AMENDMENT TO THE

INTERCONNECTION FACILITIES AGREEMENT

AND

SERVICE AGREEMENT FOR WHOLESALE DISTRIBUTION SERVICE

BETWEEN

CITY OF MORENO VALLEY

AND

SOUTHERN CALIFORNIA EDISON COMPANY

This Amendment ("Amendment") is entered into by and among City of Moreno Valley ("Interconnection Customer") and Southern California Edison Company ("Distribution Provider"). Interconnection Customer and Distribution Provider may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

- A. WHEREAS, Distribution Provider and Interconnection Customer are parties to the 115 kV Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement, Service Agreement No. 149 under the Distribution Provider's WDAT ("IFA"). The IFA provides, among other things, that the Distribution Provider will engineer, procure, and construct the Distribution Provider's Interconnection Facilities required to interconnect the Interconnection Customer's 115 kV Interconnection Project Wholesale Distribution Load;
- B. WHEREAS, Distribution Provider and Interconnection Customer are parties to the 115 kV Interconnection Project Service Agreement for Wholesale Distribution Service, Service Agreement No. 150 under the Distribution Provider's WDAT ("DSA"). The DSA provides, among other things, for the receipt of capacity and energy from the

CAISO Grid to the Point of Interconnection for delivery to the Interconnection Customer;

- C. WHEREAS, Interconnection Customer submitted to Distribution Provider a request on September 2, 2023 for additional service of up to 66,200 kW by 2028. Such service is proposed to be provided from the existing 115 kV Interconnection Project by expanding the Interconnection Facilities (115 kV Interconnection Project Expansion);
- D. WHEREAS, Distribution Provider and Interconnection Customer now desire to amend the IFA and DSA to account for the September 2, 2023 service request, to identify the estimated Interconnection Facilities required to provide service to the 115 kV Interconnection Project Expansion, to document the Distribution Provider's estimated engineering procurement and construction schedule, to document the estimated cost, and for the Interconnection Customer to pay for the 115 kV Interconnection Facilities Project Expansion Interconnection Facilities.

NOW, THEREFORE, In consideration of promises and mutual agreements contained herein, the Parties agree as follows:

AMENDMENT

- 1. All terms and conditions of the IFA and the DSA shall remain in effect and in full force except where expressly amended by this Amendment, and the parties hereto expressly agree to be bound by those terms. Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the IFA, DSA or Distribution Provider's Wholesale Distribution Access Tariff ("WDAT").
- 2. The Parties amend the IFA and DSA as specifically identified in Exhibits A and B, respectively, which are attached hereto.
- 3. The Effective Date as defined and used in the IFA shall remain July 22, 2006, and the Effective Date as defined and used in the DSA shall also remain July 22, 2006.
- 4. This Amendment shall become effective as of the date established by FERC as the effective date of the amended IFA and DSA.
- 5. This Amendment may be executed in one of more counterparts at different times, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same Amendment.

6. The signatories hereto warrant and represent that they have been appropriately authorized to enter into this Amendment on behalf of the Party for whom they sign and to bind their respective principals.

IN WITNESS WHEREOF, the Parties have executed this Amendment to the GIA and DSA in multiple originals, each of which shall constitute an original effective agreement among the Parties.

| Southern California Edison Company |
|---|
| By: |
| Name: Jim Buerkle |
| Title: Managing Director, Grid Contracts, Engineering, and Major Projects |
| Date: |
| City of Moreno Valley |
| By: |
| Name: Mike Lee |
| Title: <u>City Manager</u> |
| Date: |

Exhibit A Amendment Revisions to the IFA and DSA in Red-Line Format

FERC FPA Electric Tariff

Southern California Edison Company Tariff Title: Wholesale Distribution Access Tariff Tariff Record Title: First Revised Service Agreement No. 149

115 KV INTERCONNECTION PROJECT WHOLESALE DISTRIBUTION LOAD INTERCONNECTION FACILITIES AGREEMENT

BETWEEN

CITY OF MORENO VALLEY

AND

SOUTHERN CALIFORNIA EDISON COMPANY

Contract Effective Date: 07/22/2006 Tariff Record Proposed Effective Date:

09/01/202405/01/2019

905.149.5 Version Number: 15.0.0 WDT168 Option Code: A

115 kV INTERCONNECTION PROJECT WHOLESALE DISTRIBUTION LOAD INTERCONNECTION FACILITIES AGREEMENT BETWEEN CITY OF MORENO VALLEY AND

SOUTHERN CALIFORNIA EDISON COMPANY

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115 kV INTERCONNECTION PROJECT WHOLESALE DISTRIBUTION LOAD INTERCONNECTION FACILITIES AGREEMENT BETWEEN CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON COMPANY

1. Parties:

The Parties to this Interconnection Facilities Agreement are the City of Moreno Valley, ("Moreno Valley"), a municipality in the State of California, and Southern California Edison Company ("SCE"), a California corporation, hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

2. Recitals:

This Agreement is made with reference to the following facts, among others:

- 2.1. SCE is a California public utility engaged in the business of generating and transmitting electric energy in the States of Arizona, California, Nevada, and New Mexico. SCE is further engaged in the business of distributing such energy in the State of California.
- 2.2. Moreno Valley is a municipality in the state of California.
- 2.3. Moreno Valley submitted an interconnection request in 2005 to SCE for interconnection and wholesale Distribution Service from the ISO Grid to a new SCE-owned 115 kV substation at Moreno Valley owned property located in Moreno Valley. Moreno Valley requested that SCE loop the Valley-Moreno-Vista 115 kV transmission line into the new SCE-owned 115 kV substation and proposed that Moreno Valley construct and own a new 115/12 kV substation, interconnect the 115/12 kV substation to SCE's new 115 kV substation and transfer the existing Wholesale Distribution Loads currently served under Moreno Valley's Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue interconnection facilities agreements and WDAT service agreements. The amount of Distribution Service requested is 12,000 kW for 2006, 15,600 kW for 2007, 18,800 kW for 2008, 22,000 kW for 2009 and 24,200 kW for 2010.
- 2.4. The Parties desire to enter into this Agreement and the Service Agreement to specify the terms for SCE to provide interconnection; for SCE to engineer, design, construct, install, own, operate and maintain the Interconnection Facilities; and for Moreno Valley to pay for such facilities.
- 2.5 SCE and Moreno Valley executed a WDAT Service Agreement in connection with this Agreement to implement wholesale Distribution Service under SCE's WDAT.
- 2.52.6 Moreno Valley submitted to SCE a request on September 2, 2023 for additional service of up to 66,200 kW by 2028. Such service is proposed to be provided from the SCE-owned Moval 115 kV substation by converting the existing three-element ringbus at Moval to a four-element ring-bus and utilizing the new ring-bus position to support the requested new 115 kV service.

3. Agreement:

In consideration of the proemises and the mutual covenants and agreements contained herein, the Parties agree as follows:

4. **Definitions**:

All terms with initial capitalization not otherwise defined herein shall have the meanings assigned to them in SCE's WDAT as that Tariff may be amended from time to time. The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

- 4.1. <u>Accounting Practice</u>: Generally accepted accounting principles and practices applicable to electric utility operations.
- 4.2. Agreement: This 115 kV Interconnection Project Interconnection Facilities Agreement between the City of Moreno Valley and Southern California Edison Company.
- 4.2.4.3. Amendment Letter Agreement: The agreement between the City of Moreno
 Valley and Southern California Edison Company to amend the 115 kV Interconnection
 Project Wholesale Distribution Load Interconnection Facilities Agreement, between
 City of Moreno Valley and Southern California Edison Company, Service Agreement
 No. 149 and the the Service Agreement for Wholesale Distribution Service Agreement
 between City of Moreno Valley and Southern California Edison Company Service
 Agreement No. 150, for the purpose of adding the required provisins to provide for the
 115 kV Interconnection Project Expansion.
- 4.3.4.4. Capital Additions: Any Units of Property which are added to the Interconnection Facilities; the enlargement, modification or betterment of any Units of Property constituting a part of the Interconnection Facilities; or the replacement of any Units of Property constituting a part of the Interconnection Facilities, irrespective of whether such replacement constitutes an enlargement, modification or betterment of that which it replaces; the costs of which additions, enlargements, modifications, betterments or replacements in accordance with Accounting Practice would be capitalized and have not previously been included in the Interconnection Facilities Cost.
- 4.4.4.5. Capital Additions Cost: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of Capital Additions.
- 4.5.4.6. <u>Capital Additions Payment</u>: The sum of the Capital Additions Cost, associated ITCC and associated One-Time Cost.
- 4.6.4.7. CPUC: The California Public Utilities Commission, or its regulatory successor.
- 4.7.4.8. Credit Provider: Provider of any Credit Support.
- 4.8.4.9. <u>Credit Support</u>: Parent guarantee, letter of credit, surety bond, or other security meeting the requirements of Section 7.2.
- 4.9.4.10. Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities: The rate most recently adopted by the CPUC for application to SCE's retail electric customers for customer-financed added facilities, which does not compensate SCE for replacement of added facilities. The Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities is as provided in Attachment J of the WDAT.
- 4.10.4.11. FERC: Federal Energy Regulatory Commission, or its regulatory successor.

