

**Western Area Power Administration
Rocky Mountain Region (RMR)
Western Area Colorado Missouri Balancing Authority (WACM)
Services Agreement**

Agreement Number (to be assigned by WAPA): _____

Effective Date (to be assigned by WAPA): _____ August 1, 2017, or when LRS Allocator goes live

Company or Agency Name ("County"): The Incorporated County of Los Alamos

Street Address: Incorporated County of Los Alamos, 1000 Central Avenue, Suite 130

City: Los Alamos

State: NM

Zip Code: 87544

County Point of Contact – Name and Title: Mr. Gerald Martinez, Power System Coordinator

Office Phone Number: 505-662-8333

Cell Phone Number:

E-mail: gd.martineze@lacnm.us

WAPA Point of Contact – Name and Title: Ms. Shelly Winges, Settlements Manager

Office Phone Number: 970-461-7327

Cell Phone Number:

E-mail: winges@wapa.gov

Project Summary/Overview:

Under a displacement agreement, between Lincoln Electric System (LES) and The Incorporated County of Los Alamos (County), County has entitlement of energy and capacity from the two coal fired generating plants known as Laramie River Station (LRS) located in Wheatland, Wyoming (LRS #2 and LRS #3). LRS #2 and LRS #3 are electrically connected to the Missouri Basin Power Project transmission system (MBPP) at the LRS substation. Both LRS #2 and LRS #3 and the LRS Substation are located in WAPA's Western Area Colorado Missouri (WACM) Balancing Authority. The County's distribution system and load is electrically located in Public Service Company of New Mexico (PNM) Balancing Authority. The County schedules the energy from LRS #2 and LRS #3 inside the WACM Balancing Authority to PNM Balancing Authority over a transmission path of the MBPP from LRS to Ault (AU) and over WAPA's Colorado River Storage Project transmission system from AU to San Juan 345-kV substation (SJ345).

Firm and non-firm Point to Point transmission capacity on MBPP's system is provided to County under a MBPP Participation Agreement. On WAPA's transmission system, firm Point to Point transmission capacity is provided to County under a Transmission Service Agreement.

Provisions of Service(s):

WACM will provide the following Ancillary services to County for its share of energy from LRS # 2 and LRS #3 as follows:

- Generator Imbalance Service: WACM will provide Generation Imbalance (GI) Service to County according to WAPA's Rate Schedule L-AS9, including under such rate schedule as subsequently amended, which is currently defined in Schedule 9 to WAPA's Open Access Transmission Tariff. WACM will use the MWh energy delivery as calculated by the MBPP LRS Allocator for LRS #2 and LRS #3 in applying the L-AS9 Rate schedule, since there is no physical meter to measure County's share of energy from LRS # 2 and LRS #3. The County's share of LRS #2 and LRS #3 are recorded as

actual generation are calculated and determined by the MBPP LRS Allocator and are communicated to WACM's Energy Management System using the common Supervisory Control And Data Acquisition names of "LRS 2 LAC Del Net MWh" and "LRS 3 LAC Del Net MWh". The scheduled generation for County's LRS #2 and LRS #3 will be determined by the energy schedules also known as e-tags delivered to County in the PNM Balancing Authority or to other entities inside WACM Balancing Authority.

- **Reserve Requirement:** Under WAPA's Rate Schedules L-AS5 and L-AS6 and OATT Schedules 5 and 6, the Transmission Customer must either purchase Operating Reserve-Spinning Reserve Service and Operating Reserve-Supplemental Reserve Service from the Transmission Provider or make alternative comparable arrangements to satisfy its Spinning Reserve Service obligation. County has chosen to use Recallable type e-tag to fulfil its reserve obligation to WACM Balancing Authority.
- **Transmission Losses Service:** Transmission losses associated with the County transmission of energy from LRS #2 and LRS #3 across MBPP and CRCM transmission systems are currently provided under County's transmission contract with CRCM.

