

VIA ETARIFF

September 19, 2022

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

RE: *PacifiCorp*
Docket No. ER22-_____-000

Dear Secretary Bose:

Pursuant to Federal Power Act Section 205 and Section 35.12 of the Rules and Regulations of the Federal Energy Regulatory Commission (“Commission” or “FERC”)¹ and Order No. 714² regarding electronic filing of tariff submittals, PacifiCorp hereby tenders for filing the following agreement:

Project Construction Agreement Project Title: Bonanza Solar Resource Modeling: (“Construction Agreement”) between Deseret Generation and Transmission Cooperative (“Deseret”) and PacifiCorp, to be designated as PacifiCorp Rate Schedule No 773.

The Parties requests the Commission accept the Construction Agreement on the 61st day from the date of filing, which is November 19, 2022.

1. Background and Reason for Filing

PacifiCorp and Deseret are parties to the Eighth Amended and Restated Transmission Service and Operating Agreement dated March 29, 2022, and designated as PacifiCorp Rate Schedule No. 280, pursuant to which PacifiCorp provides Deseret’s use of PacifiCorp’s transmission system for service to Deseret members. The Construction Agreement regards: (a) the net power and energy output from a generation resource (“Bonanza Solar”) located at Deseret’s Bonanza generation facility in Vernal, Utah; (b) a request from Deseret that the Bonanza Solar resource be modeled in the PacifiCorp and California Independent System Operator network models; and (c) the work necessary to incorporate the Bonanza Solar resource into the network models.

On September 15, 2022, Deseret and PacifiCorp entered into the Construction Agreement, which sets forth the design, procurement, and installation work to be performed by PacifiCorp to support Deseret’s request. Accordingly, PacifiCorp respectfully requests that the Commission accept the Construction Agreement, attached hereto, for filing.

¹ 16 U.S.C. § 824d, and 18 C.F.R. § 35.12 (2021).

² *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).

2. Effective Date and Request for Waiver

PacifiCorp requests an effective date of November 19, 2022 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 773.

4. Enclosure

The following enclosure is attached hereto:

Construction Agreement between Deseret and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 773.

5. Communications

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

Matthew P. Loftus
Assistant General Counsel
PacifiCorp
825 N.E. Multnomah, Suite 2000
Portland, OR 97232
(512) 813-5620
Matthew.Loftus@PacifiCorp.com

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

6. Notice

Pursuant to 18 C.F.R. § 35.2(e), a copy of this filing is being served on the following:

Clay MacArthur
Deseret Generation & Transmission
Cooperative, Inc.
10714 South Jordan Gateway, Suite 300
South Jordan, UT 84095
cmacarthur@deseretpower.com

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

7. Conclusion

For the reasons described herein, PacifiCorp respectfully requests that the Commission issue an order accepting the attached Construction Agreement for filing with an effective date of November 19, 2022.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "M. Loftus", with a long horizontal flourish extending to the right.

Matthew Loftus
Assistant General Counsel
PacifiCorp

PROJECT CONSTRUCTION AGREEMENT
PROJECT TITLE: BONANZA SOLAR
RESOURCE MODELING

This PROJECT CONSTRUCTION AGREEMENT (“Agreement”) is made and entered into as of September 15, 2022, by and between Deseret Generation and Transmission Cooperative, a cooperative organized under the laws of the State of Utah and authorized to do business in the State of Utah (“Customer”), and PacifiCorp, an Oregon corporation (acting in its capacity of providing generator interconnection and transmission services under the terms of its Open Access Transmission Tariff (“OATT”), “Company”). Customer and Company are also each referred to herein as a “Party” and, collectively, as the “Parties.” Capitalized terms used but not defined in this Agreement shall have the meanings established in Company’s OATT.

