

Title Page

Southern California Edison Company

FERC FPA Electric Tariff

Tariff Title: Rate Schedules

Tariff Record Title: Rate Schedule FERC No. 491

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

AMONG

DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES

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

SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT

AND

SOUTHERN CALIFORNIA EDISON COMPANY

Contract Effective Date: 6/16/2012
491.0.0
OTH14

Tariff Record Proposed Effective Date: 6/16/2012
Version Number: 0.0.0
Option Code: A

TABLE OF CONTENTS

1. PARTIES	3
2. RECITALS	3
3. SECTION HEADINGS AND DEFINITIONS:.....	5
4. EFFECTIVE DATE AND TERMINATION:.....	11
5. RIGHT TO CONNECT:.....	11
6. OWNERSHIP:.....	12
7. OPERATING AGENT	12
8. USE OF SWITCHYARD	13
9. ADDITIONAL FACILITIES:.....	13
10. COST RESPONSIBILITY RATIOS:.....	13
11. ALLOCATION OF COSTS	14
12. PAYMENTS AND REFUNDS DUE NEVADA, SALT RIVER, AND LOS ANGELES	14
13. PAYMENT	17
14. OPERATING PRINCIPLES	18
15. ENGINEERING AND OPERATING COMMITTEE	18
16. OTHER AGREEMENTS	19
17. TAXES.....	19
18. LIABILITY.....	20
19. UNCONTROLLABLE FORCES.....	22

20. RELATIONSHIP OF THE PARTIES 23

21. SUCCESSORS AND ASSIGNS 23

22. NONDEDICATION OF FACILITIES:..... 24

23. REGULATORY APPROVALS 24

24. GOVERNING LAW AND VENUE 24

25. NOTICES..... 24

26. GENERAL PROVISIONS 25

27. EXECUTION BY COUNTERPARTS..... 26

29. SIGNATURE CLAUSE 28

ATTACHMENT A – ELDORADO SUBSTATION ONE LINE DIAGRAM

ATTACHMENT B – COST RESPONSIBILITY RATIOS

ATTACHMENT C-1 - CALCULATION OF PAYMENTS DUE LOS ANGELES,
NEVADA, AND SALT RIVER FOR ONE TIME CAPITAL CONTRIBUTION BY
ELDORADO ENERGY

ATTACHMENT C-2 - CALCULATION OF REFUNDS DUE LOS ANGELES,
NEVADA, AND SALT RIVER FOR OVER-COLLECTION OF OPERATION
AND MAINTENANCE EXPENSES

ATTACHMENT C-3 - CALCULATION OF REFUNDS DUE LOS ANGELES,
NEVADA, AND SALT RIVER FOR OVER-COLLECTION OF CAPITAL
EXPENSES

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

1. PARTIES:

The Parties to this AGREEMENT FOR ADDITIONAL SOUTHERN CALIFORNIA EDISON COMPANY CONNECTION 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; NEVADA POWER COMPANY (Nevada"), doing business as NV Energy, a Nevada corporation;" 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; and SOUTHERN CALIFORNIA EDISON COMPANY ("Edison"), a California corporation; herein acting as an Eldorado Co-Owner and as the party requesting an additional connection to the Eldorado System and referred to as "Connecting Participant"; 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. Edison entered into the Eldorado Substation Additional Facilities and Interconnection Agreement with El Dorado Energy, LLC ("El Dorado Energy") on December 15, 1998 based upon El Dorado Energy's application to Edison to interconnect at the Eldorado Substation, which agreement was filed with and accepted by the Federal Energy Regulatory Commission ("FERC") in Docket No. ER99-1444-000.
- 2.4. Edison, acting as a Connecting Participant, is the sole owner of the portion of the Additional Edison Connection located within the boundary of the Eldorado Substation and is responsible for the operation and maintenance of this portion of the transmission line.
- 2.5. The construction of the Connecting Facilities for the Additional Edison Connection in the Eldorado Substation 220 kV switchyard and the payment of costs associated with such construction completed pursuant to the June 17, 1998 letter agreement and the November 13, 1998 letter agreement between Edison and El Dorado Energy. Such letter agreements were terminated upon the effective date of the Eldorado Substation Additional Facilities and Interconnection Agreement between Edison and El Dorado Energy (assumed by San Diego Gas & Electric ("SDG&E") on October 11, 2011).
- 2.6. The Parties by this Agreement desire to provide for the ownership, operation, maintenance, use and cost responsibility of the Connecting Facilities.

