



## INCORPORATED COUNTY OF LOS ALAMOS SERVICES AGREEMENT

This **AGREEMENT** ("Agreement") is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County" or "Customer"), and **Open Access Technology International, Inc.**, a Minnesota corporation ("Contractor" or "OATI"), to be effective for all purposes August 31, 2016 ("Effective Date").

**WHEREAS**, the County Purchasing Agent determined in writing that the use of competitive sealed bidding was either not practical or not advantageous to County for procurement of the Services and County issued Request for Proposals No. 16-042 ("RFP") on January 31, 2016 requesting proposals for Energy Trade Capture and Scheduling Software, as described in the RFP; and

**WHEREAS**, Contractor timely responded to the RFP by submitting a response dated February 23, 2016 ("Contractor's Response"); and

**WHEREAS**, based on the evaluation factors set out in the RFP, Contractor was the successful offeror for the services listed in the RFP; and

**WHEREAS**, the Los Alamos County Board of Public Utilities approved this Agreement at a public meeting held on August 17, 2016; and

**WHEREAS**, the County Council approved this Agreement at a public meeting held on August 30, 2016; and

**WHEREAS**, Contractor shall provide the User access rights, Services, and Support ("Services") and furnish the Services as described below, to County.

**NOW, THEREFORE**, for and in consideration of the premises and the covenants contained herein, County and Contractor agree as follows:

### SECTION A. SCOPE OF SERVICES:

- 1. Contractor Services.** Contractor shall supply an integrated scheduling software solution that will facilitate municipal/county electrical load forecasting, pre-scheduling, real time transactions, and "after the fact" reconciliation in accordance with the services in this Agreement, the Contractor's Technical Proposal (attached as **Exhibit A**) and the Contractor's Additional Information (attached as **Exhibit B**). The solution to be provided is a Software-as-a-Service ("SaaS") product that is a cloud based and hosted software program developed, owned, and operated by Contractor. Authorized users will access the solution via local pc based internet browsers and the internet through secure internet connections and protocols as provided in the two (2) included technical exhibits. All data transmission, storage, and use will be protected pursuant to industry recognized standards and as provided in the Contractor's response to the RFP.
- 2. webTrader Solution®.** Contractor shall furnish to the County access to the webTrader Power Solution® ("Software") via purchased User IDs. The accessible solution will include, as provided in OATI's proposal document titled Volume II-Commercial Proposal ("Price

Schedule”) attached hereto as **Exhibit C**, and which includes the modules and functionality of the webTrader Power Solution® features/modules: 1) the webTrader Report Generator feature/module, 2) the webCALC feature/module, and the 3) webTag feature/module (a.k.a. “Tagging” solution). OATI will provide access by the authorized users to the Software from the OATI Data Center located in Minneapolis, Minnesota, USA.

3. **webTrader User IDs and Use.** Contractor shall provide fifteen (15) User IDs for the provided Software. Granted and authorized User IDs and user access shall be provided pursuant to Contractor’s technical specifications found in **Exhibit A**. On payment of the required fee(s), as provided in Section C below, OATI grants County a nonexclusive right to use the Software. Legal title to the Software is vested in OATI. There is no transfer of title to the OATI Software from OATI to County by virtue of this Agreement. Title and ownership to County data entered into, residing in, and/or output from OATI Software is and shall remain vested in County. County intends to use the subscribed webTrader according to generally accepted utility practice, present and future, and in accordance with past practice by the County for prior Contractor software.
4. **Fees.** In exchange for the access and use of the Software, County will pay to Contractor a monthly access fee (“Monthly Recurring Fee”) as provided in **Exhibit C**, with invoicing to occur monthly. Failure of the County to pay the Monthly Recurring Fees as found in **Exhibit C** permits the Contractor to restrict, suspend, or terminate the Software user access. Contractor, prior to restricting, suspending, or terminating the access, will provide to County a fourteen (14) day notice to remind all delinquent and authorized fees. Resolution of a dispute on any payment or fee due shall be handled pursuant to the terms in this Agreement.
5. **Contractor On-site Services.** Contractor will provide up to two (2) days on-site professional consulting assistance to County. Staffing and professional fees and costs for the two (2) days on-site consulting service are included in the overall monthly costs. Travel, lodging, and miscellaneous fees related to the on-site events will be directly and separately billed and will include a ten percent (10%) overhead fee for Contractor travel services. The on-site consulting will be scheduled to occur only on a date and time via a written request of the County. For separate on-site dates requested by County, County shall pay to OATI the hourly rate specified in Exhibit C and travel plus overhead costs for each training/consulting event.
6. **OATI SSAE 16 Type II Audit Report.** Contractor will provide to the responsible County Project Manager one print and one electronic copy of all OATI completed annual North American Electric Reliability Corporation (“NERC”) Critical Infrastructure Protection (“CIP”) Standards for Attestation Engagements No. 16 (“SSAE 16”) Type II (or similar) audit reports. The report costs are included in the overall monthly/yearly service fees.
7. **NERC CIP Protection Assistance.** Contractor will provide NERC CIP related compliance assistance that is included in the overall monthly/yearly service fees.

**SECTION B. TERM:** This Agreement shall be effective upon execution of this Agreement, and the term of webTrader Service shall begin upon the earlier of: a) resolution of critical variances identified during webTrader acceptance testing, or b) production operation which is the date on which County has access to webTrader in the OATI production environment following County authorization to move webTrader to the production environment. The initial term of webTrader Solution® services shall be twenty-four (24) months (“Initial Term”), provided however, that each twelve (12) month period of the Initial Term shall be contingent upon Council appropriating necessary funding. The term may be extended for two (2) additional periods of twenty-four (24) months, and one (1) period of twelve (12) months, under the same terms and conditions, contingent upon Council appropriating funding, with notice of extension provided to Contractor no later than ninety (90) days prior to the end of the then-current term.

## **SECTION C. COMPENSATION:**

1. **Amount of Compensation.** County shall pay compensation for performance of the Services in an amount not to exceed SIX HUNDRED SEVENTY-NINE THOUSAND THREE HUNDRED TWENTY DOLLARS (\$679,320.00), which amount does not include applicable New Mexico Gross Receipts Taxes ("NMGRT"). Compensation shall be paid in accordance with the rate schedule set out in **Exhibit C** attached hereto and made a part hereof for all purposes.
2. **Monthly Invoices.** Contractor shall submit itemized monthly invoices to County's Project Manager showing amount of compensation due, amount of any NMGRT, and total amount payable. Payment of undisputed amounts shall be due and payable thirty (30) days after County's receipt of the invoice. All disputes related to performance and payment shall be governed by the County's Procurement Code, Chapter 31.

**SECTION D. TAXES:** Contractor shall be solely responsible for timely and correctly billing, collecting and remitting all applicable NMGRT levied on the amounts payable under this Agreement, which amounts shall be added to the Monthly Recurring Fees, invoiced to County as specified in Section C above.

## **SECTION E. STATUS OF CONTRACTOR, STAFF AND PERSONNEL:**

1. **Independent Contractors.** This Agreement calls for the performance of services by Contractor as an independent contractor. Contractor is not an agent or employee of County and will not be considered an employee of County for any purpose. Contractor, its agents or employees shall make no representation that they are County employees, nor shall they create the appearance of being employees by using a job or position title on a name plate, business cards, or in any other manner, bearing the County's name or logo. Neither Contractor nor any employee of Contractor shall be entitled to any benefits or compensation other than the compensation specified herein. Contractor shall have no authority to bind County to any agreement, contract, duty or obligation. Contractor shall make no representations that are intended to, or create the appearance of, binding County to any agreement, contract, duty, or obligation. Contractor shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from County; provided, however, that Contractor shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely and reliable manner.
2. **Users.** A User shall be limited to a human being using a workstation and a browser to connect to and interact with OATI webTrader Service for its designed and intended purposes. Programmatic access or retrieval of information or data is strictly prohibited unless specifically authorized in writing by OATI or provided by an OATI service. As between County and OATI only, County is responsible for all acts or omissions of its employees, agents and subcontractors regarding the use of webTrader in a manner contrary to the terms and conditions of this Agreement. This provision shall not be deemed or construed to waive any sovereign immunity granted County pursuant the NMSA Sect 41-4-1, et seq.

**SECTION F. STANDARD OF PERFORMANCE.** Contractor agrees and represents that it has and will maintain the personnel, experience and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the Services described herein in accordance with a standard that exceeds the industry standard of care for performance of the Services.

**SECTION G. DELIVERABLES AND USE OF DOCUMENTS.** Deliverables under this Agreement are limited in all cases to data entered into or residing in webTrader. OATI claims no right, title or interest in or to any data entered into or residing in webTrader.

**SECTION H. EMPLOYEES AND SUB-CONTRACTORS.** Contractor shall be solely responsible for payment of wages, salary or benefits to any and all employees or contractors retained by Contractor in the performance of the Services. Contractor agrees to indemnify, defend and hold harmless County for any and all claims that may arise from Contractor's relationship to its employees and subcontractors.

**SECTION I. INSURANCE.** With regard to Contractor personnel providing services on County site, Contractor shall obtain and maintain insurance of the types and in the amounts set out below throughout the term of this Agreement with an insurer acceptable to County. Contractor shall assure that all subcontractors maintain like insurance. Compliance with the terms and conditions of this Section is a condition precedent to County's obligation to pay compensation for the Services and Contractor shall not provide any Services under this Agreement unless and until Contractor has met the requirements of this Section. County requires Certificates of Insurance or other evidence acceptable to County that Contractor has met its obligation to obtain and maintain insurance and to assure that subcontractors maintain like insurance. Should any of the policies described below be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. General Liability Insurance and Automobile Liability Insurance shall name County as an additional insured.

1. **General Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; TWO MILLION DOLLARS (\$2,000,000.00) aggregate.
2. **Workers' Compensation:** In an amount as may be required by law. County may immediately terminate this Agreement if Contractor fails to comply with the Worker's Compensation Act and applicable rules when required to do so.
3. **Automobile Liability Insurance for Contractor and its Employees:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; TWO MILLION DOLLARS (\$2,000,000.00) aggregate on any owned, and/or non-owned motor vehicles used in performing Services under this Agreement.
4. **Professional Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000) per occurrence and aggregate. Professional Liability Insurance shall provide coverage for Services provided hereunder during the term of this Agreement and for a period of at least five (5) years thereafter.

**SECTION J. RECORDS:** Pursuant to **Exhibit A**, paragraph 1.2.20, OATI will maintain, and make available to County, a copy of all data online throughout the term of this Agreement, up to a maximum period of six (6) years. Contractor shall maintain, throughout the term of this Agreement and for a period of five (5) years thereafter, records that indicate the date, time, and nature of the services rendered. Contractor shall make available for inspection by County all such records, books of account, memoranda, and other documents pertaining to County at any reasonable time upon request.

**SECTION K. NON-DISCRIMINATION:** During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the obligations of Contractor under this Agreement, with regard to race, color, religion, sex, age, ethnicity, national origin, sexual orientation or gender identity, disability or veteran status.

