

March 1, 2024

VIA ETARIFF

The Honorable Debbie-Anne A. Reese
Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**RE: *PacifiCorp*,
Docket No. ER24-____-000
Project Construction Agreement**

Dear Secretary Reese:

Pursuant to Section 205 of the Federal Power Act,¹ Part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations,² and Order No. 714 regarding electronic filing of tariff submittals,³ PacifiCorp hereby tenders for filing the following agreement:

Project Construction Agreement Project Title: OTP144 USBR/OID Barnes Butte Pump Station Upgrade: ("Construction Agreement") between Ochoco Irrigation District, and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 784.

The Parties requests the Commission accept the Construction Agreement on the 61st day from the date of filing, which is May 1, 2024.

1. Background and Reason for Filing

PacifiCorp has been furnishing transmission service to United States Bureau of Reclamation ("USBR") Crooked River Project Transmission Service Agreement ("TSA") under Contract No 14-06-100-2433, initially dated October 9, 1962, as amended from time to time. The TSA is a legacy pre-Order No. 888 agreement. Ochoco Irrigation District ("OID") operates an irrigation district which owns and operates certain facilities for the delivery of water located in Oregon.

USBR transferred operation and maintenance responsibility for irrigation distribution works of the TSA to OID and, notwithstanding that USBR and PacifiCorp are parties to the Crooked River TSA, such transfer authorizes OID to enter into on behalf of USBR. USBR transferred operation and maintenance responsibility for irrigation distribution works to OID and,

1 16 U.S.C. § 824d (2018).

2 18 C.F.R. Part 35 (2023).

3 *Elec. Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008), *clarified*, Order No. 714-A, 147 FERC ¶ 61,115 (2014).

such transfer authorizes OID to enter into and take the actions described in the TSA.

OID, consistent with its operations and maintenance responsibilities, is undertaking the McKay Switch Project and a system improvement plan that will require modification to the existing pump station identified as Barnes Butte, located along McKay Creek, near Prineville, Oregon. OID has requested that PacifiCorp perform work to continue transmission service to the modified Barnes Butte Facility.

On February 20, 2024, Ochoco and PacifiCorp entered into the Construction Agreement, which sets forth the design, procurement, and installation work to be performed by PacifiCorp to support OID's request. Accordingly, PacifiCorp respectfully requests the Commission accept the Construction Agreement, attached hereto, for filing.

2. Effective Date and Request for Waiver

PacifiCorp requests an effective date of May 1, 2024, 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 784.

4. Enclosure

The following enclosure is attached hereto:

- Construction Agreement between OID and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 784.

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:

Bruce Scanlon
Ochoco Irrigation District
1001 NW Deer St.
Prineville, OR 97754
bruceoid@crestviewcable.com

Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088
PUC.FilingCenter@state.or.us

7. Conclusion

For the reasons described herein, PacifiCorp respectfully requests the Commission issue an order accepting the attached Construction Agreement for filing with an effective date of May 1, 2024.

Respectfully submitted,



Matthew Loftus
Assistant General Counsel
PacifiCorp
825 N.E. Multnomah, Suite 2000
Portland, OR 97232
(503)-813-5620
Matthew.Loftus@PacifiCorp.com

PROJECT CONSTRUCTION AGREEMENT
PROJECT TITLE: OTP144 USBR/OID BARNES BUTTE PUMP STATION UPGRADE

This PROJECT CONSTRUCTION AGREEMENT ("Agreement") is made and entered into as of February 20, 2024 by and between Ochoco Irrigation District ("OID" or the "Customer"), and PacifiCorp, an Oregon corporation (acting in its capacity of providing generator interconnection and transmission services under the terms of PacifiCorp's Open Access Transmission Tariff ("OATT"), "Company"), and is consented to and agreed by the UNITED STATES OF AMERICA, acting through the Bureau of Reclamation ("USBR"). Customer, and Company are also each referred to herein as a "Party" and, collectively, as the "Parties."

RECITALS

- A. WHEREAS, Company owns and operates certain facilities for the transmission of electric power and energy located in Oregon; and
- B. WHEREAS, Company has been furnishing transmission service to USBR's Crooked River Project under Contract No 14-06-100-2433, initially dated October 9, 1962, as amended from time to time (the "Crooked River TSA"); and
- C. WHEREAS, OID is an irrigation district which owns and operates certain facilities for the delivery of water located in Oregon; and
- D. WHEREAS, USBR transferred operation and maintenance responsibility for irrigation distribution works of the Crooked River Project to OID and, notwithstanding that USBR and Company are parties to the Crooked River TSA, such transfer authorizes OID to enter into and take the actions described in this Agreement, including direct payment of costs to the Company for the Work (as such term is defined below) to be performed under this Agreement, on behalf of USBR; and
- E. WHEREAS, OID, consistent with its operations and maintenance responsibilities, is undertaking the McKay Switch Project and a system improvement plan that will require modification to the existing pump station identified as Barnes Butte, located along McKay Creek, near Prineville, Oregon; and
- F. WHEREAS, OID has requested that the Company perform the Work to continue transmission service to the modified Barnes Butte Facility (as such terms are defined below) (the "Project"); and
- G. WHEREAS, the Parties desire that Company and Customer (as applicable) perform the Work required to complete the Project, all on the terms and subject to the conditions set forth in this Agreement, and

- H. WHEREAS, USBR hereby consents to, accepts and agrees to the terms and conditions set forth in this Agreement.
- I. WHEREAS, while the Company may be acting in its capacity of providing generator interconnection and transmission services under the terms of the OATT in entering this agreement, neither OID nor USBR is requesting service or receiving service under the OATT as a result of this Agreement, and any such request or receipt of such service shall be the subject of separate agreements, if any, between the Customer, the Company, and USBR.

