

Southern California Edison Company

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AMENDED AND RESTATED
AGREEMENT FOR ADDITIONAL NEVADA POWER COMPANY
CONNECTIONS TO THE ELDORADO SYSTEM

AMONG

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES

SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT

SOUTHERN CALIFORNIA EDISON COMPANY

AND

NEVADA POWER COMPANY

(d/b/a NV Energy)

Contract Effective Date: 11/9/89
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AMENDED AND RESTATED
AGREEMENT FOR ADDITIONAL NEVADA POWER COMPANY
CONNECTIONS TO THE ELDORADO SYSTEM

1. PARTIES:

The parties to this AMENDED AND RESTATED AGREEMENT FOR ADDITIONAL NEVADA POWER COMPANY CONNECTIONS TO THE ELDORADO SYSTEM ("Agreement") are: DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES ("Los Angeles"), a department organized and existing under the charter of the City of Los Angeles, a municipal corporation of the State of California; SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT ("Salt River"), an agricultural improvement district organized and existing under the laws of the State of Arizona; SOUTHERN CALIFORNIA EDISON COMPANY ("Edison"), a California corporation; and NEVADA POWER COMPANY, doing business as NV Energy, a Nevada corporation, herein acting as an Eldorado Co-Owner and referred to as "Nevada," and as the party requesting additional connections to the Eldorado System and referred to as "Connecting Participant." The parties to this Agreement are individually referred to as "Party" and collectively as "Parties."

2. RECITALS:

This Agreement is made with reference to the following facts, among others:

- 2.1. Los Angeles, Salt River, Edison, and Nevada ("Eldorado Co-Owners") jointly own, as tenants in common, the Eldorado System.
- 2.2. The Eldorado Co-Owners have entered into the Co-Tenancy Agreement and the Operating Agreement, in each case as amended,

which, among other things, provide for the ownership and operation of the Eldorado System.

- 2.3. Due to load growth in Nevada's service area, Nevada provided for a connection at the Mohave 500 kV Switchyard for delivery of power to Nevada's service area adjacent to the Mohave Project by interconnecting a 500 kV line from its Laughlin Substation to the Mohave 500 kV Switchyard (the "Laughlin-Mohave No. 2 500 kV Line").
- 2.4. The Mohave Participants are in the process of decommissioning the Mohave Project. In order to facilitate this decommissioning, the Eldorado Co-Owners and the Mohave Participants have separated the Mohave Project from the Mohave 500 kV Switchyard in order to establish a reliable, self-supported, and self-sufficient Mohave 500 kV Switchyard. Among other requirements, such separation included the construction of a second Nevada-owned 500 kV transmission line from the Mohave 500 kV Switchyard to the Laughlin Substation (the "Laughlin-Mohave No. 1 500 kV Line").
- 2.5. Nevada and San Diego Gas and Electric Company are co-owners of the Merchant 230 kV Substation located in Boulder City, Nevada ("Merchant 230 kV Substation"). Pursuant to a phased plan for Nevada to separate the Merchant 230 kV Substation from Nevada's transmission system, Nevada intends to connect a new 230 kV transmission line from the Merchant 230 kV Substation to the Eldorado 220 kV Switchyard (the "Eldorado-Merchant No. 2 230 kV Line"). In order to facilitate this transmission re-arrangement, Nevada submitted a request to the Eldorado Co-Owners to

interconnect the Eldorado-Merchant No. 2 230 kV Line to the Eldorado 220 kV Switchyard.

2.6. The construction and interconnection of the Eldorado-Merchant No. 2 230 kV Line to the Eldorado 220 kV Switchyard and the payment of costs associated with such construction are pursuant to the terms set forth in the Agreement for Cost Reimbursement Relating to the Interconnection of Three (3) 230 kV Lines at the Eldorado Substation between Edison, acting as the Operating Agent, and Nevada, which agreement was filed with the Federal Energy Regulatory Commission ("FERC") under FERC Docket No. ER11-4104-000.

2.7. The Parties entered into that certain Agreement for Additional Nevada Power Company Connection to Mohave 500 kV Switchyard, dated November 9, 1989, as amended ("Original Agreement"), and now desire to amend and restate the Original Agreement in its entirety as set forth herein.

3. SECTION HEADINGS AND DEFINITIONS:

Section headings in this Agreement are for convenience only and are not to be construed to define, limit, expand, interpret, or amplify the provisions of this Agreement. When initially capitalized in this Agreement, or amendments hereto, the following words or phrases whether in the singular or plural, shall have the meanings specified:

3.1. Accounting Practices – Generally accepted accounting principles and practices, in accordance with FERC Accounts applicable to electric utilities operations.

