



Commission Staff Report - *DRAFT*

March 19, 2017

COMMISSION MEETING DATE: April 20, 2017

SUBJECT: SCHWEITZER ENGINEERING LABORATORIES, INC. – First Amendment to Five Year Multi-Task Professional Services Agreement; Applicable to the following projects: All NCPA Generation Services Plant Locations, Members, SCPPA, and SCPPA Members

AGENDA CATEGORY: Consent

FROM:	Ken Speer	METHOD OF SELECTION:
	Assistant General Manager	N/A
Division:	Generation Services	<i>If other, please describe:</i>
Department:	Combustion Turbines	

IMPACTED MEMBERS:		
All Members <input checked="" type="checkbox"/>	City of Lodi <input type="checkbox"/>	City of Ukiah <input type="checkbox"/>
Alameda Municipal Power <input type="checkbox"/>	City of Lompoc <input type="checkbox"/>	Plumas-Sierra REC <input type="checkbox"/>
Bay Area Rapid Transit <input type="checkbox"/>	City of Palo Alto <input type="checkbox"/>	Port of Oakland <input type="checkbox"/>
City of Biggs <input type="checkbox"/>	City of Redding <input type="checkbox"/>	Truckee Donner PUD <input type="checkbox"/>
City of Gridley <input type="checkbox"/>	City of Roseville <input type="checkbox"/>	Other <input type="checkbox"/>
City of Healdsburg <input type="checkbox"/>	City of Santa Clara <input type="checkbox"/>	<i>If other, please specify.</i>
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RECOMMENDATION:

Approval of Resolution 17-XX authorizing the General Manager or his designee to enter into a First Amendment to Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc., with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years for use at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority (“SCPPA”) or SCPPA Members.

BACKGROUND:

Various protective relay and automation design, testing and commissioning services are required at the NCPA locations as well as NCPA Members, SCPPA and SCPPA Member facilities from time to time. Schweitzer Engineering Laboratories, Inc. is a provider of these services. NCPA and Schweitzer Engineering Laboratories, Inc. entered into a Multi-Task Professional Services Agreement dated effective June 17, 2016.

On or about February 2, 2017, Schweitzer Engineering Laboratories, Inc. provided notice to the Agency of its intention to assign all rights and obligations of the June 17, 2016 agreement to its wholly owned subsidiary, SEL Engineering Services, Inc. The parties now desire to amend the Agreement and accept the assignment. Both parties also desire to amend the Scope of Services set forth in Exhibit A and the Compensation Schedule set forth in Exhibit B.

FISCAL IMPACT:

Total cost of the agreement is not to exceed \$1,000,000 over five years to be used out of NCPA approved budgets as services are rendered. Purchase orders referencing the terms and conditions of the Agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the lowest cost provider. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Committee Review Pending.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (3):

- Resolution
- Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc.
- First Amendment to Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc.

RESOLUTION 17-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH SCHWEITZER ENGINEERING LABORATORIES, INC.

(reference Staff Report #xxx:17)

WHEREAS, Northern California Power Agency (NCPA) facilities, its Members, Southern California Public Power Authority ("SCPPA") and SCPPA Members require protective relay and automation design, testing and commissioning services at its various locations; and

WHEREAS, Schweitzer Engineering Laboratories, Inc. is a provider of these services; and

WHEREAS, NCPA and Schweitzer Engineering Laboratories, Inc. entered into a five year Multi-Task Professional Services Agreement effective June 17, 2016; and

WHEREAS, NCPA seeks to modify the vendor name as well as amend Exhibit A and Exhibit B; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a First Amendment to Multi-Task Professional Services Agreement with Schweitzer Engineering Laboratories, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2017 by the following vote on roll call:

	<u>Vote</u>	<u>Abstained</u>	<u>Absent</u>
Alameda	_____	_____	_____
BART	_____	_____	_____
Biggs	_____	_____	_____
Gridley	_____	_____	_____
Healdsburg	_____	_____	_____
Lodi	_____	_____	_____
Lompoc	_____	_____	_____
Palo Alto	_____	_____	_____
Port of Oakland	_____	_____	_____
Redding	_____	_____	_____
Roseville	_____	_____	_____
Santa Clara	_____	_____	_____
Truckee Donner	_____	_____	_____
Ukiah	_____	_____	_____
Plumas-Sierra	_____	_____	_____

BOB LINGL
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**FIRST AMENDMENT TO MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND SCHWEITZER ENGINEERING LABORATORIES,
INC. ACCEPTING ASSIGNMENT TO SEL ENGINEERING SERVICES, INC.**

This First Amendment ("Amendment") to Multi-Task Professional Services Agreement is entered into by and between the Northern California Power Agency ("Agency") and SEL Engineering Services, Inc. ("Consultant") (collectively referred to as "the Parties") as of _____, 2017.