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.

“Direct Assignment Facilities” shall mean facilities or portions of facilities that are constructed by Company for the sole use/benefit of Customer. Direct Assignment Facilities refers to those facilities from the Customer’s facilities up to (but not including) the point of interconnection with the Company’s Transmission System. Direct Assignment Facilities shall be specified in this Agreement. The Customer will not recover the costs of Direct Assignment Facilities.

“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 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 12 (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. As further described in Exhibit B, the Project consists of modifications to the existing electrical distribution system to accommodate the replacement of the pumps at Barnes Butte pump station (“Facility”). The existing medium voltage Barnes Butte Station will be replaced with new 277/480 stations (vertical turbine pumps). This location will be modified to be primary metered at 12.47 kV with a pad-mount metering configuration.

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; DIRECT ASSIGNMENT FACILITIES COSTS TERMINATION:

4.1. Ownership. The parties shall own their respective facilities for the Project as outlined further in Exhibit B.

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 \$58,320 (the “Initial Cost Estimate”), all of

which constitute Direct Assignment Facilities costs (the “Initial Direct Assignment Facilities Cost Estimate”).

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

- (i) the Initial Cost Estimate is based on calendar year 2024 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. Direct Assignment Facilities Costs; Final Direct Assignment Facilities Costs.

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 Direct Assignment Facilities costs with respect to the Work, including the amount of the Initial Direct Assignment Facilities Cost Estimate and any increase in the amount of Direct Assignment Facilities costs reflected in any Revised Cost Estimate (as defined below).

4.3.2. Customer shall pay to Company an amount equal to the Initial Direct Assignment Facilities Cost Estimate by the latter of the date specified in Exhibit C or within (5) business days after the Effective Date.

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

4.3.4. If the Final Direct Assignment Facilities Costs exceed the amount of the Initial Direct Assignment Facilities Cost Estimate and any increase in the amount of Direct Assignment Facilities 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 Direct Assignment Facilities Costs, together with an invoice in an amount equal to the difference between (x) the Final Direct Assignment Facilities Costs and (y) the amount of the Initial Direct Assignment Facilities Cost Estimate and any increase in the amount of Direct Assignment Facilities 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 Direct Assignment Facilities Costs do not exceed the amount of the Initial Direct Assignment Facilities Cost Estimate and any increase in the amount of Direct

Assignment Facilities 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 Direct Assignment Facilities 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 Direct Assignment Facilities Cost Estimate and any increase in the amount of Direct Assignment Facilities costs reflected in any Revised Cost Estimate, if applicable, and (y) the Final Direct Assignment Facilities Costs.

4.4. Revised Cost Estimate 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 Initial Direct Assignment Facilities Cost Estimate ("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 Customer's delivery of the payment of the Revised Cost Invoice, the Parties agree that Exhibit A (Estimated Direct Assignment Facilities 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 the Project Costs or the Enhanced Project Costs, as applicable.

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.

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 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 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.

5. TAXES.

5.1. Customer Payments Not Taxable. The Parties intend that all payments or property transfers made by Customer to Company for the installation of 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:

$$\frac{(\text{Current Tax Rate} \times (\text{Gross Income Amount} - \text{Present Value of Tax Depreciation}))}{(1 - \text{Current Tax Rate})}$$

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. TESTING. Before the new facilities required for the Project are energized, such new facilities shall be tested by Company to ensure their safe and reliable operation in accordance with Good Utility Practice, Applicable Laws and Regulations and Applicable Reliability Standards. If testing indicates that modifications are required, Customer shall be responsible for the cost of all such modifications in accordance with Section 4.3, and Company may deliver to Customer a Revised Cost Estimate for the Project and a Revised Cost Invoice to reflect such modifications in accordance with Section 4.5.

11. 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.

12. RIGHT TO STOP WORK.

12.1. 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).

12.2. 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.

12.2.1. 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.

12.2.2. 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.

13. GOVERNING LAW. Enforcement or interpretation of this Agreement shall be in the state courts of the State of Oregon, 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 Oregon.

14. 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.

15. 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.

16. 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.

17. 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.

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

Customer:

Bruce Scanlon
Manager
1001 NW Deer St
Prineville, OR 97754

USBR:

Gregg Garnett
Bend Field Office Manager
1375 SE Wilson Ave, Suite 100
Bend, OR 97702

Company:

Director, Transmission Services
825 NE Multnomah St., Suite 1600
Portland, OR 97232

19. PAYMENT. 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

20. 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.

21. 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.