**SECTION L. INDEMNITY AND WARRANTY:**

1. Contractor shall indemnify, hold harmless and defend County, its Council members, employees, agents and representatives, from and against all liabilities, damages, claims, demands, actions (legal or equitable), and costs and expenses, including without limitation attorneys' fees, of any kind or nature, arising from Contractor's performance hereunder or breach hereof or the performance of Contractor's employees, agents, representatives and subcontractors.
2. Warranty. Limitation of Liability. OATI warrants to County that it has the right to provide the Software and grant the rights contained in this Agreement. Further, OATI warrants that the solution will operate as described in **Exhibits A and B**.
3. EXCEPT AS PROVIDED IN THIS AGREEMENT, OATI MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
4. Neither Party shall be liable to the other for any special, punitive, or consequential damages arising out of the use, non-use or inability to use the Software, even if advised of the possibilities of such damages. County agrees that the Software is not consumer goods for purposes of international, U.S. Federal or U.S. State warranty laws. Direct damages to County arising out of a material breach of this Agreement shall be limited in the cumulative aggregate to FIFTY THOUSAND DOLLARS (\$50,000.00) or insurance amounts in Section I above, whichever is greater. County agrees that the Software is not consumer goods for purposes of international, U.S. Federal or U.S. State warranty laws.

**SECTION M. FORCE MAJEURE:** Neither County nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence.

**SECTION N. ASSIGNMENT:** Neither Party's rights and obligations hereunder shall be assignable without prior written consent of the other Party, provided, however, that either Party has the right to assign this Agreement in whole or in part to an entity acquiring all or substantially all of the business assets of the Party and which entity agrees to be bound by the provisions hereof, upon and no less than thirty (30) day notice to the other Party.

**SECTION O. LICENSES:** Contractor shall maintain all required licenses, including without limitation all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall assure that all of Contractor's employees and subcontractors maintain all required licenses, including without limitation all necessary professional and business licenses.

**SECTION P. PROHIBITED INTERESTS.** Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder provided however, that it is not the intention of County that this Section P will impair Contractor's ability to provide solutions to other Market Entities that may interact and compete with Los Alamos during the normal course of marketing activities. Contractor further agrees that it will not employ any person having such an interest to perform services under this Agreement. No County Council member or other elected official in County, or manager or employee of County shall solicit, demand, accept, or agree to accept a gratuity or offer of employment contrary to Section 20-282 of the Los Alamos County Code.

#### **SECTION Q. TERMINATION.**

1. **Generally.** County may terminate this Agreement with or without cause upon ninety (90) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for Services

actually completed to the satisfaction of County at the rate set out in Section C. Contractor shall render a final report of the Services performed to the date of termination and shall turn over to County originals of all materials prepared pursuant to this Agreement.

2. **Default.** Either Party has the right, without prejudice to any other available rights or remedies, to terminate this Agreement and any user right granted, on written notice to the other Party if such other Party (a) materially fails to perform any of its obligations under this Agreement or Attachment, which failure has not been corrected within a reasonable time after receipt of written notice thereof, or (b) takes action to liquidate and dissolve, becomes insolvent, suffers the appointment of a receiver, assigns all or part of its assets for the benefit of creditors, or is involved in any proceeding (voluntary or involuntary) under any bankruptcy or insolvency laws. In the event of termination by County under this section, OATI shall refund to County a prorated portion of the Monthly Recurring Fee and release County from any obligations that become due after the date of termination.
3. **Funding.** This Agreement shall terminate on the first day of any County fiscal year for which funds to pay compensation hereunder are not appropriated by the County Council. County shall make reasonable efforts to give Contractor at least ninety (90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

**SECTION R. NOTICES.** Any notices required under this Agreement shall be made in writing, postage prepaid to the following addresses, and shall be deemed given upon hand delivery, verified delivery by telecopy (followed by copy sent by United States Mail), or three (3) days after deposit in the United States Mail:

**County:**

Project Manager, Power System Supervisor  
Incorporated County of Los Alamos  
1000 Central Avenue, Suite 135  
Los Alamos, New Mexico 87544

**Contractor:**

Open Access Technology Int'l. Inc.  
Attn: Contracts Administration  
3660 Technology Drive, NE  
Minneapolis, Minnesota 55418

**SECTION S. ENTIRE AGREEMENT AND INVALIDITY OF PRIOR AGREEMENTS.** This Agreement, with mutually executed attachments, supersedes any prior agreements and contains the entire agreement of the Parties and all representations with respect to the subject matter hereto. Any prior correspondence, memoranda, or agreements, except those specifically attached hereto and incorporated herein, are replaced in total by this Agreement and the attachments hereto. The schedules and attachments to this Agreement form an integral part of this Agreement and contain obligations and remedies which are part of this Agreement. The attachments are as follows:

- |                           |           |
|---------------------------|-----------|
| 1. Technical Proposal     | Exhibit A |
| 2. Additional Information | Exhibit B |
| 3. Pricing Schedule       | Exhibit C |

**SECTION T. MISCELLANEOUS PROVISIONS:**

1. **Intellectual Property Indemnification.** All royalties or other charges for any patents, trade secrets, trademarks copyrights or other proprietary rights associated with the use of the OATI Software shall be considered as included in the Monthly Recurring Fee. OATI represents warrants that the Software including, without limitation, each component, module and any unit or part thereof, and County's use thereof as permitted under this Agreement, shall not infringe upon or violate any United States patent or copyright of any third party. In the event of a third party claim against County asserting such a claim involving the webTrader, OATI shall defend or settle the claim, at its expense, and shall indemnify County against any loss, cost, expense,

or judgment resulting from or arising out of the claim, for the full amount of the claim whether or not the claim is successful, provided that County notifies OATI in writing within a reasonable time after County first receives written notice of the claim and gives OATI necessary authority, available information, and reasonable assistance for the defense or settlement of the claim. County may be represented by and actively participate through its own counsel in any such suit or proceeding if it so desires, and the cost of such representation including, but not limited to attorney fees and expenses, shall be paid by County.

In the event said Software or any part thereof is in such suit held to constitute an infringement and the use of said Software or part is enjoined and/or shall require the payment of any royalty, license, or other payment to any third party, OATI shall, at its expense and without diminishing its obligations hereunder, either (a) procure for County the right to continue using said webTrader or parts at no cost or charge to County, (b) replace same with a non-infringing webTrader which is equivalent in function, or (c) modify it so that it becomes non-infringing yet equivalent in function.

2. **Survival.** The provisions of this Agreement which by their sense and context are intended to survive the performance thereof by either or both Parties, or where the County has an equitable interest in the survival of any provision due to the payment of money to OATI, such provisions shall survive the completion of performance and/or termination of this Agreement.
3. **Changes.** Any changes to this Agreement, including any changes required because of substantive changes in functional requirements or specifications (Changes in Scope) will be made pursuant to written change documents executed by both OATI and County prior to either party beginning or undertaking any effort.
4. **Amendments.** Any amendments or Change Orders to this Agreement negotiated between the Parties shall be in writing and signed by County and OATI.
5. **Captions.** Captions are for convenience only and shall not be deemed part of the contents of this Agreement.
6. **Parties in Interest.** This Agreement shall be binding upon and inure solely to the benefit of the Parties hereto and their permitted assigns, and nothing in this Agreement, expressed or implied, is intended to confer upon any other person any rights or remedies of any nature under or by reason of this Agreement.
7. **Waiver.** The waiver of any of the rights or remedies arising pursuant to this Agreement on any occasion by any Party shall not constitute a waiver of any rights or remedies in respect to any subsequent breach or default of the terms of this Agreement.
8. **Nondisclosure Agreement.** The incorporated County of Los Alamos is a governmental entity subject to certain disclosure laws including, but not limited to, the New Mexico Inspection of Public Records Act (1978) NMSA §§14-2-1, et seq. Nothing in this Agreement is intended to diminish or expand the application of any applicable disclosure laws to any proprietary or confidential information.
  - a. During the Term of this Agreement, the Parties ("Disclosing Party" and "Recipient", as applicable) anticipate that they will disclose certain proprietary or confidential business information and trade secrets and County's data received by OATI or OATI has stored on the OATI system ("Confidential Information") to one another.
  - b. OATI agrees to maintain the confidentiality of the identity of County's data with that degree of care exercised by OATI with respect to the security and protection of its Confidential Information and using no less than a reasonable degree of care. With regard to County's other Confidential Information and with regard to OATI's Confidential Information, the Recipient agrees to hold and use the Confidential Information in confidence. This Confidential Information shall be made available for use by the Recipient for the sole purpose of providing the Software to County under this Agreement, or in County's case

for the purpose of using the Software for their intended purposes. Recipient shall use the Confidential Information for the foregoing purposes only and shall make no other use of the Confidential Information without the express prior written consent of the Disclosing Party. Further, the Recipient shall take reasonable precautions to limit the disclosure of the Confidential Information to those of its employees only on a need to know basis consistent with the purpose for which the Confidential Information is made available to the Recipient, and except as provided otherwise in this Agreement. The degree of care exercised by the Recipient with respect to the security and protection of the Confidential Information shall not be less than the degree of care exercised by Recipient with respect to its proprietary and confidential information, and no less than a reasonable degree of care.

- c. Recipient shall protect and ensure its participating subcontractors, agents, or associates will protect all Confidential Information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, dissemination, or publication of the Confidential Information as Recipient uses to protect its own information of a like nature. If any person or entity requests or demands, by subpoena or otherwise, all or any portion of the confidential information provided by one party to another, the party receiving such request shall immediately notify the Discloser of such request or demand. The party receiving the request or demand shall independently determine whether the information sought is subject to disclosure under applicable law including the New Mexico Inspection of Public Records Act. If the party receiving the request or demand determines that the information is subject to disclosure, it shall notify the Discloser of its intent to permit the disclosure with sufficient time to permit the Discloser to invoke the jurisdiction of an appropriate court or administrative body to raise any legitimate objections or defenses it may have to the disclosure. In the absence of an appropriate order prohibiting the disclosure, the party receiving the request or demand shall permit and proceed with the disclosure without incurring any duty, obligation, or liability to the Discloser.
- d. The Disclosing Party retains all right, title and interest in and to the Confidential Information, and except as otherwise expressly provided herein, no license or other right is hereby transferred or granted to the Recipient, including any license by implication, estoppel or otherwise, under any patent, trade secret, trademark or copyright now held by, or which may be obtained by, or which is or may be licensable by the Disclosing Party. The Recipient is prohibited from selling, leasing, licensing, or otherwise in any manner directly or indirectly, assigning, transferring or disposing of any portion of the Confidential Information.
- e. Nothing in this Agreement shall limit the Recipient's use of disclosure of information which: (1) is generally known or available on an unrestricted basis to the public; (2) is already in the Recipient's possession in writing without restriction as to its use or disclosure prior to its receipt from the Disclosing Party; (3) is acquired by the Recipient on an unrestricted basis from any third party, provided that the Recipient does not know or have any reason to know, or is not informed subsequent to disclosure by such third party and prior to disclosure by the Recipient, that such information was acquired under an obligation of confidentiality; or (4) is independently developed by the Recipient without reference to the Confidential Information or other information that the Disclosing Party has disclosed in confidence to any third party.
- f. The Recipient recognizes that unauthorized use or disclosure of the Confidential Information may give rise to irreparable injury to the Disclosing Party, inadequately compensable in damages, and that the Disclosing Party may seek injunctive relief against the breach or threatened breach of the Recipient's obligations under this Agreement, in addition to any other legal remedies which may be available to the Disclosing Party, at law or in equity.



**9. Choice of Law.** Except as otherwise specifically provided herein, this Agreement shall be governed and construed and enforced in accordance with the laws of the State of Minnesota without regard to its choice of law provisions.

**10. Parties in Interest.** This Agreement shall be binding upon and endure solely to the benefit of the Parties hereto and their permitted assigns, and nothing in this Agreement, expressed or implied, is intended to confer upon any other person any rights or remedies of any nature under or by reason of this Agreement.

