

ENGINEERING, DESIGN AND CONSTRUCTION
LETTER AGREEMENT

BETWEEN

RIVERSIDE PUBLIC UTILITIES DEPARTMENT

AND

SOUTHERN CALIFORNIA EDISON COMPANY

January 2, 2018

Mr. George Hanson
Assistant General Manager/Energy Delivery
Riverside Public Utilities Department
3901 Orange Street
Riverside, CA 92501

Re: Riverside Public Utilities Letter Agreement for SCE work associated with existing metering pulse totalizer units and CAISO metering at Vista Substation

Dear Mr. Hanson:

On July 21, 2017, the metering pulse totalizer on 66 kV lines at Vista Substation that serve Riverside Public Utilities ("RPU") failed. SCE met with RPU representatives to determine the necessary scope of work, costs and schedule necessary to replace the pulse totalizer units. In order to expedite the repair work, RPU via electronic correspondence agreed to pay SCE to perform the pulse totalizer replacement work in advance of this Letter Agreement.

On August 19, 2017 SCE determined that a metering unit on the Mountainview-Vista 66 kV line at Vista Substation 66 kV position 2 failed. Southern California Edison Company ("SCE") has determined that the existing three phase 66 kV metering unit must be replaced with a new set of three single phase CT/VT combined metering units. Riverside Public Utilities Department ("RPU"), has requested that SCE replace the failed metering unit and also purchase and store replacement metering units to be used in the event of a future failure.

SCE and RPU personnel have met and have agreed on the specific scope of work for the replacement of the pulse totalizer, replacement of the failed metering unit and the acquisition of spare metering units. This scope is designated as the "Vista Work" and is further described in Exhibit A to this agreement.

RPU and SCE are hereinafter sometimes referred to individually as "Party" and collectively as "Parties." All capitalized terms used herein, and not otherwise defined, have the meanings ascribed to such terms in SCE's Wholesale Distribution Access Tariff.

The purpose of this letter agreement ("Agreement") is to agree upon the terms pursuant to which SCE will perform the Vista Work, as follows:

1. SCE shall perform the scope of work identified in Exhibit A, in accordance with Good Utility Practice and apply for any regulatory approvals that may be necessary for the construction, operation and maintenance of the Vista Work performed by SCE.

2. RPU shall pay all of SCE's charges and expenses for such scope of work identified in Exhibit A for the portions of the Vista Work performed by SCE. The charges and expenses incurred pursuant to this Agreement shall include, without limitation, SCE's costs of SCE employees and contractors, including related overheads. Such charges and expenses are estimates and are identified in Exhibit A hereto.
3. RPU shall pay to SCE the amount as identified in Exhibit A within thirty (30) calendar days following the date of execution of this Agreement between the Parties, and acceptance by FERC. SCE shall notify RPU in writing within a reasonable time if SCE learns that charges and expenses are likely to exceed the total estimated amount. In such notification, SCE shall specify the reasons for the increase and the additional amount required to be paid by RPU. RPU shall pay such additional amount within thirty (30) calendar days of receipt of such notification. If RPU disputes the amount of the increase, the Parties shall promptly meet and attempt to resolve the dispute. If RPU does not pay the additional amount due within thirty (30) calendar days of such notification, SCE may stop work and may file for the termination of this Agreement with FERC. This Agreement shall terminate immediately upon FERC's approval of the termination.
4. The Parties desires to have the Vista Work commence as follows:
 - a. Procure four new replacement pulse totalizers.
 - b. Remove existing pulse totalizer and replace with two new pulse totalizers. Configure new pulse totalizers with proper program, validate data with RPU and complete commissioning, within five (5) weeks from receipt of authorization to proceed from RPU.
 - c. Perform complete testing and evaluation of new pulse totalizers as required.
 - d. Rewire existing SCADA "bitronics" meter associated with the Mountainview-Vista 66 kV line with voltage from one of the remaining 66 kV lines as a temporary metering solution until the permanent solution listed in items 4(d) and 4(e) can be completed. Such temporary solution will be completed within one (1) week following authorization to proceed from RPU.
 - e. Procure two (2) sets of metering units (total of six combined CT/VT metering units) from vendor, within twenty one (21) weeks following execution of this Agreement and receipt of payment.
 - f. Replace failed metering unit with one (1) set of new metering units to the Mountainview 66 kV line: Work to be completed approximately two (2) weeks following completion of item (e) above.
 - g. Store the new spare metering units for future use in the event of failure of RPU existing metering unit.

