

December 5, 2018

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

RE: *PacifiCorp*
Docket No. ER19-_____-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2012), Part 35 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission") regulations, 18 C.F.R. Part 35 (2018), and Order No. 714¹ regarding electronic filing of tariff submittals, PacifiCorp hereby tenders for filing the following jurisdictional agreement:

Agreement to Replace the Bonneville Power Administration's 230 kV Oil Power Circuit Breaker 1L1 at the Jointly-Owned Malin Substation with a New PacifiCorp-Owned Power Circuit Breaker ("Agreement") between Bonneville Power Administration ("BPA") and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 741.

1. Description of Agreement

On November 19, 2018, BPA and PacifiCorp entered in the Agreement to simplify the ownership arrangement of certain equipment at the parties' jointly-owned Malin substation. The Agreement provides for PacifiCorp, at BPA's expense, to move and replace BPA's power circuit breaker number 1L1 at the Malin substation with a new power circuit breaker, which PacifiCorp will thereafter own, operate and maintain at PacifiCorp's expense.

Upon completion of the work contemplated in the Agreement, the Parties intend to revise, and submit for Commission approval, PacifiCorp Rate Schedule No. 239—a separate agreement governing the operation and maintenance charges for the equipment at issue in this Agreement.² Additionally, in recognition of BPA funding the replacement circuit breaker, the parties have agreed that certain charges under other agreements which involve the Malin substation³ will not be revised to include the capital costs of the new circuit breaker until such time as PacifiCorp performs a future replacement at its own expense.⁴

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

² See Agreement, Division of Responsibilities Statement at Section 3(b).

³ General Transfer Agreement No. DE-MS79-82BP90049 (PacifiCorp Rate Schedule No. 237) and AC Intertie Agreement No. DE-M579-94BP94332 (PacifiCorp Rate Schedule No. 368).

⁴ See Agreement, Division of Responsibilities Statement at Section 3(c).

PacifiCorp respectfully requests that the Commission accept the Agreement for filing as PacifiCorp Rate Schedule No. 741.

2. Effective Date and Request for Waiver

In accordance with 18 C.F.R. § 35.3(a)(1), PacifiCorp respectfully requests that the Commission establish an effective date of February 4, 2019 for the 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 Agreement be designated as PacifiCorp Rate Schedule No. 741.

4. Enclosure

The following enclosure is attached hereto:

Agreement between BPA and PacifiCorp, to be designated as PacifiCorp Rate Schedule No. 741

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. Notice

Pursuant to 18 C.F.R. §35.3, 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 February 4, 2019.

Respectfully Submitted,

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

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

1. AGREEMENT NUMBER	2. AGREEMENT EFFECTIVE FROM DATE IN BLOCK 4 UNTIL	3. AMENDMENT NO.	4. EFFECTIVE DATE
18TP-11447	See Section 7 of the DR Statement	-0-	Same as Block #17
ISSUED TO		ISSUED BY	
5. ORGANIZATION AND ADDRESS PacifiCorp ATTN: Ms. Laura Raypush-Dombrowsky Customer Account Manager, Transmission 825 NE Multnomah Street, Suite 1600 Portland, OR 97232		6. ORGANIZATION AND ADDRESS U.S. Department of Energy Bonneville Power Administration ATTN: Tonya Van Cleave – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666	
7. TECHNICAL CONTACT	PHONE NUMBER	8. TECHNICAL CONTACT	PHONE NUMBER
Glen Fortner	(503) 813-6918	Glenn Russell	(360) 619-6414
9. ADMINISTRATIVE CONTACT	PHONE NUMBER	10. ADMINISTRATIVE CONTACT	PHONE NUMBER
Laura Raypush-Dombrowsky	(503) 813-7040	Glenn Russell	(360) 619-6414

11. TITLE/BRIEF DESCRIPTION OF WORK TO BE PERFORMED UNDER THIS AGREEMENT

REPLACE THE BONNEVILLE POWER ADMINISTRATION'S 230 KV OIL POWER CIRCUIT BREAKER 1L1 AT THE JOINTLY-OWNED MALIN SUBSTATION WITH A NEW PACIFICORP-OWNED POWER CIRCUIT BREAKER

Background: The Bonneville Power Administration (BPA), PacifiCorp and other utility parties jointly own Malin Substation. However, PacifiCorp has clear and distinct ownership of the 500/230 kV transformer bank and the 230 kV ring bus, with the exception of one BPA-owned 30 year old oil-filled Power Circuit Breaker (PCB) (referred to as BPA number 191279, PacifiCorp dispatch number 1L1) and associated disconnects, installed under Construction Agreement No. DE-MS79-86BP91633. Currently, PacifiCorp operates and maintains PCB 1L1 at BPA's expense per Operations and Maintenance (O&M) Agreement No. DE-MS79-83BP90909. BPA and PacifiCorp desire to replace PCB 1L1 and simplify the ownership arrangement such that PacifiCorp owns all the equipment associated with the Malin 500/230 kV bank and 230 kV ring bus.

This Reimbursable Agreement (Agreement) between BPA and PacifiCorp provides for PacifiCorp, at BPA's expense, to replace BPA's PCB 1L1 at Malin Substation with a new PCB, which PacifiCorp will thereafter own, operate, and maintain at its expense.