- 4.11.4.12. Interconnection Facilities: Facilities, as specified in Exhibit A, owned by SCE to interconnect Moreno Valley distribution systems serving Moreno Valley's Wholesale Distribution Loads at the Laselle Street, Cactus Avenue, Eucalyptus Avenue, and Cottonwood Avenue Developments (see new definitions) to the Distribution System, as such facilities may be modified during the term of this Agreement.
- 4.12.4.13. Interconnection Facilities Charge: The monthly charge to Moreno Valley to recover the revenue requirements for the Interconnection Facilities, calculated as the product of the Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities and the Interconnection Facilities Cost. The Interconnection Facilities Charge is provided in Exhibit B.
- 4.13.4.14. Interconnection Facilities Cost: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of the Interconnection Facilities. The Interconnection Facilities Cost is provided in Exhibit B.
- 4.14.4.15. <u>Interconnection Facilities In-Service Date</u>: The date upon which the construction of the Interconnection Facilities is complete and such facilities are successfully tested and ready for service.
- 4.15.4.16. Interconnection Facilities Payment: The sum of the Interconnection Facilities Cost, associated with those Interconnection Facilities constructed by SCE, and ITCC and One-Time Cost associated with the Interconnection Facilities. The Interconnection Facilities Payment is provided in Exhibit B.
- 4.17. ITCC: The Income Tax Component of Contribution specified in the Preliminary Statement, Part M of SCE's tariff on file with the CPUC, applicable to the Interconnection Facilities Cost and the Capital Additions Cost. The ITCC applicable to the Interconnection Facilities Cost is provided in Exhibit B.
- 4.16.4.18. Lakewiew Substation: SCE's 115/12 kV Substation located at West of Reservior Ave and 10th Street, Lakeview, Californa.
- 4.17.4.19. Moreno Valley Cactus Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Cactus Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Cactus Avenue, near Moreno Beach Drive in the City of Moreno Valley.
- 4.18.4.20. Moreno Valley Cottonwood Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the End-Use Customers' loads at the Moreno Valley Cottonwood Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on the southwest corner of Cottonwood Avenue and Redlands Boulevard in the city of Moreno Valley.
- 4.19.4.21. Moreno Valley Eucalyptus Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Eucalyptus Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Eucalyptus Avenue, near Moreno Beach in the City of Moreno Valley.
- 4.22. Moreno Valley Lasselle Street: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Lasselle Street development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Lasselle Street, nearYanez

