

Southern California Edison Company

FERC FPA Electric Tariff

Tariff Title: Rate Schedules

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AGREEMENT FOR ADDITIONAL SOUTHERN CALIFORNIA EDISON  
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

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

AND

SOUTHERN CALIFORNIA EDISON COMPANY

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Contract Effective Date: 8/13/2013  
495.0.0

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AGREEMENT FOR ADDITIONAL SOUTHERN CALIFORNIA EDISON COMPANY  
CONNECTIONS TO THE ELDORADO SYSTEM

1. PARTIES:

The parties to this AGREEMENT FOR ADDITIONAL SOUTHERN CALIFORNIA EDISON 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; NEVADA POWER COMPANY, doing business as NV Energy ("NV Energy"), a Nevada corporation; and SOUTHERN CALIFORNIA EDISON COMPANY ("SCE"), a California corporation, with Los Angeles, Salt River, NV Energy and SCE collectively referred to as the "Eldorado Co-Owners," with SCE further acting as the "Operating Agent" for the Eldorado Co-owners. SCE is also the party requesting additional connections to the Eldorado System and when so acting, SCE is referred to as "Connecting Participant." The parties to this Agreement are also 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. The 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. On May 3, 2013, Connecting Participant submitted to the Eldorado Co-Owners a written request to interconnect a new 220 kV switchyard, to be owned by the Connecting Participant and constructed within the Eldorado Substation site, to the Eldorado 220 kV Switchyard.
- 2.4. On June 7, 2013, the Engineering and Operating Committee adopted Eldorado System E&O Resolution 2013-01 in which the Engineering and Operating Committee granted to Connecting Participant the right to a limited, transmission-only interconnection of the SCE-owned 220 kV Switchyard to the Eldorado 220 kV Switchyard subject to the terms and conditions therein.
- 2.5. By that same resolution, the Engineering and Operating Committee granted to Connecting Participant the right, at Connecting Participant's sole cost, to occupy and use a portion of the Eldorado Substation site for the SCE-owned 220 kV Switchyard subject to the terms and conditions therein.
- 2.6. As of June 25, 2013, NV Energy, Salt River and SCE executed the Agreement for Limited Interconnection of Southern California Edison Company 220 kV Switchyard to the Eldorado System For An Interim Period Among Department of Water and Power of The City of Los Angeles, Salt River Project Agricultural Improvement and Power District, Nevada Power Company (d/b/a NV Energy), and Southern California Edison Company ("Limited Interconnection Agreement").

Los Angeles provided its concurrence with such agreement on June 25, 2013 and stated that it will seek approval of the Limited Interconnection Agreement from its Board of Water and Power Commissioners and the City Council of the city of Los Angeles.

- 2.7. On July 1, 2013, SCE provided the Engineering and Operating Committee with the "Interconnection System Impact Study for Solar Partners, LLC Ivanpah Solar Generating Plant (Coliseum 1, Coliseum 2, and Coliseum 3 – formerly DPT2, DPT1 and ISEGS3)" (the "Ivanpah Generators") dated July 1, 2013 (the "Study") identifying the potential impact on the Eldorado System from the proposed interconnection of the Ivanpah Generators to the SCE-owned 220 kV Switchyard, which switchyard in turn would be interconnected to the Eldorado System.
- 2.8. The Engineering and Operating Committee adopted Eldorado System E&O Resolution 2013-02, dated July 11, 2013, by which the Engineering and Operating Committee approved the Study and the interconnection of the SCE-owned 220 kV Switchyard to the Eldorado 220 kV Switchyard subject to the terms and conditions of this Agreement.
- 2.9. The Parties, by this Agreement, desire to terminate the Limited Interconnection Agreement in its entirety, to provide for the ownership, operation, maintenance, use and cost responsibility of the Connecting Facilities, and to specify Connecting Participant's obligations to the Eldorado Co-Owners with respect to maintenance, operation, use, cost responsibility, and liability associated with

Connecting Participant's interconnection of the SCE-owned 220 kV Switchyard to the Eldorado 220 kV Switchyard.