- 3.2. Additional Nevada Connections – The Laughlin-Mohave No. 1 500 kV Line, the Laughlin-Mohave No. 2 500 kV Line, and the Eldorado-Merchant No. 2 230 kV Line.
- 3.3. Capital Improvements – Any Units of Property which are added to the Connecting Facilities after their applicable In-Service Date; the enlargement or betterment of any Units of Property constituting a part of the Connecting Facilities and the replacement of any Units of Property constituting a part of the Connecting Facilities, irrespective of whether such replacement constitutes an enlargement or betterment of that which it replaces, which additions, betterments enlargements, and replacements in accordance with Accounting Practice would be capitalized and are not included in Operating Work or in any capital improvements added to the Eldorado System as set forth in Section 17 of the Operating Agreement.
- 3.4. Co-Tenancy Agreement – The ELDORADO SYSTEM CONVEYANCE AND CO-TENANCY AGREEMENT BETWEEN NEVADA POWER COMPANY, THE DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES, SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT, and SOUTHERN CALIFORNIA EDISON COMPANY, dated December 20, 1967, as it may be amended from time to time.
- 3.5. Common Facilities – Those facilities of the Mohave 500 kV Switchyard originally constructed for exclusive use of the Eldorado Co-Owners.
- 3.6. Connecting Facilities – The equipment and facilities located in the Mohave 500 kV Switchyard and the Eldorado Substation, including,

but not limited to, power circuit breakers, disconnect switches, metering, relaying devices, surge arrestors, and appurtenant facilities up to and including the connection to the respective A-frame structure located in the applicable bay positions, required for the termination of the Additional Nevada Connections, and any Capital Improvements as may be added thereto from time to time. The Connecting Facilities do not include the 500 kV busbars and extensions in the Mohave 500 kV Switchyard or the 500 kV and 220 kV busbars in the Eldorado Substation.

- 3.7. Cost Responsibility Ratios – The ratios of responsibility, one ratio for the Mohave 500 kV Switchyard and one ratio for the Eldorado 220 kV Switchyard, for the costs of operation and maintenance of such switchyards as described in Section 10.
- 3.8. Eldorado 220 kV Switchyard – The 220 kV switchyard located in the Eldorado Substation.
- 3.9. Eldorado Substation – The 500/220 kV substation located in Boulder City, Nevada, and more particularly described in the Co-Tenancy Agreement.
- 3.10. Eldorado System – The transmission system located in southern Nevada, and more particularly described in Section 5.18 of the Co-Tenancy Agreement.
- 3.11. Engineering and Operating Committee – The committee established pursuant to Section 9 of the Co-Tenancy Agreement.
- 3.12. FERC Accounts – FERC's "Uniform System of Accounts Prescribed for Public Utilities and Licensees," subject to the provisions of the Federal Power Act in effect as of the date of this Agreement, and as such

system of accounts may be in effect from time to time. Reference in this Agreement to any specific FERC Account number shall mean the FERC Account number in effect as of the effective date of this Agreement or any successor FERC Account.

- 3.13. Function – Each connection to the Mohave 500 kV Switchyard or to the Eldorado 220 kV Switchyard through power circuit breakers or disconnect switches, such as line connections, generator connections, or transformer connections.
- 3.14. In-Service Date – The date upon which the applicable Connecting Facilities have been successfully tested and energized for service.
- 3.15. Mohave Participants – Los Angeles, Nevada, Salt River and Edison, individually, or all collectively, acting in their role as co-owners of the Mohave Project.
- 3.16. Mohave 500 kV Switchyard – The 500 kV switchyard located in Laughlin, Nevada, and more particularly described in the Co-Tenancy Agreement.
- 3.17. Mohave Project – The decommissioned Mohave Generating Station units No. 1 and No. 2 and all facilities and structures used therewith or related thereto, including the Mohave plant site, owned by the Mohave Participants.
- 3.18. Operating Agent – The party acting as operating agent under the Operating Agreement who is also herein responsible for the performance of Operating Work and making of Capital Improvements.
- 3.19. Operating Agreement – THE ELDORADO SYSTEM OPERATING AGREEMENT between NEVADA POWER COMPANY, THE DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS

ANGELES, SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT, and SOUTHERN CALIFORNIA EDISON COMPANY, dated July 3, 1970, as it may be amended from time to time.

