



825 NE Multnomah St., Suite 1600
Portland, Oregon 97232

March 2, 2017

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

RE: *PacifiCorp*
Docket No. ER17-_____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2006), Part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. Part 35 (2016), and Order No. 714¹ regarding electronic filing of tariff submittals, PacifiCorp hereby tenders for filing the following jurisdictional agreement:

Construction Agreement between the City of Lehi ("Lehi City") and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 727.

1. Background and Reason for Filing

Lehi City and PacifiCorp are parties to a Transmission Interconnection Agreement dated December 15, 2006. It was filed on February 14, 2007, under Docket No. ER07-544 and accepted by the Commission as PacifiCorp Rate Schedule No. 599, effective April 15, 2007. The Transmission Interconnection Agreement provides for interconnection at various points along Lehi City and PacifiCorp's electric systems, including one at Lehi City Spring Creek. At the time of filing, the Lehi City Spring Creek point of interconnection was decommissioned.

Lehi City recently requested commissioning of the Lehi City Spring Creek point of interconnection. PacifiCorp has reviewed and studied this request and determined that to accommodate Lehi City's request, certain construction and coordination between the parties will be required. The Construction Agreement sets forth the terms and conditions to complete the project. Accordingly, PacifiCorp respectfully requests that the Commission accept the Construction Agreement, attached hereto, for filing.

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

2. Effective Date and Request for Waiver

In accordance with 18 C.F.R. § 35.3(a)(1), PacifiCorp respectfully requests that the Commission establish an effective date of May 2, 2017, for the Construction Agreement.

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

3. Designation

PacifiCorp requests that the Construction Agreement be designated as PacifiCorp Rate Schedule No. 727.

4. Enclosure

The following enclosure is attached hereto:

Construction Agreement between Lehi City and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 727

5. Communications

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

Patrick C. Cannon
Senior Counsel
PacifiCorp
825 N.E. Multnomah, Suite 1800
Portland, OR 97232
(503) 813-5613
(503) 813-6508 (facsimile)
Patrick.Cannon@PacifiCorp.com

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

6. Service List

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

Joel Eves
Lehi City Power
560 West Glen Carter Drive
Lehi, UT 84043
jeves@lehi-ut.gov

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

Marshall Empey
Utah Associated Municipal Power Systems
155 N 400 West, Suite 480
Salt Lake City, Utah 84103
marshall@uamps.com

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

Respectfully Submitted,

/s/ Patrick C. Cannon
Patrick C. Cannon

Attorney for PacifiCorp

CERTIFICATE OF SERVICE

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

Dated at Portland, Oregon this 2nd day of March, 2017.

/s/ Patrick C. Cannon

Patrick C. Cannon
PacifiCorp
825 N.E. Multnomah, Suite 1800
Portland, OR 97232
(503) 813-5613
(503) 813-6508 (facsimile)
patrick.cannon@pacificorp.com

CONSTRUCTION AGREEMENT

BETWEEN

CITY OF LEHI

AND

PACIFICORP

THIS CONSTRUCTION AGREEMENT (Agreement) is made and entered into the 28th day of February, 2017 by and between PacifiCorp, an Oregon corporation, and the City of Lehi ("Lehi"). PacifiCorp and Lehi are sometimes referred to herein individually as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, Lehi and PacifiCorp entered into an Interconnection Agreement dated December 15, 2006 (FERC Rate Schedule No. 599);

WHEREAS, Appendix A of the Interconnection Agreement provides for the interconnection of the Lehi City Spring Creek;

WHEREAS, Lehi has requested to recommission the Lehi City Spring Creek Point of Interconnection ("POI") and PacifiCorp has reviewed this request and provided to Lehi a completed Facilities Study dated September 19, 2016 (OTP Q0118);

WHEREAS, PacifiCorp and Lehi wish to enter into this Agreement setting forth the division of responsibilities among the Parties, along with associated terms and conditions, relating to all work to be performed by the Parties in connection with the Agreement;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants of the Parties set forth herein, it is hereby agreed as follows:

AGREEMENT

1. Term

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

2. Design and Construction Responsibilities

2.1 Lehi shall, at Lehi's expense:

- a.) Obtain all necessary permits, easements, and rights of way for the construction and interconnection of the 138kV transmission line from the existing 3 way switch on pole 4/18 of the Tri-City – Beef Hollow 138kV transmission line to the Spring Creek metering station.
- b.) Design, purchase, construction and own the 138kV transmission line approximately 0.1 miles from the existing 3 way switch on pole 4/18 of the Tri-City – Beef Hollow 138 kV transmission line to the Spring Creek metering station using 1272 ACSR cable.
- c.) Design, procure, construction and own the metering units, bypass switches, and all other equipment located within the Spring Creek metering station.