RECITALS

- A. WHEREAS, Company owns and operates certain facilities for the transmission of electric power and energy located in Utah;
- B. WHEREAS, Customer is a Transmission Customer of Company pursuant to an Amended and Restated Transmission Service and Operating Agreement;
- C. WHEREAS, Customer has entitlement to the net power and energy output from the Bonanza Solar resource located at Deseret’s Bonanza generation facility in Vernal, Utah (the resource is referred to herein as the “Bonanza Solar resource”);
- D. WHEREAS, Customer has requested that the Bonanza Solar resource be modeled in the PacifiCorp and California Independent System Operator (“CAISO”) network models (as more fully described in this Agreement, including Exhibit B, the “Project”); and
- E. WHEREAS, the Parties desire that Company and Customer (as applicable) perform the Work (as such term is defined below in Section 3 and Exhibit B) required to complete the Project, all on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

AGREEMENT

1. CERTAIN DEFINITIONS.

“Applicable Laws and Regulations” shall mean all duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives,

or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

“Applicable Reliability Standards” shall mean the requirements and guidelines of the North American Electric Reliability Corporation (“NERC”), the Western Electricity Coordinating Council (“WECC”), and the Balancing Authority Area of the Transmission System to which Customer is directly interconnected.

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

“Governmental Authority” shall mean any Federal, state, local, or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include Customer, Company, or any of their respective Affiliates.

2. TERM; TERMINATION.

2.1. Term. This Agreement shall become effective upon the later of the following: (a) the date of execution by both Parties, or (b) the effective date established by the Federal Energy Regulatory Commission (“FERC”) upon acceptance of this Agreement for filing or the approval by the FERC of this Agreement (such later date being the “Effective Date”), and shall remain in effect until the earlier of (x) the completion of the Work or (y) the earlier termination of this Agreement in accordance with Section 2.2 (the “Term”).

2.2. Termination. This Agreement may be terminated:

(i) by Company, in accordance with Section 4.4 (Revised Cost Estimate; Termination); or

(ii) by Customer, in accordance with Section 11 (Right to Stop Work).

Notwithstanding clauses (i) and (ii) above, any termination of this Agreement (and the effectiveness thereof) shall be subject to acceptance by the FERC.

3. SCOPE OF WORK.

3.1. Project Description and Scope. Work required to include the Bonanza Solar resource in the PacifiCorp and CAISO network models, as more fully described in Exhibit B.

3.2. Company Responsibilities for Work. Company shall perform the design, procurement and installation of the Project, as described in Exhibit B (collectively, the “Work”).

3.3. Customer Responsibilities for Work. Unless otherwise expressly stated in Exhibit B, Customer shall not be responsible for any of the Work.

4. OWNERSHIP; COST ESTIMATE; TERMINATION:

4.1. Ownership. Company shall own the Project. Customer shall have no ownership interest in the Project.

4.2. Cost Estimate; Certain Assumptions.

4.2.1. Cost Estimate. As set forth in Exhibit A, as of the date of this Agreement, Company’s estimated cost of performing the Work is \$10,000.00 (the “Initial Cost Estimate”).

4.2.2. Certain Assumptions. The Initial Cost Estimate includes (as applicable) engineering, labor, materials, subcontracts and overheads, and is based, in part, on the following assumptions:

- (i) the Initial Cost Estimate is based on calendar year 2022 dollars;
- (ii) if construction is delayed, the Initial Cost Estimate likely will need to be adjusted;
- (iii) no exceptional site preparation will be required;
- (iv) the Project will be installed during normal business hours and will not require schedule compression or overtime; and
- (v) no new permitting or real property rights will be required.

4.3. Costs of Work.

4.3.1. On the terms and subject to the conditions set forth in this Agreement, Customer agrees to pay to Company the amount of all costs with respect to the Work, including the amount of the Initial Cost Estimate and any increase in the amount of Work costs reflected in any Revised Cost Estimate (as defined below).

4.3.2. Customer shall pay to Company an amount equal to the Initial Cost Estimate within thirty (30) calendar days after the Effective Date.

4.3.3. Following the completion of the Work, Company shall determine the total amount of all costs incurred by Company with respect to the Work, which amount shall include all direct costs and applicable overheads (the “Final Costs”).