**IN WITNESS WHEREOF,** the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

**ATTEST**

**INCORPORATED COUNTY OF LOS ALAMOS**

\_\_\_\_\_  
**SHARON STOVER**  
**COUNTY CLERK**

BY: \_\_\_\_\_  
**TIMOTHY A. GLASCO, P.E.** **DATE**  
**UTILITIES MANAGER**

**Approved as to form:**

\_\_\_\_\_  
**KATHRYN S. THWAITS**  
**ACTING COUNTY ATTORNEY**

**OPEN ACCESS TECHNOLOGY**  
**INTERNATIONAL, INC. (OATI), A MINNESOTA**  
**CORPORATION**

BY: \_\_\_\_\_  
**SASAN MOKHTARI, PH.D.** **DATE**  
**PRESIDENT AND CEO**



RESPONSE TO REQUEST FOR PROPOSAL  
ENERGY TRADE CAPTURE AND SCHEUDLING  
SOFTWARE #16042  
VOLUME I - TECHNICAL PROPOSAL

EXHIBIT "A"  
AGR16-042

LOS ALAMOS COUNTY

FEBRUARY 23, 2016

**PROPRIETARY AND CONFIDENTIAL**



## **TRADE SECRET**

This document and attachments contain confidential and proprietary information of Open Access Technology International, Inc. This information is not to be used, disseminated, distributed, or otherwise transferred without the expressed written permission of Open Access Technology International, Inc.

## **PROPRIETARY NOTICE**

OATI webTrader, webCALC, webTag, webTrader Report Generator, webTrader Power, and webSupport are trademarks and service marks of Open Access Technology International, Inc. All rights reserved.

# Table of Contents

<b>Executive Summary .....</b>	<b>4</b>
<b>1. Features .....</b>	<b>6</b>
1.1 Overall Features .....	6
1.2 Scheduling System Features.....	7
1.3 Tagging System Features .....	10
1.4 OASIS System Features .....	11
1.5 Forecast .....	11
1.6 Preschedule.....	12
1.7 Real Time .....	12
1.8 After the Fact .....	13
1.9 Architecture .....	14
<b>2. Support Features.....</b>	<b>16</b>
2.1 Support .....	16
2.2 Implementation .....	17
<b>3. Pricing .....</b>	<b>18</b>
<b>4. Reference Information .....</b>	<b>19</b>
4.1 Firm Experience.....	19

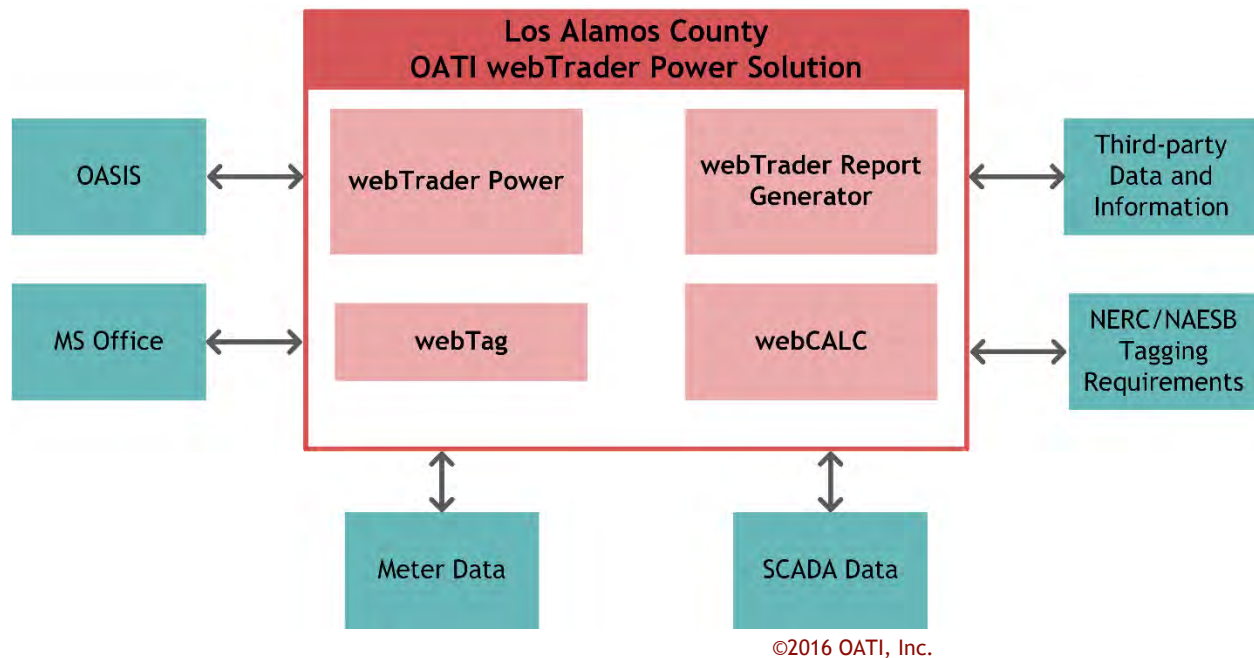
## **Executive Summary**

Open Access Technology International, Inc. (OATI) is pleased to provide the following Response to Los Alamos County (LAC) Request for Proposal #16042 Energy Trade Capture and Scheduling Software. OATI is proud to be the current provider of LAC's extremely successful webTrader Power solution and is excited to be able to renew the webTrader Agreement so that LAC can continue to utilize webTrader as LAC's Energy Trade Capture and Scheduling Software.

The LAC team has spent countless hours over the past six years working together to ensure the current OATI webTrader solution fully meets LAC trade capture, energy scheduling, transmission management, forecasting, and reporting requirements. The industry experts at LAC have utilized the OATI webTrader solution to create more than 90 LAC specialized calculation worksheets and 35 specialized reports that help them more easily analyze, manage, and report on the complex LAC electric system requirements.

OATI understands that the LAC team is tasked to manage a very complex electric system with many challenging contracts and difficult reporting requirements. The flexibility and configurability of the OATI webTrader solution allows users to have everything they need in one solution to meet those goals and requirements. Users can easily search for, purchase and schedule the transmission required to bring energy into LAC or sell excess resources into the market and then quickly create, manage and tag the energy schedules as needed. The webTrader solution also facilitates LAC's analysis and reporting requirements by allowing users to quickly create new analytical worksheets and reports to keep regulators and management informed. After trading and scheduling are complete, the LAC webTrader solution helps users accurately check-out and verify transactions and schedules with counterparties directly from the solution.

As part of LAC's hosted webTrader solution, OATI's award winning Tier IV rated and NERC CIP compliant Data Centers are utilized to keep the solution and LAC proprietary data available to authorized LAC users while maintaining the security of the system.



**Figure 1: Los Alamos County OATI webTrader Solution**

As the electric industry changes and LAC requirements change, OATI is committed to working with LAC to continue to ensure that the LAC OATI webTrader solution provides LAC the up to date, industry leading, state of the art solution that the LAC users have come to expect from OATI.

OATI recognizes Los Alamos as an important webTrader customer and is proud to team up with the Professionals at Los Alamos to provide the software needed to help ensure Los Alamos maximizes their assets and reduce costs whenever possible. As part of that recognition, OATI is pleased to offer as part of this RFP 10% off of the price of all purchases of new products and services and/or enhancements to the current webTrader Solution made during the term or any extended term of the agreement signed when Los Alamos chooses to continue with the OATI webTrader Solution. In addition to this discount, OATI will provide and waive the cost of two days of OATI Consulting Services to be used by Los Alamos, OATI Consulting Services can be used for training or to provide enhancements to the current solution.

# 1. Features

## 1.1 Overall Features

1. Secure access individual login information for each user;

**OATI Response:** The OATI webTrader solution provides secure access for each user by allowing the system to be set up to require an OATI webCARES Digital Certificate, user name, and password to access the system.

2. Multiple concurrent logins;

**OATI Response:** The OATI webTrader solution allows multiple concurrent logins.

3. Access to data assigned by administrator for each login;

**OATI Response:** In the webTrader Solution, each user is given access by the LAC System Administrator to the specific information they need. Users can be assigned different levels of access (read, write, or execute) for each page of the system.

4. Test system available;

**OATI Response:** The webTrader solution includes a Development Environment that is used for testing. Additionally a third, dedicated training and testing environment can optionally be made available if required by LAC.

5. Configurable sign conventions;

**OATI Response:** OATI webTrader allows the LAC System Administrator to configure sign conventions.

6. Ability to interface with other programs (MS Office etc.) as needed;

**OATI Response:** The OATI solution easily interfaces with other programs such as Microsoft Office.

7. Software solution should require verification of data for deal/schedule/tag before creation;

**OATI Response:** The system is configured to require verification of data entry before creating or changing a deal, schedule, or tag in the system.

8. All functions need to be applicable to each sink;

**OATI Response:** The OATI solution is set up to allow all functions to be applicable to each sink.

9. Support for all regulatory compliance; and

**OATI Response:** The OATI solution supports all regulatory compliance requirements. OATI is committed to maintain and update the requirements as they change.

10. Ability to tie tagging information to deal, schedules and transmission usage directly in the system.

**OATI Response:** The OATI webTrader solution seamlessly ties tagging information to deals, schedules, and transmission usage directly in webTrader. The system is easily configured to update the deal, schedule, and transmission usage if the tag changes throughout the life of the tag.

## 1.2 Scheduling System Features

1. Track hourly schedules by resource and disposition;

**OATI Response:** OATI webTrader allows users to track schedules by resource and disposition.

2. Hourly Real Time position calculation/visualization;

**OATI Response:** The OATI solution has multiple position pages that automatically calculate positions. Users can utilize one of these pages to accurately track and visualize Real-Time positions.

3. Calculate Hourly and Daily Net Schedules;

**OATI Response:** OATI webTrader calculates hourly and daily net positions and displays these schedules so that users can quickly and easily manage their positions.

4. Calculate necessary Reserve Requirements;

**OATI Response:** The OATI solution calculates the necessary Reserve Requirements and displays them in a manner that is easy to read and allows them to quickly make any changes that are required.

5. Retrieve actual data from Energy Management (EMS) System;

**OATI Response:** OATI webTrader is easily integrated to receive Energy Management System information. Base APIs utilizing web services, and import of data via FTP file transfer are supported.



6. Calculate schedule data and update to EMS;

**OATI Response:** OATI webTrader calculates scheduled data and is easily integrated to Energy Management Systems to send any updated information to the EMS.

7. Calculate disposition by resource and display deviation versus actuals;

**OATI Response:** The webTrader solution contains summary pages that calculate the disposition of schedules by resource and can show the deviation versus the actual energy flow.

8. Track available generation and curtailments on jointly owned resources and local generation;

**OATI Response:** The OATI solution allows users to track actual generation and generation curtailments on all resources including local generation and jointly owned resources.

9. Calculate inadvertent discrepancies between ANI and Schedule based on monthly rotation of meter source, including discrepancies outside of allowance;

**OATI Response:** The OATI solution can receive meter data and calculate inadvertent. The system can be configured to show the user when the discrepancy is outside of the allowed amount.

10. Import pricing information from third party source for purchases and sales;

**OATI Response:** OATI products allow the import of pricing information from third-party sources. These imported sources create internal webTrader “index” pricing that can be utilized with any transaction or schedule that utilizes this information to accurately track pricing in the solution.

11. Track Transmission availability for long term contracts hourly;

**OATI Response:** webTrader tracks transmission availability by monitoring the OASIS and tracking when transmission is used for a schedule by utilizing the information in the OATI tagging system. Once transmission is used and tagged to a schedule, the system tracks the usage and displays the information (both transmission usage and any available transmission remaining on the reservation) to the user. If a transmission provider makes a change in the OASIS, the webTrader solution brings in the information that has changed to update the webTrader system. The system automatically maintains the most up to date transmission availability on all transmission purchased by Los Alamos.