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	13. AMOUNT TO BE PAID TO BPA
\$629,220 (not to exceed)	\$-0-
14. SUBMIT SIGNED AGREEMENT AND INVOICE TO U.S. Department of Energy Bonneville Power Administration ATTN: Tonya Van Cleave – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666	15. ACCOUNTING INFORMATION (<i>For BPA Use Only</i>) Work Order No. 468171
	16. SUBMIT INVOICE TO (<i>Name and Address</i>) Same as Block #14.
PARTICIPANT	
17. APPROVED BY (<i>Signature</i>)	18. APPROVED BY (<i>Signature</i>)
<i>/s/ Rick Vail</i>	<i>/s/ Eric H. Carter</i>
DATE (<i>mm/dd/yyyy</i>)	DATE (<i>mm/dd/yyyy</i>)
2018.11.19	2018.10.15
NAME AND TITLE	NAME AND TITLE
	BPA

Rick Vail VP, Transmission

Senior Transmission Account Executive
Transmission Sales

DIVISION OF RESPONSIBILITIES STATEMENT

BPA and PacifiCorp hereby agree as follows:

1. DIVISION OF RESPONSIBILITIES**(a) BPA shall, at BPA's expense:**

Salvage and dispose of the BPA-owned PCB number 191279 (dispatch number 1L1) removed under Section 1(b)(1) below.

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

At the jointly-owned Malin Substation:

- (1) Remove BPA's PCB number 191279 (dispatch number 1L1), and move it to a location at Malin Substation to be specified by BPA.
- (2) Design, provide, install, test and energize a 230 kV PCB to replace the PCB removed under Section 1(b)(1) above.

2. OWNERSHIP, OPERATION AND MAINTENANCE

- (a) Ownership of the remaining equipment associated with PCB 1L1 (disconnect switches, voltage transformers, etc.) installed under Construction Agreement No. DE-MS79-86BP91633 shall remain with BPA unless the parties agree to transfer ownership as specified in Section 3(a) below.
- (b) PacifiCorp, at its expense, will own, operate, maintain, and perform future replacements for equipment installed under Section 1(b)(2) above.

3. RELATED AGREEMENTS

- (a) The parties may desire to transfer ownership of BPA's remaining associated equipment such as disconnect switches and voltage transformers to PacifiCorp. Any such transfer shall be under a separate contract action. Refer to Construction Agreement No. DE-MS79-86BP91633 under which BPA's equipment was installed. Note that PacifiCorp already owns the associated protective line relaying per Alturas Intertie Project Interconnection and Operation and Maintenance Agreement No. 95MS-94600.
- (b) Upon completion of work under this Agreement, O&M Agreement No. DE-MS79-83BP90909, Exhibit B shall be revised to remove the O&M charges for the PCB dispatch number 1L1 at the jointly-owned Malin Substation.
- (c) In recognition of BPA funding the replacement of PCB 1L1 under this Agreement, and until such time as PacifiCorp performs a future replacement of the 230 kV PCB at PacifiCorp's expense:
 - (1) The transfer charge specified in General Transfer Agreement No. DE-MS79-82BP90049, Exhibit D for transfer service to BPA's loads (refer to Exhibit B, Table 18) will not be revised to include the capital cost of PCB 1L1.
 - (2) The use-of-facilities charge specified in AC Intertie Agreement No. DE-MS79-94BP94332, Exhibit G for use of the Malin 500/230 kV transformer will not be revised to include the capital cost of the 230 kV PCB.

4. 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.

5. 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.

6. PROJECT SCHEDULE

The estimated completion date for this project is September 15, 2020.

7. TERMINATION

This Agreement shall become effective upon execution by both parties subject to another date being designated by the Federal Energy Regulatory Commission (Commission), and shall terminate upon completion of construction, PacifiCorp's calculation of its actual costs for work performed herein, and 90 days following PacifiCorp's receipt of final payment from BPA; however, in no event shall the term of this Agreement exceed three years from the project completion date.

FINANCIAL TERMS AND CONDITIONS STATEMENT

1. ESTIMATED COSTS:

PacifiCorp's estimated cost for the project is \$572,018. PacifiCorp shall notify BPA, in writing, within thirty calendar days if, at any time during the course of the project, PacifiCorp expects the cost of performing the work identified under this Agreement to exceed \$629,220 (estimated cost plus 10%). If BPA agrees to the cost increase, a modification to this Agreement will be prepared to provide for the additional funding amount.

2. PAYMENT OF ACTUAL COSTS:

PacifiCorp's actual cost of performing the project shall be reimbursed by BPA up to the funding limit specified in Section 1 above. PacifiCorp's actual costs shall include all direct costs plus applicable overheads estimated to be 15%. PacifiCorp will provide an invoice on a monthly basis to BPA at the contact listed in Block #14 of this Agreement, and will include as an attachment to such invoice a project cost report containing sufficient detail to demonstrate applicability of the costs charged to the project, including any allocable overheads, for the preceding month. BPA shall pay to PacifiCorp the invoiced amount within thirty calendar days following receipt of such invoice from PacifiCorp. PacifiCorp will provide BPA with final project billing no later than 120 calendar days after completion of construction.

PacifiCorp shall keep accurate and complete accounting records in support of all cost billings and claims in accordance with generally accepted accounting principles.

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

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	16. SUBMIT INVOICE TO <i>(Name and Address)</i> Same as Block #14.

PARTICIPANT		BPA	
17. APPROVED BY <i>(Signature)</i> Rick Vail Digitally signed by Rick Vail Date: 2018.11.19 18:40:00 -08'00'	DATE <i>(mm/dd/yyyy)</i>	18. APPROVED BY <i>(Signature)</i>  Digitally signed by ERIC CARTER Date: 2018.10.15 15:03:28 -07'00'	DATE <i>(mm/dd/yyyy)</i>
NAME AND TITLE Rick Vail VP, Transmission		NAME AND TITLE Senior Transmission Account Executive Transmission Sales	

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