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 SCE Connections – The SCE-owned 220 kV Switchyard in the Eldorado Substation.
- 3.3. Capital Additions – Any Units of Property which are added to the Eldorado 220 kV Switchyard Infrastructure Facilities or General Facilities, the enlargement or betterment of any Units of Property constituting a part of the Eldorado 220 kV Switchyard Infrastructure Facilities or General Facilities, and the replacement of any Units of Property constituting a part of the Eldorado 220 kV Switchyard Infrastructure Facilities or General Facilities, all such additions, enlargements, betterments, and replacements occurring after the In-Service Date, 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.

- 3.4. 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.
- 3.5. 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.
- 3.6. Connecting Facilities – The equipment and facilities approved by the Engineering and Operating Committee, added at Connecting Participant's sole cost and located on the site of the Eldorado Substation, including, but not limited to, circuit breakers, disconnect switches, jumpers, bus extensions, 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 to connect the 220 kV busses in the Eldorado 220



kV Switchyard to the 220 kV busses in the SCE-owned 220 kV Switchyard, as shown in Attachment A attached hereto. The Connecting Facilities shall include any Capital Improvements thereto. The Connecting Facilities shall not include the 220 kV busses in the Eldorado 220 kV Switchyard.

- 3.7. Connecting Participant – SCE, its successors and assigns, in its capacity as the party requesting additional connections to the Eldorado System.
- 3.8. Cost Responsibility Ratios – The ratios of responsibility, one ratio for General Facilities and one ratio for the Eldorado 220 kV Switchyard Infrastructure Facilities, for the costs associated with such facilities as described in Section 10.
- 3.9. Eldorado 220 kV Switchyard – The jointly-owned 220 kV switchyard of the Eldorado Substation, as shown in Attachment A, and more particularly described in the Co-Tenancy Agreement.
- 3.10. Eldorado 220 kV Switchyard Infrastructure Facilities – The Eldorado 220 kV Switchyard, excluding the termination facilities for each of the transmission lines and transformers shown in Attachment A.
- 3.11. Eldorado Substation – The 500/220 kV substation located in Boulder City, Nevada, and more particularly described in the Co-Tenancy Agreement.
- 3.12. Eldorado System – The transmission system located in southern Nevada, and more particularly described in Section 5.18 of the Co-Tenancy Agreement.
- 3.13. Engineering and Operating Committee – The committee established pursuant to Section 9 of the Co-Tenancy Agreement.

- 3.14. FERC Accounts – The Federal Energy Regulatory Commission's (FERC) "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.
- 3.15. Function – Each connection to the Eldorado System, through power circuit breakers or disconnect switches, such as line connections, generator connections, or transformer connections.
- 3.16. General Facilities – Defined in the Co-Tenancy Agreement.
- 3.17. In-Service Date – The date upon which the applicable Connecting Facilities have been successfully tested and energized for service.
- 3.18. Operating Agent – SCE, or its successor, as so appointed under the Operating Agreement, with such additional rights duties and obligations as explicitly provided in this Agreement.
- 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 that reduces or may reduce the capacity of the Eldorado 220 kV

Switchyard and 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, Capital Additions, and operation and maintenance for General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities on behalf of Connecting Participant.
- 3.22. Operating Insurance – The insurance that is procured solely for the Connecting Facilities by Operating Agent or the owner of said Connecting Facilities without any cost allocation to the Eldorado Co-Owners.
- 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. SCE-owned 220 kV Switchyard – The SCE-owned 220 kV switchyard located on the Eldorado Substation site and adjacent to the Eldorado 220 kV Switchyard, as shown in Attachment A. The use of “SCE” in this defined term refers to SCE in its sole capacity as Connecting Participant as distinct from SCE in its capacity as an Eldorado Co-Owner or as Operating Agent.
- 3.25. 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.

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

- 3.26.1. 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.
- 3.26.2. 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.
- 3.26.3. 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.

- 3.26.4. 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, 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.

4. EFFECTIVE DATE AND TERMINATION:

- 4.1. This Agreement shall be effective August 13, 2013 (the "Effective Date"), subject to the execution of the Agreement hereto by all of the Parties and 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.
- 4.2. As of the Effective Date, the Parties agree that the Limited Interconnection Agreement is terminated in its entirety, and superseded by this Agreement. SCE will file with FERC a notice of the termination of the Limited

Interconnection Agreement concurrently with the submission of this agreement to FERC.