12. Calculate Network transmission vs. long term transmission contracts hourly;

**OATI Response:** As OATI's webTrader application is fully integrated with OATI's Open Access Same-time Information System (OASIS). OASIS reservation information automatically flows into webTrader to create Transmission deals, allowing these objects to be available to applications such as webCALC. Within the webCALC application and based on the selection made, a variety of calculations can then be created utilizing reservation capacity and scheduled reservation capacity to perform analysis of Network Transmission and reservation requirements.

13. Electronic preschedule, and Real time operator logs;

**OATI Response:** The system allows users to keep and maintain log information in the system. Preschedule personnel and Real-Time personnel can keep separate notes and logs in the LAC webTrader solution.

14. Track tag curtailments, resupply, and bookout transactions (linked);

**OATI Response:** All curtailments are tracked in the webTrader solution. Once a schedule changes (curtailment, resupply, bookout, etc.) the system maintains a record of these changes to ensure a complete record is maintained for each transaction. Users are notified of changes using a variety of alarms (configurable alarm settings for each user) and then each change is easily viewable so users can quickly react as needed. Once the changes have been made, the webTrader Audit trail keeps a record of all of the information surrounding each change so that the data can be used after the fact during the checkout process if there are any discrepancies surrounding the changes.

15. Multiple time zone and Daylight Saving Time functionality;

**OATI Response:** OATI webTrader easily maintains multiple time zones and seamlessly manages Daylight Savings Time.

16. Multiple contracts per counterparty availability;

**OATI Response:** Each counterparty can be assigned multiple contracts in the OATI solution.

17. Enter long term contracts with variable factors;

**OATI Response:** The system allows long-term contracts with variable factors to be entered and tracked in the solution.

18. Changes to any variables on long term contracts with audit trail for changes;

**OATI Response:** The OATI webTrader solution has an extensive Audit Trail that tracks changes made to data entered into the system. This allows users to track changes to contracts, schedules, deals, etc. Changes made to contracts, deals, schedules, etc. is tracked in the OATI Audit trail.

19. Audit Trail for any changes;

**OATI Response:** The OATI webTrader solution has an extensive Audit Trail that tracks changes made to data entered into the system. This allows users to track changes to contracts, schedules, deals, etc. Changes made to contracts, deals, schedules, etc. is tracked in the OATI Audit trail.

20. Minimum 12 months data available online or in online accessible archives;

**OATI Response:** OATI maintains data online for a minimum of six years.

21. Schedule and Tag Template support; and

**OATI Response:** The webTrader solution is the industry leader in scheduling and tagging and supports user created templates. Users can easily create a template for any schedule or tag available and then access these templates as needed including sharing these templates with co-workers who may have the same template needs. This template database allows users to easily and quickly create schedules and tags by simply choosing the appropriate template and filling in only the information that has changed.

22. Support sales from each sink to the other as an allocation from an existing deal from the selling sink and a new deal for the receiving sink as a purchase.

**OATI Response:** OATI webTrader allows users to enter a sale and a purchase and then tie the two together to ensure they are linked in the system. Each of these schedules can be allocated to a new or existing deal in the solution.

### 1.3 Tagging System Features

1. Tagging System integrated to Schedule system and NERC specified Tagging warehouse.

**OATI Response:** OATI is the Industry leader in Tagging. webTrader is seamlessly integrated with the Tagging System and meets all North American Electric Reliability Corporation (NERC) and North American Energy Standards Board (NAESB) requirements.

2. Integrate changes between tags and schedules.

**OATI Response:** OATI webTrader tracks and maintains changes between tags and schedules automatically and notifies the user when a change occurs. This ensures that all changes to tags or schedules are linked in the system and helps eliminate errors due to unexpected changes to these transactions.

3. Create and modify new tags from existing tags or templates.

**OATI Response:** The webTrader solution allows users to create, modify, and track tags directly in the solution. Users can create new tags or easily use templates that are set up in the system.

4. Availability of Immediate, or Delayed tag creation.

**OATI Response:** The OATI solution allows users to create active or immediate tags or delayed tags as needed.

## 1.4 OASIS System Features

1. Ability to access OASIS system to reserve transmission, assess available reservations, verify status of reservations directly from the energy trade capture and scheduling software.

**OATI Response:** The OATI solution allows users to reserve and purchase transmission, access available reservations, verify the status of current reservations, and be notified of any changes made to the reservations directly in the webTrader solution. The solution is completely integrated with all North American OASIS systems.

## 1.5 Forecast

1. Compare last year hourly Weekday/Weekend schedules to this year available resources.

**OATI Response:** The OATI solution allows users to set up summary pages, using the webCALC module, that allow users to compare data (i.e., last year's actual schedules and this year's available resources and forecasted schedules) in the system to facilitate accurate forecasts. Users easily set up the data sources and then configure the calculations as needed to provide the best forecast.

2. Adjust forecast for system wide changes based on current year variables.

**OATI Response:** The webCALC module included in the current LAC OATI webTrader solution allows users to ensure the required variables are considered in the calculations being

utilized in the forecast. These variables can be adjusted by the user as they change or as changes are required to ensure accurate forecasts.

## 1.6 Preschedule

1. Set up hourly schedule for each resource and sink.

**OATI Response:** The webTrader solution allows users to set up hourly schedules for each resource and sink. These schedules can then easily be monitored using one of the summary pages available in the solution. These summary pages allow the user to sort the data and display as needed for each resource and sink set up in the system.

2. Compare Load Forecast to Net schedule by hour to calculate hourly energy surplus (deficit).

**OATI Response:** OATI webTrader has summary screens that allow users to see the calculations (loads versus resources) required to allow the user to easily track and monitor energy surpluses or deficits for each hour. In addition, LAC users can utilize webCALC to create customized calculations and save these calculations to run real time as needed or as a report as required.

## 1.7 Real Time

1. Representation of Real time position.

**OATI Response:** The webTrader solution has multiple displays where the user can monitor and track the Real Time position. These displays allow the user to track the 24 hour daily period and a real time rolling 24 hour period (shows the users a rolling 24 hour period that allows them to easily schedule across the midnight date change).

2. Insert time of checkout, names of Los Alamos County and counterparty contacts involved for midnight checkouts.

**OATI Response:** The OATI solution allows users to track when a schedule or deal has been checked out with a counterparty. The time and user involved in the checkout are tracked in the OATI Audit Trail or users can enter the time and counterparty name when checking out the information. If the information is entered by the user, the information is attached to the schedule or deal in webTrader for future reference.

## 1.8 After the Fact

1. Ease of creating ad hoc or customized reports for monthly check outs with all counterparties.

**OATI Response:** The OATI webTrader solution has extensive check out capabilities that include a large number of reports that can be utilized during checkouts with counterparties. In addition to these readymade reports, LAC users can easily utilize the OATI Report Generator to create customer reports using the information that is in the solution and further facilitate accurate checkouts using the information in the solution.

2. Ability to drill down to detail information from report.

**OATI Response:** OATI allows users to drill down in reports by providing hyperlinks in the report. When a user clicks on the provided hyperlink, they are taken to the details associated with the information provided in the report.

3. Enter contract pricing from Dow Jones Indices based on several contracts.

**OATI Response:** The OATI solution allows users to enter pricing from any third-party service. This pricing is then considered an internal webTrader Index in the solution and can be assigned to and used by any contract in the system. Index prices can be imported through a base API or via manual entry (e.g., copy and paste) in a GUI display.

4. Software must provide checkout data by company/companies or all companies, by date range, delivery point, sink, and at a detail or summary level.

**OATI Response:** webTrader has extensive check out capabilities, Users can view checkout data by company or by all companies, by date range, delivery point, sink. This data is available to the user as a summary of information or can be viewed in detail in the granularity it was originally entered in webTrader.

5. Close deal modification after verification at end of period.

**OATI Response:** The webTrader solution allows information to be locked after it has been verified to ensure accuracy. Once locked, information can be unlocked by users given a Supervisory role if changes are required.

6. Ability to reopen closed deal if modification is necessary.

**OATI Response:** The webTrader solution allows information to be locked after it has been verified to ensure accuracy. Once locked, information can be unlocked by users given a Supervisory role if changes are required.

7. Manual override of tag/schedule data.

**OATI Response:** The system allows users to manually override schedule and tag data. The Audit Trail tracks these changes. The system can be configured to require users to enter a reason for the changes.

8. Insert time of checkout, names of Los Alamos County and counterparty contacts involved.

**OATI Response:** The OATI solution allows users to track when a schedule or deal has been checked out with a counterparty. In addition, the OATI Audit Trail tracks the time and LAC user who modified the information (marked the transaction as checked out). Users can also manually enter the time, employee name and counterparty name as needed when checking out the information.

## 1.9 Architecture

1. Must utilize web based technology.

**OATI Response:** The OATI solution uses secure web based technology. Users are required to have an OATI webCARES Digital Certificate, user name, and password to access the OATI webTrader solution.

2. Software solution must be hosted by software supplier in a NERC CIP compliant data center.

**OATI Response:** OATI maintains two NERC Critical Infrastructure Protection (CIP) compliant Data Centers. This allows the customers solution to be kept in an Active/Active Environment where the customer's solution and information is available from either Data Center real time. Historically, OATI has maintained a 99.999% availability for OATI customers using OATI hosted solutions.

3. The application must utilize Los Alamos County existing internet.

**OATI Response:** The OATI solution will continue to use LAC's existing internet.

4. The application must operate on Transmission Control Protocol/Internet Protocol (TCP/IP).

**OATI Response:** The system uses TCP/IP protocol.

5. Establish authorization and security protocols for access to the distinct functions.

**OATI Response:** The OATI solution utilizes unique OATI webCARES Digital Certificates, user names, and passwords to ensure security is maintained in the system.

6. Inactivate immediately an individual's access to one or more functions.

**OATI Response:** Users can be inactivated immediately by the LAC System Administrator as required.

7. Access to the database tables must be protected.

**OATI Response:** All databases in the system are secured and protected by OATI.

8. The software will utilize online, real-time, interactive data entry, update, and inquiry to an integrated database for all data elements.

**OATI Response:** The system utilizes online, real-time, interactive data entry to update and inquire the databases in the OATI Data Center for all data. This allows multiple users to interact with the system while maintaining the accuracy of the data.

9. The software will support concurrent interactive update and query.

**OATI Response:** The system supports concurrent interactive updates and queries from all users.

10. The software will always maintain the integrity of the data when multiple transactions are concurrently reading, updating, and/or deleting the same data.

**OATI Response:** The system maintains the integrity of data while allowing multiple users to access the system and tracks all changes in the Audit Trails.



## 2. Support Features

### 2.1 Support

1. Documented installation procedures shall be provided.

**OATI Response:** Users are provided all required information and procedures when the systems are configured. With an OATI hosted solution, OATI manages and ensures all software is installed correctly and updated as needed.

2. The solution must include a problem resolution quality and turnaround measure.

**OATI Response:** OATI uses a proprietary solution, webSupport, to ensure all problems are tracked, managed, and provides a quick turn around on all issues reports in the solution. Problem resolution, turnaround time and quality assurance is very important to OATI and is tracked in the webSupport system. In addition to utilizing webSupport, OATI sends out yearly surveys to customers to get feedback to help ensure OATI's continued growth and improvement in these areas.

3. The solution must provide consulting and training that integrates knowledge of all components that comprise the solution.

**OATI Response:** OATI provides user training for all of the OATI products each customer uses. Throughout the life of a project, the OATI Project Manager assigned to the customer's project can provide or set up additional training that may be required. If specialized training is required, OATI employs the largest number of experts in the industry to be able to provide any level of training required.