- 3.20. Operating Emergency – An unplanned event or circumstance which reduces or may reduce the capacity of the Mohave 500 kV Switchyard and/or the Eldorado 220 kV Switchyard that would otherwise be available to the Parties under normal operating conditions.
- 3.21. Operating Funds – Monies advanced to Operating Agent for Operating Work, Capital Improvements, and operation and maintenance for the Mohave 500 kV Switchyard and the Eldorado 220 kV Switchyard on behalf of Connecting Participant.
- 3.22. Operating Insurance – Insurance specified in the Operating Agreement.
- 3.23. Operating Work – Engineering, contract preparation, purchasing, repair, supervision, recruitment, training, expediting, inspection, accounting, testing, protection, use, management, retirement, reconstruction, provision of Operating Insurance, operation, and maintenance associated with the Connecting Facilities, excluding Capital Improvements.
- 3.24. Units of Property – Units of property as described in FERC's "List of Units of Property for Use in Connection with Uniform System of Accounts Prescribed for Public Utilities and Licensees" in effect as of the date of this Agreement, and as such list may be amended from time to time.

3.25. Willful Action – Willful Action is defined as follows:

3.25.1. Action taken or not taken by a Party at the direction of its directors, members of its governing bodies, officers, or employees having management or administrative responsibility affecting its performance under this Agreement, which action is knowingly or intentionally taken or not taken with conscious indifference to the consequences thereof or with intent that injury or damage would result or would probably result therefrom.

3.25.2. Action taken or not taken by a Party at the direction of its directors, members of its governing bodies, officers, or employees having management or administrative responsibility affecting its performance under this Agreement which action has been determined by final arbitration award or final judgment or judicial decree to be a material default under this Agreement and which occurs or continues beyond the time specified in such arbitration award or judgment or judicial decree for curing such default or, if no time to cure is specified therein, occurs or continues thereafter beyond a reasonable time to cure such default.

3.25.3. Action taken or not taken by a Party at the direction of its directors, members of its governing bodies, officers, or employees having management or administrative responsibility affecting its performance under this Agreement, which action is knowingly or intentionally taken or not taken

with the knowledge that such action taken or not taken is a material default under this Agreement.

3.25.4. The phrase "employees having management or administrative responsibility" as used herein means employees of a Party who are responsible for one or more of the executive functions of planning, organizing, coordinating, directing, controlling, and supervising such Party's performance under this Agreement; provided, however, that with respect to employees of Operating Agent acting in its capacity as such and not in its capacity as a Party, such phrase shall refer only to (i) the senior employee of Operating Agent who is responsible for Operating Work or Capital Improvements and (ii) anyone in the organizational structure of Operating Agent between such senior employee and an officer.

3.26. Work Liability – Liability of one or more Parties for damages suffered by anyone other than a Party, whether or not resulting from the negligence of any Party, its directors, members of its governing bodies, officers, employees, or any other person or entity whose negligence could be imputed to such Party, resulting from:

3.26.1. The performance or non-performance of Operating Work or design, construction, operation, and maintenance of Capital Improvements.

3.26.2. The use or ownership of the Connecting Facilities.

4. EFFECTIVE DATE AND TERMINATION:

This Agreement shall be effective June 16, 2012, subject to the execution of the Agreement by all of the Parties and the acceptance of the Agreement by FERC, and shall terminate concurrently with the termination of the Co-Tenancy Agreement, unless terminated earlier by written agreement of the Parties. The Parties agree that, upon becoming effective in accordance with this Section 4, this Agreement shall amend and restate the Original Agreement in its entirety.

5. RIGHT TO CONNECT:

The Eldorado Co-Owners hereby grant to Connecting Participant: (i) the right to install the Connecting Facilities in the Mohave 500 kV Switchyard and the Eldorado 220 kV Switchyard; (ii) the right to connect the Connecting Facilities to the Eldorado System; (iii) the right to occupy the real property within the Mohave 500 kV Switchyard and the Eldorado Substation as may be required for such connections; and (iv) the right to use space for control and monitoring equipment, both inside and outside of each control house, as may be necessary to provide proper control and communication.

6. OWNERSHIP:

6.1. The Connecting Facilities and any Capital Improvements thereto, shall be owned by and remain the sole property of Connecting Participant. Connecting Participant shall have no interest in the realty except for its use as provided in and during the term of this Agreement.

6.2. The Eldorado Substation, the Mohave 500 kV Switchyard, and any capital improvements thereto shall continue to be owned by and remain the property of the Eldorado Co-Owners.

- 6.3. The 500 kV busbar extension provided for the interconnection of the applicable Additional Nevada Connections at the Mohave 500 kV Switchyard shall be owned by the Eldorado Co-Owners.
- 6.4. The division of ownership of facilities between Connecting Participant and the Eldorado Co-Owners as provided in this Agreement shall not be construed in any way to limit the respective rights of the Eldorado Co-Owners in their sole discretion to operate, maintain, expand, sell, or otherwise dispose of the Eldorado System as may be deemed necessary or appropriate.

