

August 24, 2018

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

RE: *PacifiCorp*
Docket No. ER18-_____-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 (2017), and Order No. 714¹ regarding electronic filing of tariff submittals, PacifiCorp hereby tenders for filing the following jurisdictional agreement:

Reimbursable Agreement (“Agreement”) for Engineering and Construction Activities Associated with Moving Umatilla Electric Cooperative’s McNary – Hermiston Generation 230 kV Transmission Line from PacifiCorp’s Balancing Authority Area to the Bonneville Power Administration’s Balancing Authority, dated August 21, 2018, between Bonneville Power Administration (“Bonneville”) and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 738.

As discussed further herein, PacifiCorp respectfully requests that the Commission grant waiver of the 60-day prior notice requirement to permit an effective date for the Agreement of August 25, 2018. Good cause exists for the Commission to grant waiver and permit the requested effective date, as BPA has consented to the Agreement and to this filing, and the Agreement does not impact rates,² as PacifiCorp is only charging Bonneville the cost of performing the requested work, not to exceed \$48,000.

1. Description of Agreement

The Umatilla Electric Cooperative (“UEC”) has requested that its McNary-Hermiston Generation 230 kV transmission line be moved from PacifiCorp’s Balancing Authority Area (“BAA”) to Bonneville’s BAA. The Agreement delineates the work that PacifiCorp and

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

² *Central Hudson Gas & Elec. Corp.*, 60 FERC ¶ 61,106 at 61,338 (1992), reh’g denied, 61 FERC ¶ 61,089 (1992) (“We will generally grant waiver of the 60-day prior notice requirement in the following instances: (1) uncontested filings that do not change rates . . .”).

Bonneville will do in order to fulfill this request. The Division of Responsibilities specifies the work that PacifiCorp will perform at BPA's expense, including:

- Adding port and points to PacifiCorp's remote thermal unit at the Hermiston Generation Power Plant ("Plant") to acquire meter data from Bonneville's meters, as well as making communications and programming changes to interface with the new meters;
- Coordinating with Bonneville and the Plant to make final connections of the secondary wiring, and to provide certain data regarding the transformers;
- Making changes to PacifiCorp's Open Access Same Time Information System ("OASIS"); and
- Update PacifiCorp's drawings for the Plant to reflect the final changes in metering configuration.

The remaining provisions of the Division of Responsibilities detail work that Bonneville will perform at its own expense, as well as various commercial terms between the parties (assignment, choice of law, termination, etc.)

As detailed on the Financial Terms and Conditions Statement, PacifiCorp estimates that the cost of performing the work under the Agreement will be \$48,000. In the event that PacifiCorp's actual cost of the work is less than any amounts paid by Bonneville, PacifiCorp will refund the difference to Bonneville.

PacifiCorp respectfully requests that the Commission accept the Agreement for filing as PacifiCorp Rate Schedule No. 738.

2. Effective Date and Request for Waiver

UEC has requested that the transmission line be moved and energized in October 2018. In order to facilitate this request and meet UEC's timeline, PacifiCorp needs to begin work on the design and order materials as soon as possible. Accordingly, PacifiCorp respectfully requests that the Commission establish an effective date of August 25, 2018 for the Agreement. Good cause exists to grant waiver of the Commission's 60-day prior notice requirement³ to permit such an effective date, as Bonneville has consented to the Agreement and to this filing, and the Agreement does not impact rates,⁴ as PacifiCorp is only charging Bonneville the cost of performing the requested work, not to exceed \$48,000.

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 18 C.F.R. §35.3(a)(1) (2017).

⁴ See note 2, *supra*.

3. Designation

PacifiCorp requests that the Agreement be designated as PacifiCorp Rate Schedule No. 738.