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 Edison Connection – The Eldorado-Merchant No. 1 230 kV transmission line.
- 3.3. Capital Additions: Any Units of Property which are added to the Eldorado 220 kV Switchyard Infrastructure Facilities or General Facilities (as such term is defined in the Co-Tenancy Agreement), 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, 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, 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 and are not included in Operating Work, or in any capital improvements added to the Eldorado Substation 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, excluding the 220 kV busses, located in the Eldorado 220 kV Switchyard, including, but not limited to, a portion of the Edison Additional Connection located within the boundary of the Eldorado Substation up to but excluding the first transmission pole located outside such boundary, circuit breakers, disconnect switches, metering, relaying devices, surge arrestors, and appurtenant facilities required for the termination of the Additional Edison Connection, and any Capital Improvements as may be added thereto from time to time.

- 3.7. Cost Responsibility Ratios -- The ratios of responsibility for the costs of operation and maintenance of the General Facilities, operation and maintenance of the Eldorado 220 kV Switchyard Infrastructure Facilities, and Capital Additions, as described in Section 11.
- 3.8. Edison-El Dorado Agreement - The Eldorado Substation Additional Facilities and Interconnection Agreement between El Dorado Energy and Southern California Edison Company, dated December 15, 1998, as it may be amended from time to time. As of October 11, 2011, SDG&E has assumed all rights and obligations of El Dorado Energy.
- 3.9. Eldorado 220 kV Switchyard -- The 220 kV switchyard located in the Eldorado Substation, 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 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 - 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.

- 3.15. Function – Each connection to the Eldorado Substation through power circuit breakers or disconnect switches, such as line connections, transformer connections, or generator connections.
- 3.16. In-Service Date - The date upon which the Connecting Facilities have been successfully tested and energized for service.
- 3.17. Merchant Substation – The Nevada and SDG&E-owned 230 kV substation located in Boulder City, Nevada.
- 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 the 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 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, Capital Additions, and operation and

maintenance of the General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities 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 the 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 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.

5. RIGHT TO CONNECT:

The Eldorado Co-Owners hereby grant to Connecting Participant: (i) the right to install the Connecting Facilities in 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 Eldorado Substation as may be required for such connection; 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 realty except for its use as provided in and during the term of this Agreement.
- 6.2. The General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities and any Capital Additions thereto shall continue to be owned by and remain the property of the Eldorado Co-Owners.
- 6.3. The 220 kV busbar extension provided for the interconnection of the Additional Edison Connection to the Eldorado 220 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. 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 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 220 kV Switchyard and General Facilities.

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. Cost Responsibility Ratios shall be computed by the Operating Agent for the purpose of allocating costs to Connecting Participant for the operation and maintenance of the General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities and for any Capital

Additions. Cost Responsibility Ratios shall be computed initially upon the In-Service Date and shall be recomputed, if necessary, upon the installation of additional or removal of existing Functions.

- 10.2. Any re-computation of the Cost Responsibility Ratios due to the addition or removal of a Function shall be effective upon the in-service or removal date of such Function. Attachment B attached hereto contains the computation of the Cost Responsibility Ratios.

11. ALLOCATION OF COSTS :

The following costs shall be allocated to Connecting Participant:

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

12. PAYMENTS AND REFUNDS DUE NEVADA, SALT RIVER, AND LOS ANGELES

- 12.1. Edison shall make a one-time payment, with interest, to each of Nevada, Salt River, and Los Angeles for their respective shares of the one-time contribution to the capital costs of the General Facilities for the right to

use and benefit from the General Facilities made by El Dorado Energy to Edison pursuant to the Edison-El Dorado Agreement. The calculation of the funds due Nevada, Salt River, and Los Angeles is shown in Attachment C-1 attached hereto.