7. OPERATING AGENT:

- 7.1. Operating Agent for the Connecting Facilities shall be Edison or its successor under the Operating Agreement.
- 7.2. Connecting Participant hereby appoints Operating Agent as its agent, and Operating Agent shall perform Operating Work and make Capital Improvements, including the responsibility for the design and construction thereof, in accordance with the terms and conditions of this Agreement.
- 7.3. Operating Agent, to the extent not already procured, shall procure Operating Insurance for the Connecting Facilities which shall be effective as of the applicable In-Service Date and shall maintain in force such insurance until termination of this Agreement.
- 7.4. Operating Agent, in performing Operating Work and in making Capital Improvements, shall comply with all applicable provisions of the Co-Tenancy Agreement and of the Operating Agreement.

8. USE OF SWITCHYARD:

The Eldorado Co-Owners agree to permit Connecting Participant the non-exclusive right to use and benefit from the Eldorado Substation, the Mohave 500 kV Switchyard, the General Facilities (as such term is defined in the Co-Tenancy Agreement), and Common Facilities at no charge to Connecting Participant for embedded costs incurred by the Eldorado Co-Owners.

9. ADDITIONAL FACILITIES:

If at any time the Engineering and Operating Committee determines that additional facilities are required for the Eldorado System solely as a result of the Connecting Facilities, Connecting Participant shall reimburse the Eldorado Co-Owners as applicable for all costs including, but not limited to, construction work, operating work, and capital improvements thereto, in the same manner and to the same extent as if such additional facilities had been included in the Connecting Facilities as initially installed.

10. COST RESPONSIBILITY RATIOS:

10.1. Mohave 500 kV Switchyard

The Cost Responsibility Ratio for the Mohave 500 kV Switchyard shall be computed by Operating Agent for the purpose of allocating operation and maintenance costs associated with the Mohave 500 kV Switchyard to Connecting Participant.

10.1.1. Such Cost Responsibility Ratio shall be computed initially upon the applicable In-Service Date and shall be recomputed upon the installation of additional Functions to the Mohave 500 kV Switchyard as follows:

$$\text{Cost Responsibility Ratio} = X / (W+X)$$

where W = number of Functions for parties other than Connecting Participant at the Mohave 500 kV Switchyard.

X = number of Functions for Connecting Participant at the Mohave 500 kV Switchyard.

10.1.2. The present plan for the Mohave 500 kV Switchyard as shown in Attachment A provides for six (6) Functions. A total of four (4) Functions are owned by parties other than Connecting Participant, and two (2) Functions are owned by Connecting Participant.

10.1.3. The present computation of Connecting Participant's Cost Responsibility Ratio for the Mohave 500 kV Switchyard under the aforementioned plan is as follows:

$$\text{Cost Responsibility Ratio} = X / (W+X) = 2 / (4+2) = 0.3333$$

10.2. Eldorado 220 kV Switchyard

The Cost Responsibility Ratio for the Eldorado 220 kV Switchyard shall be computed by Operating Agent for the purpose of allocating operating and maintenance costs associated with the Eldorado 220 kV Switchyard to Connecting Participant.

10.2.1 Such Cost Responsibility Ratio shall be computed initially upon the applicable In-Service Date and shall be recomputed upon the installation of additional Functions to the Eldorado 220 kV Switchyard as follows:

$$\text{Cost Responsibility Ratio} = X / (W+X)$$

where W = number of Functions for parties other than Connecting Participant at the Eldorado 220 kV Switchyard.

X = number of Functions for Connecting Participant at the Eldorado 220 kV Switchyard.

10.2.2. The present plan for the Eldorado 220 kV Switchyard as shown in Attachment B provides for eight (8) Functions. A total of seven (7) Functions are owned by parties other than Connecting Participant, and one (1) Function is owned by Connecting Participant.

10.2.3. The present computation of Connecting Participant's Cost Responsibility Ratio for the Eldorado 220 kV Switchyard under the aforementioned plan is as follows:

$$\text{Cost Responsibility Ratio} = X / (W + X) = 1 / (7 + 1) = 0.1250$$

11. ALLOCATION OF COSTS:

The following costs shall be allocated to Connecting Participant:

- 11.1. Beginning on the applicable In-Service Date, one hundred percent (100%) of the costs of Operating Work shall be allocated to Connecting Participant.
- 11.2. Beginning on the applicable In-Service Date, one hundred percent (100%) of the costs of Capital Improvements, including the design and construction thereof, shall be allocated to Connecting Participant.
- 11.3. Costs for operation and maintenance or an Operating Emergency at the Mohave 500 kV Switchyard and the Eldorado 220 kV Switchyard shall be allocated to Connecting Participant in accordance with the applicable Cost Responsibility Ratio as set forth in Section 10.