4. Enclosure

The following enclosure is attached hereto:

Construction Agreement between Bonneville and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 738

5. Communications

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

Thomas C. Woodworth
Assistant General Counsel
PacifiCorp
825 N.E. Multnomah, Suite 1800
Portland, OR 97232
(503) 813-5356
(503) 813-7252 (facsimile)
Tom.Woodworth@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:

Eric Carter
Bonneville Power Administration
P. O. Box 61409
Vancouver, WA 98666-1409
ehcarter@bpa.gov
garussell@bpa.gov
ekloebach@bpa.gov

Public Utility Commission of Oregon
550 Capitol St NE #215
PO Box 2148
Salem, OR 97301-2551
PUC.FilingCenter@state.or.us

7. Conclusion

Wherefore, for the reasons described herein, PacifiCorp respectfully requests that the Commission accept the Agreement for filing, and grant waiver to permit an effective date of August 25, 2018.

Respectfully Submitted,

/s/ Thomas C. Woodworth
Thomas C. Woodworth
Attorney for PacifiCorp

BPA F 4220.14e

**U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
AGREEMENT**

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 1. AGREEMENT NUMBER 18TP-11540 | 2. AGREEMENT EFFECTIVE FROM DATE IN BLOCK 4 UNTIL See Division of Responsibilities Statement | 3. AMENDMENT NO. -0- | 4. EFFECTIVE DATE Same as Block #17 |
| ISSUED TO | | ISSUED BY | |
| 5. ORGANIZATION AND ADDRESS PacifiCorp ATTN: Ms. Laura Raypush-Dombrowsky Customer Account Manager, Transmission 825 NE Multonmah Street, Suite 1600 Portland, OR 97232 | | 6. ORGANIZATION AND ADDRESS U.S. Department of Energy Bonneville Power Administration ATTN: Shari Sundeen – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666 | |
| 7. TECHNICAL CONTACT Sanman Rokade | PHONE NUMBER (503) 251-5244 | 8. TECHNICAL CONTACT Brian Salois | PHONE NUMBER (509) 544-4707 |
| 9. ADMINISTRATIVE CONTACT Laura Raypush-Dombrowsky | PHONE NUMBER (503) 813-7040 | 10. ADMINISTRATIVE CONTACT Eric Carter | PHONE NUMBER (360) 619-6006 |
| 11. TITLE/BRIEF DESCRIPTION OF WORK TO BE PERFORMED UNDER THIS AGREEMENT | | | |

ENGINEERING AND CONSTRUCTION ACTIVITIES ASSOCIATED WITH MOVING UMATILLA ELECTRIC COOPERATIVE'S MCNARY – HERMISTON GENERATION 230 KV TRANSMISSION LINE FROM PACIFICORP'S BALANCING AUTHORITY AREA TO THE BONNEVILLE POWER ADMINISTRATION'S BALANCING AUTHORITY AREA

This Reimbursable Agreement (Agreement) between the Bonneville Power Administration (BPA) and PacifiCorp provides for construction activities associated with moving Umatilla Electric Cooperative's McNary – Hermiston Generation 230 kV transmission line from PacifiCorp's Balancing Authority Area (BAA) to BPA's BAA.

Specific duties are defined in the attached Division of Responsibilities Statement.

The following documents are attached to and become a part of this Agreement:

- **Division of Responsibilities Statement**
- **Financial Terms and Conditions Statement**

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| 12. AMOUNT TO BE PAID BY BPA \$48,000 (estimated) | 13. AMOUNT TO BE PAID TO BPA \$-0- |
| 14. SUBMIT SIGNED AGREEMENT TO U.S. Department of Energy Bonneville Power Administration ATTN: Shari Sundeen – TPCC/TPP-4 P.O. Box 61409 | 15. ACCOUNTING INFORMATION <i>(For BPA Use Only)</i> |
| | 16. SUBMIT INVOICE TO <i>(Name and Address)</i> |

| Vancouver, WA 98666 | | Same as Block #6 above. | |
|-------------------------------------------------------------------------------|-------------------|------------------------------------------------------|-------------------|
| PARTICIPANT | | BPA | |
| 17. APPROVED BY (Signature) | DATE (mm/dd/yyyy) | 18. APPROVED BY (Signature) | DATE (mm/dd/yyyy) |
| /s/ Laura R Dombrowsky | 8/21/18 | /s/ Eric H. Carter | |
| NAME AND TITLE | | NAME AND TITLE | |
| Ms. Laura Raypush-Dombrowsky Customer Account Manager, Transmission | | Eric Carter Transmission Account Executive | |