- 4.3. Prior to the termination of this Agreement by termination of the Co-Tenancy Agreement, the Parties agree to negotiate in good faith and to proceed with due diligence to develop a replacement agreement which provides similar benefits to the Parties under substantially the same terms and conditions as this Agreement. In the case of the Co-Tenancy Agreement being replaced in its entirety by a successor agreement, the Parties agree to negotiate in good faith to amend this Agreement in a timely manner to incorporate such successor agreement as necessary.

5. RIGHT TO CONNECT:

The Eldorado Co-Owners hereby grant to Connecting Participant: (i) the right to install the Connecting Facilities in the Eldorado Substation; (ii) the right to connect the SCE-owned 220 kV Switchyard to the Eldorado System; (iii) the right to occupy the real property within the Eldorado Substation site as may be required for the SCE-owned 220kV Switchyard and the Connecting Facilities; and (iv) the right to use space for control and monitoring equipment, both inside and outside of the 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 real property, as specified in the Bureau of Land Management right-of-way grant for the Eldorado Substation, occupied by Connecting Participant

except for its use as provided for herein and during the term of this Agreement.

- 6.2. The SCE-owned 220 kV Switchyard shall be owned by Connecting Participant. The SCE-owned 220 kV Switchyard shall not be a component of the Eldorado System.
- 6.3. The Eldorado Substation and any capital improvements thereto, shall continue to be owned by and remain the property of 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. Connecting Participant hereby appoints Operating Agent as its agent for the purposes of performing Operating Work and the making of Capital Improvements, including the design and construction thereof, in accordance with the terms and conditions of this Agreement.
- 7.2. Operating Agent shall procure Operating Insurance for the Connecting Facilities, to the extent not already procured, which Operating Insurance shall be made effective as of the applicable In-Service Date, and shall be maintained in force until termination of this Agreement. Any additional Operating Insurance premium directly applicable to the addition of the Connecting Facilities shall be kept separate from the premium applicable to the Eldorado System, and no Eldorado Co-

Owner shall be allocated such additional premium or any portion thereof.

- 7.3. 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, unless otherwise specified herein.

8. USE OF ELDORADO SYSTEM FACILITIES:

The Eldorado Co-Owners agree to permit Connecting Participant the non-exclusive right to use and benefit from the Eldorado 220 kV Switchyard and the General Facilities at no additional charge to Connecting Participant except as set forth herein.

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. The Cost Responsibility Ratio for General Facilities shall be calculated by Operating Agent for the purpose of allocating costs to Connecting Participant for operation, maintenance and Capital Additions associated with General Facilities. Such ratio shall be calculated in



accordance with the methodology set forth in Attachment B attached hereto.

- 10.2 The Cost Responsibility Ratio for the Eldorado 220 kV Switchyard Infrastructure Facilities shall be calculated by Operating Agent for the purpose of allocating costs to Connecting Participant for operation, maintenance and Capital Additions associated with the Eldorado 220 kV Switchyard Infrastructure Facilities. Such ratio shall be calculated in accordance with the methodology set forth in Attachment B.
- 10.3 The Cost Responsibility Ratios shall be re-calculated, if necessary, upon the addition or removal of any Function. Operating Agent shall notify the Eldorado Co-Owners of any such changes pursuant to Section 27. Any re-calculated Cost Responsibility Ratio shall be effective upon the in-service or removal date of such Function.

11. ALLOCATION OF COSTS TO CONNECTING PARTICIPANT:

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, maintenance and Capital Additions, or an Operating Emergency, for the Eldorado 220 kV Switchyard Infrastructure Facilities shall be allocated to Connecting Participant in accordance with the applicable Cost Responsibility Ratio as set forth in Section 10.

- 11.4. Costs for operation, maintenance and Capital Additions, or an Operating Emergency, for General Facilities shall be allocated to Connecting Participant in accordance with the applicable Cost Responsibility Ratio as set forth in Section 10.
- 11.5. Beginning on the applicable In-Service Date, one hundred percent (100%) of any and all costs associated with the SCE-owned 220 kV Switchyard, including any facilities and/or equipment installed at the Eldorado Substation by Connecting Participant that solely support the SCE-owned 220 kV Switchyard, shall be allocated to Connecting Participant.