12. PAYMENT:

Connecting Participant shall advance Operating Funds to Operating Agent on the basis of bills received from Operating Agent. Such bills shall reflect all costs allocated to Connecting Participant for Operating Work, Capital Improvements, and operation and maintenance at the Mohave 500 kV Switchyard and the Eldorado 220 kV Switchyard as follows:

- 12.1. Except for the costs described in Sections 16 and 17 and for the costs for Operating Insurance, and Operating Emergencies, the costs for the current month shall be billed on an estimated basis on or before the first business day of each month, and payment shall be due and payable and must be received by Operating Agent by the fifteenth day of such month; provided, that adjustments for differences between estimated costs and actual costs incurred for such month shall be reflected in the bill for the calendar month which follows the date of determination of actual costs.
- 12.2. Costs described in Section 16 (to the extent that any tax or payment in lieu thereof is levied against a Party on behalf of another Party or Parties) and Section 17 and costs for Operating Insurance and Operating Emergencies shall be billed not less than eight (8) business days prior to their due date and shall be due and payable and must be received by Operating Agent not less than three (3) business days prior to such date.
- 12.3. Operating Funds not advanced to Operating Agent on or before the due dates specified shall be payable with interest accrued at the current prime rate of the Bank of America located in Los Angeles, California, prorated by days from the due date to the date of payment.

12.4. If Connecting Participant shall dispute any portion of any amount specified in a monthly forecast, billing or a request for funds, Connecting Participant shall make the total payment specified in said forecast, billing, or request for funds under protest. If it is determined that an overpayment has been made, the amount determined by the Parties to be in excess shall be returned to Connecting Participant with interest as provided for in Section 12.3.

12.5. Payments shall be considered made on the date payment is received by Operating Agent.

13. OPERATING PRINCIPLES:

13.1. The Eldorado 220 kV Switchyard and the Mohave 500 kV Switchyard capacity shall be allocated in accordance with the Operating Agreement.

13.2. Subject to the provisions of the Operating Agreement, operating procedures shall be established such that in the event of an emergency on the Eldorado System which curtails the delivery of power across the Eldorado System, Nevada shall be allowed to maintain service to its customers' loads of up to 222 MW from its main system through the Eldorado System and the Mohave 500 kV Switchyard to the extent that the Mohave 500 kV Switchyard equipment and the Eldorado System will permit it as determined by Operating Agent.

13.3. Operating Agent shall coordinate with any affected entity any scheduled outage of facilities required for maintenance of the Connecting Facilities or for Capital Improvements consistent with the Operating Agreement and this Agreement.

14. ENGINEERING AND OPERATING COMMITTEE:

The Engineering and Operating Committee shall:

- 14.1. Provide liaison among the Parties hereto in matters relating to the Connecting Facilities.
- 14.2. Review and approve Operating Agent's estimate of the annual capital expenditures budget and the annual maintenance budget relating to the Connecting Facilities to be submitted by Operating Agent to the Parties at the same time and place as other budgets are to be submitted as set forth in the Operating Agreement.
- 14.3. Have no authority to modify any of the provisions of this Agreement. No action shall be taken by the Engineering and Operating Committee in respect to the Connecting Facilities unless such action is agreed to by all of the Parties acting through their representatives on the Engineering and Operating Committee pursuant to the terms of the Operating Agreement. Any agreement, action, or determination made by the Engineering and Operating Committee in respect to the Connecting Facilities shall be reduced to writing and shall become effective when signed by the Engineering and Operating Committee representative of each Party.

15. OTHER AGREEMENTS:

Except as set forth herein, should a conflict affecting the Eldorado Co-Owners arise out of an inconsistency between the terms and conditions of this Agreement and the terms and conditions of the Operating Agreement, the terms and conditions of the Operating Agreement shall govern.

16. TAXES:

- 16.1. Connecting Participant shall use its best efforts to have any taxing authority imposing any property taxes or other taxes (excluding any

sales or use taxes) or assessments on the Connecting Facilities, impose such taxes or assessments directly upon Connecting Participant.

16.2. All taxes and assessments levied against any Party shall be the sole responsibility of the Party upon whom said taxes and assessments are levied, unless such taxes and assessments are levied directly upon an individual Party on behalf of any or all of the other Parties.

16.3. Any Party exempted from any taxes assessed against any or all of the other Parties shall be given credit for such exemption by Operating Agent.