4. The solution should include online help functionality and tutorial.

**OATI Response:** The webTrader solution has an extensive online help document available to each user. If more extensive training is required, the OATI Project Manager works with the customer to coordinate and set up the additional training.

5. 24/7 Support personnel availability.

**OATI Response:** OATI provides a full 24x7x365 Help Desk for all OATI customers. The OATI Help Desk can assist users with all OATI related products.

## 2.2 Implementation

1. State length of the average implementation for a customer?

**OATI Response:** The OATI solution is already in Production at LAC. There would be no additional implementation time.

2. Describe change order process and controls.

**OATI Response:** OATI has a documented Change Order process that contains many different levels of controls. When a change is required, the Project Manager fills out a Change Order, and requests that details the requirements of the change. This Change Order Request is sent to each department (Development, Integration, Project Management, Contract, and Legal) for review. Once the impacts of the required changes have been reviewed, an estimate is provided to the customer detailing the Change Order and whatever pricing may be required to make the change. If the customer approves the Change Order, the work involved with the change is completed and the changes are placed into the customers Development System. The customer is required to test and sign off on the changes before the change is migrated to the customer's Production System for Production Operation.

3. Cost of average implantation per customer.

**OATI Response:** OATI provides solutions for very small customers (2 users) as well as very large customers (>250 users). Since this wide range in the size of the more than 75 webTrader solutions are currently in Production, an accurate average cannot be provided. Each solution is designed to ensure that the customers cost is kept to a minimum.

### 3. Pricing

OATI Response: Please refer to Volume II - Commercial Proposal.

## 4. Reference Information

### 4.1 Firm Experience

1. Supply three (3) reference companies for similar implementation.

**OATI Response:** Please see below for OATI reference information.

- 1. Company: Board of Public Utilities (BPU)**

- Contact Name: Mr. Jerry Ohmes
- Email: johmes@bpu.com
- Phone Number: 913.573.9000

- 2. Company: Public Utility District No. 1 of Chelan County (PUCC)**

- Contact Name: Mr. Jack Collett
- Email: jack.collett@chelanpud.org
- Phone Number: 509.661.4537

- 3. Company: Public Service Company of New Mexico (PNM)**

- Contact Name: Ms. Julie Herschler
- Email: Julie.Herschler@pnm.com
- Phone Number: 505.241.2441



Exhibit "B"  
AGR16-042  
Additional Information

## LOS ALAMOS COUNTY

FEBRUARY 23, 2016

**PROPRIETARY AND CONFIDENTIAL**



OPEN ACCESS TECHNOLOGY INTERNATIONAL, INC.  
3660 Technology Drive NE | Minneapolis, MN 55418 | Phone 763.201.2000 | Fax 763.201.5333 | [www.oati.com](http://www.oati.com)  
©2016 Open Access Technology International, Inc.

## **TRADE SECRET**

This document and attachments contain confidential and proprietary information of Open Access Technology International, Inc. This information is not to be used, disseminated, distributed, or otherwise transferred without the expressed written permission of Open Access Technology International, Inc.

## **PROPRIETARY NOTICE**

OATI webSupport, webCARES, and webRegistry are trademarks and service marks of Open Access Technology International, Inc. All rights reserved.



## Table of Contents

<b>1. OATI Overview .....</b>	<b>4</b>
<b>2. The OATI Data Center Infrastructure .....</b>	<b>5</b>
2.1 OATI Private Cloud Active/Active Architecture.....	5
2.1.1 OATI Server Virtualization .....	6
2.2 OATI Data Center Physical Infrastructure .....	7
2.2.1 Structural Integrity.....	7
2.2.2 Tri-Redundant Electrical Systems.....	7
2.2.3 2-N Mechanical Systems.....	8
2.2.4 Fire Detection and Protection.....	8
2.3 Security.....	8
2.3.1 Physical Security .....	8
2.3.2 Cyber Security .....	9
2.4 System Monitoring Capabilities.....	12
2.5 OATI Data Center Summary.....	12
<b>3. OATI 24x7x365 Customer Support .....</b>	<b>13</b>
3.1 OATI webSupport .....	13
3.1.1 Overview .....	13
3.1.2 Issue Reporting .....	13
3.1.3 Description .....	13
<b>4. OATI Compliance Program .....</b>	<b>16</b>
4.1 SSAE 16/ISAE 3402 (formerly SAS 70).....	16
4.2 NERC CIP.....	16
4.3 WebTrust .....	17
4.4 NAESB WEQ-012 Business Practice Standards .....	17
4.5 NIST Special Publication 800-53.....	18
4.6 CA/Browser Forum Baseline Requirements.....	18
<b>5. Quality Assurance and Testing .....</b>	<b>20</b>
5.1 OATI QA Program.....	20
5.2 Acceptance Testing .....	20
5.3 Test Plans .....	21
5.4 Variance Recording and Resolution.....	21
<b>6. Project Management and Deployment Strategy .....</b>	<b>22</b>
6.1 Project Management.....	22
6.1.1 Project Planning and Project Coordination.....	22
6.1.2 Project Management Monitoring, Control, and Reporting.....	22
6.1.3 Project Development and Execution Activities .....	23
6.1.4 Project On-Going Support.....	24
6.2 Project Organization.....	24
6.3 Project Schedule .....	25
6.3.1 Project Issue Management Process and Plan .....	25

## 1. OATI Overview

Open Access Technology International, Inc. (OATI) is the leading supplier of operational and technical software solutions and services for mission-critical applications for the energy industry. Headquartered in Minneapolis, Minnesota, with regional support offices in Redwood City, California, Chandigarh, India and Singapore, OATI provides the energy industry with innovative solutions for Energy Trading and Risk Management (ETRM), reliability scheduling, transmission reservations, congestion management, distribution management, and compliance monitoring.

OATI provides a variety of deployment models, ranging from the Software-as-a-Service (SaaS) model, utilizing the OATI Private Cloud computing environment featuring Active/Active architecture that has gained the trust of more than 1,600 customers, to traditional delivery of hardware and software systems.

OATI is uniquely positioned as the leader for mission-critical SaaS solutions to the energy industry. OATI Data Centers are North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) and Standards for Attestation Engagements No. 16 (SSAE 16)/ International Standard on Assurance Engagements No. 3042 (ISAE 3402) compliant with multiple layers of physical and cyber security that include card key and biometric access, video monitoring, motion detection, offsite monitoring, intrusion detection, layered firewalls, restricted access, and more. OATI ensures protection of customer data and provides uninterrupted services, as well as support by adhering to stringent process controls.

In addition to the strength of the proposed solution, OATI urges Los Alamos County (LAC) to consider the following points that set OATI apart and make OATI the premier solution provider in the North American energy industry:

- The OATI Data Center Infrastructure
- The OATI Private Cloud Active/Active Architecture
- OATI Security Solutions
- OATI 24x7x365 Customer Support
- OATI Compliance Programs
- Quality Assurance and Testing
- OATI Project Management and Deployment Strategy
- Documentation
- Training



## **2. The OATI Data Center Infrastructure**

Customers who select the SaaS model rely on the OATI Data Centers to provide unparalleled advanced infrastructure, security, and monitoring.

### **2.1 OATI Private Cloud Active/Active Architecture**

The OATI Private Cloud is the new paradigm within the energy industry for providing SaaS. The OATI Private Cloud combines the OATI North Campus Data Center and the remote OATI Data Center. The OATI Private Cloud provides customers with the most robust redundancy and reliability for their mission-critical applications. Through the use of geographically diverse Data Centers, coupled with Active/Active replication contained within the highest tier of physical infrastructure, OATI has redefined expectations for the energy industry. The OATI Data Centers are supported 24x7x365 by highly trained professionals, providing OATI customers with the most compelling alternative to developing, deploying, and staffing their own Data Center. Utilizing the OATI SaaS, customers can rely on fully redundant, monitored, and compliant solutions to enjoy unparalleled availability, scalability, and performance.

The OATI Private Cloud infrastructure provides application availability from two separate Data Centers in an Active/Active configuration. Backend data processing is performed by a four-node active/passive cluster. Two cluster members are at each site, and the database can run at either site. Two separate storage systems are configured, one at each site, with continuous synchronous data replication between the two systems. Multiple applications and web servers are configured at both sites and are active at all times, allowing customer requests to be handled at either site. Both sites feature full monitoring systems, network and systems redundancy.

This Active/Active configuration provides outstanding availability and reliability. Planned maintenance can be performed on any server or network device without affecting uptime of the application.

By linking two locations into one virtual Data Center through multiple redundant fiber links, infrastructure functions are dispersed to optimize best use of equipment. In an Active/Active configuration, two production level Data Centers at geographically dispersed locations are available for prompt shifting between sites to optimize the highest available hardware and network assets. All database, application, and web servers are configured as four-node

clusters. This configuration results in no data loss in the event of a site failure. Server load balancing is done via an intelligent appliance that uses health probes to determine the load and health of a server and perform concurrent connections calculations. Using these metrics, the appliance directs traffic to the server that will handle the request most efficiently and in the shortest time. The Active/Active configuration is shown in Figure 1.

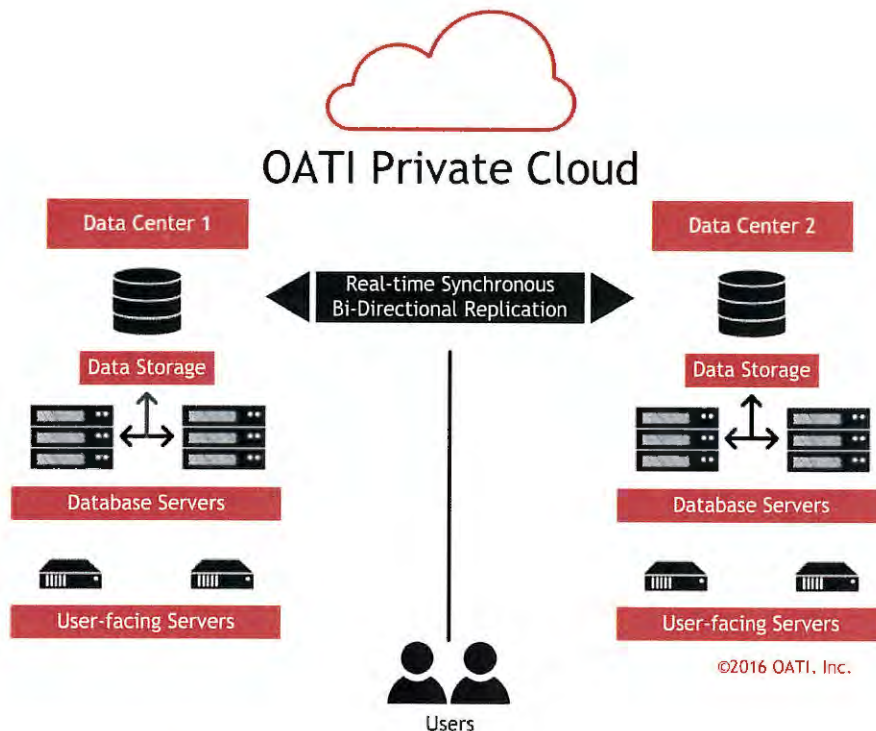


Figure 1: OATI Private Cloud Active/Active Configuration

When customers select OATI as their SaaS provider, customers can rely on fully redundant, monitored, and compliant solutions and enjoy unparalleled availability, scalability, and performance. The OATI North Campus Data Center is the only vendor Data Center in North America built to provide the new paradigm in availability, security, and reliability.