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, Capital Additions, and operation and maintenance for General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities 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 Operating Agent 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. Capacity in the Eldorado 220 kV Switchyard shall be allocated in accordance with the Operating Agreement.
  - 13.2. Operating Agent shall coordinate with any affected entity any scheduled outage of facilities required for maintenance of the Connecting Facilities, for the making of Capital Improvements, or for

maintenance of the SCE-owned 220 kV Switchyard, consistent with the Operating Agreement and this Agreement.

14. ENGINEERING AND OPERATING COMMITTEE:

14.1 The Engineering and Operating Committee shall:

14.1.1 Act as liaison among the Parties hereto in matters relating to the Connecting Facilities and the SCE-owned 220 kV Switchyard.

14.1.2 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 Eldorado Co-Owners at the same time and place as other budgets are to be submitted as set forth in the Operating Agreement.

14.1.3 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 Eldorado Co-Owners 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 Eldorado Co-Owner.

14.2 Connecting Participant shall, in a timely manner, provide Operating Agent with all applicable information relating to all interconnection requests, interconnection study plans, and study results for any proposed

interconnection of additional transmission and/or generating facilities to the SCE-owned 220 kV Switchyard. Operating Agent shall then promptly provide all such information to the Engineering and Operating Committee.

15. OTHER AGREEMENTS:

Except as set forth herein, should a conflict affecting the Eldorado Co-Owners or Operating Agent arise out of an inconsistency between the terms and conditions of this Agreement and the terms and conditions of the Co-Tenancy Agreement and/or the Operating Agreement, the terms and conditions of the Co-Tenancy Agreement and/or 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 and the SCE-owned 220 kV Switchyard, 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. The Connecting Participant shall at all times indemnify, defend and hold the Eldorado Co-Owners harmless for, from and against any claim of damage to the Eldorado Substation arising out of or resulting

from the SCE-owned 220-KV Switchyard and Connecting Facilities, except in cases of Willful Action by the Co-Owners or Operating Agent, in the event Operating Agent is not SCE. Notwithstanding the foregoing, in no event shall Connecting Participant be liable under this Section 17.1 for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including, but not limited to, loss of profit or revenue, loss of the use of equipment, costs of replacement power, cost of temporary equipment or services, whether any such cost or loss is based in whole or in part in contract, in tort, including negligence, strict liability, Willful Action, or any other theory of liability. The Party responsible for any damage, loss, claim, cost, charge, or expense as the result of its own Willful Action 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.

17.2. 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:

18.1 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.

18.2 Economic hardship shall not be an Uncontrollable Force.

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:

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

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

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

Department of Water and Power  
of the City of Los Angeles  
c/o Assistant General Manager -- Power  
111 North Hope Street, Room 921  
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.
- 25.4. This Agreement shall be modified only through written agreement signed by each Party

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.

27. ATTACHMENT REVISIONS:

- 27.1. Attachment A, ELDORADO SUBSTATION ONE LINE DIAGRAM, and Attachment B, COST RESPONSIBILITY RATIOS, shall be revised as appropriate by Operating Agent upon any change in the configuration of the Eldorado Substation. Such revised attachment shall not be considered an amendment to this Agreement requiring signature by each Party.
- 27.2. Operating Agent shall submit each revised attachment to the Engineering and Operating Committee for its review and approval. Approval of such revised attachment shall not be unreasonably withheld. Within thirty (30) days after approval, Operating Agent shall distribute a copy of each approved attachment to each Eldorado Co-Owner.
- 27.3. The effective date of a revised attachment shall be the effective in-service date of the new facility or the effective removal date of an existing facility, unless otherwise agreed by the Eldorado Co-Owners. Revised Cost Responsibility Ratios shall be reflected in invoices following the effective date of the revised attachment.

*(SIGNATURES APPEAR ON NEXT PAGE)*

28. 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 August, 2013.