17. LIABILITY:

17.1. Except for any judgment debt for damage resulting from Willful Action and except to the extent any judgment debt is collectible from valid insurance provided hereunder and subject to the provisions of Sections 17.2, 17.4, 17.5, and 17.6, each Party hereby extends to all other Parties, their directors, members of their governing bodies, officers, and employees its covenant not to execute, levy, or otherwise enforce a judgment obtained against any of them, including recording or effecting a judgment lien, for any direct, indirect, or consequential loss, damage, claim, cost, charge, or expense, whether or not resulting from the negligence of such Party, its directors, members of its governing bodies, officers, employees, or any other person or entity whose negligence would be imputed to such Party from (i) Operating Work, the design and construction of Capital Improvements, or the use of or ownership of the Connecting Facilities or (ii) the performance or nonperformance of the obligations of a Party under this Agreement, other than the obligation to pay any monies which have become due.

17.2. In the event any insurer providing insurance hereunder refuses to pay any judgment obtained by a Party against another Party, its directors, members of its governing bodies, officers, or employees, on account of liability referred to in Section 17.1, the Party, its directors, members of its governing bodies, officers, or employees against whom the judgment is obtained shall, at the request of the prevailing Party and in consideration of the covenant given in Section 17.1, execute such documents as may be necessary to effect an assignment of its contractual rights against the nonpaying insurer and thereby give the prevailing Party the opportunity to enforce its judgment directly against such insurer. In no event when a judgment debt is collectible from valid insurance provided hereunder, shall the Party obtaining the judgment execute, levy, or otherwise enforce the judgment (including recording or effecting a judgment lien) against the Party, its directors, members of its governing bodies, officers, or employees, against whom the judgment was obtained.

17.3. Except as provided in Sections 17.4, 17.5, and 17.6, the costs and expenses of discharging all Work Liability imposed upon one or more of the Parties for which payment is not made by the insurance provided hereunder, shall be paid by Connecting Participant.

17.4. Each Party shall be responsible for any damage, loss, claim, cost, charge, or expense that is not covered by the insurance provided hereunder and results from its own Willful Action and shall indemnify and hold harmless the other Parties, their directors, members of their governing bodies, officers, and employees from any such damage, loss, claim, cost, charge, or expense.

17.5. Except for liability resulting from Willful Action (which, shall be the responsibility of the willfully acting Party), and subject to Section 17.6, any Party whose electric customer shall have a claim or bring an action against any other Party for any death, injury, loss, or damage arising out of or in connection with electric service to such customer and caused by the operation or failure of operation of the Connecting Facilities or any portion thereof, shall indemnify and hold harmless such other Party, its directors, members of its governing bodies, officers, and employees from and against any liability for such death, injury, loss, or damage.

17.6. The provisions of this Section 17 shall not be construed so as to relieve any insurer of its obligation to pay any insurance proceeds in accordance with the terms and conditions of valid and collectible insurance policies furnished hereunder.

18. UNCONTROLLABLE FORCES:

No Party shall be considered to be in default in the performance of its obligations hereunder (other than obligations of said Party to make payment of bills rendered hereunder) when a failure of performance shall be due to an Uncontrollable Force. The term "Uncontrollable Force" means any cause beyond the reasonable control of the Party affected, including but not restricted to failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, restraint by court order or public authority, which by exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be

construed so as to require a Party to settle any strike or labor dispute in which it may be involved. Any Party rendered unable to fulfill any of its obligations hereunder by reason of an Uncontrollable Force shall give prompt written notice of such fact to the other Parties and shall exercise due diligence to remove such inability with all reasonable dispatch.

19. RELATIONSHIP OF THE PARTIES:

The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing herein contained shall ever be construed to create an association, joint venture, trust, or partnership, or to impose an association, joint venture, trust, or partnership covenant, obligation, or liability on or with regard to any one or more of the Parties. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as herein provided. No Party or group of Parties shall be under the control of or shall be deemed to control any other Party or the Parties as a group. No Party shall be the agent of or have a right or power to bind any other Party without its express written consent, except as expressly provided in this Agreement.

20. SUCCESSORS AND ASSIGNS:

- 20.1. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties.
- 20.2. Any successor or assignee shall notify the remaining Parties of such succession or assignment in accordance with Section 24.
- 20.3. No assignment or transfer of interest hereunder shall relieve the assigning or transferring Party from full liability and financial responsibility for performance, after any such assignment or transfer, of all obligations and duties incurred, under the terms and conditions

of this Agreement, by such Party prior to such assignment or transfer unless and until the assignee or transferee shall agree in writing with all the remaining Parties to assume all obligations and duties imposed under the terms and conditions of this Agreement, upon the assigning or transferring Party after such assignment or transfer.

21. NONDEDICATION OF FACILITIES:

The Parties do not intend to dedicate, and nothing in this Agreement shall be construed as constituting a dedication by any Party of its properties or facilities, or any part thereof, to any other Party or to the customers of any Party.

22. REGULATORY APPROVALS:

The Parties agree to cooperate to obtain any state or federal regulatory approval necessary for the full participation of any Party in the rights and obligations of this Agreement.