WHEREAS, Agency and Schweitzer Engineering Laboratories, Inc. entered into a Multi-Task Professional Services Agreement dated effective June 17, 2016, (the "Agreement") for Consultant to provide protective relay and automation design, testing and commissioning services at all NCPA facilities, its Members, Southern California Public Power Authority (SCPPA) or SCPPA member facilities; and

WHEREAS, on or about February 2, 2017, Schweitzer Engineering Laboratories, Inc. provided notice to Agency of its intention to assign all rights and obligations of the June 17, 2016 agreement to its wholly owned subsidiary, SEL Engineering Services, Inc.; and

WHEREAS, the parties now desire to amend the Agreement and accept the assignment; and

WHEREAS, the Agency now desires to amend the Scope of Services set forth in Exhibit A to the Agreement and amend the Compensation Schedule set forth in Exhibit B to the Agreement; and

WHEREAS, the Parties have agreed to modify the Agreement as set forth above; and

WHEREAS, in accordance with Section 8.2 all changes to the Agreement must be in writing and signed by all the Parties; and

NOW, THEREFORE, the Parties agree as follows:

1. **First Paragraph** of Agreement is amended and restated to read in full as follows:

This agreement for professional services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and SEL Engineering Services, Inc., a corporation with its office located at 2350 NE Hopkins Ct., Pullman, WA 99163 ("Consultant") (together sometimes referred to as the "Parties") as of June 17, 2016 ("Effective Date") in Roseville, California.

2. **Section 10.8 Notices** of Agreement is amended and restated to read in full as follows:

SEL Engineering Services, Inc.
Contracts and Risk

2350 NE Hopkins Court
Pullman, WA 99163-5603
selcontracts@selinc.com
509-332-1890

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

3. **Exhibit A – SCOPE OF SERVICES** is amended and restated to read in full as set forth in the attached Exhibit A.
4. **Exhibit B – COMPENSATION SCHEDULE AND HOURLY FEES** is amended and restated to read in full as set forth in the attached Exhibit B.
5. This Amendment in no way alters the terms and conditions of the Agreement except as specifically set forth herein.

Date: _____

NORTHERN CALIFORNIA POWER AGENCY

RANDY S. HOWARD, General Manager

Date: _____

SEL ENGINEERING SERVICES, INC.

DAVID E. WHITEHEAD, President

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Assistant General Counsel

SCHWEITZER ENGINEERING LABORATORIES, INC. consents to the foregoing:

By: _____
JOSEPH NESTEGARD, VP of Finance

Date: _____

EXHIBIT A

SCOPE OF SERVICES

SEL Engineering Services, Inc. ("Consultant") shall provide protective relay and automation design, testing and commissioning services as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Services to include, but not be limited to the following:

- Protective Relay and Automation Design
- Testing Services
- Commissioning Services
- Training

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed amount set forth in Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Time and Expense Additional Work

Schweitzer Engineering Laboratories, Inc. (SEL) will perform additional work on an actual time and expense (T&E) basis, unless the Customer and SEL agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL will identify any budget or schedule impact and submit it for approval. SEL will proceed with the work as soon as SEL receives written approval, in accordance with established contract provisions.

Work performed on an actual T&E basis will be in accordance with the schedule of charges shown in the Rate Table (below), unless specifically modified in this proposal.

T&E Rate Table (U.S.)

Role	Weekday (per hour)	Weekday Overtime (per hour)	Saturday (per hour)	Sunday/ Holiday (per hour)	Travel (per hour)	Travel Expenses
Consultant	\$250	\$375	\$375	\$500	\$250	Actual
Principal Engineer	\$165	\$247.50	\$247.50	\$330	\$165	Actual
Senior Engineer	\$155	\$232.50	\$232.50	\$310	\$155	Actual
Program Manager Engineer V–VI Resource Manager	\$145	\$217.50	\$217.50	\$290	\$145	Actual
Engineer III–IV Project Manager II–III	\$135	\$202.50	\$202.50	\$270	\$135	Actual
Engineer I–II Project Manager I Senior Specialist	\$125	\$187.50	\$187.50	\$250	\$125	Actual
Specialist II–III	\$115	\$172.50	\$172.50	\$230	\$115	Actual
Associate Engineer Associate Project Manager Senior Designer	\$105	\$157.50	\$157.50	\$210	\$105	Actual
Technician II–III Specialist I Designer IV Project Coordinator	\$90	\$135	\$135	\$180	\$90	Actual
Technician I Designer I–III	\$80	\$120	\$120	\$160	\$80	Actual
Associate Technician Engineering Intern Drafter I–II Senior Project Administrator	\$70	\$105	\$105	\$140	\$70	Actual
Administrative	\$60	\$90	\$90	\$120	\$60	Actual