- Trail in the City of Moreno Valley.
- 4.23. Moval-City of Moreno Valley No. 1 115 kV Line: The existing 115 kV service that terminates at the SCE Moval 115 kV Substation, installed pursuant to the 2005 115 kV interconnection request.
- 4.20.4.24. Moval-City of Moreno Valley No. 2 115 kV Line: The 115 kV service that will terminate at the SCE Moval 115 kV Substation following conversion of the existing Moval three-element ring-bus to a four-element ring-bus and pursuant to the 2023 interconnection request.
- 4.21.4.25. One-Time Cost: All costs determined by SCE to be associated with the installation of Interconnection Facilities or Capital Additions which are not capitalized. The Interconnection Facilities One-Time Cost is provided in Exhibit B.
- 4.26. 115 kV Interconnection Project: All equipment and facilities comprising the project, as disclosed by Moreno Valley in its 115 kV Interconnection Request, including but not limited to Moreno Valley constructing a new 115 kV substation, deeding the ownership of the 115 kV substation to SCE, SCE looping the Valley-Moreno-Vista 115 kV transmission line into the new SCE owned 115 kV substation, Moreno Valley constructing and owning a new 115/12 kV substation interconnecting the 115/12 kV substation to the new SCE owned115 kV substation and transferring the existing Wholesale Distribution Loads from Moreno Valley's Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue interconnection facilities agreements and WDAT Service Agreements.
- 4.27. 115 kV Interconnection Project Expansion: All equipment and facilities comprising Moreno Valley's request of September 2, 2023 for additional Wholesale Load service upto 66,200 kW by 2028 and the request for the installation of a Moval City of Moreno Valley No. 2 115 kV Line (Note: The Valley-Moval 115 kV line has since been looped into SCE's Lakeview substation resulting in the creation of the Valley-Lakeview and Lakeview-Moval 115kV lines).
- 4.28. 115 kV Interconnection Project Expansion In-Service Date: The date upon which the construction of the 115 kV Interconnection Project Expansion is complete and such facilities are successfully tested and ready for service.
- 4.22.
- 4.23.4.29. Removal Cost: The actual cost SCE incurs for the removal of the Interconnection Facilities, which is calculated as the amount, if positive, of the costs of removal minus the salvage value of the Interconnection Facilities.
- 4.24.4.30. Service Agreement: The Service Agreement For Wholesale Distribution Service between the Parties executed concurrently herewith.
- 4.25.4.31. Units of Property: As described in FERC's "List of Units of Property for Use in Connection with Uniform System of Accounts Prescribed for Public Utilities and Licensees" in effect as of the date of this Agreement, and as such list may be amended from time to time.
- 4.26.4.32. Valley Substation: SCE's 500/115 kV Substation located at 26125 Menifee Rd, Romoland, CA, 92380.
- 4.27.4.33. Vista Substation: SCE's 220/115 kV Substation located at 22200 Newport Avenue, Grand Terrace, CA 92324.
- 4.28.4.34. WDAT: SCE's Wholesale Distribution Access Tariff.

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5. Effective Date And Term:

- 5.1. This Agreement shall become effective upon the effective date ordered by FERC ("Effective Date").
- 5.2. This Agreement shall terminate on the earliest of (i) the termination date of the Service Agreement, (ii) the date specified by Moreno Valley upon one hundred eighty (180) calendar days advance written notice to SCE if the notice of termination is received by SCE on or after the Interconnection Facilities In-Service Date (iii) the date specified by Moreno Valley upon thirty (30) calendar days advance written notice to SCE if the notice of termination is received by SCE before the Interconnection Facilities In-Service Date (iv) the date specified by SCE pursuant to Sections 8.8 or 13.4.
- 5.3. Any obligations of one Party to the other, including payment obligations, as a result of this Agreement, which accrued prior to or as a result of termination of this Agreement, shall survive termination.
- 5.4. If Moreno Valley has given notice of termination and a filing with FERC is required to terminate this Agreement, Moreno Valley shall support such filing before the FERC if requested by SCE.
- 5.5. Upon termination of this Agreement, Moreno Valley shall pay SCE any remaining balance owed for SCE's costs incurred or irrevocably committed to be incurred pursuant to this Agreement as of the effective date of termination within sixty (60) calendar days following receipt of a billing from SCE requiring such payment. Such billing shall reflect all payments received by SCE, which shall be credited against the amount of SCE's costs and expenses incurred or irrevocably committed to be incurred in accordance with this Agreement.

6. Agreement Pursuant To The WDAT:

This Agreement provides terms regarding Interconnection Facilities, Delivery Upgrades, Distribution System Facilities and Reliability Upgrades associated with wholesale Distribution Service pursuant to the WDAT. Accordingly, the rights and obligations of the Parties pursuant to this Agreement are subject to applicable provisions of the WDAT, including without limitation its provisions regarding indemnification and Uncontrollable Force, in addition to the provisions of this Agreement. In case of a conflict in the terms contained in this Agreement and the terms in the WDAT, the terms of the WDAT shall apply. Moreno Valley has read and is familiar with the terms of the WDAT.