PacifiCorp and BPA hereby agree as follows:

1. DIVISION OF RESPONSIBILITIES

(a) PacifiCorp shall, at BPA expense:

At Hermiston Power, LLC’s Hermiston Generation Power Plant

- (1) Coordinate with BPA to obtain meter data from the new BPA meters installed under section 1(b)(1) below.
- (2) Add port and points to PacifiCorp’s remote terminal unit at the Hermiston Generation Power Plant to acquire meter data from the BPA meters.
- (3) Make necessary communication and programing changes to interface data from BPA’s new meters.
- (4) Coordinate with BPA and Hermiston Generation Power Plant to make final connections of the instrument transformer secondary wiring by terminating the 230 kV current transformer (CT), and potential transformer (PT) cabling on the terminal blocks inside the BPA metering cabinet.
- (5) Coordinate with BPA and Hermiston Generation Power Plant to provide CT and PT nameplate data including manufacturer’s name, serial number, type of device, accuracy class, pertinent input and output rating including impulse levels, connection diagrams and polarity designations.

BPA meters will be first in line for CT and PT secondary wiring and will be placed to ensure the BPA meters will not be inadvertently omitted from the current circuits because of customer metering.

- (6) Make necessary changes to PacifiCorp’s scheduling and OASIS systems to accommodate a three-way BAA adjacency between BPA, PacifiCorp, and Grid Force.

- (7) Update all PacifiCorp drawings for the Hermiston Generation Power Plant to reflect the final changes in the metering configuration for the project.

(b) **BPA shall, at BPA's expense:**

At Hermiston Power, LLC's Hermiston Generation Power Plant

- (1) Design, provide and install a new metering rack to be used for both interchange and revenue purposes. The rack will include two solid state, bi-directional, meters that meets or exceeds ANSI C12.2 in effect at the time of design. The meter shall have the ability to record at least bidirectional kWh and kVARh load profile.
- (2) Remove and retire BPA's existing revenue metering rack located in the Hermiston Generation Power Plant DC room.
- (3) Provide cell phone service, antenna and modem for MV-90 access to the new meters for revenue purposes.
- (4) Perform final in-service meter checks to ensure proper meter operation.
- (5) Provide and install shielded, multi-conductor instrument transformer CT and PT secondary cables in conduit between the instrument transformers cabling at the existing Hermiston Generation interchange imbalance metering rack and the new BPA metering rack.
- (6) Coordinate the outage with Hermiston Generation Power Plant for the installation of the new BPA metering rack.

BPA Munro and Dittmer Control Centers

- (7) Incorporate the pseudo-tie calculation for the interchange between the three BAA's (PacifiCorp, BPA, and Grid Force)

2. OWNERSHIP, OPERATION AND MAINTENANCE

BPA at BPA's expense shall own, operate and maintain the equipment installed in section 1(b) above.

3. RELATED AGREEMENTS

The parties intend to enter into a separate long-term agreement with Hermiston Power, LLC relating to the facilities and equipment installed herein at the Hermiston Generation Power Plant to document the respective ownership, operation

and maintenance and access obligations which will continue beyond the life of this Agreement.

4. ENVIRONMENTAL COMPLIANCE

BPA issued an Environmental Clearance Memorandum regarding this project on May 25, 2018, indicating that National Environmental Policy Act requirements have been met.