The following details apply to the T&E Rate Table:

- The price does not include any sales or use tax.
- The Customer is to reimburse SEL for actual travel expenses such as airline tickets, meals, lodging, rental car, parking, and fuel (where applicable). Airline tickets are at the coach rate to the commercial airport nearest the work site; business rates apply for international travel.
- The T&E rate is the charge per person, per hour. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. On-site work outside of typical working hours shall be agreed upon between the Customer and SEL in advance and be subjected to additional charges.
- Overtime is defined as time in excess of 8 hours per day.
- As a general rule, no SEL service personnel should be required to work more than 12 hours of any day. Should job requirements result in workloads that exceed 12 hours, the Customer and SEL must agree on other arrangements that may be subject to additional costs.
- Time spent by SEL personnel on site while waiting standby, training, or traveling to/from the site will be considered billable time.
- On-site T&E invoices will include billable project administration and project management time not performed on site.
- The hourly rates quoted include the use of personal computers loaded with Microsoft® Office, Lotus Notes®, MATLAB®, Mathcad®, AutoCAD®, MicroStation®, and SEL software used in the preparation, documentation, and processing of settings for SEL products.
- SEL does not bill for long-distance telephone, fax, low-volume copying, and document shipping charges.
- Hourly rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

Per Diem

Schweitzer Engineering Laboratories, (SEL) will perform onsite work on a per diem basis, unless the Customer and SEL agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL will identify any budget or schedule impact and submit it for approval. SEL will proceed with the work as soon as SEL receives written approval, in accordance with established contract provisions. Refer to the Per Diem Rate Table (below) for the per diem rates.

Per Diem Rate Table (U.S.)

Item	Description	Price (USD)
1	Mobilization fee per U.S. personnel	Distant (requires air travel) = \$3,500 Local (within 200 miles) = \$1,500
2	Daily rate per U.S. personnel	Weekday rate = \$1,700/day Saturday rate = \$2,550/day Sunday and holiday rate = \$3,400/day

The following details apply to the Per Diem Rate Table:

- The price does not include any sales or use tax.
- No receipts will be provided as part of the per diem rates.
- The mobilization fee is defined to include the labor and travel costs associated with transporting one person roundtrip to/from the Customer site.
- The daily rate is the charge per person, per day. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. If all the onsite work cannot be performed during typical working hours, then the daily per diem rate will be billed at 1.5 times the above rate for work performed Monday through Friday. Onsite work performed on Saturday or Sunday shall be agreed upon between the Customer and SEL in advance and be subject to additional charges.
- As a general rule, no SEL service personnel should be required to work more than 12 hours of any day. Should job requirements result in workloads that exceed 12 hours, the Customer and SEL must agree on other arrangements that may be subject to additional costs.
- Time spent by SEL personnel on site while waiting standby, training, or traveling to/from the site will be considered billable time.
- Per diem rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

Consultant's Rate Escalation: Consultant may increase the rates once per calendar year by an amount not to exceed two percent (2%) per year after the first year of the Agreement. Consultant shall notify Agency of any rate increase in writing at least 30 calendar days prior to the effective date of the increase.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested. Pricing for equipment, materials and supplies will be quoted at the time goods are requested.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.



**MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
SCHWEITZER ENGINEERING LABORATORIES, INC.**

This agreement for professional services ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Schweitzer Engineering Laboratories, Inc., a corporation with its office located at 2350 NE Hopkins Ct., Pullman, WA 99163 ("Consultant") (together sometimes referred to as the "Parties") as of 6/17, 2016 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services and goods described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 **Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 **Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 **Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 **Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services or does not respond within the seven day period

specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2.

COMPENSATION. Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000.00) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies tasks, for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 Payment of Taxes. Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement. All quoted prices are exclusive of any sales, use, value-added or similar taxes, which will be added, if applicable, at the statutory rate(s) at the time of invoicing.