7. Creditworthiness:

7.1. Upon the Effective Date and until all payment obligations of Moreno Valley to SCE under this Agreement and the Service Agreement, including any obligation to pay the Removal Cost in accordance with Section 12.1, have been finally and irrevocably paid after the termination date pursuant to Section 5, Moreno Valley shall either maintain an unsecured long-term debt rating of A2 or higher from Moody's Investor Service, Inc. ("Moody's") or A or higher from Standard and Poor's Corporation ("S&P") or provide and maintain additional security as described in Section 7.2 clauses (b) through (e).

- Upon the Effective Date, Moreno Valley shall provide to SCE, in a form that is acceptable to SCE in its sole discretion, (a) evidence that Moreno Valley has one of the ratings specified in Section 7.1; (b) an unconditional and irrevocable guarantee of Moreno Valley's obligations from a parent company of Moreno Valley that has an unsecured long-term debt rating of A2 or higher from Moody's or A or higher from S&P, together with evidence of one of such ratings; (c) an unconditional and irrevocable letter of credit in US dollars from a depository institution organized under the laws of the United States of America or any State (or any domestic branch of a foreign bank), which (i) has either (A) a long-term unsecured debt rating of A or higher by S&P or A2 or higher by Moody's or (B) a certificate of deposit rating of A-1+ by S&P and P-1 by Moody's, and (ii) whose deposits are insured by FDIC, together with evidence of such ratings; (d) an unconditional and irrevocable surety bond in US dollars issued by an insurance company that has and maintains an Insurance Financial Strength rating of A2 or higher from Moody's or A or higher from S&P, and is rated no less than A- (with a minimum size rating of VIII) by Best's Insurance Guide and Key Ratings, together with evidence of such ratings or (e) other security that is acceptable to SCE in its sole discretion.
- 7.3. Until all payment obligations of Moreno Valley to SCE under this Agreement and the Service Agreement, including any obligation to pay the Removal Cost in accordance with Sections 10.2, 12.1 and 13.2, have been finally and irrevocably paid after the termination date pursuant to Section 5, Moreno Valley shall provide to SCE, within ten (10) calendar days after June 30 and December 31 of each year, evidence of the then current applicable ratings of Moreno Valley or the Credit Provider of any Credit Support being maintained for the benefit of SCE hereunder; and if any such applicable rating is reduced at any time, Moreno Valley shall notify SCE in writing within five (5) calendar days after such reduction.
- 7.4. Any Credit Support provided hereunder shall be payable in at least the amount specified in Section 7.5, and shall be issued in favor of or for the benefit of SCE and its successors and assignees, and shall state that it may be drawn upon in whole or in part by SCE or its successors or assignees at any time (i) if a substitute Credit Support meeting the requirements of Section 7.2 is not provided within ten (10) calendar days after any reduction in the applicable rating of the Credit Provider meeting the requirements of Section 7.2 below the level specified herein; (ii) if a substitute Credit Support has not been provided at least thirty (30) calendar days before any expiration of the Credit Support; or (iii) upon any failure by Moreno Valley to make any payment required by this Agreement and the Service Agreement when due and following the expiration of any applicable cure period, pursuant to Section 13.4.
- 7.5. The amount available to be drawn under any Credit Support shall be equal to \$101,792. \$2,389,933. The disposition of any released Credit Support shall be directed by Moreno Valley.
- 7.6. In addition to the provisions described above, any Credit Support provided hereunder shall contain such terms, conditions, waivers, representations, covenants, and other provisions as may be customary for similar instruments delivered in the State of California, as approved by SCE in its reasonable discretion.
- 7.7. Within thirty (30) calendar days of the Amendment Letter Agreement Effective Date, Effective Date, Moreno Valley shall provide to SCE, in a form that is acceptable to SCE

in its sole discretion, security that is acceptable to sCE pursuant to Section 7.1 of the Agreement, and Section 7.5 of the Agreement, to provide for the 115 kV Interconnection Project Expansion.

7.6.