5. ASSIGNMENT

This Agreement is binding on any successors and assigns of the parties. Neither party may transfer or assign this Agreement, in whole or in part, without the other party's written consent (which shall not be unreasonably withheld), except that, after 30 days written notice to the other party, either party may assign this Agreement to any: (i) affiliate, (ii) successor in interest, or (iii) corporation or any other business entity acquiring all or substantially all assets of the party.

6. CHOICE OF LAW AND FORUM

This Agreement shall be interpreted, construed, enforced and implemented pursuant to Federal law. The forum for litigation arising from this contract shall exclusively be a Federal court of the United States, unless the parties agree to pursue alternative dispute resolution.

7. PROJECT SCHEDULE

The estimated completion date for this project is October 31, 2018.

8. TERM & TERMINATION

This Agreement shall be effective upon the later of the following: (1) the date of execution by both Parties, or (2) the effective date established by the Federal Energy Regulatory Commission ("FERC") upon acceptance for filing. Subject to any required termination filing with FERC (in which case the termination date will be the date such termination filing is accepted by FERC), this Agreement shall terminate upon the earliest of the following to occur:

- (a) Ninety (90) days following PacifiCorp's receipt of final payment of actual costs by Bonneville;
- (b) Ninety (90) days following PacifiCorp's refund of overpayment to Bonneville;
- (c) In the event that neither an invoice nor a refund is required following completion of the Project, ninety (90) days following PacifiCorp's determination and written notification to Bonneville of the actual costs of the Project;
- (d) In the event that Bonneville does not authorize additional amounts for

Project Costs within thirty (30) days of notice of a request from PacifiCorp for such additional amounts, pursuant to Section 2 of the Financial Terms and Conditions Statement herein;

(e) Termination of the Agreement, which in no event shall exceed five years from its effective date; or

(f) Five years from the effective date of the Agreement.

1. PAYMENT OF ACTUAL COSTS

As a Federal entity, Bonneville cannot provide advance funding pursuant to 31 U.S.C. § 3324. Bonneville's payment for services, however, is assured by section 7(a)(2) of the Pacific Northwest Power Planning and Conservation Act, 16 U.S.C § 839e(a)(2), which requires the Bonneville Administrator to set rates to meet the Bonneville Administrator's costs.

PacifiCorp shall submit an invoice to Bonneville for any amounts due for the work completed during the preceding timeframe. Each invoice shall state the timeframe to which the invoice applies and describe the services and equipment provided. The invoice shall be paid by Bonneville within thirty (30) calendar days of receipt. All payments shall be made in immediately available funds payable to PacifiCorp, or by wire transfer to a bank named by PacifiCorp.

Bonneville shall reimburse PacifiCorp for the actual cost to complete the work, not to exceed the estimated cost of \$38,500. Following completion of the Project, PacifiCorp shall determine its final actual costs for the Project identified in the Scope of Work. PacifiCorp's actual costs shall include all direct costs plus applicable overheads. If the final actual costs are less than the previously invoiced costs, PacifiCorp will forward a copy of the actual costs to Bonneville along with a refund to cover the overage. PacifiCorp shall keep accurate and complete accounting records in support of all cost billings and claims in accordance with generally accepted accounting principles. Upon request, PacifiCorp shall provide accounting records to Bonneville following completion of Project.

2. AUTHORIZATION OF ADDITIONAL AMOUNTS FOR PROJECT COSTS

In the event that PacifiCorp determines the Project costs may exceed \$38,500, PacifiCorp shall notify Bonneville in writing and request that Bonneville provide written approval authorizing such additional amounts for Project Costs within thirty (30) days of such notice. PacifiCorp's obligation to proceed with the Project associated with such additional amounts shall be contingent upon receipt of such approval. Bonneville shall be responsible for such additional estimated costs, as increased pursuant to such written authorization. If Bonneville does not authorize such additional amounts within such thirty (30) day period, this Agreement shall terminate after PacifiCorp gives Bonneville written notice and an additional fifteen (15) days to cure.