2.4 Authorization to Perform Services. The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.

2.5 Timing for Submittal of Final Invoice. Consultant shall have sixty (60) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the sixty (60) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 Workers' Compensation. If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 Automobile Liability. Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The policy shall provide a minimum limit of \$1,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 Professional Liability Insurance. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000.00) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on "an occurrence" basis.

4.4 All Policies Requirements.

4.4.1 Verification of coverage. Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.4.2 Notice of Reduction in or Cancellation of Coverage. Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.4.3 Higher Limits. If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Agency shall have the right to require the Consultant to provide certificates of insurance and/or policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.

4.5 Waiver of Subrogation. Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

- 4.6 **Consultant's Obligation.** Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES; LIMITATION OF LIABILITY.

- 5.1 **Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 **Scope.** Consultant shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to defend, hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence or willful misconduct of the Agency.
- 5.3 **Limitation of Liability.** Notwithstanding any other term in this Agreement, Consultant's liability to Agency or its insurers for any loss or damage regarding this Agreement shall be limited as follows: (i) for those claims covered by an insurance policy required under Section 4 of this Agreement, Consultant's liability shall be limited to the amount of the applicable insurance policy; and (ii) for all other claims, except those arising as a result of Consultant's violation of applicable law or patent infringement, Consultant's liability shall in no event exceed \$1,000,000 aggregate during the term of the Agreement whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. In no event, whether as a result of breach of contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, shall Consultant be liable for any special, incidental, consequential or punitive damages, including without limitation any loss of profit or revenues, loss of use of associated equipment, cost of capital, cost of substitute

products, facilities, services or replacement power, downtime costs or claims of Agency's customers for such damages.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.

6.3 Assignment and Subcontracting. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

6.4 Certification as to California Energy Commission. If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.

7.3 Licenses and Permits. Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

8.1 Termination. Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Consultant.

In the event of termination, Consultant shall be entitled to compensation for Services satisfactorily completed and its actual, direct, unavoidable, and reasonable expenses incurred as of the effective date of termination, which shall not include anticipated profit or overhead expenses of Consultant. Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, and fails to cure such breach within seven (7) calendar days of written notice of such breach from Agency, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Subject to Section 9, retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that is unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents. Notwithstanding the above, Consultant's Confidential Information (as defined below) and all intellectual property, including patents, copyrights, trademarks, trade secrets, and other proprietary information incorporated into, or provided in conjunction with, the Services (collectively, "Consultant IP") shall not be deemed "works made for hire" for Agency, Agency members, SCPA, and SCPA members (each a "Licensee"), and shall remain the exclusive property of Consultant. Consultant hereby grants to each Licensee a perpetual, worldwide, royalty-free, non-exclusive, non-transferable, personal, irrevocable, limited license to use, copy and modify Consultant IP for Licensee's internal business purposes, including the use, operation, maintenance, and repair of the Services and all parts or portions thereof, and

including such work by Licensee's employees, agents, contractors, or consultants on such Licensee's behalf ("License"). Consultant IP shall not be used for any other purpose without first obtaining Consultant's written consent. For the avoidance of doubt, a Licensee may assign its License in connection with the sale or other disposition of substantially all of the assets of Licensee's business or substantially all of the goods or other deliverables obtained by such Licensee under this Agreement. Notwithstanding any other provision of this Agreement, each License shall survive the termination or expiration of this Agreement.

Subject to this Section 9, Consultant shall provide Agency relay settings and supporting documentation, including supporting calculations, pertinent fault study results, overcurrent coordination curves, and similar information, in Microsoft Word, Adobe Acrobat, and/or SEL-5030 ACSELERATOR QuickSet format, as applicable.

9.2 Consultant's Books and Records. Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement. Please note: As Consultant is a privately held company it can allow audits of time and expense projects, however, Consultant does not provide breakdown of its fixed price or lump sum contracts, and does not reveal the components that make up its hourly rate.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse

engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.7 Contract Administrator.** This Agreement shall be administered by Ken Speer, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

10.8 Notices. Any written notice to Consultant shall be sent to:

Schweitzer Engineering Laboratories, Inc.
Attention: Contracts and Risk
2350 NE Hopkins Ct
Pullman, WA 99163-5603

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Michael F. Dean
General Counsel
Northern California Power Agency
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

10.9 Professional Seal. Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

10.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

10.11 Alternative Dispute Resolution. If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:

10.11.1 Each party shall designate a senior management or executive level representative to negotiate any dispute;

10.11.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

10.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Consultant's Proposal, the Exhibits shall control.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide services to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this Section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

Section 11 WARRANTY.