4.3.4. If the Final Costs exceed the amount of the Initial Cost Estimate and any increase in the amount of costs reflected in any Revised Cost Estimate, if applicable, Company shall, within one hundred twenty (120) calendar days following the completion of the Work, deliver to Customer a written statement of the Final Costs, together with an invoice in an amount equal to the difference between (x) the Final Costs and (y) the amount of the Initial Cost Estimate and any increase in the amount of costs reflected in any Revised Cost Estimate, if applicable. Customer shall pay such invoice within thirty (30) calendar days after receipt of such invoice.

4.3.5. If the Final Costs do not exceed the amount of the Initial Cost Estimate and any increase in the amount of costs reflected in any Revised Cost Estimate, if applicable, Company shall, within one hundred twenty (120) calendar days following the completion of the Work, (a) deliver to Customer a written statement of the Final Costs, and (b) refund, by wire transfer of immediately available funds to an account specified by Customer, an amount equal to the difference between (x) the amount of the Initial Cost Estimate and any increase in the amount of costs reflected in any Revised Cost Estimate, if applicable, and (y) the Final Costs.

4.4. Revised Cost Estimate and Termination.

4.4.1. During the Term, if Company determines that the cost of performing the Work may exceed the Initial Cost Estimate, Company shall, within thirty (30) calendar days after making such determination, deliver a written notice to Customer (a “Revised Cost Notice”) that includes Company’s revised estimated cost of performing the Work (a “Revised Cost Estimate”), together with an invoice in the amount of any increase to the costs (“Revised Cost Invoice”).

4.4.2. Within fifteen (15) calendar days after Company delivers to Customer the Revised Cost Notice, Customer shall pay the Revised Cost Invoice. Company shall have no obligation to perform or to continue to perform any of the Work until such time that Customer pays the Revised Cost Invoice. Upon payment of the Revised Cost Invoice, the Parties agree that Exhibit A (Estimated Costs) shall be amended to reflect the Revised Cost Estimate, and corresponding amendments (if any) shall be made to Exhibit B (Estimated Scope of Work) and Exhibit C (Estimated Schedule and Milestones).

4.4.3. If Customer fails to pay the Revised Cost Invoice within such fifteen (15) calendar day period, Company shall have the right to terminate this Agreement upon written notice to Customer (a “Termination Notice”); provided that Customer shall have a period of fifteen (15) calendar days after the date of the Termination Notice (the “Cure Period”) in which to pay the Revised Cost Invoice. If Customer fails to pay the Revised Cost Invoice within the Cure Period, this Agreement shall, without further action by either Party (but subject to acceptance by the FERC pursuant to Section 2.2), automatically terminate as of the date on which the Cure Period expires, and Customer shall be liable to Company for all costs incurred to perform the Work, as described further below.

4.5. Project Costs; Enhanced Project Costs. Promptly following the expiration of the Cure Period, Company shall determine, in its sole discretion, acting reasonably, if the Work can be promptly stopped without adversely affecting the safety and reliability of Company's Transmission System.

4.5.1. If Company determines that the Work can be promptly stopped without adversely affecting the safety and reliability of Company's Transmission System: (a) Company shall promptly stop all Work, and (b) Customer shall pay to Company an amount equal to the sum of (x) the costs incurred by Company (to the extent not previously paid by Customer to Company) with respect to the Work as of the date on which the Cure Period expires, plus (y) interest on the costs described in clause (x) above, as calculated in accordance with the methodology set forth in the FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii), in each case, as determined by Company and invoiced to Customer (collectively, the "Project Costs"). Customer shall pay, by wire transfer of immediately available funds to an account specified by Company, such Project Costs within thirty (30) calendar days after receipt of such invoice from Company. If Customer fails to pay such Project Costs within such thirty (30) calendar day period, Company shall be entitled to pursue all rights and remedies available to it at law or in equity in an amount equal to the Project Costs.