2.2 PacifiCorp shall, at Lehi's expense:

- a.) Review and approve the design of the 138kV transmission line for impacts on the existing 3 way switch.
- b.) Provide on-site personnel for interconnection and testing of the 138kV transmission line, 3 way switch and metering.

2.3 Lehi will complete all work associated with the project in accordance with Good Utility Practice following industry standards and guidelines.

3. Ownership

- ### 3.1 All equipment installed under this Agreement on the Lehi side of the POI shall be owned by Lehi. All equipment installed under this Agreement on the PacifiCorp side of the POI shall be owned by PacifiCorp.

4. Operation and Maintenance

- ### 4.1 All equipment installed under this Agreement on the Lehi side of the POI shall be maintained by Lehi. All equipment installed under this Agreement on the PacifiCorp side of the POI shall be maintained by PacifiCorp.

5. Project Cost

- ### 5.1 Estimated costs for the work performed by PacifiCorp for this project is \$14,500.

6. Billing, Payment Procedures and Final Accounting

- 6.1 Within 90 days of completing the construction and installation of the equipment described in this Agreement, PacifiCorp shall provide Lehi with a final accounting report of actual costs and expenses. The final accounting report shall describe all costs incurred by PacifiCorp associated with this project. PacifiCorp shall invoice Lehi for the amount due and Lehi shall make payments to PacifiCorp within 30 calendar days.

7. Force Majeure

- 7.1 As used in this Agreement, a Force Majeure Event shall mean any act of God, labor disturbance, act of the public enemy, war, acts of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment through no direct, indirect, or contributory act of a Party, any order, regulation, or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause which is in each case (i) beyond the reasonable control of the affected Party, (ii) by the exercise of reasonable foresight such Party could not reasonably have been expected to avoid, and (iii) by the exercise of due diligence, such Party shall be unable to prevent or overcome.
- 7.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event ("Affected Party") shall promptly notify the other Party of the existence of the Force Majeure Event. The notification must specify in reasonably detail the circumstances of the Force Majeure Event, the expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance, and if the initial notification was verbal, it should promptly be followed up with a written notification. The Affected Party shall keep the other informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be reasonably mitigated. The Affected Party will use reasonable efforts to resume its performance as soon as possible.

8. Consequential Damages

- 8.1 Neither party shall be liable to the other party hereto for any lost or prospective profits or any special, punitive, exemplary, consequential, incidental, or indirect losses or damages (in tort, contract, or otherwise) under or in respect of this Agreement or for any failure of performance related hereto howsoever caused, whether or not arising from any party's sole, joint, or concurrent negligence and whether or not such party has been advised of the possibility of such damages.

9. Indemnification

- 9.1 Each Party agrees to protect, defend, indemnify and hold harmless the other Party, its officers, employees and agents against and from any and all liability, suits, loss, damage, claims, actions, costs and expenses of any nature, including court costs and attorney's fees, even if such actions or claims are completely groundless, arising out of or resulting from its negligence, gross negligence, or willful misconduct, except to the extent caused by the Party being indemnified. Except in the case of indemnification for third party claims, in no event shall either party's liability to the other party exceed the amounts payable by PacifiCorp to Lehi under this agreement.

10. Choice of Law and Forum

- 10.1 This Agreement shall be governed by, and construed, interpreted, and enforced in accordance with the substantive laws of the State of Utah excluding any conflict of laws principles. With respect to any suit, action or proceedings relating to this Agreement, each Party irrevocably submits to the exclusive jurisdiction of the courts of the State of Utah and the United States District Court located in Salt Lake County, Utah and irrevocably waives any objection that it may have at any time to the laying of venue of any proceedings that have been brought in an inconvenient forum, and further waives the right to object, with respect to such Proceedings, that such court does not have jurisdiction over such Party. Nothing in this Agreement precludes either Party from enforcing in any jurisdiction any judgment, order or award obtained in any such court.