### 2.1.1 OATI Server Virtualization

Building upon the OATI Private Cloud, yet another layer of redundancy is found in the OATI virtualized server and storage infrastructure. OATI Server Virtualization features advanced blade servers and state-of-the-art storage drive arrays. Each server instance that is part of a customer deployment is carefully sized and configured to provide outstanding application performance and meet all documented performance requirements. OATI Server Virtualization



allows OATI to dynamically scale horizontally and vertically, as needed, in order to meet evolving system needs. Further, OATI Server Virtualization minimizes the impact of hardware failure; if a hardware component within the blade server farm fails, the virtual servers running on that farm continue to run on the remaining equipment. In this way, OATI Server Virtualization removes single points of failure by separating the server instance from the underlying hardware.

## **2.2 OATI Data Center Physical Infrastructure**

### **2.2.1 Structural Integrity**

At the structural level, the Campus Data Center and all supporting electrical and mechanical rooms are self-contained in six-sided cement block walls. By compartmentalizing each critical area, any fire, leak, weather event, or other disaster will be contained, preventing it from affecting the other critical areas of the facility. Further, although no water piping is located within or above the Campus Data Center floor space; an interstitial sloped roof within the Data Center space captures any water that may somehow migrate over the Data Center space.



### **2.2.2 Tri-Redundant Electrical Systems**

The OATI Campus Data Center features a tri-redundant electrical system (three separate utility feeds) built to Tier IV standards. Each feed provides power to one “power rail.” Should one of these feeds be interrupted, the other two feeds will provide uninterrupted power to every computer component and every critical component supporting the Data Center.



Each power rail is backed up by a dedicated Uninterruptible Power Supply (UPS) device and by a dedicated 1500 kilowatt generator, which will automatically provide power in the event of a power loss, for as long as necessary for restoration of utility power.

### **2.2.3 2-N Mechanical Systems**

The OATI Campus Data Center features a 2-N cooling system, meaning two entirely separate and redundant cooling loops serve the Data Center. Each cooling loop consists of its own chiller, cooling tower, pump system, chilled water storage tank, and cooling unit system. Under the 2-N design, the Data Center will remain fully cooled and operational during any planned or unplanned cooling system outage.

### **2.2.4 Fire Detection and Protection**

The OATI Campus Data Center features the most robust technology in fire detection and protection. All compartments feature Very Early Smoke Detection Apparatus (VESDA) systems that continuously sample the air to provide the earliest possible warning of an impending fire hazard, and then initiate an appropriate response to enable OATI intervention prior to a fire event to prevent injury, property damage, or business disruption. Additionally, in the event of a fire situation, the OATI Campus Data Center is protected by two independent fire suppression systems.

## **2.3 Security**

### **2.3.1 Physical Security**

OATI understands the criticality of customer data. Physical security is therefore of paramount importance. The OATI Campus and Data Centers comply with the NERC CIP, and leverages best practices in the industry. The OATI Campus and Data Center security measures include:

- Perimeter fence with controlled parking lot access
- “Six Wall” security on all CIP-related areas
- Indoor/outdoor security monitoring video surveillance
- Automated alarm systems
  - All entrance and exits to the building, exterior high-security areas, and critical mechanical/electrical systems are protected by automated alarm systems
  - All rooms with critical data have full motion sensing and door breach sensing
  - Alarm system is monitored 24x7x365
- Sophisticated computerized access control system



- All rooms with critical data have biometric access screening
- All rooms with critical support devices are secured and access is tracked
- All attendance in the building is tracked and recorded
- Strictly enforced security policies
  - Escort-only access to Data Center area
  - Role-based access permissions backed up by certified background checks and security processes
  - Rigorous training and certification process for unescorted access permission

### 2.3.2 Cyber Security

The OATI Data Centers and Private Cloud are fully compliant with NERC CIP, and other industry standard best practices. These Cyber Security requirements include the following as a minimum:

- Data backup
  - Active data are immediately and synchronously replicated from Data Center to Data Center over the two dedicated (redundant) fiber channel links. These links are entirely separate from the dual (redundant) Ethernet data links, adding additional separation for added security. Replicated data are available for use instantaneously, allowing OATI to recover from disasters quickly and without data loss
- Firewall protection
  - OATI Data Centers are protected by redundant firewall devices at each network ingress point. The firewalls are continuously monitored for vulnerability patterns using OATI custom firewall monitoring software (see monitoring section below). All firewall changes must pass through rigorous scrutiny before being put online
- Traffic filtering
  - OATI cyber security systems are configured with NERC CIP-mandated “denied unless specifically allowed” policy. This means that OATI servers and network devices prohibit all unknown traffic from entering/crossing the OATI network, and from reaching OATI servers and other critical equipment



- Intrusion detection
  - OATI employs dual fully functional Intrusion Detection System (IDS) hardware configurations to search for and block any potential intrusion attempts at each network ingress point. The IDS signatures/definitions are regularly updated from an industry leading third-party source
- Anti-virus protection
  - OATI uses an industry leading third-party anti-virus package to protect its services from virus and spyware attacks. Virus definitions are downloaded regularly to ensure up-to-date virus tracking. In addition, OATI has added its own custom proprietary integration into this software to ensure current virus definitions, operating functionality, coverage, and to add custom notification
- Encryption
  - OATI utilizes Federal Information Process Standard (FIPS)-140-2 level 3 hardware devices to operate the state-of-the-art OATI proprietary Public Key Infrastructure (PKI) infrastructure, OATI webCARES. This system generates high levels of encryption, which guarantee that all traffic between OATI and its customers are private and secure
- Regular Network Penetration Testing
  - OATI performs regular network penetration tests and closely examines the results to ensure the network is free from vulnerabilities
- Defined and protected Electronic Security Perimeters
  - OATI has defined discrete electronic security perimeters in accordance with NERC CIP requirements

In addition to the foregoing, OATI cyber security access policies and architecture require utilization of user name, password, and OATI webCARES Digital Certificates for data and user interfaces, thus assuring the credentials of client accessing systems hosted at OATI are fully-validated through the OATI certificate authority. Access information is hashed and stored in the database in encrypted form, so even OATI employees do not have access to clients' passwords. Password policies ensure that clients change their passwords regularly and avoid passwords that are easily guessed. Audit policies are in place such that user actions and data changes are traceable by OATI administrators. To prevent password guessing, the user will be locked out after multiple unsuccessful login attempts, requiring administrative intervention.

Data confidentiality and privacy are assured by layering user access roles between and within entities so that a validated user can only access data the user is authorized to access and can only modify data the user is authorized to modify. User roles are highly configurable within the application itself, allowing permissions to be given or removed on an individual basis as well as on a group basis.

OATI also has extensive SSAE 16/ISAE 3402-compliant cyber security policies in place. These policies cover the breadth of security restrictions, including the following areas:

- User access
  - OATI requires a background check, multiple approvals, and several types of training before a user is granted access to OATI devices. The status of these for each user is reviewed regularly to ensure that each stays current
- Training/awareness
  - OATI has a comprehensive internal security training and awareness program that reinforces the OATI commitment to cyber security
- Change management
  - All changes to OATI applications follow a process which involves approvals from OATI IT, Project Management, and System Integrator. All changes to any Production System are monitored. In addition, all access to Production Systems are recorded using full motion screen capture software
- Asset testing
  - All OATI servers undergo “asset testing” regularly to ensure that only authorized ports and services are running
- Patching
  - OATI has a comprehensive patching process that ensures all OATI servers are up to date with the latest in patches. These patches are tested in Development Environments and then pushed to Production
- Response/logging
  - OATI response to issues follows a set standard process. Logs are scraped from each server and network device into a centralized database. IT staff review logs in this interface daily to proactively remedy issues

## **2.4 System Monitoring Capabilities**

OATI has implemented extensive monitoring systems in its Data Center Infrastructure. Simple Network Management Protocol (SNMP) traps are used to alert for hardware failures and to periodically poll servers to various network ports for service availability. The status of various services is also validated on each server to ensure that all customer services are working properly. The OATI issue notification and escalation process is extremely robust, with multiple levels of redundancy and escalation. In addition, monitoring is linked to the OATI internal ticketing system. Tickets are automatically generated for any issues that the system encounters, allowing OATI to track and audit the handling of issues at any time. Reports are prepared for such problems and linked to customer tickets as well to gauge customer impact.

OATI has developed proprietary application monitoring systems that respond to issues with various application components. OATI also utilizes industry-leading network traffic usage software, allowing OATI to examine network utilization from both large scale and small scale perspectives to examine trends, investigate problems, and allow OATI to monitor and assess bandwidth needs.

OATI proprietary applications monitor and track database performance and utilization, checking for problems as well as keeping load statistics. OATI tracks database usage and performance in relation to any changes such as additional users, hardware changes, or application changes.

## **2.5 OATI Data Center Summary**

The OATI Data Center Infrastructure, from the base architecture of the campus Data Center, advanced security and monitoring capabilities, and the OATI Private Cloud, creates a reliable and stable environment to house OATI customers' mission-critical applications and data. This provides a compelling alternative to the traditional in-house development, deployment, and maintenance of software solutions and Data Centers.



### **3. OATI 24x7x365 Customer Support**

OATI has a multi-tiered 24x7x365 Customer Support infrastructure available for every customer to contact. The multi-tiered support infrastructure allows for multiple levels of contact, including redundancy, IT support, and general user support, or other support as needed.

Customers are encouraged to contact the OATI Help Desk by telephone or email. Other means of communication are also available such as postal mail and OATI application messaging systems (such as OATI webSupport messaging). Customers should contact the OATI Help Desk by telephone (763.201.2020) for all operational emergencies.

To aid in tracking and reporting of customer issues or enhancement ideas, OATI utilizes OATI webSupport, the OATI proprietary issue reporting and tracking tool.

#### **3.1 OATI webSupport**

##### **3.1.1 Overview**

OATI webSupport is utilized during project deployment, including Acceptance Testing, and also during the duration of project maintenance. OATI webSupport is the repository of audit trail accessible issue reporting, classification, tracking, and resolution.

##### **3.1.2 Issue Reporting**

Issues are entered by customers to report errors with OATI software or to suggest improvements. The key components of an issue are as follows: Description, Type, Product, Priority, Estimated Completion Date, Estimated Release, and Status. Except for Estimated Completion Date and Estimated Release, all of these components are set by the creator of the Issue.

##### **3.1.3 Description**

The most crucial attribute of the Issue is the description. The description consists of two parts as follows:

- Short description - A title for the Issue
- Detailed description of problem (including problem recreation steps) - The description should provide sufficient information so that the issue can be reproduced. Insufficient information will extend the response time or prevent OATI from being able to reproduce the issue

### **3.1.3.1 Type**

Type is a drop-down menu to indicate if the Issue is a Variance, Enhancement, or Change Order.

- A Variance is a deviation from agreed-upon functionality
- An Enhancement is a suggested change to the system beyond agreed upon functionality
- A Change Order is a customer request to receive an assessment for a change, including a detailed technical description and project impact. A Change Order Issue will result in a proposal from OATI to customer to implement the functionality, including price and schedule commitments

### **3.1.3.2 Product**

Product is a drop-down menu of the specific products a customer receives from OATI.