8. Interconnection Facilities:

- 8.1. Moreno Valley is responsible for engineering and constructing Moval Substation, at its cost, as set forth in Exhibit A hereof under the caption Moval Substation Scope of Work by Moreno Valley.
- 8.2. Moreno Valley shall make all necessary arrangements for easements required in order for SCE to comply with its obligations under this Agreement. SCE shall provide forms of easement agreements for execution by affected property owners. Notwithstanding any other provision of this Agreement, SCE shall have no obligation to install the Interconnection Facilities prior to the effective date of such easement agreements.
- 8.3. Moreno Valley shall perform the environmental, licensing, and permitting activies for the 115 kV Interconnection Project Expansion as set forth in Exhibit E Section 2. make all necessary arrangements for easements required in order for SCE to comply with its obligations under this Agreement. SCE shall provide forms of easement agreements for execution by affected property owners. Notwithstanding any other provision of this Agreement, SCE shall have no obligation to install the Interconnection Facilities prior to the effective date of such easement agreements.

8.2.8.4.

- 8.5. SCE is responsible for performing the Scope of Work by SCE as set forth in Exhibit A pursuant to Good Utility Practice and apply for any regulatory approvals necessary for the construction, operation and maintenance of the Interconnection Facilities.
- 8.6.SCE is responsible for performing the Scope of Work by SCE for the 115 kV

 Interconnection Project Expansion as set forth in Exhibit E Section 1 pursuant to Good

 Utility Practice and apply for any regulatory approvals necessary for the construction,
 operation and maintenance of the 115 kV Interconnection Project Expansion.

 8.3.
- 8.7. SCE shall use commercially reasonable efforts to complete the Scope of Work by SCE as set forth in Exhibit A hereof, successfully test and declare ready for service the described facilities on or before eight months from the Effective Date. However, Moreno Valley understands and acknowledges that such dates are only estimates and that equipment and material lead times, labor availability, outage coordination, regulatory approvals, or other unforeseen events could delay the actual in-service date(s) beyond those specified. SCE's efforts to complete the Scope of Work by SCE is contingent upon Moreno Valley's timely completion of the work required to be performed by it in accordance with Section 8.1; thus, any delay by Moreno Valley in performing Work To Be Performed By Moreno Valley as described in Exhibit A may cause delay in completion of the Scope of Work by SCE.
- 8.8.SCE shall use commercially reasonable efforts to complete the Scope of Work by SCE as set forth in Exhibit E Section 1. For the 115 kV Interconnection Project Expansion, successfully test and declare ready for service the described facilities on or before fifty-

one (51) months from the Amendment Letter Agreement effective date. However, Moreno Valley understands and acknowledges that such dates are only estimates and that equipment and material lead times, labor availability, outage coordination, regulatory approvals, or other unforeseen events could delay the actual in-service date(s) beyond those specified. SCE's efforts to complete the Scope of Work by SCE is contingent upon Moreno Valley's timely completion of the work required to be performed by it in accordance with Exhibit E Section 2; thus, any delay by Moreno Valley in performing Work To Be Performed By Moreno Valley may cause delay in completion of the Scope of Work by SCE.

8.4.

- 8.5.8.9. SCE shall own, operate and maintain the Interconnection Facilities.
- 8.6.8.10. Moreno Valley shall transfer the ownership of Moval Substation as described in Exhibit A, hereof, to SCE within forty five (45) days following completion of the Moval Substation. SCE will not energize the facilities necessary to provide interconnection to Moreno Valley until Moreno Valley transfers the ownership of Moval Substation to SCE.
- 8.7.8.11. The maximum capacity of the Interconnection Facilities made available by SCE to Moreno Valley for the purpose of interconnecting and delivering energy and other services from the ISO under this Agreement shall be 66,20024.2 MWkW. Moreno Valley acknowledges that if Moreno Valley wishes to increase the amount of Distribution Service provided pursuant to this Agreement and the Service Agreement, Moreno Valley shall be required to submit a new application for Distribution Service in accordance with the terms and conditions of the WDAT.
- 8.8.8.12. Moreno Valley shall not cause it's distribution systems serving the Wholesale Distribution Loads at the Laselle Street, Cactus Avenue, Eucalyptus Avenue, and Cottonwood Avenue Developments to operate in parallel with or to interconnect to any other electrical facilities, which facilities shall include, but not be limited to, Moreno Valley's distribution systems served under other WDAT interconnection facilities agreements or service agreements, any generating facilities, other SCE facilities, or any facilities served by other electric utilities without receiving prior review and authorization from SCE. If Moreno Valley fails to comply with the requirements set forth in this Section 8.8, then SCE shall have the right to terminate this Agreement, subject to FERC acceptance or approval.
- 8.9.8.13. Moreno Valley shall cause its electrical facilities to be a balanced system across all three phases.
- 8.10.8.14. This Agreement governs the facilities required to interconnect Moreno Valley's distribution systems serving the Moreno Valley, Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue developments to SCE's electrical system pursuant to the WDAT and as described herein. Moreno Valley shall be responsible for making all necessary operational arrangements with the ISO, including, without limitation, arrangements for obtaining transmission service from the ISO, and for scheduling delivery of energy and other services from the ISO Grid.