Additional Information:

- MBPP owns and operates LRS #2 and LRS #3 generating plants.
- MBPP participants are Basin Electric Power Cooperative (BEPC), Tri-State Generation and Transmission Association, Inc. (TSGT), Wyoming Municipal Power Agency (WMPA), and Lincoln Electric System (LES).

Contact Information for Additional Key County Personnel (Include other contacts, as applicable)

Name (include title): Timothy A. Glasco, Utilities Manager

Office Phone Number: 505-662-8148 Cell Phone Number: E-mail: ta.glasco@lacnm.us

Name (include title): Steve Cummins, Deputy Utility Manager - Power Production

Office Phone Number: 505-662-8131 Cell Phone Number: E-mail: robert.cummins@lacnm.us

Name (include title): Gerald Martinez, Power System Coordinator

Office Phone Number: 505-662-8333 Cell Phone Number: E-mail: gd.martinez@lacnm.us

Contact Information for Additional Key WAPA Personnel (Include other contacts, as applicable)

Name (include title): RMR Power Billing

Office Phone Number: 970-461-7405 Cell Phone Number: E-mail: rmrbilling@wapa.gov

Name (include title): Jamie Smith, Pre-scheduling

Office Phone Number: 970-461-7320 Cell Phone Number: E-mail: smithj@wapa.gov

Name (include title): Cory Ginn, Generation Imbalance Specialist

Office Phone Number: 970-461-7491 Cell Phone Number: E-mail: ginn@wapa.gov

Name (include title): Joymay Chipman, Contracts Specialist

Office Phone Number: 970-461-7305 Cell Phone Number: E-mail: chipman@wapa.gov

Required Billing Invoice/Payment Information

DUNS Number: _____

Federal Tax ID Number: _____

Please provide current billing information:

Contact Name: _____

Title: _____

Street Address: 1000 Central Ave., Suite 130

City: Los Alamos

State: NM

Zip Code: 87544

Office Phone Number: _____

Fax Number: _____

E-Mail: _____

Services Agreement Terms and Responsibilities

1. The County will submit an initial deposit of \$ 0.00 along with the Services Agreement Number (if available) to:
U.S. Department of Energy
Western Area Power Administration
File #4185, P.O. Box 301509
ACH = ABA 051036706 Account #312003 or **EFT** = ABA 021030004 Account #89001602
Los Angeles, CA 90030-1509
For questions concerning this deposit, contact Laura Scrivner (970) 461-7682, e-mail: LScrivner@wapa.gov
2. Once the Services Agreement and deposit are received by WAPA, the funds will be deposited in a trust account that WAPA will use to pay for the service(s) it provides under this Services Agreement. Services may include, but are not limited to: station service power; billing services; ancillary services, data reporting services; system studies; scoping studies; development of letter agreements, contracts, contract modifications, and operating agreements; engineering design; engineering review; administrative costs; and field work that may include, but is not limited to: Equipment installation and modifications; testing; commissioning; and changes to WAPA's data systems. Receipt of the deposit and the Services Agreement will enable WAPA to begin performing the service(s) set forth above.
3. For on-going service(s) provided for under this Services Agreement (check applicable payment requirement):
 - a. _____ WAPA requires advanced payment for the on-going service(s) it provides under this Services Agreement. WAPA will utilize funds in the trust account established in Section 2 above to pay for the on-going service(s) it provides under this Services Agreement. The County shall maintain a minimum balance of \$ 0.00 in the trust account. If the trust account balance falls below the minimum requirement defined in this Section 3a WAPA will invoice the County to replenish the trust account balance to an amount of \$ 0.00.
 - b. X WAPA will bill the County monthly (annually, quarterly, or monthly) for the on-going service(s) WAPA provides under this Services Agreement.