11. Jury Waiver

- 11.1 To the fullest extent permitted by law, each of the parties hereto waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under or in connection with this agreement. Each party further waives any right to consolidate, or to request the consolidation of, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

12. Binding Effect

- 12.1 This Agreement shall be binding on, and inure, to the benefit of the Parties and their heirs, personal representatives, successors, and permitted assigns.

13. Waiver and Modification

- 13.1 No provision of this Agreement may be modified or waived except in writing. No failure by either Party to exercise, and no delay in exercising any right under this Agreement shall operate as a waiver thereof.

14. Complete Agreement

- 14.1 This Agreement, including any attachment(s), constitutes the complete and entire expression of agreement between the Parties in connection with the subject matter hereof.

15. Points of Contact

- 15.1 Any notice, demand, or request provided for in this Agreement shall be in writing and shall be deemed properly given when sent by facsimile or by registered or certified first class mail to the person specified below:

To Lehi: Joel Eves
Lehi Power Director
Lehi City Power
560 West Glen Carter Drive
jeves@lehi-ut.gov

With a copy to:
Marshall Empey
Chief Operations Officer
Utah Associated Municipal Power Systems
155 N 400 West, Suite 480
Salt Lake City, Utah 84103
marshall@uamps.com

To PacifiCorp: Rachel Matheson
Customer Accounts Manager
PacifiCorp
825 N. E. Multnomah Street, Suite 1600
Portland, OR 97232
Rachel.Matheson@PacifiCorp.com

- 15.2 Either Party may, from time to time, by written notice to the other Party, change the designation or address for notice pursuant to this Agreement.

16. Counterparts

- 16.1 This Agreement may be executed in one or more counterparts, whether electronically or otherwise, and each counterpart shall have the same force and effect as an original Agreement and as if all the Parties had signed the same document.

17. Assignment

17.1 PacifiCorp may at any time assign its rights and delegate its obligations under this Agreement, in whole or in part, including, without limitation, transferring its rights and obligations under this Agreement to any: (i) affiliate; (ii) successor in interest, or (iii) corporation or any other business entity in conjunction with a merger, consolidation or other business reorganization to which PacifiCorp is a party. Affiliate includes any entity in which Berkshire Hathaway Inc. owns more than a 5% interest, over which Berkshire Hathaway Energy exercises management control, or which is listed on an exhibit to this Agreement. Company shall not assign its rights, nor delegate its obligations, under this Agreement without the prior written consent of PacifiCorp, and any attempted transfer in violation of this restriction shall be void.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date this Agreement has been signed by both Parties.

PACIFICORP

Signature /s/ Brian Fritz

Name Brian Fritz

Title Director, Transmission Services

Dated: February 28, 2017.

CITY OF LEHI

Signature /s/ Bert Wilson

Name Bert Wilson

Title Mayor

Dated: Feb 27, 2017.

Attest: Marilyn Banasky
City Recorder

CONSTRUCTION AGREEMENT

BETWEEN
CITY OF LEHI
AND
PACIFICORP

RECEIVED

FEB 27 2017

TRANSMISSION SERVICES
PACIFICORP

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- 9.1 Each Party agrees to protect, defend, indemnify and hold harmless the other Party, its officers, employees and agents against and from any and all liability, suits, loss, damage, claims, actions, costs and expenses of any nature, including court costs and attorney's fees, even if such actions or claims are completely groundless, arising out of or resulting from its negligence, gross negligence, or willful misconduct, except to the extent caused by the Party being indemnified. Except in the case of indemnification for third party claims, in no event shall either party's liability to the other party exceed the amounts payable by PacifiCorp to Lehi under this agreement.

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Lehi Power Director
Lehi City Power
560 West Glen Carter Drive
jeves@lehi-ut.gov

With a copy to:

Marshall Empey
Chief Operations Officer
Utah Associated Municipal Power Systems

155 N 400 West, Suite 480
Salt Lake City, Utah 84103
marshall@uamps.com

To PacifiCorp: Rachel Matheson
Customer Accounts Manager
PacifiCorp
825 N. E. Multnomah Street, Suite 1600
Portland, OR 97232
Rachel.Matheson@PacifiCorp.com

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date this Agreement has been signed by both Parties.

PACIFICORP

Signature



Name Brian Fritz

Title Director, Transmission Services

Dated: FEBRUARY 28 2017.

CITY OF LEHI

Signature Bert Wilson

Name Bert Wilson

Title Mayor

Dated: Feb 27, 2017.

attest: Marilyn Bonasky
City Recorder