4.5.2. If Company determines that the Work cannot be promptly stopped without adversely affecting the safety and reliability of Company's Transmission System: (a) Company shall, as soon as reasonably practical and in accordance with Applicable Laws and Regulations, Applicable Reliability Standards and Good Utility Practice, stop all Work, and (b) Customer shall pay to Company an amount equal to the sum of (x) the costs incurred by Company (to the extent not previously paid by Customer to Company) with respect to the Work as of the date on which the Cure Period expires, plus (y) the costs incurred by Company after the date on which the Cure Period expires, plus (z) interest on the costs described in clauses (x) and (y) above, as calculated in accordance with the methodology set forth in the FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii), in each case, as determined by Company and invoiced to Customer (collectively, the "Enhanced Project Costs"). Customer shall pay, by wire transfer of immediately available funds to an account specified by Company, such Enhanced Project Costs within thirty (30) calendar days after receipt of such invoice from Company. If Customer fails to pay such Enhanced Project Costs within such thirty (30) calendar day period, Company shall be entitled to pursue all rights and remedies available to it at law or in equity in an amount equal to the Enhanced Project Costs.

5. TAXES.

5.1. Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Customer to Company for the Project shall be non-taxable, either as contributions to capital, or as a refundable advance, in accordance with the Internal Revenue Code ("IRC") and any applicable state income tax laws and shall not be taxable as contributions in aid of construction or otherwise under the IRC and any applicable state income tax laws.

5.2. Indemnification for the Cost Consequences of Current Tax Liability Imposed Upon Company. Notwithstanding Section 5.1, Customer shall protect, indemnify, and hold harmless Company from the cost consequences of any current tax liability imposed against Company as the result of payments or property transfers made by Customer to Company under this Agreement for

the Project, as well as any interest and penalties, other than interest and penalties attributable to any delay caused by Company.

Company shall not include a gross-up for the cost consequences of any current tax liability in the amounts it charges Customer under this Agreement unless (i) Company has determined, in good faith, that the payments or property transfers made by Customer to Company should be reported as income subject to taxation or (ii) any Governmental Authority directs Company to report payments or property as income subject to taxation; provided, however, that Company may require Customer to provide security in an amount calculated in the manner set forth in Section 5.3, in a form reasonably acceptable to Company. Customer shall reimburse Company for such costs on a fully grossed-up basis, in accordance with Section 5.3, within thirty (30) calendar days of receiving written notification from Company of the amount due, including detail about how the amount was calculated.

5.3. Tax Gross-up Amount. Customer's liability for the cost consequences of any current tax liability under this Section 5 shall be calculated on a fully grossed-up basis. Except as may otherwise be agreed to by the Parties, this means that Customer will pay Company, in addition to the amount paid for the Project, an amount equal to (1) the current taxes imposed on Company ("Current Taxes") on the excess of (a) the gross income realized by Company as a result of payments or property transfers made by Customer to Company under this Agreement (without regard to any payments under this Section 5) (the "Gross Income Amount") over (b) the present value of future tax deductions for depreciation that will be available as a result of such payments or property transfers (the "Present Value Depreciation Amount"), plus (2) an additional amount sufficient to permit Company to receive and retain, after the payment of all Current Taxes, an amount equal to the net amount described in clause (1).

For this purpose, (1) Current Taxes shall be computed based on Company's composite Federal and state tax rates at the time the payments or property transfers are received and Company will be treated as being subject to tax at the highest marginal rates in effect at that time (the "Current Tax Rate"), and (2) the Present Value Depreciation Amount shall be computed by discounting Company's anticipated tax depreciation deductions as a result of such payments or property transfers by Company's current weighted average cost of capital. Thus, the formula for calculating Customer's liability to Company pursuant to this Section 5 can be expressed as follows:

$$(Current\ Tax\ Rate \times (Gross\ Income\ Amount - Present\ Value\ of\ Tax\ Depreciation)) / (1 - Current\ Tax\ Rate).$$

5.4. Contests. In the event any Governmental Authority determines that Company's receipt of payments or property constitutes income that is subject to taxation, Company shall notify Customer, in writing, within thirty (30) calendar days of receiving notification of such determination by a Governmental Authority.