5. The Parties understand and agree that work crews must be scheduled for work to begin on the dates specified in Section 4 above, and that any change to the proposed commencement dates may result in delays in the completion of the Vista Work. SCE shall use commercially reasonable efforts to complete the work pursuant to this Agreement within the timeframe provided in this Agreement. RPU understands and acknowledges that unforeseen events could delay the actual completion date of such work. SCE shall not be liable for any cost or damage incurred by RPU, or any third party engaged by RPU, because of any delay in the work provided for in this Agreement.
6. Subject to Section 7 below, this Agreement shall terminate upon the earliest of the following to occur: (i) notice that this Agreement is not accepted for filing by FERC; (ii) written notice from RPU to SCE at any time; (iii) written notice by SCE pursuant to Section 3 and upon approval by FERC; or (iv) upon completion of the work described in Exhibit B, completion of all payment obligations set forth in Section 7 of the Agreement and resolution of any associated disputes. RPU shall have the right to terminate this Agreement by written notice at its sole discretion; in such event termination will become effective two (2) business days after receipt by SCE of the termination notice.
7. RPU's obligations to pay charges and expenses incurred or irrevocably committed to be incurred pursuant to this Agreement as of the termination date of this Agreement will survive termination of this Agreement. In the event of termination of this Agreement in accordance with Section 6(i), (ii), or (iii), as applicable, SCE shall submit an invoice to RPU of all such charges and expenses within sixty (60) calendar days from the date of termination of this Agreement.
 - a. In the event that RPU's payment in accordance with Section 3 of this Agreement, including any additional payment amounts pursuant to such Section 3, exceeds the amount of SCE's charges and expenses incurred or irrevocably committed to be incurred, SCE shall return the excess amount to RPU, without interest, within thirty (30) calendar days after the date of the invoice provided in accordance with this Section 7, without offset for any amount which may be in dispute. In the event of any such dispute, the Parties shall promptly meet and attempt to resolve the dispute. In the event the Parties determine that RPU did not owe SCE the full amount paid, then SCE shall refund, without interest, the amount overpaid to RPU within thirty (30) calendar days of such determination.
 - b. In the event that RPU's payment in accordance with Section 3 of this Agreement, including any additional payment amounts pursuant to such Section 3, is less than the amount of SCE's charges and expenses incurred or irrevocably committed to be incurred, then RPU shall pay the difference, as reflected in the invoice, within thirty (30) calendar days of receipt of the invoice provided in accordance with this Section 7, without offset for any amount which may be in dispute. In the event of any dispute, the Parties shall promptly meet and attempt to resolve the dispute. In the event the Parties determine that RPU did not owe SCE the full amount paid,

then SCE shall refund, without interest, the amount overpaid to RPU within thirty (30) calendar days of such determination.

8. Within six (6) months following completion of the Vista Work, SCE will provide an invoice to RPU which will include sufficient details of SCE's charges and expenses incurred associated with the Vista Work.
 - a. In the event that RPU's payment in accordance with Section 3 of this Agreement, including any additional payment amounts pursuant to such Section 3, exceeds the amount of SCE's charges and expenses incurred, SCE shall return the excess amount to RPU, without interest, within thirty (30) calendar days after the date of the invoice provided in accordance with this Section 8, without offset for any amount which may be in dispute. In the event of any such dispute, the Parties shall promptly meet and attempt to resolve the dispute. In the event the Parties determine that RPU did not owe SCE the full amount paid, then SCE shall refund, without interest, the amount overpaid to RPU within thirty (30) calendar days of such determination.
 - b. In the event that RPU's payment in accordance with Section 3 of this Agreement, including any additional payment amounts pursuant to such Section 3, is less than the amount of SCE's charges and expenses incurred, then RPU shall pay the difference, as reflected in the invoice, within thirty (30) calendar days of receipt of the invoice provided in accordance with this Section 8, without offset for any amount which may be in dispute. In the event of any dispute, the Parties shall promptly meet and attempt to resolve the dispute. In the event the Parties determine that RPU did not owe SCE the full the amount paid, then SCE shall refund, without interest, the amount overpaid to RPU within thirty (30) calendar days of such determination.
9. No Party shall be considered to be in Default with respect to any obligation hereunder, other than the obligation to pay money when due, if prevented from fulfilling such obligation due to an Uncontrollable Force. For the purposes of this Agreement, Default shall mean the failure of a breaching Party to cure its breach. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Uncontrollable Force shall give notice and the full particulars of such Uncontrollable Force to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Uncontrollable Force, the time and date when the Uncontrollable Force occurred and when the Uncontrollable Force is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