### **3.1.3.3 Priority**

Priority is a drop-down menu to indicate the significance of the Issue. The following values are possible:

- Critical: Issues that result in a critical feature or function becoming unavailable to the user and customer business is being impacted immediately
- High: Issues that affect a key functionality of service component, and no workaround is available, but immediate business impact is not present
- Medium: Operations are impacted, but satisfactory workaround is in place to avoid business interruptions
- Low: User questions or reporting issues that create nuisances or inconveniences within the system. Minimal or no business impact is occurring

### **3.1.3.4 Estimated Completion Date and Estimated Release**

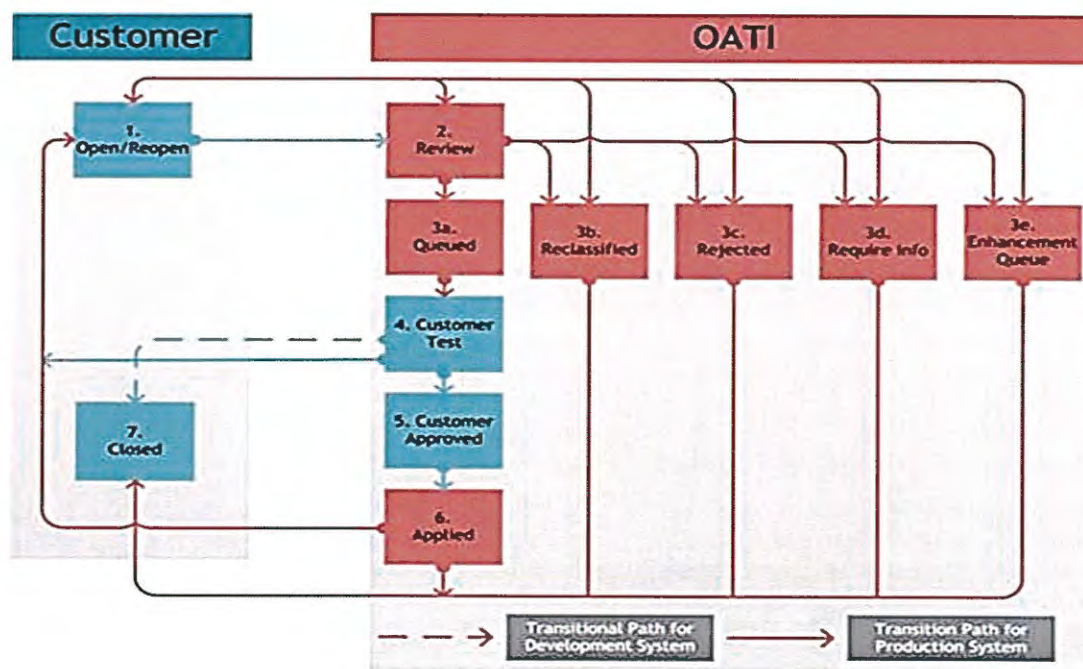
For all Issue types, Variances, Enhancements, and Change Orders, OATI will provide either an estimated completion date or an estimated release when the Issue transitions to a status of Queued.

### **3.1.3.5 Status**

Status is a drop-down menu to indicate how far the issue has progressed in the workflow. Every time an Issue is modified, a notification is sent out as well.

### 3.1.3.6 Issue Workflow

OATI tracks the progress and status of Issues using the workflow shown in Figure 2.



**Figure 2: OATI Issue Resolution Process**

## **4. OATI Compliance Program**

OATI infrastructure and solutions have earned strong reputations for security and reliability in the energy industry. This strength is founded on continuous commitment to the industry through compliance with standards established for industry participants. OATI undergoes yearly examinations to establish compliance with industry standards for the benefit of its clients. Each set of standards contains specific and detailed requirements related to business processes, controls, and both cyber and physical security. Each set of standards addresses its own aspect of the services OATI provides.

As new standards develop in the industry, OATI continues to look at these as “best business practices,” adopting and integrating them into controls. As a result, OATI annual examinations now include SSAE 16 (formerly SAS 70)/ISAE 3402 (International Standard), NERC CIP, National Institute of Standard and Technology Special Publication (NIST SP) 800-53, WebTrust for Certificate Authorities, North American Energy Standards Boars Wholesale Electric Quadrant (NAESB WEQ) -012 PKI, and Certificate Authority (CA)/Browser Forum standards.

### **4.1 SSAE 16/ISAE 3402 (formerly SAS 70)**

OATI successfully passed a SAS 70 Type I Audit in 2005 and passed SAS 70 Type II Audits from 2006 through 2010, when the SAS 70 auditing standard was retired. SSAE 16/ISAE 3402 replaced SAS 70 in 2011 as the service examination standard. OATI then passed the SSAE 16/ISAE 3402 examination in 2011 - 2015. In each year since 2006, OATI has successfully passed Type II Examinations with no deficiencies. The Annual Audit Report consists of a comprehensive evaluation of the effectiveness of OATI processes and controls, including strict security requirements. Third-Party Auditors found that OATI controls are appropriately designed and implemented to provide customers with accurate and secure software application services while maintaining physical and cyber security of customers’ vital business information and data. Publicly-traded customers can rely on the SSAE 16/ISAE 3402 report to meet Sarbanes-Oxley Act requirements for OATI Hosted services.

### **4.2 NERC CIP**

OATI has incorporated the NERC CIP standards into the annual SSAE 16/ISAE 3402 assessment since 2009. OATI has the only PKI certificate authority, OATI webCARES, which complies with NERC CIP standards.

The CIP standards establish the minimum requirements for the electric industry to ensure the security of electronic exchange of information needed to support the reliability of the Bulk Electric System. CIP requires organizations with critical assets, such as generation and transmission assets, to identify critical cyber assets that are required for the reliable operation of critical assets. CIP standards prescribe controls and programs related to these critical cyber assets in the areas of electronic security, physical security, training, change management, incident reporting, and business continuity. Although OATI does not possess any critical assets, its services may be considered critical cyber assets for some customers. OATI has also implemented a blanket approach, treating all Production Systems as CIP critical cyber assets. OATI implemented CIP controls into its Internal Compliance Program, which is audited as part of its annual examination.

#### **4.3 WebTrust**

The WebTrust Program for Certification Authorities (WebTrust for CA) was developed jointly by the American Institute of Certified Public Accountants (AICPA) and the Canadian Institute of Chartered Accountants (CICA) to increase consumer confidence in e-commerce and the application of PKI technology. PKI provides a means for reliant parties to feel confident that another individual/entity's public key belongs to that individual's/entity. The OATI Certificate Authority, OATI webCARES, began providing certificate authority services to the energy industry in 2002. Since then, OATI webCARES has undergone successful WebTrust examinations, based upon the AICPA/CICA Trust Service Principles and Criteria for Certification Authorities Version 2.0 (WebTrust for Certification Authorities Principles and Criteria) ("WebTrust Standards"). The WebTrust standards set forth security and process control best practices applicable to all Certificate Authorities. The WebTrust seal, evidencing OATI's compliance with the WebTrust standards, appears on the OATI webCARES site. The WebTrust seal allows users of OATI webCARES to rest assured that OATI webCARES follows best practices applicable to Certificate Authorities.

#### **4.4 NAESB WEQ-012 Business Practice Standards**

The NAESB WEQ PKI for Authorized Certificate Authority (ACA) standards with the accompanying NAESB Accreditation Requirements for Authorized Certification Authorities Process (collectively "WEQ-012 Business Practice Standards") set forth standards a Certificate Authority serving the North American energy industry must meet to qualify as an ACA. OATI and the webCARES Certificate Authority subscribe to the WEQ-012 Business Practice Standards. Beginning in 2012,



OATI's third-party auditing firm examined OATI webCARES for compliance with the WEQ-012 Business Practice Standards. After a thorough examination, conducted in accordance with attestation standards established by the AICPA, auditors concluded that OATI webCARES is in compliance with the WEQ-012 Business Practice Standards.

The WEQ-012 Business Standards were developed with the input of multiple industry participants through the NAESB standards drafting process, and set forth PKI cyber security standards for use in commercial transactions. Specifically, the WEQ-012 Business Practice Standards set forth qualifications to be met by a Certificate Authority in order to be recognized by NAESB as an ACA, qualified to provide PKI services to OATI webRegistry (the Transmission Services Information Network (TSIN) replacement registry) as well as other industry applications such as tagging and OASIS. In 2013, OATI became an approved NAESB ACA and now displays the NAESB certification mark on the webCARES page. OATI also is prepared to provide PKI services to other industry applications that are expected to require implementation of ACA Digital Certifications in the near future.

#### **4.5 NIST Special Publication 800-53**

NIST 800-53 sets forth recommended security controls for federal information systems and organizations. As a hosting provider for federal information systems, OATI began a full annual examinations of its Data Center operations against the NIST 800-53 standards in 2012. After thorough inspections, conducted in accordance with attestation standards established by the AICPA, OATI has been found to be in compliance with Low baseline controls and some Moderate baseline controls across all OATI operations each year.

As an organization, NIST develops and issues standards to support the implementation of the Federal Information Security Management Act of 2002 (FISMA). Publication Series 800-53 encompasses the recommended security controls and risk management framework for federal information systems and organizations. Organizations select a baseline set of security controls and supplemental controls tailored to organizations' business processes. NIST 800-53 baseline controls are based on the impact level associated with each standard: low, moderate, or high.

#### **4.6 CA/Browser Forum Baseline Requirements**

In 2014, the OATI webCARES CA successfully completed its first examination of the CA/Browser Forum Baseline Requirements. The Baseline Requirements for the Issuance and Management of Publicly-Trusted Certificates describe the requirements that a CA must follow to be publicly

trusted by browsers. In addition, many Smart Grid applications, mobile devices, and any other system that communicates over a Secured Socket Layer (SSL)/Transport Layer Security (TLS) rely on the same public trust list. This successful examination assures customers that OATI webCARES is one of a few CAs that can issue publicly trusted Digital Certificates.

## **5. Quality Assurance and Testing**

The OATI standard internal compliance program contains software development processes and procedures that will be followed to ensure that the OATI solutions are well-engineered. Included in the OATI software development methodology is a Quality Assurance (QA) program requiring internal structured testing prior to release to customer for additional testing. The OATI QA program for testing application development and change control undergoes annual audits by an independent auditing firm.

### **5.1 OATI QA Program**

OATI uses its documented, internal compliance program QA techniques and practices throughout the testing phase of this project. This QA testing program will cover the preparation of all testing deliverables. The OATI QA program provides for identification and resolution of actual or potential issues, timely and effective corrective action, and a method to track all such issues. This program includes software testing prior to any customer access to the software. OATI continues to enhance the internal QA program to include more exhaustive and comprehensive testing and quality verification before the release is placed on a customer Development System.

### **5.2 Acceptance Testing**

For a project-related effort, Acceptance Testing is a structured test performed against a Test Plan over the course of two to five consecutive days (depending upon length of testing). OATI will provide written Test Plans for Acceptance Testing. Test Plans will be developed and implemented based on the Functional Specification.

The Customer will conduct the testing utilizing the Test Plans and document any variances within the OATI webSupport tool, which is the online electronic system used to identify and process test results. The Customer will also be responsible for retesting corrected items and documenting those test results in webSupport. Customer will support Acceptance Testing by supplying staff to conduct the test procedures under OATI direction.