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

By \_\_\_\_\_ /s/ Mario Villar \_\_\_\_\_  
Name \_\_\_\_\_ Mario Villar \_\_\_\_\_  
Title \_\_\_\_\_ Vice President, Transmission \_\_\_\_\_  
Date Signed \_\_\_\_\_ August 9, 2013 \_\_\_\_\_

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

By \_\_\_\_\_ /s/ John T. Underhill \_\_\_\_\_  
Name \_\_\_\_\_ John T. Underhill \_\_\_\_\_  
Title \_\_\_\_\_ Sr. Director, System Operations \_\_\_\_\_  
Date Signed \_\_\_\_\_ August 12, 2013 \_\_\_\_\_

28. 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 August, 2013.

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

By 

Name Mario Villar

Title Vice President, Transmission

Date Signed 8/9/13

SALT RIVER PROJECT AGRICULTURAL  
IMPROVEMENT AND POWER DISTRICT

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

Date Signed \_\_\_\_\_

28. 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 August, 2013.

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

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date Signed \_\_\_\_\_

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

By J. Underhill  
Name JOHN T. UNDERHILL  
Title SR. DIRECTOR, SYSTEM OPERATIONS  
Date Signed 8-12-13

SOUTHERN CALIFORNIA EDISON COMPANY

By Kevin Payne  
Name Kevin Payne  
Title Vice President  
Date Signed 8/12/2013

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  
Date Signed \_\_\_\_\_

and \_\_\_\_\_  
Secretary

Date Signed \_\_\_\_\_

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

SEP 12 2013  
BY Syndi Driscoll  
SYNDI DRISCOLL  
DEPUTY CITY ATTORNEY

## SOUTHERN CALIFORNIA EDISON COMPANY

By /s/ Kevin Payne

Name Kevin Payne

Title Vice President

Date Signed August 12, 2013

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

Date Signed \_\_\_\_\_

and \_\_\_\_\_  
Secretary

Date Signed \_\_\_\_\_



**Protected Materials: Contains Critical Energy Infrastructure Information**

**Attachment A**

**ELDORADO SUBSTATION ONE LINE DIAGRAM**

[The Eldorado Substation One Line Diagram is contained in the unredacted version of the Agreement for Additional Southern California Edison Company Connections to the Eldorado System, attached as Exhibit B.]

Attachment B

COST RESPONSIBILITY RATIOS

The following Cost Responsibility Ratios shall be effective as of June 26, 2013.

General Facilities

Cost Responsibility Ratio for allocation of costs associated with operation, maintenance and Capital Additions for General Facilities =  $X / (X + Y + Z) = 2 / (2+6+8)$   
 $= 2/16$  or 0.1250

where X = number of Functions for Connecting Participant = 2<sup>1</sup>  
 Y = number of Functions for parties other than Connecting Participant in the Eldorado Substation 500 kV switchyard = 6  
 Z = number of Functions for parties other than Connecting Participant in the Eldorado 220 kV Switchyard = 8

Eldorado 220 kV Switchyard Infrastructure Facilities

Cost Responsibility Ratio for allocation of costs associated with operation, maintenance and Capital Additions for Eldorado 220 kV Switchyard Infrastructure Facilities  
 $= X / (X + Z) = 2 / (2+8) = 2/10$  or 0.2000

where X = number of Functions for Connecting Participant = 2<sup>1</sup>  
 Z = number of Functions for parties other than Connecting Participant in the Eldorado 220 kV Switchyard = 8

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<sup>1</sup> The Functions applicable to Connecting Participant are the terminations of the Eldorado-Ivanpah No. 1 220 kV transmission line and the Eldorado-Ivanpah No. 2 220 kV transmission line at the SCE-owned 220 kV Switchyard.

EXHIBIT C

FORM OF NON-DISCLOSURE AGREEMENT

## NON-DISCLOSURE AND USE AGREEMENT

This Non-Disclosure and Use Agreement (Agreement) entered into between Southern California Edison Company (SCE) and the [Requesting Entity] shall govern the use of certain Critical Energy Infrastructure Information (CEII) provided by, or on behalf of, SCE to [Requesting Entity].

WHEREAS, [Requesting Entity] has requested that SCE provide it certain information that qualifies as CEII.

WHEREAS, the Federal Energy Regulatory Commission (FERC) has issued Orders 630, 630-A, 649, 662, and 683 (Orders) setting forth restrictions on the release of CEII as necessitated by the terrorist acts committed on September 11, 2001 and the ongoing terrorist threat.