- 12.2. Edison shall refund, with interest, to each of Nevada, Salt River, and Los Angeles their respective shares of the over-collection by Edison from Los Angeles, Nevada, and Salt River of certain operation and maintenance costs associated with the General Facilities and the Eldorado 220 kV Switchyard for the period from the in-service date of the Additional Edison Connection through the effective date of this Agreement. Payments were received by Edison from El Dorado Energy pursuant to the Edison-El Dorado Agreement for operation and maintenance expenses associated with the General Facilities and the Eldorado 220 kV Switchyard during the same period.

12.2.1. The refunds due Los Angeles, Nevada, and Salt River pursuant to this Section 12.2 for calendar years 1999 through 2010 are calculated in Attachment C-2 attached hereto.

12.2.2. The refunds due Los Angeles, Nevada, and Salt River pursuant to this Section 12.2 for calendar year 2011 through the effective date of this Agreement shall be calculated by Edison, using the same methodology and percentages set forth in Attachment C-2, with such calculations to be provided to Los Angeles, Nevada, and Salt River within thirty (30) calendar days of the effective date of this Agreement.

- 12.3. Edison shall refund, with interest, to each of Nevada, Salt River, and Los Angeles their respective shares of the over-collection by Edison from Los

Angeles, Nevada, and Salt River of certain capital costs associated with any Capital Additions to the General Facilities and the Eldorado 220 kV Switchyard for the period from the in-service date of the Additional Edison Connection through the effective date of this Agreement.

Payments were received by Edison from El Dorado Energy pursuant to the Edison-El Dorado Agreement for any such Capital Additions associated with the General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities during the same time period.

12.3.1. The refunds due Los Angeles, Nevada, and Salt River pursuant to this Section 12.3 for calendar years 1999 through 2007 are calculated in Attachment C-3 attached hereto.

12.3.2. The calculation of the refunds due Los Angeles, Nevada, and Salt River pursuant to this Section 12.3 for calendar year 2008 through the effective date of this Agreement shall be calculated by Edison using the same methodology and percentages set forth in Attachment C-3, with such calculations to be provided to Los Angeles, Nevada, and Salt River within ninety (90) calendar days from the effective date of this Agreement.

12.4. Interest shall be calculated in accordance with the methodology set forth in FERC's regulation at 18 CFR §35.19a(a)(2)(iii). Interest to be included in the payment and refunds pursuant to Sections 12.1 through 12.3 shall be calculated from thirty (30) calendar days from when Edison invoiced for such payment pursuant to the Edison-El Dorado Agreement.

12.5. Edison shall wire transfer refunds pursuant to Sections 12.1 and 12.3.1 to Los Angeles, Nevada and Salt River within sixty (60) calendar days

of the effective date of this Agreement. Edison shall wire transfer refunds pursuant to Section 12.3.2 to Los Angeles, Nevada and Salt River within one hundred twenty (120) calendar days of the effective date of this Agreement. Operating Agent shall provide a credit to Los Angeles, Nevada, and Salt River for operation and maintenance expenses that are refunded pursuant to Section 12.2 within sixty (60) calendar days of the effective date of this Agreement.

13. 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 of the General Facilities and the Eldorado 220 kV Switchyard Infrastructure Facilities as follows:

- 13.1. Except for the costs described in Sections 17 and 18, and for the costs for Operating Insurance and any 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.
- 13.2. Costs described in Section 17 (to the extent that any tax or payment in lieu thereof is levied against a Party on behalf of another Party or Parties), Section 18, and costs for Operating Insurance and any

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.

13.3. 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.

13.4. 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 13.3.

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

14. OPERATING PRINCIPLES:

14.1. The Eldorado 220 kV Switchyard capacity shall be allocated in accordance with the Operating Agreement.

14.2. 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.

15. ENGINEERING AND OPERATING COMMITTEE:

The Engineering and Operating Committee shall:

- 15.1. Provide liaison among the Parties hereto in matters relating to the Connecting Facilities.
 - 15.2. 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.
 - 15.3. 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.
16. 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.
17. TAXES:
- 17.1. 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.

17.2. 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.

17.3. 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.

18. LIABILITY:

18.1. 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 18.2, 18.4, 18.5, and 18.6, 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.

- 18.2. 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 18.1, 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 18.1, 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.
- 18.3. Except as provided in Sections 18.4, 18.5, and 18.6, 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.
- 18.4. 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.

18.5. Except for liability resulting from Willful Action (which, shall be the responsibility of the willfully acting Party), and subject to Section 18.6, 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.