4. The County is responsible for all of WAPA's expenses to provide the service(s) required under this Services Agreement. WAPA will invoice the County if additional funding beyond the payments referenced in Section 1 and Section 3 above are required. In the absence of sufficient funding, WAPA will suspend activities associated with the requested service(s). If the County terminates this Services Agreement, which it may do upon thirty (30) days written notice to WAPA, the County remains responsible for all costs incurred by WAPA up to the termination date. Any excess funds will be returned by WAPA to the County without interest.
5. The County, under the terms and conditions specified herein, grants to WAPA, its employees, agents, and contractors, a license to enter its easements and rights-of-way to provide the services(s) under this Services Agreement provided proper advance arrangements are made with the County. Each party hereby grants to the other party a license for the service(s) to be performed.
6. Independent System Operator: The Parties understand WAPA may transfer control and use of all, or part of, its transmission system to an independent system operator under Commission jurisdiction. In the event WAPA either joins or is required to conform to protocols of the independent system operator, the Parties agree that WAPA either may (1) make any changes necessary to conform to the terms and conditions required by Commission approval of the independent system operator, or (2) terminate this Services Agreement by providing a one-year written notice to County.
7. Liability:
 - a. To the extent that it is legally permissible, the County agrees to indemnify and hold harmless the United States, its employees, agents, or contractors from any loss or damage and from any liability on account of personal injury, death, or property damage, or claims for personal injury, death, or property damage of any nature whatsoever and by whomsoever made, arising out of the County's or its employees', agents', or subcontractors' negligent activities or willful misconduct under this Services Agreement.
 - b. The United States is liable only for negligence on the part of its officers and employees in accordance with the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b), 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.
 - c. GOVERNMENTAL IMMUNITY: No provision of this Services Agreement shall be deemed or construed to be a relinquishment or waiver of any kind of limitation of liability provided to the County and its officers, employees, agents and representatives under an applicable state governmental immunity act.
8. In the event the County's and/or WAPA's obligations related to any of the Services are modified for any reason, including a modification to any applicable NERC or WECC standard or WAPA's OATT or WAPA's Rate Schedules, both Parties agree to revise and/or amend this Agreement within 6 months of such modification, but, in no event, no later than when such modification goes into effect.
9. The following provisions of the General Power Contract Provisions (GPCP) effective September 1, 2007, enclosed herein, are made a part of this Services Agreement the same as if they had been expressly set forth herein; Provided, That the word Contractor in the GPCPs refers to the County of this Services Agreement:
1-11, 13-16, 31-34, 36, 37.1, 37.3-37.8, 38-45
10. This Services Agreement expires on September 30, 2030, unless extended by the written agreement of the parties or unilaterally terminated with six (6) months written notice by either Party.

Each party signing below agrees to the terms of this Services Agreement. **Each person signing this Agreement represents that he or she has the authority to enter into this Services Agreement as an authorized representative of his or her organization.** The effective date of this Services Agreement shall be the later of the dates it is signed by the authorized representative for each party.

County: Incorporated County of Los Alamos

Signature: _____

Name: Timothy A. Glasco

Title: Utilities Manager

Date: _____

Western Area Power Administration

Signature: _____

Name: Darren Buck

Title: V.P. of Operations for CRSP, DSW, and RMR

Date: _____

(SEAL)

Attest:

By: _____

Title: _____

Date: _____

CERTIFICATE

I, Naomi D. Maestas certify that I am the County Clerk of INCORPORATED COUNTY OF LOS ALAMOS, the entity named as County or County herein; that Timothy Glasco, who signed the above Services Agreement No. 17-RMR-2821 (Agreement) on behalf of County was then its duly appointed Utilities Manager; and that said Agreement was duly signed for and on behalf of County by authority of its governing body and is within the scope of its corporate powers.

(SEAL)

By: _____

Naomi D. Maestas, County Clerk

Address: Incorporated County of Los Alamos
1000 Central Avenue, Suite 240
Los Alamos, New Mexico 87544

Date: _____