3. INTEREST ON UNPAID BALANCES

Interest on any unpaid amounts shall be calculated in accordance with the methodology specified for interest on refunds in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii). Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by PacifiCorp.

**U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
AGREEMENT**

| | | | |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------|
| 1. AGREEMENT NUMBER 18TP-11540 | 2. AGREEMENT EFFECTIVE FROM DATE IN BLOCK 4 UNTIL See Section 8 of the Division of Responsibilities Statement | 3. AMENDMENT NO. -0- | 4. EFFECTIVE DATE Same as Block #17 |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------|

| ISSUED TO | | ISSUED BY | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| 5. ORGANIZATION AND ADDRESS PacifiCorp ATTN: Ms. Laura Raypush-Dombrowsky Customer Account Manager, Transmission 825 NE Multonmah Street, Suite 1600 Portland, OR 97232 | | 6. ORGANIZATION AND ADDRESS U.S. Department of Energy Bonneville Power Administration ATTN: Shari Sundeen – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666 | |
| 7. TECHNICAL CONTACT Sanman Rokade | PHONE NUMBER (503) 251-5244 | 8. TECHNICAL CONTACT Brian Salois | PHONE NUMBER (509) 544-4707 |
| 9. ADMINISTRATIVE CONTACT Laura Raypush-Dombrowsky | PHONE NUMBER (503) 813-7040 | 10. ADMINISTRATIVE CONTACT Eric Carter | PHONE NUMBER (360) 619-6006 |

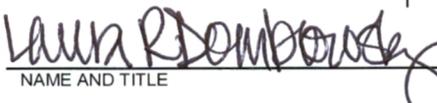
11. TITLE/BRIEF DESCRIPTION OF WORK TO BE PERFORMED UNDER THIS AGREEMENT
ENGINEERING AND CONSTRUCTION ACTIVITIES ASSOCIATED WITH MOVING UMATILLA ELECTRIC COOPERATIVE'S MCNARY – HERMISTON GENERATION 230 KV TRANSMISSION LINE FROM PACIFICORP'S BALANCING AUTHORITY AREA TO THE BONNEVILLE POWER ADMINISTRATION'S BALANCING AUTHORITY AREA

This Reimbursable Agreement (Agreement) between the Bonneville Power Administration (BPA) and PacifiCorp provides for construction activities associated with moving Umatilla Electric Cooperative's McNary – Hermiston Generation 230 kV transmission line from PacifiCorp's Balancing Authority Area (BAA) to BPA's BAA.

Specific duties are defined in the attached Division of Responsibilities Statement.

The following documents are attached to and become a part of this Agreement:

- Division of Responsibilities Statement
- Financial Terms and Conditions Statement

| 12. AMOUNT TO BE PAID BY BPA \$48,000 (estimated) | | 13. AMOUNT TO BE PAID TO BPA \$-0- | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 14. SUBMIT SIGNED AGREEMENT TO U.S. Department of Energy Bonneville Power Administration ATTN: Shari Sundeen – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666 | | 15. ACCOUNTING INFORMATION <i>(For BPA Use Only)</i> | |
| | | 16. SUBMIT INVOICE TO <i>(Name and Address)</i> Same as Block #14 above. | |
| PARTICIPANT | | BPA | |
| 17. APPROVED BY <i>(Signature)</i>  | DATE <i>(mm/dd/yyyy)</i> 8/21/18 | 18. APPROVED BY <i>(Signature)</i>  | DATE <i>(mm/dd/yyyy)</i> |
| NAME AND TITLE Ms. Laura Raypush-Dombrowsky Customer Account Manager, Transmission | | NAME AND TITLE Eric Carter Senior Transmission Account Executive Transmission Sales | |

Digitally signed by ERIC CARTER
Date: 2018.08.16 09:47:32 -0700

DIVISION OF RESPONSIBILITIES STATEMENT

BPA and PacifiCorp hereby agree as follows:

1. DIVISION OF RESPONSIBILITIES

(a) **PacifiCorp shall, at BPA's expense:**

At Hermiston Power, LLC's Hermiston Generation Power Plant

- (1) Coordinate with BPA to obtain meter data from the new BPA meters installed under Section 1(b)(1) below.
- (2) Add port and points to PacifiCorp's remote terminal unit at the Hermiston Generation Power Plant to acquire meter data from the BPA meters.
- (3) Make necessary communication and programming changes to interface data from BPA's new meters.
- (4) Coordinate with BPA and Hermiston Generation Power Plant to make final connections of the instrument transformer secondary wiring by terminating the 230 kV current transformer (CT), and potential transformer (PT) cabling on the terminal blocks inside the BPA metering cabinet.
- (5) Coordinate with BPA and Hermiston Generation Power Plant to provide CT and PT nameplate data including manufacturer's name, serial number, type of device, accuracy class, pertinent input and output rating including impulse levels, connection diagrams and polarity designations.

BPA meters will be first in line for CT and PT secondary wiring and will be placed to ensure the BPA meters will not be inadvertently omitted from the current circuits because of customer metering.

- (6) Make necessary changes to PacifiCorp's scheduling and OASIS systems to accommodate a three-way BAA adjacency between BPA, PacifiCorp, and Grid Force.
- (7) Update all PacifiCorp drawings for the Hermiston Generation Power Plant to reflect the final changes in the metering configuration for the project.

(b) **BPA shall, at BPA's expense:**

At Hermiston Power, LLC's Hermiston Generation Power Plant

- (1) Design, provide and install a new metering rack to be used for both interchange and revenue purposes. The rack will include two solid state, bi-directional, meters that meets or exceeds ANSI C12.2 in

DIVISION OF RESPONSIBILITIES STATEMENT

effect at the time of design. The meters shall have the ability to record at least bidirectional kWh and kVARh load profile.

- (2) Remove and retire BPA's existing revenue metering rack located in the Hermiston Generation Power Plant DC room.
- (3) Provide cell phone service, antenna and modem for MV-90 access to the new meters for revenue purposes.
- (4) Perform final in-service meter checks to ensure proper meter operation.
- (5) Provide and install shielded, multi-conductor instrument transformer CT and PT secondary cables in conduit between the instrument transformers cabling at the existing Hermiston Generation interchange imbalance metering rack and the new BPA metering rack.
- (6) Coordinate the outage with Hermiston Generation Power Plant for the installation of the new BPA metering rack.

At BPA Munro and Dittmer Control Centers

- (7) Incorporate the pseudo-tie calculation for the interchange between the three BAA's (PacifiCorp, BPA, and Grid Force).

2. **OWNERSHIP, OPERATION AND MAINTENANCE**

BPA at BPA's expense shall own, operate and maintain the equipment installed in Section 1(b) above.

3. **RELATED AGREEMENTS**

BPA and Hermiston Power, LLC intend to enter into a separate long-term agreement relating to the facilities and equipment installed herein to document the respective ownership, operation and maintenance and access obligations which will continue beyond the life of this Agreement.

4. **ENVIRONMENTAL COMPLIANCE**

BPA issued an Environmental Clearance Memorandum regarding this project on May 25, 2018, indicating that National Environmental Policy Act requirements have been met.

5. **ASSIGNMENT**

This Agreement is binding on any successors and assigns of the parties. Neither party may transfer or assign this Agreement, in whole or in part, without the other party's written consent (which shall not be unreasonably withheld), except that, after 30 days written notice to the other party, either party may assign this Agreement to any: (i) affiliate, (ii) successor in interest, or (iii) corporation or any other business entity acquiring all or substantially all assets of the party.