5.5. Refund. In the event that (a) any legislative change or administrative announcement, notice, ruling or other determination makes it reasonably clear to Company in good faith that any amount paid or the value of any property transferred by Customer to Company under the terms of this Agreement is not taxable to Company, (b) any abatement, appeal, protest, or other contest results in a determination that any payments made by Customer to Company are not subject

to Federal income tax, or (c) if Company receives a refund from any Governmental Authority for any overpayment of tax attributable to any payment or property transfer by Customer to Company pursuant to this Agreement, Company shall promptly refund to Customer the following:

- (i) any payment made by Customer under this Section 5 for taxes that is attributable to the amount determined to be non-taxable, together with interest thereon;
- (ii) interest on any amounts paid by Customer to Company for such taxes which Company did not submit to the Governmental Authority, calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii) from the date payment was made by Customer to the date Company refunds such payment to Customer; and
- (iii) with respect to any such taxes paid by Company, any refund or credit Company receives or to which it may be entitled from any Governmental Authority, interest (or that portion thereof attributable to the payment described in clause (i), above) owed to Company for such overpayment of taxes (including any reduction in interest otherwise payable by Company to any Governmental Authority resulting from an offset or credit); provided, however, that Company will remit such amount promptly to Customer only after and to the extent that Company has received a tax refund, credit, or offset from any Governmental Authority for any applicable overpayment of income tax related to Company's Project.

The intent of this provision is to leave the Parties, to the extent practicable, in the event that no taxes are due with respect to any payment for the Project hereunder, in the same position they would have been in had no such tax payments been made.

6. PROJECT SCHEDULE. As of the date of this Agreement, the Parties have agreed to the Estimated Schedule and Milestones attached as Exhibit C for the completion of the Project. All Project schedule milestones shall be best estimates of the time required to complete each Party's task at the time the schedule was developed.

7. STANDARD OF WORK. Each Party shall perform all of its obligations under this Agreement in accordance with Applicable Laws and Regulations, Applicable Reliability Standards and Good Utility Practice. To the extent a Party is required to take, or is prevented from or limited in taking, any action by any of the foregoing, such Party shall not be deemed to be in breach of this Agreement for compliance therewith.

8. RECORDS. Company shall keep accurate and complete accounting records in support of all cost billings and claims in accordance with generally accepted accounting principles. Upon request by Customer, Company shall provide accounting records to Customer following completion of the Project.

9. INSPECTION. Customer may, at its discretion and expense, inspect Company's construction work in progress for the Project upon reasonable notice to, and with supervision by, Company. If applicable, Company may, at its discretion and at Customer's expense, inspect Customer's construction work in progress for the Project upon reasonable notice to, and with

supervision by, Customer. If applicable, Customer will provide testing results to Company as specified in the applicable technical specifications for the Project.

10. ACCESS. Either Party shall grant the other Party reasonable escorted access to the Project consistent with such access rights as are established in prior agreements between the Parties, provided that each Party provides reasonable notice and complies with the other Party's safety and security rules.

11. RIGHT TO STOP WORK.

11.1. Right to Stop Work; Termination. During the Term, Customer reserves the right, upon thirty (30) days' advance written notice to Company, to require Company to stop all Work on the Project (a "Stop-Work Notice"). If Customer delivers a Stop-Work Notice to Company, this Agreement shall, without further action by either Party (but subject to acceptance by the FERC pursuant to Section 2.2), automatically terminate as of the date of the Stop-Work Notice and Customer shall be liable to Company for the Stop-Work Project Costs or the Enhanced Stop-Work Project Costs (as each such term is defined below).

11.2. Stop-Work Project Costs; Enhanced Stop-Work Project Costs. Upon Company's receipt of a Stop-Work Notice, Company shall determine, in its sole and reasonable discretion, if the Work can be promptly stopped without adversely affecting the safety and reliability of Company's Transmission System.