18.6. The provisions of this Section 18 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.

19. 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.

20. 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.

21. SUCCESSORS AND ASSIGNS:

- 21.1. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties.
- 21.2. Any successor or assignee shall notify the remaining Parties of such succession or assignment in accordance with Section 25.
- 21.3. 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.

22. 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.

23. 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.

24. 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.

25. NOTICES:

25.1. Except as set forth in Section 25.2, 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:

25.1.1. 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

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

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

25.1.4. 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

25.2. 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.

25.3. 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.

26. GENERAL PROVISIONS:

26.1. 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.

- 26.2. 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.
- 26.3. 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.

27. 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.

28. ATTACHMENT REVISIONS:

- 28.1. Attachment A, ELDORADO SUBSTATION ONE LINE DIAGRAM and Attachment B, COST RESPONSIBILITY RATIOS, shall be revised as appropriate by the Operating Agent upon any change in the configuration of the Eldorado Substation.
- 28.2. The 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, the Operating Agent shall distribute copies of the approved attachment to each Eldorado Co-Owner.

- 28.3. 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]

29. 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 for Additional Southern California Edison Connection to the Eldorado System is hereby executed as of the _____ day of _____, _____.

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 Payne _____
Title Vice President _____
Date Signed 6/14/2012 _____

CITY OF LOS ANGELES BY AND THROUGH
THE DEPARTMENT OF WATER AND POWER

By

BOARD OF WATER AND POWER COMMISSIONERS
OF THE CITY OF LOS ANGELES

Date: _____

By: _____
General Manager

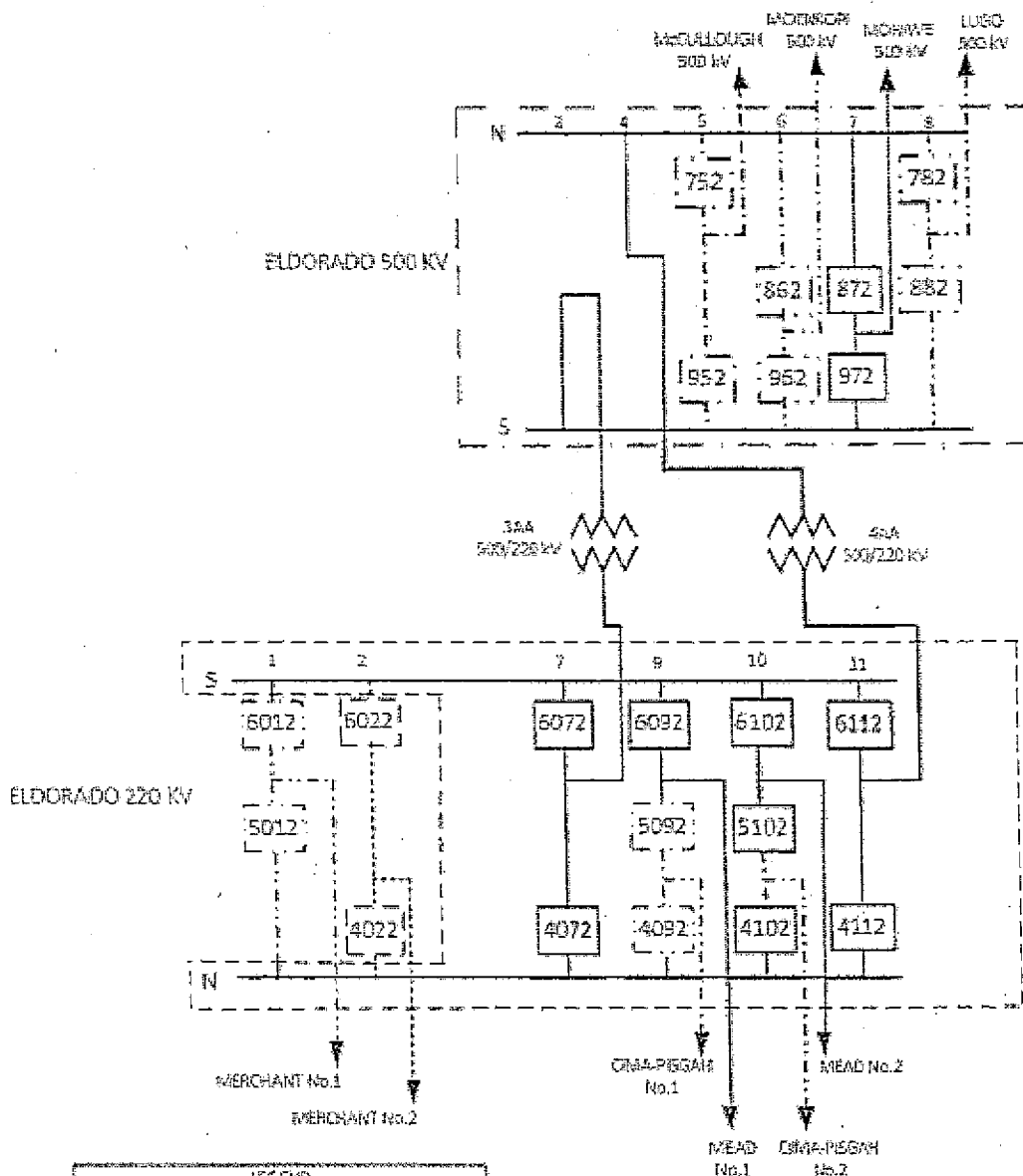
And: _____
Secretary

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

SEP 12 2016
BY SD Driscoll
SYNDI DRISCOLL
DEPUTY CITY ATTORNEY