DIVISION OF RESPONSIBILITIES STATEMENT

6. CHOICE OF LAW AND FORUM

This Agreement shall be interpreted, construed, enforced and implemented pursuant to Federal law. The forum for litigation arising from this contract shall exclusively be a Federal court of the United States, unless the parties agree to pursue alternative dispute resolution.

7. PROJECT SCHEDULE

The estimated completion date for this project is October 31, 2018.

8. TERM & TERMINATION

This Agreement shall be effective upon the later of the following: (1) the date of execution by both Parties, or (2) the effective date established by the Federal Energy Regulatory Commission (FERC) upon acceptance for filing by PacifiCorp. Subject to any termination filing by PacifiCorp with FERC (in which case the termination date will be the date such termination filing is accepted by FERC), this Agreement shall terminate upon the earliest of the following to occur:

- (a) Ninety (90) days following PacifiCorp's receipt of final payment of actual costs by Bonneville;
- (b) Ninety (90) days following PacifiCorp's refund of overpayment to Bonneville;
- (c) In the event that neither an invoice nor a refund is required following completion of the Project, ninety (90) days following PacifiCorp's determination and written notification to Bonneville of the actual costs of the Project;
- (d) In the event that Bonneville does not authorize additional amounts for Project Costs within thirty (30) days of notice of a request from PacifiCorp for such additional amounts, pursuant to Section 2 of the Financial Terms and Conditions Statement herein.
- (e) Termination of the Agreement by mutual agreement of the Parties; or
- (f) Five years from the effective date of the Agreement.

1. PAYMENT OF ACTUAL COSTS

As a Federal entity, BPA cannot provide advance funding pursuant to 31 U.S.C. § 3324. BPA's payment for services, however, is assured by Section 7(a)(2) of the Pacific Northwest Power Planning and Conservation Act, 16 U.S.C § 839e(a)(2), which requires the BPA Administrator to set rates to meet the BPA Administrator's costs.

PacifiCorp shall submit an invoice to Bonneville for any amounts due for the work completed during the preceding timeframe. Each invoice shall state the timeframe to which the invoice applies and describe the services and equipment provided. The invoice shall be paid by BPA within thirty (30) calendar days of receipt. All payments shall be made in immediately available funds payable to PacifiCorp, or by wire transfer to a bank named by PacifiCorp.

BPA shall reimburse PacifiCorp for the actual cost to complete the work, not to exceed the estimated cost of \$48,000. Following completion of the Project, PacifiCorp shall determine its final actual costs for the Project identified in the Scope of Work. PacifiCorp's actual costs shall include all direct costs plus applicable overheads. If the final actual costs are less than the previously invoiced costs, PacifiCorp will forward a copy of the actual costs to BPA along with a refund to cover the overage. PacifiCorp shall keep accurate and complete accounting records in support of all cost billings and claims in accordance with generally accepted accounting principles. Upon request, PacifiCorp shall provide accounting records to BPA following completion of Project.

2. AUTHORIZATION OF ADDITIONAL AMOUNTS FOR PROJECT COSTS

In the event that PacifiCorp determines the Project costs may exceed \$48,000, PacifiCorp shall notify BPA in writing and request that BPA provide written approval authorizing such additional amounts for Project Costs within thirty (30) days of such notice. PacifiCorp's obligation to proceed with the Project associated with such additional amounts shall be contingent upon receipt of such approval. BPA shall be responsible for such additional estimated costs, as increased pursuant to such written authorization. If BPA does not authorize such additional amounts within such thirty (30) day period, this Agreement shall terminate after PacifiCorp gives BPA written notice and an additional fifteen (15) days to cure.

3. INTEREST ON UNPAID BALANCES

Interest on any unpaid amounts shall be calculated in accordance with the methodology specified for interest on refunds in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii). Interest on delinquent amounts shall be calculated from the due date of the bill to the date of payment. When payments are made by mail, bills shall be considered as having been paid on the date of receipt by PacifiCorp.