23. GOVERNING LAW AND VENUE:

This Agreement shall be interpreted in accordance with the substantive and procedural laws of the State of Nevada. Any action at law or judicial proceeding instituted by any Party relating to this Agreement shall be instituted only in the state or federal courts of the State of Nevada.

24. NOTICES:

24.1. Except as set forth in Section 24.2, any legal notice or communication required by this Agreement shall be in writing, and shall be deemed properly served, given, or made, if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

24.1.1. Nevada Power Company d/b/a NV Energy
c/o Director, Transmission Policy & Contracts
P.O. Box 10100 – M/S S3B40
Reno, Nevada 89520-0024

24.1.2. Salt River Project Agricultural
Improvement and Power District
c/o Secretary
P.O. Box 52025
Phoenix, Arizona 85072-2025

24.1.3. Southern California Edison Company
c/o Manager, Grid Contracts Management
2244 Walnut Grove Avenue
Rosemead, California 91770

24.1.4. Department of Water and Power
of the City of Los Angeles
c/o Assistant General Manger – Power
111 North Hope Street, Room 1225
Los Angeles, California 90012

24.2. Communications of a routine nature involving requests for funds and related matters shall be given in such manner as the representatives to the Engineering and Operating Committee shall arrange.

24.3. Any Party may, at any time, by written notice to all other Parties, designate different or additional persons or different addresses for the giving of notices hereunder.

25. GENERAL PROVISIONS:

25.1. In the event that any of the terms, covenants, or conditions of this Agreement, or the application of any such term, covenant, or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction in the premises, all other terms, covenants, or conditions of this Agreement and their application shall not be affected thereby, but shall remain in full force and effect.

25.2. Except as otherwise specifically provided in this Agreement, the Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established therein.

25.3. Any waiver at any time by any Party of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter whether of a similar or different nature.

26. EXECUTION BY COUNTERPARTS:

This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart hereof without impairing the legal effect of any signature thereon and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

(SIGNATURES APPEAR ON NEXT PAGE)

27. SIGNATURE CLAUSE:

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign. This Agreement is hereby executed as of the _____ day of _____, 20_____.

NEVADA POWER COMPANY (d/b/a NV Energy)

By /s/ Mario Villar

Name Mario Villar

Title Vice-President

Date Signed 6/15/2012

**SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT**

By /s/ Robert Kondziolka

Name Robert Kondziolka

Title Director, Trans & Gen Operations

Date Signed 6/13/2012

SOUTHERN CALIFORNIA EDISON COMPANY

By /s/ Kevin Payne

Name Kevin M. Payne

Title Vice President

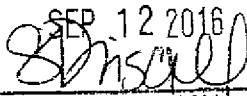
Date Signed 6/14/2012

**DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES ACTING BY AND
THROUGH THE BOARD OF WATER AND POWER
COMMISSIONERS**