ATTACHMENT A

ELDORADO SUBSTATION ONE LINE DIAGRAM



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

ATTACHMENT B
COST RESPONSIBILITY RATIOS

Cost Responsibility Ratios are to be computed as follows:

General Facilities

Cost Responsibility Ratio for operation and maintenance expenses and Capital Additions for General Facilities = $X / (X + Y + Z) = 1 / (1+6+7) = 1/14$ or .07143

where X = number of Functions for Connecting Participant = 1,

Y = number of Functions for parties other than Connecting Participant in the Eldorado Substation 500 kV switchyard = 6, and

Z = number of Functions for parties other than Connecting Participant in the Eldorado 220 kV Switchyard = 7.

Eldorado 220 kV Switchyard Infrastructure Facilities

Cost Responsibility Ratio for operation and maintenance expenses and Capital Additions for the Eldorado 220 kV Switchyard Infrastructure Facilities = $X / (X + Z) = 1 / (1+7) = 1/8$ or 0.1250

where X = number of Functions for Connecting Participant = 1, and

Z = number of Functions for parties other than Connecting Participant in the Eldorado 220 kV Switchyard = 7

ATTACHMENT C-1

CALCULATION OF PAYMENTS DUE LOS ANGELES, NEVADA, AND SALT RIVER FOR ONE TIME CAPITAL CONTRIBUTION BY EL DORADO ENERGY

1. Total cost of General Facilities as of 1999 = \$6,228,601.40
2. El Dorado Energy's proportionate share of such total cost = $X / (X+Y+Z) = 1 / (1+6+6)$
= 1/13 or 0.07692¹,

where X = number of Functions for Connecting Participant = 1,

Y = number of Functions for parties other than Connecting Participant in the Eldorado Substation 500 kV switchyard = 6, and

Z = number of Functions for parties other than Connecting Participant in the Eldorado 220 kV Switchyard = 6.

3. One time capital contribution received by Edison from El Dorado Energy = \$479,123.18

4. Calculation of payments due Los Angeles, Nevada, and Salt River is as follows:

Co-Owner	Ownership of General Facilities ²	El Dorado Energy One-Time Contribution	Respective Share of El Dorado Energy One-Time Contribution
Edison	71.450%	\$479,123.18	\$342,333.51
Nevada	11.288%		\$54,083.43
Salt River	8.062%		\$38,626.91
Los Angeles	9.200%		\$44,079.33

¹ This calculation is based on thirteen (13) Functions in the Eldorado Substation as of the in-service date of the Additional Edison Connection. The termination of the Eldorado-Merchant No. 2 230 kV transmission line in the Eldorado 220 kV Switchyard, shown in Attachment A, is being added concurrent with the effective date of this Agreement.

² Percentages taken from Exhibit 5 to the Co-Tenancy Agreement.