11.2.1. If Company determines that the Work can be promptly stopped without adversely affecting the safety and reliability of Company's Transmission System: (a) Company shall promptly stop all Work, and (b) Customer shall pay to Company an amount equal to the sum of (x) the costs incurred by Company (to the extent not previously paid by Customer to Company) with respect to the Work as of the date of the Stop-Work Notice, plus (y) interest on the costs described in clause (x) above, as calculated in accordance with the methodology set forth in the FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii), in each case, as determined by Company and invoiced to Customer (collectively, the "Stop-Work Project Costs"). Customer shall pay, by wire transfer of immediately available funds to an account specified by Company, such Stop-Work Project Costs within thirty (30) calendar days after receipt of such invoice from Company. If Customer fails to pay the Stop-Work Project Costs within such thirty (30) calendar day period, Company shall be entitled to pursue all rights and remedies available to it at law or in equity as applicable, in an amount equal to the Stop-Work Project Costs.

11.2.2. If Company determines that the Work cannot be promptly stopped without adversely affecting the safety and reliability of Company's Transmission System: (a) Company shall, as soon as reasonably practical and in accordance with Applicable Laws and Regulations, Applicable Reliability Standards and Good Utility Practice, stop all Work, and (b) Customer shall pay to Company an amount equal to the sum of (x) the costs incurred by Company (to the extent not previously paid by Customer to Company) with respect to the Work as of the date of the Stop-Work Notice, plus (y) the costs incurred by Company after the date of the Stop-Work Notice with respect to all system improvements or upgrades that Company determines are reasonably necessary to maintain the safety and reliability of Company's Transmission System, plus (z) interest on the costs described in clauses (x) and (y) above, as calculated in accordance with the

methodology set forth in the FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii), in each case, as determined by Company and invoiced to Customer (collectively, the "Enhanced Stop-Work Project Costs"). Customer shall pay, by wire transfer of immediately available funds to an account specified by Company, such Enhanced Stop-Work Project Costs within thirty (30) calendar days after receipt of such invoice from Company. If Customer fails to pay the Enhanced Stop-Work Project Costs within such thirty (30) calendar day period, Company shall be entitled to pursue all rights and remedies available to it at law or in equity, in an amount equal to the Enhanced Stop-Work Project Costs.

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

13. NO PARTNERSHIP. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

14. ASSIGNMENT. Company 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 with respect to the Project; or (iii) corporation or any other business entity in conjunction with a merger, consolidation, or other business reorganization to which Company is a party. Affiliate of Company includes any entity in which Berkshire Hathaway, Inc. owns more than a 5% interest, over which Berkshire Hathaway exercises management control. Should such assignment take place, Company will provide written notice to Customer. Customer shall not assign its rights, nor delegate its obligations, under this agreement without the prior written consent of Company, which shall not be unreasonably withheld, and any attempted assignment, delegation or other transfer in violation of this restriction shall be void.

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

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

17. NOTICES. Any correspondence regarding this Agreement shall be directed to the appropriate party (or parties) as shown below:

Customer: President/CEO
Deseret Generation & Transmission Cooperative
10714 South Jordan Gateway, Suite 300
South Jordan, UT 84095

Company: Vice President, Transmission Services
825 NE Multnomah St., Suite 1600
Portland, OR 97232

18. PAYMENT.

19.1 Except as otherwise provided in this Agreement, all payments shall be sent to:

US Mail Deliveries: PacifiCorp Transmission
P.O. Box 2757
Portland, OR 97208

Other Deliveries: PacifiCorp Transmission
Attn: Central Cashiers
825 NE Multnomah St., Suite 550
Portland, OR 97232