WHEREAS, under the authority of the Critical Infrastructure Information Act of 2002 (CII Act), the United States Department of Homeland Security established on February 18, 2004, the Protected Critical Infrastructure Information Program, which offers safeguards for critical infrastructure information such as CEII submitted to the Federal government.

WHEREAS, SCE is willing to provide such information to [Requesting Entity] under suitable contractual limits and protection concerning the disclosure and use of the CEII consistent with the FERC's Orders.

NOW, THEREFORE, in consideration of the mutual covenants in this Agreement, SCE and [Requesting Entity] agree as follows:

1. The purpose of this Agreement is to permit [Requesting Entity] to receive from SCE and use CEII, as defined in Paragraph 2(a), for the purpose of [define intended use of CEII and location].

2. Definitions.

a. The term "CEII" means Critical Energy Infrastructure Information as defined by the FERC in 18 C.F.R. § 388.113(c)(1). CEII shall include: (A) materials, including the Eldorado Substation One-Line Diagram attached as Attachment A to the Agreement for Additional Southern California Edison 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, Nevada Power Company (d/b a NV Energy), and Southern California Edison Company ("Agreement"), provided by SCE in accordance with this Agreement and designated by SCE as CEII; (B) any information contained in or obtained from such designated materials; (C) Notes of CEII (as defined herein); and (D) copies of CEII. SCE shall physically mark the CEII on each page as "PROTECTED MATERIALS - Contains Critical Energy Infrastructure Information" or with words of similar import as long as the term "CEII" is included in that designation to indicate that they are CEII.

b. The term "Notes of CEII" means memoranda, handwritten notes, or any other form of information (including electronic form) which copies or discloses materials described in Paragraph 2(a). Notes of CEII are subject to the same restrictions as for CEII except as specifically provided in this Agreement.

c. The term "Non-Disclosure Certificate" shall mean the certificate annexed hereto by which those who have been granted access to CEII shall certify their understanding that such access to CEII is provided pursuant to the terms and restrictions of this Agreement, and that they have read the Agreement and agree to be bound by it.

d. The term "Reviewing Representative" shall mean a person who has signed a Non-Disclosure Certificate and who is: (1) an employee or other representative of [Requesting Entity] who needs access to the CEII to carry out the purpose set forth in Paragraph 1; or (2) a consultant or an employee of a consultant retained by [Requesting Entity] who needs access to the CEII for the purpose identified in Paragraph 1.

3. CEII shall be made available under the terms of this Agreement only to [Requesting Entity] and only through its Reviewing Representatives as provided in Paragraphs 7-9 and only for the purpose set forth in Paragraph 1.

4. In the event that a court or other governmental authority of competent jurisdiction issues an order, subpoena, or other lawful process requiring the disclosure of the CEII, [Requesting Entity] shall notify SCE immediately upon receipt thereof to facilitate SCE's efforts to prevent such disclosure, or otherwise preserve the confidentiality of the CEII. [Requesting Entity] shall not be in violation of the Agreement if it complies with an order of such court or governmental authority to disclose CEII, after SCE has sought to maintain the confidentiality of such information as provided herein, or has notified [Requesting Entity] in writing that it will take no action to maintain such confidentiality.

5. If requested to do so in writing, [Requesting Entity] shall, within fifteen days of such request, return the CEII (excluding Notes of CEII) to SCE, or shall destroy the materials, except that Notes of CEII may be retained, if they are maintained in accordance with Paragraph 6, below. Within such time, [Requesting Entity], if requested to do so, shall also submit to SCE an affidavit stating that, to the best of its knowledge, all CEII and all Notes of CEII have been returned, have been destroyed, or will be maintained in accordance with Paragraph 6. To the extent CEII is not returned or destroyed, it shall remain subject to the Agreement.

6. All CEII shall be maintained by [Requesting Entity] in a secure place. Access to those materials shall be limited to those Reviewing Representatives specifically authorized pursuant to Paragraphs 8 and 9.