By _____
General Manager

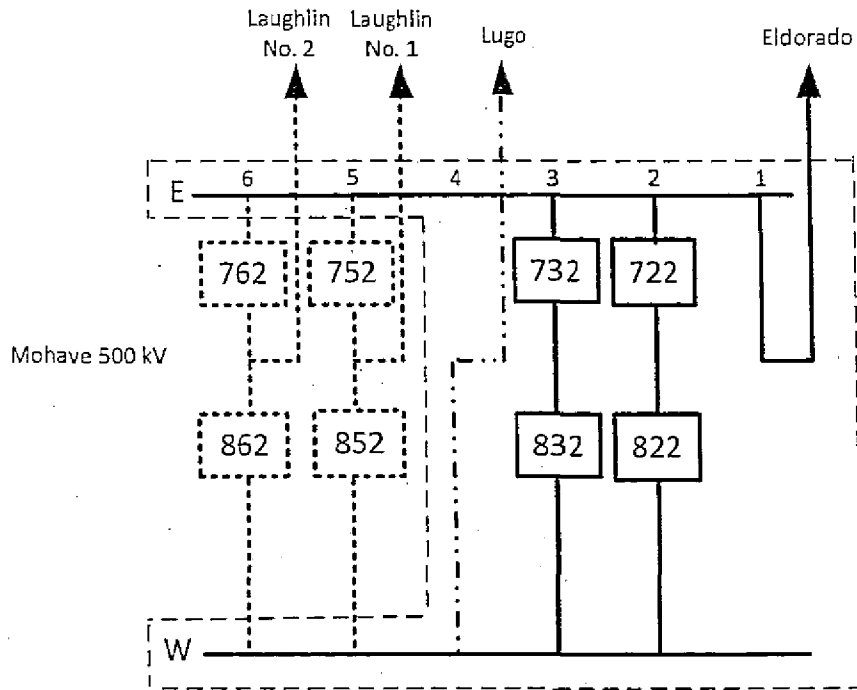
and _____
Secretary

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

SEP 12 2016
BY 
SYNDI DRISCOLL
DEPUTY CITY ATTORNEY

Attachment A

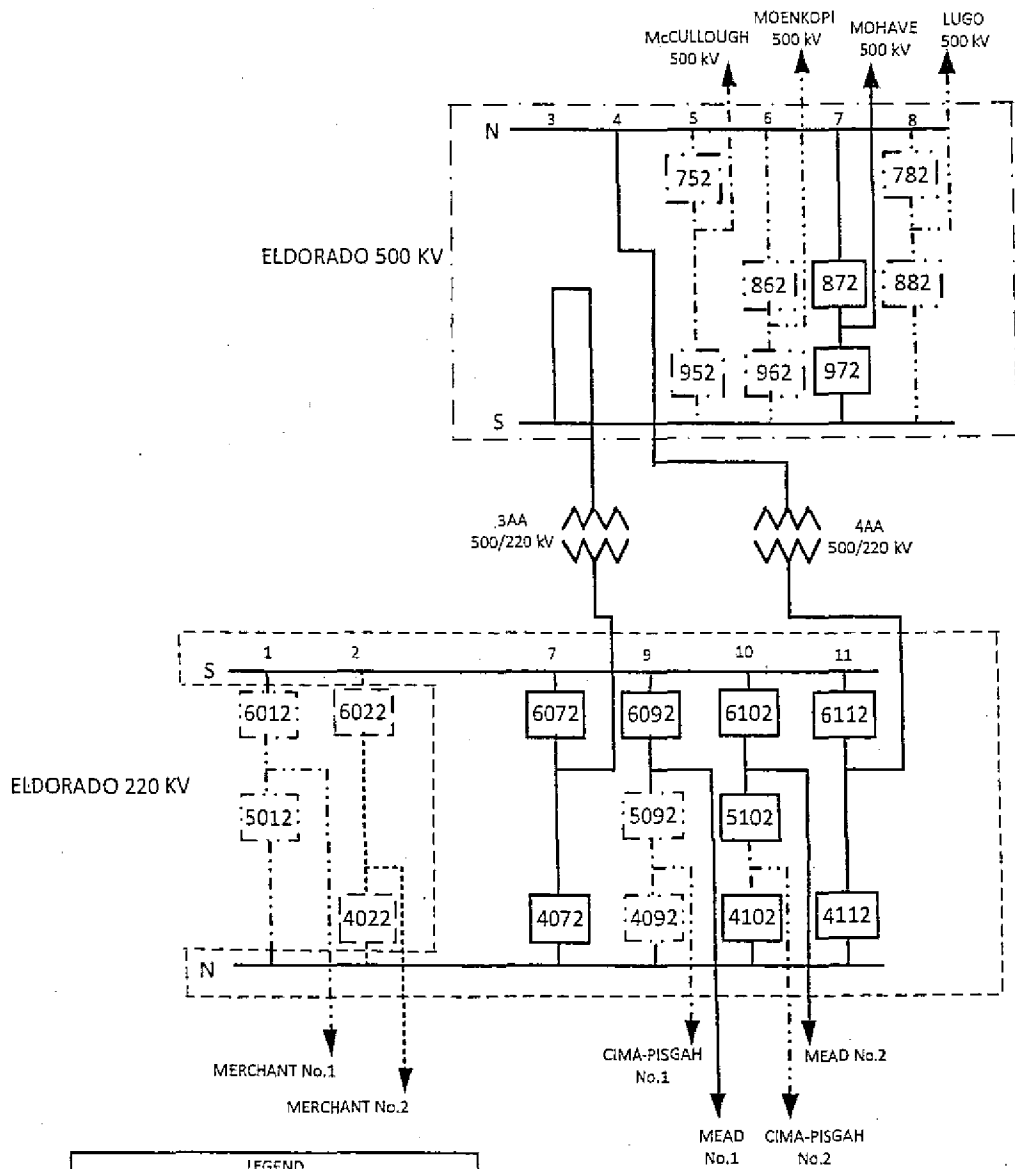
MOHAVE 500 kV SWITCHYARD ONE LINE DIAGRAM



LEGEND	
—————	Eldorado System
.....	Edison
- . - . - .	Nevada
-----	Mohave Switchyard

Attachment B

ELDORADO SUBSTATION ONE LINE DIAGRAM



LEGEND	
	Eldorado System
	Edison
	Nevada
	Los Angeles
	Eldorado 220 kV Switchyard
	Eldorado 500 kV Switchyard