11.1 Warranty for Goods. Consultant warrants that goods, equipment, supplies, or other materials provided pursuant to this Agreement (for purposes of this Section 11, "Goods") are free from defects in material, design, and workmanship for ten (10) years after

completion or delivery of the Goods, including Consultant-manufactured control enclosure structures and panels. Such warranty shall be for ten (10) years after delivery for Fault Indicator and Sensor Division goods. This warranty is conditioned upon storage, installation, connection, operation and maintenance of Goods consistent with Consultant's manual provided to Agency in writing. If during the term of this Agreement or the applicable warranty period specified above, any Goods used or provided by Consultant under this Agreement fail due to defects in material, design, and/or workmanship or other breach of this Agreement, Consultant shall, upon any reasonable written notice from Agency, replace, reperform, or repair the same to Agency's satisfaction. This warranty shall be void in its entirety if Agency modifies the Goods without prior written consent to and subsequent approval of any such modifications by Consultant. If any Goods fail to conform to this warranty, Agency properly notifies Consultant of such failure and Agency returns the Goods to Consultant factory for diagnosis (and pays all expenses for such return), Consultant shall correct any such failure by, at its sole discretion, either repairing any defective or damaged Goods or part(s) thereof, or making available, freight prepaid, by Consultant (Carriage Paid To (CPT) customer's place of business) any necessary replacement part(s) or Good(s). Any Goods repair or upgrade shall be covered by this warranty for the longer of one (1) year from date of repair or the remainder of the original warranty period.

- 11.2 Warranty for Services.** Consultant shall perform services in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Consultant shall reperform (or, at Consultant's option, pay a third party to reperform) any defective services at no cost upon receipt of notice detailing the defect(s) within one (1) year of performance of the original services.
- 11.3 General Warranty Provisions.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, THIS WARRANTY SHALL BE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM COURSE OF PERFORMANCE OR DEALING OR USAGE OF TRADE), EXCEPT TITLE AND PATENT INFRINGEMENT. Consultant shall, whenever possible, pass the original manufacturer warranty to Agency for non-Consultant products.

SIGNATURES ON FOLLOWING PAGE

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

SCHWEITZER ENGINEERING
LABORATORIES, INC.

Date 6/18/16

Date _____

Randy S. Howard
RANDY S. HOWARD, GENERAL MANAGER

Erik C. Newman
ERIK C. NEWMAN, Finance Director

Attest:

Carol R. [Signature]
Assistant Secretary of the Commission



Approved as to Form:

[Signature]
Assistant General Counsel

EXHIBIT A

SCOPE OF SERVICES

Schweitzer Engineering Laboratories, Inc. ("Consultant") shall provide protective relay and automation design, testing and commissioning services as requested by the Northern California Power Agency ("Agency") at any Facilities owned or operated by NCPA, its Members, Southern California Public Power Authority (SCPPA) or SCPPA members.

Goods shall be provided Delivered Duty Paid (DDP) to the specified project site.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed amount set forth in Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Time and Expense Additional Work

Schweitzer Engineering Laboratories, Inc. (SEL) will perform additional work on an actual time and expense (T&E) basis, unless the Customer and SEL agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL will identify any budget or schedule impact and submit it for approval. SEL will proceed with the work as soon as SEL receives written approval, in accordance with established contract provisions.

Work performed on an actual T&E basis will be in accordance with the schedule of charges shown in the Rate Table (below), unless specifically modified in this proposal.

T&E Rate Table (U.S.)

Role	Weekday (per hour)	Weekday Overtime (per hour)	Saturday (per hour)	Sunday/ Holiday (per hour)	Travel (per hour)	Travel Expenses
Consultant	\$250	\$375	\$375	\$500	\$250	Actual
Principal Engineer	\$165	\$247.50	\$247.50	\$330	\$165	Actual
Senior Engineer	\$155	\$232.50	\$232.50	\$310	\$155	Actual
Program Manager Engineer V-VI Resource Manager	\$145	\$217.50	\$217.50	\$290	\$145	Actual
Engineer III-IV Project Manager II-III	\$135	\$202.50	\$202.50	\$270	\$135	Actual
Engineer I-II Project Manager I Senior Specialist	\$125	\$187.50	\$187.50	\$250	\$125	Actual
Specialist II-III	\$115	\$172.50	\$172.50	\$230	\$115	Actual
Associate Engineer Associate Project Manager Senior Designer	\$105	\$157.50	\$157.50	\$210	\$105	Actual
Technician II-III Specialist I Designer IV Project Coordinator	\$90	\$135	\$135	\$180	\$90	Actual
Technician I Designer I-III	\$80	\$120	\$120	\$160	\$80	Actual
Associate Technician Engineering Intern Drafter I-II Senior Project Administrator	\$70	\$105	\$105	\$140	\$70	Actual
Administrative	\$60	\$90	\$90	\$120	\$60	Actual