19. INDEMNIFICATION. Customer shall indemnify and hold harmless Company, including its officers, employees, contractors and agents (collectively, the “Indemnified Parties”), from and against any and all actual or alleged liability, loss, damage, claims, actions, costs and expenses of any nature, including court costs and attorneys’ fees (individually, a “Loss” and collectively, “Losses”), arising in any way in connection with, or related to Customer’s or the Indemnified Parties’ performance of Work and other obligations under this Agreement, excluding any third-party claims directly attributable to the sole negligence of the Indemnified Parties. Customer’s indemnification obligations set forth herein shall not be limited by workers’ compensation, disability, or employee benefit laws applicable to Customer or any Indemnified Party. At the request of an Indemnified Party, Customer shall defend any action, claim, or suit asserting a Loss that might be covered by this indemnity. If an Indemnified Party makes such election under the preceding sentence, (a) counsel for Customer who shall conduct the defense of such action, claim, or suit shall be reasonably satisfactory to the Indemnified Party; (b) the Indemnified Party may participate in such defense; and (c) Customer may not settle any such action, claim, or suit without the consent of the Indemnified Party, such consent not to be unreasonably withheld or delayed. Customer shall pay all costs and expenses that may be incurred by any Indemnified Party in enforcing this indemnity and defense agreement, including attorneys’ fees actually paid by any Indemnified Party.

20. LIMITATION OF LIABILITY. Except as otherwise expressly provided in this Agreement, each Party’s liability to the other Party for any Loss relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as specifically authorized by this Agreement.

21. FORCE MAJEURE.

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

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

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

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

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

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

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

26. CONTRACTORS AND SUBCONTRACTORS. Nothing in this Agreement shall prevent Company or Customer (if applicable) from utilizing the services of any third party contractor or subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that Company and Customer (if applicable) shall require any third party contractor and

subcontractor to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such third party contractor and subcontractor.

27. NO THIRD-PARTY BENEFICIARIES. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

28. SURVIVAL. All payment obligations and liabilities incurred before the termination or expiration of this Agreement will survive its termination or expiration.

29. MODIFICATIONS OR AMENDMENTS. Except as set forth in Section 4.5.2, no modification or amendment of any provision of this Agreement shall be effective unless set forth in a written document signed by an authorized representative of each Party. All modifications or amendments to this Agreement, if originally filed at FERC, will be filed by Company as an amended and restated agreement.

30. RECITALS. The above stated recitals are incorporated into and made part of this Agreement by this reference to the same extent as if these recitals were set forth in full at this point.

31. WAIVER. Waiver of any right, privilege, claim, obligation, condition, or default shall be in writing and signed by the waiving Party. No waiver by a Party of any breach of this Agreement shall be a waiver of any preceding or succeeding breach, and no waiver by a Party of any right under this Agreement shall be construed as a waiver of any other right.

32. DISPUTE RESOLUTION.

32.1. Submission. In the event either Party has a dispute, or asserts a claim, that arises out of or in connection with this Agreement, such Party shall provide the other Party with written notice of the dispute or claim (a “Notice of Dispute”). Such dispute or claim shall be referred to a designated senior representative of each Party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other Party. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) calendar days of the other Party’s receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the Parties, be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have at law or in equity.

32.2. Arbitration Procedures. Any arbitration initiated under these procedures shall be conducted before a single neutral arbitrator appointed by the Parties. If the Parties fail to agree upon a single arbitrator within ten (10) calendar days of the submission of the dispute to arbitration, each Party shall choose one arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall within twenty (20) calendar days select a third arbitrator to chair the arbitration panel. In either case, the arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past

substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the Parties an opportunity to be heard and, except as otherwise provided herein, shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

32.3. Arbitration Decisions. Unless otherwise agreed in writing by the Parties, the arbitrator(s) shall render a decision within ninety (90) calendar days of appointment and shall notify the Parties in writing of such decision and the reasons therefore. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change any provision of this Agreement in any manner. The decision of the arbitrator(s) shall be final and binding upon the Parties (absent manifest error), and judgment on the award may be entered in any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in the Federal Arbitration Act or the Administrative Dispute Resolution Act. The final decision of the arbitrator must also be filed with FERC if it affects jurisdictional rates, terms, and conditions of service.