10. Each Party shall at all times indemnify, defend, and hold the other Party harmless from, any and all losses, damages, claims, liabilities, costs or expenses (including legal expenses) arising out of or resulting from the other Party's action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.
11. In no event shall any Party be liable under any provision of this Agreement for any losses, damages, claims, liability, 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, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to another Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.
12. Any changes to the scope of work set forth in this Agreement will be reflected in an amendment to this Agreement.
13. This Agreement constitutes the complete and final expression of the agreement between the Parties and is intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement. Nothing in this Agreement is intended or shall be deemed to require SCE or RPU to enter into any other agreement.
14. Any waiver at any time by either Party of its rights with respect to a Default under this Agreement, or with respect to any other matter arising from this Agreement, shall not be deemed a waiver with respect to any subsequent Default or other matter arising in connection therewith. Any delay, with the exception of the statutory period of limitation in assessing or enforcing any right, shall not be deemed a waiver of such right.
15. The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.
16. The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary either of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

17. This Agreement shall be interpreted by and in accordance with the laws of the State of California, without regard to the principles of conflict of laws thereof, or the laws of the United States, as applicable, as if executed and to be performed wholly within the United States.
18. This Agreement shall be binding upon the Parties and their successors and assigns. No Party shall assign this Agreement without the other Party's prior written consent, which shall not be unreasonably withheld.
19. SCE will file this Agreement for acceptance by the FERC. RPU shall support acceptance of this Agreement as filed, including waiver of any necessary filing and notice requirements. Such support shall include a written statement of concurrence with such filing, if requested by SCE.
20. Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but shall be construed in the manner that most accurately reflects the Parties' intent as of the date they executed this Agreement.
21. This Agreement shall become effective on the date of the last signature to the fully executed Agreement. If SCE does not receive the fully executed Agreement within thirty (30) calendar days of RPU's receipt, then the offer reflected in this Agreement will expire and this Agreement will be of no effect.

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____
Jill Horswell

Title: Director of Contracts & Reliability Standards Operations

Agreed to this ____ day of _____, 2017

CITY OF RIVERSIDE, a California charter city and municipal corporation

By _____

Name:

Title:

Attest: _____
City Clerk

Approved as to Form:

By: _____
Deputy City Attorney

EXHIBIT A

DESCRIPTION AND ESTIMATED COST SUMMARY

Scope: Perform the following work for the proposed Vista Work:

1. Scope of Work for SCE. SCE Shall:

- a. Procure four (4) new pulse totalizers.
- b. Replace failed pulse totalizer with two new pulse totalizers, perform programming, data validation, and commissioning.
- c. Store for future use two (2) spares pulse totalizers.
- d. Temporarily connect the Mountainview-Vista 66 kV line SCADA “bitronics” meter to an alternate voltage source until the new metering units can be installed.
- e. Procure and install one (1) set of new metering units (total of three combined CT/VT metering units), and connect to the Mountainview-Vista 66 kV line, including;
 - i. Procure and install 3-66 kV single phase CT/PT metering units
 - ii. Replace foundations
 - iii. Re-conductor with 336 kcmil/phase
 - iv. Replace homerun cables (600 feet)
 - v. Install new pull box and conduits
 - vi. Provide 4/0 Cu grounding for new equipment
- f. Procure and store for future use for the RPU lines a spare set of 3-66 kV single phase CT/PT metering units.
- g. Coordinate with the CAISO the installation and commissioning of the metering units.

Work Element, Estimated Cost and Estimated Schedule:

Work Element: Vista Work	Estimated Cost	One-Time Cost	ITCC	Total Payment	Estimated Schedule
Remove existing Totalizer units, procure and install new Totalizer units	\$44,894.00	\$11,939.00	\$9,876.68	\$66,709.68	Five (5) weeks from authorization to proceed*
Temporary Solution: Mountainview-Vista	\$1,500.00	\$0.00	\$330.00	\$1,830.00	Within one (1) week following

66 kV metering unit					authorization to proceed*
Permanent Solution: Mountainview-Vista 66 kV metering unit. Remove existing metering units and Procure two metering units and install one metering unit and keep one metering unit as a future spare for RPU.	\$527,014.00	\$17,320.00	\$126,483.36	\$670,817.36	Within twenty eight (28) weeks following receipt of the executed Agreement and payment
Total Estimated Cost	\$573,408.00	\$29,259.00	\$136,690.04	\$739,357.04	

* Note: Due to the importance of this work, RPU agreed to allow SCE to perform this work prior to receipt of funds and RPU agreed to pay SCE following completion.