All issues identified during Acceptance Testing will be entered into webSupport by Customer according to the following priorities:

- **Critical:** Problems that result in a critical feature or function becoming unavailable to the user and Customer business is being impacted immediately. This includes drastic program



or system errors such as application failures (exceptions), inability to perform data transfers, failure to access databases, and the inability to display information to the users, which makes the software unusable; and no workaround is available

- High: Problems that affect a key functionality of service component and no workaround is available, but immediate business impact is not present
- Medium: Operations are impacted, but satisfactory workaround is in place to avoid business interruptions
- Low: User questions or reporting problems that create nuisances or inconveniences within the system. Minimal or no business impact is occurring

Progression steps to Production Operation shall occur as follows:

- Structured two to five day Acceptance Testing
- OATI shall correct all Critical variances identified during Acceptance Testing
- Production Operations (interaction with Production Systems and utilization of the system in the Production Environment) will occur only after customer provides written authorization to place the solution into Production Operations

### 5.3 Test Plans

The Test Plans to be utilized during Acceptance Testing will describe the overall test process, including the responsibilities of individuals and the documentation of the test results. OATI standard process shall be utilized. The following will be included in Test Plans:

- The schedule for the test
- The responsibilities of OATI and Customer personnel, including record-keeping assignments
- Any forms to be completed as part of the tests and instructions for completing the forms
- Procedures for documenting variances
- Procedures for controlling and documenting all changes made to the software after the start of testing, in accordance with OATI standard processes
- The functionality and associated test steps for each piece of functionality

### 5.4 Variance Recording and Resolution

The OATI webSupport tool is used to record and track issues identified during testing activities. OATI webSupport provides Customer with an efficient means to report issues identified during testing of the functionality. Issue reporting in webSupport allows the customer to follow the workflow of a reported issue.

## **6. Project Management and Deployment Strategy**

### **6.1 Project Management**

OATI has rigorous project management processes and procedures. The process incorporates various aspects throughout a project life cycle and specifically includes:

- Project planning and coordination
- Project monitoring, control, and reporting
- Project development and execution activities
- Project transition and on-going support

The OATI Project Manager will provide a single point of contact for the customer project team to ensure a smooth and efficient project deployment.

#### **6.1.1 Project Planning and Project Coordination**

Project planning involves the following activities:

- Define project scope and requirements
- Translate project scope and requirements into a series of project tasks that lead to the generation of project deliverables
- For each task, define the duration, required resources, and dependencies
- Develop Project Schedule by linking the tasks, addressing dependencies, and resource requirements from start to finish

Processes and documents for project coordination are utilized to ensure coordinated activities including:

- Processes that guide the project execution and change control over the course of the project
- Mechanisms for communicating project goals, methods, roles, and responsibilities
- Mechanisms for risk identification, analysis, and mitigation
- A detailed Project Plan to guide both the project execution and project control aspects of the project

#### **6.1.2 Project Management Monitoring, Control, and Reporting**

Project monitoring, control, and report management activities begin at the start of the project based on the Project Plan. If project activity falls behind plan or key risk items materialize, the control aspect of the plan is activated.

#### **6.1.2.1 Project Monitoring**

Certain responsibilities of the project are delegated to Project Leads or functional groups, but the OATI Project Manager will monitor all activities that may impact the project. The main focus will be cost, schedule, and quality.

Project monitoring is used to track progress and detect variances against the plan to initiate corrective action to address variances in the plan. The OATI Project Manager will hold monthly review meetings to address these. Monthly progress reviews provide a multi-month focus on the project, including longer term trends and project needs.

#### **6.1.2.2 Project Control**

Through project control, the Project Manager ensures no change is made without proper tracking, approval, and documentation. Change can come from scope change or schedule issues that impact project costs.

#### **6.1.2.3 Project Reporting**

OATI recognizes that project reports are an essential element to a successful project. Status Reports provide monthly feedback on project status to the project stakeholders.

### **6.1.3 Project Development and Execution Activities**

The Project Team will perform the project tasks as outlined in the Project Schedule. The following activities are performed by the project team during this phase of the project:

- Perform project activities as outlined in the Project Schedule
- Identify needed changes and inform the Project Manager
- Work with Project Manager to resolve issues
- Identify barriers inhibiting the timely performance of project activities

Scope management and risk management/mitigation are a critical part of the execution phase of the project.

#### **6.1.3.1 Scope Management**

Scope management entails tracking, communicating, and resolving requests for project changes that go beyond the established project boundaries. Any change in scope should be reviewed, understood, and approved at the appropriate project leadership level. The levels of change

review and approval depend on the magnitude and extent of the scope change. All changes are mutually agreed upon via an OATI Change Order.

### **6.1.3.2 Project Risk Management and Mitigation**

Risk management is the process of identifying, analyzing, and controlling events that can potentially cause undesirable results. Risk identification starts at the beginning of the project and continues until the project is completed. Risk analysis is done on a periodic basis and involves examination of new and previously identified risks. OATI implements a four-step process:

- Define a process to deal with risk
- Define the level of risk that is a concern to the project
- Define a process for risk identification and assessment
- Develop risk mitigation and ownership assignment

#### **6.1.3.2.1 Risk Management Process**

Risk identification starts the first day of the project. The responsibility for defining that process rests with the customer's Project Manager and OATI Project Managers. OATI has a process for risk topic submittals, review and assessment meetings, reporting, and the associated activities.

### **6.1.4 Project On-Going Support**

Once the project is in Production Operation, the OATI Help Desk will be the point of contact 24x7x365 for customer questions, issues relating to the project, services, and infrastructure, including computer hardware, networks, and communications.

## **6.2 Project Organization**

OATI will provide a formal Project Management structure for delivering and executing the project. As part of the Project Management structure, OATI will provide the experienced staff required for optimal performance of this project, including project management, technical, supervisory, and administrative personnel.

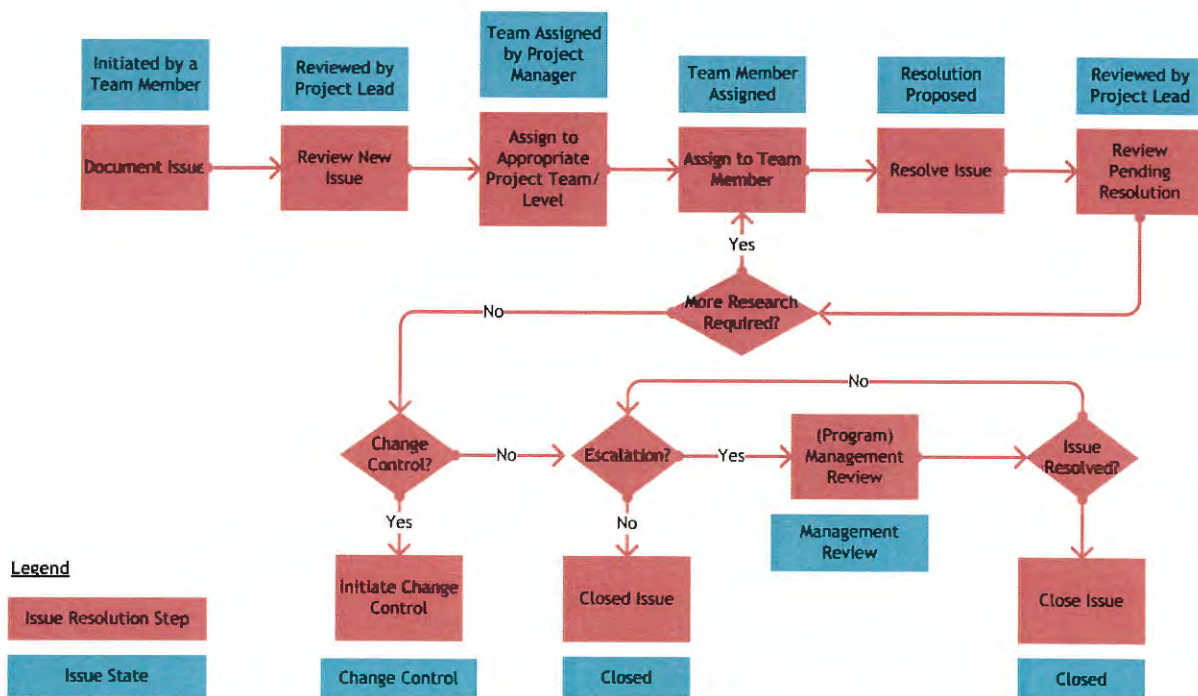
The assigned OATI Project Manager is the main resource for planning and implementing the project and is the main point of contact. The OATI Project Manager's focus will be to ensure efficient communication between the customer and OATI's Project Schedule, resource management, and services.

## 6.3 Project Schedule

OATI will collaborate with the Project Team to develop a detailed project schedule which will fully satisfy the system requirements and business objectives. OATI looks forward to the opportunity of working with LAC's Project Team to develop a more detailed project plan that reflects each member's specific business needs.

### 6.3.1 Project Issue Management Process and Plan

OATI will apply the following process shown in Figure 3 below for issue management in the project.



©2016 OATI, Inc.

Figure 3: Issue Management Process





Exhibit "C"  
AGR16-042  
Rate Schedule

## LOS ALAMOS COUNTY

FEBRUARY 23, 2016

**PROPRIETARY AND CONFIDENTIAL**



OPEN ACCESS TECHNOLOGY INTERNATIONAL, INC.  
3660 Technology Drive NE | Minneapolis, MN 55418 | Phone 763.201.2000 | Fax 763.201.5333 | [www.oati.com](http://www.oati.com)  
©2016 Open Access Technology International, Inc.

**Service Solution (Hardware/Software hosted and maintained at the OATI Data Center)**

Item	Service Initiation Fee (USD)	Monthly Recurring Fee (USD)	Comments
OATI webTrader Power, webTrader Report Generator and webCALC	N/A Will continue existing Los Alamos solution	<p>\$7,500 (year 1)</p> <p>\$7,725 (year 2)</p> <p>\$7,950 (Opt 1)</p> <p>\$8,110 (Opt 2)</p> <p>\$8,275 (Opt 3)</p> <p>\$8,440 (Opt 4)</p> <p>\$8,610 (Opt 5)</p>	<p>This includes services currently being used by Los Alamos County as part of the existing webTrader Power Agreement, including 15 webTrader User IDs, OATI webTag with 15 User IDs.</p> <p>Monthly Recurring Fee for: 04/14/2016 - 04/13/2017 - Year 1</p> <p>04/14/2017 - 04/13/2018 - Year 2</p> <p>After Year 2, Los Alamos County shall have the option to extend on a yearly basis as follows:</p> <p>Option 1 - 04/14/2018 - 04/13/2019</p> <p>Option 2 - 04/14/2019 - 04/13/2020</p> <p>Option 3 - 04/14/2020 - 04/13/2021</p> <p>Option 4 - 04/14/2021 - 04/13/2022</p> <p>Option 5 - 04/14/2022 - 04/13/2023</p>
OATI Consulting Services	Included (Discounted from \$2,000/Day)	N/A	Two days of OATI Consulting Services will be included with this extension.
OATI SSAE 16 Type II Audit Report	Included	Included	Includes copy of OATI Annual SSAE 16 Type II Audit Report.
Compliance with NERC Critical Infrastructure Protection Requirements	Included	Included	

**Pricing Notes:**

1. All other OATI services are separate from these services quoted above (Los Alamos OATI webTag additional User IDs and e-tag 1.8.2 Fees, etc.).
2. Customer approved travel is invoiced at OATI actual cost plus 10% for OATI travel services.
3. Pricing includes communications over public internet. Additional communication services such as VPN and OATInet are available for an additional fee and can be quoted upon request by customer.
4. Customer data are retained for lesser of contract term or 6 years. Online data access is included for 36 months.
5. User IDs include the OATI webCARES Digital Certificates.
6. Pricing includes support of the current version release and the 2 immediately preceding version releases. Customer will be subject to a 10% increase in its Monthly Recurring Fee to maintain version releases older than the 2 immediately preceding version releases. However, OATI will support no more than the 5 immediately preceding version releases.
7. Los Alamos will receive a 10% discount off of all new products and services or any approved enhancements made to the current solution during the original term and any options extensions under this agreement.
8. Commercial pricing is valid for acceptance until April 13, 2016.