32.4. Costs. Each Party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable: (a) the cost of the arbitrator chosen by the Party to sit on the three member panel and one half of the cost of the third arbitrator chosen; or (b) one-half the cost of the single arbitrator jointly chosen by the Parties.


[Signature page follows.]

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

PACIFICORP

DESERET GENERATION &
TRANSMISSION COOPERATIVE

Rick Vail

 Digitally signed by Rick Vail
Date: 2022.09.15 09:45:08 -07'00'

Signature



Signature

Rick Vail

Printed Name of Signor

Clay MacArthur

Printed Name of Signor

VP, Transmission

Title of Signor

Vice President

Title of Signor

09/15/2022

Date

September 14, 2022

Date

Exhibit A
Estimated Costs

Subordinate Area	Cost
Work required to include Bonanza Solar resource in the PacifiCorp and CAISO Network Models	\$10,000.00

Exhibit B

Estimated Scope of Work

All work to be completed by Company, unless explicitly stated otherwise.

1. Modeling the Resource for Inclusion in the CAISO Network Model

A network topography change will need to be made in the PacifiCorp system model to coordinate with the CAISO model of the system. CAISO deployments of model changes occur every three months and require the submission of the model changes to be submitted in a timely manner in accordance with CAISO's schedule for model changes.

Company Responsibilities

- Work with Customer to obtain data and information required to model the resource, including creating a settlement quality meter data ("SQMD") plan.
- Submit the data and information to CAISO as required by and in accordance with the timing and procedures required by CAISO.

Customer Responsibilities

- Provide Transmission Provider with the data and information required to model the resource as requested by Transmission Provider.
- Install the required metering.
- Provide SCADA outputs.
- Provide communication to the meter data management system.
- Provide the following signals on their existing port to Monarch:
 - Net Generation MW
 - Net Generator MVar
 - Real power flow through main feeder 12.5 KV breaker Circuit #1
 - Reactive power flow through main feeder 12.5 KV breaker Circuit #1
 - Real power flow through main feeder 12.5 KV breaker Circuit #2
 - Reactive power flow through main feeder 12.5 KV breaker Circuit #2
 - A phase main feeder 12.5 KV breaker voltage Circuit #1
 - B phase main feeder 12.5 KV breaker voltage Circuit #1
 - C phase main feeder 12.5 KV breaker voltage Circuit #1
 - A phase main feeder 12.5 KV breaker voltage Circuit #2
 - B phase main feeder 12.5 KV breaker voltage Circuit #2
 - C phase main feeder 12.5 KV breaker voltage Circuit #2
 - Accumulator pulses for interchange metering kWh
 - Status of main feeder 12.5 KV breaker Circuit #1
 - Status of main feeder 12.5 KV breaker Circuit #2
 - Status of Bonanza 69 KV breaker
 - Status – Active/Inactive
 - Status of the project

2. Base Schedule Aggregation Portal (“BSAP”)

In order to base schedule the resource, Customer must be registered with CAISO’s BSAP tool.

Company Responsibilities

Work with Customer to provide Customer with access to the CAISO BSAP tool.

Customer Responsibilities

Provide Company with information required to access the CAISO BSAP tool, as requested by Company.

Exhibit C
Estimated Schedule and Milestones

The estimated schedule and milestones are driven by the below timeframes which may be adjusted through the course of the Project. If there is a delay in any of the below activities, there will be, at a minimum, a day-for-day slip in the entire schedule. Any delays in the Project have the potential to affect the entire schedule.

Milestone	Estimated Date
Construction Agreement Executed	September 7, 2022
Construction Agreement Filed with FERC	September 21, 2022
Construction Agreement Effective	November 21, 2022
* Energy Imbalance Market Modeling Data Submitted to CAISO	February 2, 2023
* CAISO Model Production Deployment	April 24 – 28, 2023

* These dates are based on the CAISO's Schedules for Full Network Model Database Release.