Incident ___ Near Miss

___ Vehicle Incident – Non-Preventable ___ Lost Time Incident ___ Circuit Interruption

Employee name:

Date of incident:

Location of incident:

Name, title, phone number of person submitting information:

Description:

Actions taken to ensure incident does not reoccur:

Incident 2

___ Vehicle Incident – Preventable ___ OSHA Recordable Incident ___ Near Miss

___ Vehicle Incident – Non-Preventable ___ Lost Time Incident ___ Circuit Interruption

Employee name:

Date of incident:

Location of incident:

Name, title, phone number of person submitting information:

Description:

Actions taken to ensure incident does not reoccur

Health, Safety or Environmental Incident Notice
(To be issued to Contractor's Representative by the Project Manager)

This serves as formal written notice to Contractor of an observed Health, Safety or Environmental infraction.

Repeat and/or additional infractions may result in termination of work in accordance with contractual agreements. Any cost incurred as a result of this notice shall be to Contractor's account.

CONTRACTOR: _____

SITUATION:

First verbal notice given to

(Name and company of person receiving verbal notice of infraction)

by _____ on _____

(Name of person giving verbal notice) (Date verbal notice FIRST given)

Work suspension ordered? Yes ____ No ____

Work suspension released. Date _____ Time _____

PLANNED CORRECTIVE ACTION (This section is to be completed by Contractor):

Expected completion date: _____ Date completed: _____

PERSON GIVING WRITTEN NOTICE

Name: _____

Signature: _____

PERSON RECEIVING WRITTEN NOTICE

Name: _____

Signature: _____

Date: _____

cc: Power Delivery Health, Safety & Environment Department
Procurement

Exhibit G
Contractor Information Form
Contractor / Vendor Information Form (CIF)

New/Rehire Set-up Recertification

Contractor / Vendor Name: _____
(Last, First, Middle Initial)

Company Name: _____

Address: _____

Phone: _____ Fax: _____

- (1) Successfully Passed Employer's Drug and Alcohol Exam?
Yes No (if no, please complete grey box below) Date Completed: _____
(MM/DD/YYYY)
- (2) Successfully Passed Employer's Background Check?
Yes No (if no, please complete grey box below) Date Completed: _____
(MM/DD/YYYY)
- (3) Completed PacifiCorp's Pre-Hire Compliance Training? Date Completed: _____
(Includes security and CIPS overview.) (MM/DD/YYYY)

I hereby certify that the information provided regarding the Contractor / Vendor is accurate and documentation to support this information will be retained by Contractor / Vendor employer and provided upon Company's request

REQUIRED SIGNATURES:

_____ <i>Signature of Manager from Contractor / Vendor Company</i>	_____ <i>Date</i>
_____ <i>Printed Name</i>	

If Contractor / Vendor did not pass the Background Check or Drug and Alcohol Exam, please contact Colt Norrish at "colt.norrish@pacificorp.com" or 503-813-5545 to discuss:	
_____ Accepted by <i>PacifiCorp Chief Compliance Officer</i>	_____ <i>Date</i>

- **Contractors / Vendors will not be permitted PacifiCorp unescorted access without the completion of a drug/alcohol screening, background check and required training.**
- **Contractor / Vendor Companies are required to submit this completed form to the PacifiCorp hiring/sponsoring manager.**
- **The hiring/sponsoring manager will use the information on this form to complete a Personnel Action Input Form (PAIF), and will submit this form along with the PAIF to the HR Service Center.**
- **For recertification's, this form is to be submitted to the HR Service Center.**

Background Check Requirements:

- 1) Background checks shall be updated no less frequently than every seven (7) years or upon request by Company, and shall, at a minimum, consist of a social security number verification and seven-year criminal background check, including all convictions for a crime punishable by imprisonment for a term exceeding one year.

Drug and Alcohol Screening Requirements:

Drug test shall, at a minimum, be a five (5) Panel Drug Test, which should be recognizable at testing labs as a "SamHSA5 panel at 50NG – THC cut-off".

Exhibit H
Company's Criteria
Background Check Criteria

The Company has a Badge and Access Standards policy which outlines company standards, procedures, compliance policies and workforce responsibilities regarding badges and access to all PacifiCorp controlled areas. Access to Company's Facilities is subject to this policy and requires access to be granted on an as-needed basis after completion of the required background check and training requirements.

In addition, the Company is required to comply with the mandatory Critical Infrastructure Protection Standards (CIPS) issued by the North American Electric Reliability Corporation (NERC) and approved by the Federal Energy Regulatory Commission on January 17, 2008. These CIPS were adopted to ensure that electric utilities, as part of the nation's critical infrastructure, are able to sustain and secure against vulnerabilities that may threaten the electric system and the utilities that operate it. Specifically, CIP-001 through CIP-009 provide a cyber security framework for the identification and protection of assets critical to the reliable operation of the electric system.

In order to ensure compliance with CIPS and the Company's access policy, Company requires that all personnel who will have authorized unescorted physical access to Company's Facilities and/or authorized cyber or unescorted physical access to CIPS Covered Assets (including control centers, substations, generation plants, critical cyber assets, etc.) have the appropriate security clearance and security training.

Individuals who are considered "restricted persons" may not have unescorted access to Company's Facilities or CIPS Covered Assets. An individual will be considered a "restricted person" if the person meets any of the following criteria:

- Is currently under indictment for a crime punishable by imprisonment for a term exceeding one year;
- Has been convicted (within the past seven years) in any court of a crime punishable by imprisonment for a term exceeding one year;
- Is currently a fugitive from justice; or
- Is an alien illegally or unlawfully in the United States.

If an individual's background check indicates that he/she meets any of the above criteria, the individual will be considered a "restricted person" and unescorted access to Company's Facilities or CIPS Covered Assets will not be authorized.