The following details apply to the T&E Rate Table:

- The price does not include any sales or use tax.
- The Customer is to reimburse SEL for actual travel expenses such as airline tickets, meals, lodging, rental car, parking, and fuel (where applicable). Airline tickets are at the coach rate to the commercial airport nearest the work site; business rates apply for international travel.
- The T&E rate is the charge per person, per hour. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. On-site work outside of typical working hours shall be agreed upon between the Customer and SEL in advance and be subjected to additional charges.
- Overtime is defined as time in excess of 8 hours per day.
- As a general rule, no SEL service personnel should be required to work more than 12 hours of any day. Should job requirements result in workloads that exceed 12 hours, the Customer and SEL must agree on other arrangements that may be subject to additional costs.
- Time spent by SEL personnel on site while waiting standby, training, or traveling to/from the site will be considered billable time.
- On-site T&E invoices will include billable project administration and project management time not performed on site.
- The hourly rates quoted include the use of personal computers loaded with Microsoft® Office, Lotus Notes®, MATLAB®, Mathcad®, AutoCAD®, MicroStation®, and SEL software used in the preparation, documentation, and processing of settings for SEL products.
- SEL does not bill for long-distance telephone, fax, low-volume copying, and document shipping charges.
- Hourly rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

Per Diem

Schweitzer Engineering Laboratories, (SEL) will perform onsite work on a per diem basis, unless the Customer and SEL agree on other arrangements. The party identifying a potential change in scope will request the change of scope to the other in writing (fax, email, or letter). SEL will identify any budget or schedule impact and submit it for approval. SEL will proceed with the work as soon as SEL receives written approval, in accordance with established contract provisions. Refer to the Per Diem Rate Table (below) for the per diem rates.

Per Diem Rate Table (U.S.)

Item	Description	Price (USD)
1	Mobilization fee per U.S. personnel	Distant (requires air travel) = \$3,500 Local (within 200 miles) = \$1,500
2	Daily rate per U.S. personnel	Weekday rate = \$1,700/day Saturday rate = \$2,550/day Sunday and holiday rate = \$3,400/day

The following details apply to the Per Diem Rate Table:

- The price does not include any sales or use tax.
- No receipts will be provided as part of the per diem rates.
- The mobilization fee is defined to include the labor and travel costs associated with transporting one person roundtrip to/from the Customer site.
- The daily rate is the charge per person, per day. Typical working hours are 8 a.m. to 6 p.m., Monday through Friday. Lunch shall be up to 60 minutes with two 15-minute breaks each day. If all the onsite work cannot be performed during typical working hours, then the daily per diem rate will be billed at 1.5 times the above rate for work performed Monday through Friday. Onsite work performed on Saturday or Sunday shall be agreed upon between the Customer and SEL in advance and be subject to additional charges.
- As a general rule, no SEL service personnel should be required to work more than 12 hours of any day. Should job requirements result in workloads that exceed 12 hours, the Customer and SEL must agree on other arrangements that may be subject to additional costs.
- Time spent by SEL personnel on site while waiting standby, training, or traveling to/from the site will be considered billable time.
- Per diem rates are valid for work performed within one year of the proposal date.
- Holidays observed for U.S. Offices include: New Year's Day (observed), Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, Thanksgiving Friday, and Christmas Day (observed).

Consultant's Rate Escalation: Consultant may increase the rates once per calendar year by an amount not to exceed two percent (2%) per year after the first year of the Agreement. Consultant shall notify Agency of any rate increase in writing at least 30 calendar days prior to the effective date of the increase.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I, Erik C. Newman

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

SCHWEITZER ENGINEERING LABORATORIES, INC.

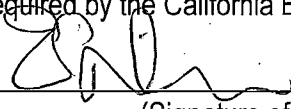
(Company name)

for contract work at

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.


(Signature of officer or agent)

Dated this Sixth day of July, 20 16.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

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