ATTACHMENT C-2

CALCULATION OF REFUNDS DUE LOS ANGELES, NEVADA, AND SALT
RIVER FOR OVER-COLLECTION OF OPERATION AND MAINTENANCE
EXPENSES

1. General Facilities

- a. Total payments made by El Dorado Energy for calendar years 1999 – 2010 for operating and maintenance costs associated with the General Facilities =

\$672,648.87

- b. The calculation of refunds (not including interest) due Los Angeles, Nevada, and Salt River is as follows:

Co-Owner	Ownership of General Facilities ³	El Dorado Energy Payment	Respective Share of El Dorado Energy Payment ⁴
Edison	71.450%	\$672,648.87	\$480,607.62
Nevada	11.288%		\$75,928.60
Salt River	8.062%		\$54,228.95
Los Angeles	9.200%		\$61,883.70

2. Eldorado 220 kV Switchyard Infrastructure Facilities

- a. Total payments made by El Dorado Energy for calendar years 1999-2010 for operation and maintenance costs associated with the Eldorado 220 kV

Switchyard Infrastructure Facilities = \$61,034.62.

- b. Calculation of refunds (not including interest) due Los Angeles, Nevada, and Salt River is as follows:

³ Percentages taken from Exhibit 5 to the Co-Tenancy Agreement.

⁴ Edison may perform a true-up of annual overheads applicable for calculating O&M for calendar years 2009 through 2012 and apply such true-up amounts as a debit or credit to each Co-Owner's allocation of O&M expenses for the Eldorado System.

Co-Owner	Ownership of Eldorado 220 kV Switchyard Infrastructure Facilities ⁵	El Dorado Energy Payment	Respective Share of El Dorado Energy Payment ⁶
Edison	72.820%	\$61,034.62	\$44,445.41
Nevada	15.855%		\$9,677.04
Salt River	11.325%		\$6,912.17
Los Angeles	0%		\$0

⁵ Percentages taken from Exhibit 5 to the Co-Tenancy Agreement. Percentages used in this calculation are those for the Eldorado Substation 220 kV switchyard which includes the Eldorado 220 kV Switchyard Infrastructure Facilities.

⁶ Edison may perform a true-up of annual overheads applicable for calculating O&M for calendar years 2009 through 2012 and apply such true-up amounts as a debit or credit to each Co-Owner's allocation of O&M expenses for the Eldorado System.

ATTACHMENT C-3

CALCULATION OF REFUNDS DUE LOS ANGELES, NEVADA, AND SALT RIVER FOR OVER-COLLECTION OF CAPITAL EXPENSES

1. General Facilities

- a. Total payments made by El Dorado Energy for calendar years 1999 – 2007 for Capital Additions to the General Facilities = \$114,454.55
- b. Calculation of refunds (not including interest) due Los Angeles, Nevada, and

Salt River is as follows:

Co-Owner	Ownership of General Facilities ⁷	El Dorado Energy Payment	Respective Share of El Dorado Energy Payment
Edison	71.450%	\$114,454.55	\$81,777.77
Nevada	11.288%		\$12,919.63
Salt River	8.062%		\$9,227.33
Los Angeles	9.200%		\$10,529.82

2. Eldorado 220 kV Switchyard Infrastructure Facilities

- a. Total payments made by El Dorado Energy for calendar years 1999-2007 for Capital Additions to the Eldorado 220 kV Switchyard Infrastructure Facilities = \$20,595.88
- b. Calculation of refunds (not including interest) due Los Angeles, Nevada, and Salt River is as follows:

[TABLE APPEARS ON NEXT PAGE]

⁷ Percentages taken from Exhibit 5 to the Co-Tenancy Agreement.

Co-Owner	Ownership of Eldorado 220 kV Switchyard Infrastructure Facilities ⁸	El Dorado Energy Payment	Respective Share of El Dorado Energy Payment
Edison	72.820%	\$20,595.88	\$14,997.92
Nevada	15.855%		\$3,265.48
Salt River	11.325%		\$2,332.48
Los Angeles	0%		\$0

⁸ Percentages taken from Exhibit 5 of the Co-Tenancy Agreement. Percentages used in this calculation are those for the Eldorado Substation 220 kV switchyard which includes the Eldorado 220 kV Switchyard Infrastructure Facilities.