7. CEII shall be treated as confidential by [Requesting Entity] and by the Reviewing Representative in accordance with the certificate executed pursuant to Paragraph 9. CEII shall not be used except as necessary for the purpose set forth in Paragraph 1, nor shall it be disclosed in any manner to any person except a Reviewing Representative, who needs to know the information in order to carry out that person's responsibilities. Reviewing Representatives may make copies of CEII, but such copies become CEII. Reviewing Representatives may make notes of CEII, which shall be treated as Notes of CEII if they disclose the contents of CEII. Requesting Entity and the Reviewing Representative shall keep a record of all copies and Notes of CEII they make.

8. In the event that [Requesting Entity] wishes to designate as a Reviewing Representative a person not described in Paragraph 2(d) above, [Requesting Entity] shall seek agreement from SCE. That person shall be a Reviewing Representative pursuant to Paragraph 2(d) above with respect to those materials if an agreement is reached.

9. A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise be permitted access to CEII pursuant to this Agreement unless that Reviewing Representative has first executed a Non-Disclosure Certificate provided that if an attorney qualified as a Reviewing Representative has executed such a certificate, the paralegals, secretarial and clerical personnel under the attorney's instruction, supervision or control need not do so. Attorneys qualified as Reviewing Representatives are responsible for ensuring that persons under their supervision or control comply with this order. A copy of each Non-Disclosure Certificate shall be provided to counsel for SCE before disclosure of any CEII to that Reviewing Representative.

10. Any Reviewing Representative may disclose CEII to any other Reviewing Representative as long as the disclosing Reviewing Representative and the receiving Reviewing Representative both have executed a Non-Disclosure Certificate. In the event that any Reviewing Representative to whom the CEII is disclosed ceases to qualify as a Reviewing Representative, or is employed or retained for a position whose occupant is not qualified to be a Reviewing Representative under Paragraph 2(d), access to CEII by that person shall be terminated. Every person who has executed a Non-Disclosure Certificate shall continue to be bound by the provisions of this Agreement and the Non-Disclosure Certificate.

11. All copies of all documents reflecting CEII shall be marked "PROTECTED MATERIALS - Contains Critical Energy Infrastructure Information." Counsel for [Requesting Entity] shall take all reasonable precautions necessary to assure that CEII is not distributed to unauthorized persons.

12. [Requesting Entity] and SCE agree that the CEII provided to [Requesting Entity] pursuant to this Agreement is exempt from production under

the California Public Records Act, Cal. Gov't Code Sections 6250, *et seq.*, under either the exemption provided in Section 6254(e) or 6255(a), or both, and [Requesting Entity] agrees to withhold production of such materials unless ordered to do so by a court of competent jurisdiction as provided in Paragraph 4.

13. None of the Participants waives the right to pursue any other legal or equitable remedies that may be available in the event of actual or anticipated disclosure of CEIL. The parties agree that, in addition to whatever other remedies may be available to a party under applicable law, a party shall be entitled to obtain injunctive relief with respect to any actual or threatened violation of this Agreement by any other party. To the extent permitted by applicable law, each party agrees that it shall bear all costs and expenses, including reasonable attorneys' fees, which may be incurred by the other party in successfully enforcing the provisions of this Paragraph.

14. This Agreement is made in the State of California and shall be governed by and interpreted in accordance with its laws unless those laws conflict with Federal law, in which case the Federal law shall apply.

15. This Agreement shall be binding upon the parties, and their successors and assignees. No party shall assign this Agreement without the other party's prior written consent.

16. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of the Agreement shall remain in full force and effect.

17. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same Agreement.

IN WITNESS WHEREOF the Parties execute this Agreement as of the latest date set forth below.

SOUTHERN CALIFORNIA EDISON  
COMPANY

Dated: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**[REQUESTING ENTITY]**

Dated: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Critical Energy Infrastructure Information (CEII) is provided to me for the purpose of [define intended use of CEII and location] and pursuant to the terms and restrictions of the attached Non-Disclosure and Use Agreement (Agreement) entered between SCE and the [Requesting Entity], that I have been given a copy of and have read the Agreement, and I affirm to be bound by it. I understand that the contents of the CEII, any notes or other memoranda, or any other form of information that copies or discloses CEII shall not be disclosed to anyone other than in accordance with that Agreement.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Representing: \_\_\_\_\_

Date: \_\_\_\_\_