22. FORCE MAJEURE.

22.1. 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.

22.2. “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.

22.3. 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.

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

24. 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.

25. 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.

26. 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.

27. 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.

28. 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.

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

30. 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.

31. RECITALS. The above stated recitals are true and correct and 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.

32. CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS. The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any obligations under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

33. OFFICIALS NOT TO BENEFIT. No Member of or Delegate to the Congress, Resident Commissioner, or official of the Contractor shall benefit from this Agreement other than as a water user or landowner in the same manner as other water users or landowners.

34. EQUAL OPPORTUNITY EMPLOYMENT PRACTICES. Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No. 12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.

35. WATER and AIR POLLUTION CONTROL. The Parties in carrying out this Agreement, shall comply with all applicable water and air pollution laws and regulations of the United States and the State of Oregon, and shall obtain all required permits or licenses from the appropriate Federal, State or local authorities.

36. CERTIFICATION OF NONSEGREGATED FACILITIES. The Company hereby certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not permit its employees to perform their services at any location under its control where segregated facilities are maintained. It certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments and that it will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Company agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing

facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, disability, or otherwise. The Company further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Employment Opportunity clause; that it will retain such certifications in its files; and that it will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

37. 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.

38. DISPUTE RESOLUTION.

38.1. 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.

38.2. 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.

38.3. 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.

38.4. 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

OCHOCO IRRIGATION DISTRICT

Kristopher J Bremer Kristopher J Bremer
2024.02.20 09:34:54 -08'00'

Signature

Kristopher J Bremer

Printed Name of Signor

Director, Transmission Services

Title of Signor

2/20/2024

Date


Signature

Bruce Scanlon

Printed Name of Signor

Manager

Title of Signor

2/17/2024

Date

ACCEPTED AND AGREED:

UNITED STATES OF AMERICA,
BUREAU OF RECLAMATION

JENNIFER Digitally signed by JENNIFER
CARRINGTON
Date: 2024.02.14 14:03:06 -07'00'
CARRINGTON

Signature

Jennifer J. Carrington

Printed Name of Signor

Regional Director

Title of Signor

February 14, 2024

Date

Exhibit A
Estimated Direct Assignment Facilities Costs

Subordinate Area	Direct Assignment Facilities Cost
Barnes Butte Pumping Station <i>Install new primary metering, fuse upgrades</i>	\$58,320

Exhibit B

Estimated Scope of Work

Barnes Butte Facility Modifications

The following outlines the design, procurement, construction, installation, and ownership of equipment at the Customer's Facility.

Customer to be Responsible For:

- Procure all necessary permits, lands, rights of way and easements required for the construction and continued maintenance of the Customer's Facility.
- Coordinate with the Company to temporarily connect the Customer's new pumping equipment to the Company's existing metering facilities.
- Coordinate with the Company on the location for the Company's metering vault and cubicle.
- Submit any necessary requests for construction or backup retail service.
- Procure, design, and construct the primary metering concrete vault and all the trench/conduit to Company standards.
- Coordinate the location for the Customer-owned switchgear allowing Company access to the disconnecting means for use in an emergency.
- Design and operate the Customer pumping facilities to ensure motor in-rush does not cause objectionable flicker. Flicker events caused by fluctuating voltage shall not exceed the Pst of 1.0.
- Install Soft Starts on all new motors. If necessary, adjust the maximum in-rush to levels acceptable to the Company.

Company to be Responsible For:

- Coordinate with the Customer to temporarily connect the Customer's new pumping equipment to the Company's existing metering facilities.
- Provide Customer specific in-rush limits based on how often the Customer plans to start the motors.
- Provide the Customer standards to be followed for the Company's equipment to be constructed by the Customer.
- Remove the Company's existing low side metering equipment.
- Coordinate with the Customer to connect the Customer's equipment to the new metering equipment.
- Design, procure and install new 12.47 kV revenue metering equipment for the Project including two (2) revenue quality meters, test switch, instrument transformers, metering panels, junction box and secondary metering wire.
- Provide and install an Ethernet connection for retail sales and generation accounting via the MV-90 translation system.
- Voltage at the primary meter will typically operate between 0.975 to 1.05 per unit, ANSI A service voltage level. Voltage at the primary meter may deviate to 0.95 to 1.058 per unit, ANSI B service voltage level.
- Design, procure and install modifications to the existing fusing located at facility points 210002, 275701 and 275002.

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.

Milestones	Estimated Date
Execute Construction Agreement	February 15, 2024
Customer Design Information Provided	February 19, 2024
Company Temporary Construction Complete	February 28, 2024
Customer Pumping Equipment Temporarily In-Service	March 1, 2024
Customer Cost Estimate Payment	*May 3, 2024
Company Engineering & Procurement Commences	June 3, 2024
Company Engineering Design Complete	August 2, 2024
Company Long Lead Material Received	October 18, 2024
Company Construction Begins	November 4, 2024
Customer and Company Construction Complete	November 15, 2024
Company Equipment Energized/Project Completion	November 18, 2024

*Customer payment will be due by date specified or five days after acceptance of this Construction Agreement by FERC.