9. Capital Additions:

9.1. SCE shall engineer, design, construct, install, own, operate and maintain all Capital

- Additions pursuant to Good Utility Practice.
- 9.2. Except as otherwise provided in Section 9.3, whenever Capital Additions are required by SCE pursuant to Good Utility Practice (which may include compliance with system or regulatory requirements), Moreno Valley shall pay all charges associated with such Capital Additions in accordance with Section 13.
- 9.3. In the event that Capital Additions are required in order to benefit SCE, or because of damage caused by negligence or willful misconduct of SCE, Moreno Valley shall not bear cost responsibility for such Capital Additions. No adjustment will be made to the Interconnection Facilities Cost and no Capital Additions Cost, ITCC, or One-Time Cost will be charged to Moreno Valley for such Capital Additions.

10. Removal Of Interconnection Facilities:

- 10.1. Following termination of this Agreement, SCE will remove the Interconnection Facilities from service to Moreno Valley.
- 10.2. On or before the date one year following termination of this Agreement, SCE shall notify Moreno Valley whether SCE intends to physically remove the Interconnection Facilities or any part thereof. If SCE intends to physically remove the Interconnection Facilities or any part thereof, then SCE shall physically remove such facilities within two years from the date of notification of intent, and Moreno Valley shall pay the Removal Cost in accordance with Sections 12.1 and 13.2. If SCE does not intend to physically remove the Interconnection Facilities or any part thereof, then Moreno Valley shall have no obligation to pay such Removal Cost.

11. Other Taxes:

Moreno Valley shall be solely responsible for any taxes (including, but not limited to, property tax, sales and use tax, excise tax, and document transfer tax) that are asserted against any payments or asset transfers made by Moreno Valley to SCE under this Agreement for Interconnection Facilities and Capital Additions. SCE and Moreno Valley shall cooperate in good faith to appeal, protest, seek abatement of, or otherwise contest other taxes associated against payments or asset transfers made by Moreno Valley to SCE under this Agreement for Interconnection Facilities and Capital Additions.

12. Charges:

- 12.1. Moreno Valley shall pay to SCE the following charges in accordance with this Agreement: (a) Interconnection Facilities Payment; (b) Interconnection Facilities Charge; (c) Capital Additions Payment; (d) any reimbursable FERC fees pursuant to Section 18.3; (e) Removal Cost pursuant to Section 13.2; (f) other taxes pursuant to Section 11; and (g) termination charges pursuant to Section 5.5.
- 12.2. The Interconnection Facilities Cost, Capital Additions Cost, One-Time Cost, ITCC and Removal Cost shall be compiled in accordance with Accounting Practice.
- 12.3. If, during the term of this Agreement, SCE executes an agreement to provide service to another entity (other than retail load) which contributes to the need for the Interconnection Facilities, the charges due hereunder may be adjusted to appropriately

reflect such service based on SCE's cost allocation principles in effect at such time and shall be subject to FERC approval.

13. Billing And Payment:

13.1. Billing Procedure.

- 13.1.1. Except as otherwise specifically provided herein, commencing on or following the Effective Date, SCE will render bills to Moreno Valley for charges under this Agreement, and Moreno Valley shall pay such bills, in accordance with the Billing and Payment provisions of the WDAT.
- 13.1.2. Moreno Valley shall make payments to SCE for the Interconnection Facilities Payment according to the payment schedules shown in Exhibit C. The amount of such Interconnection Facilities Payment is based on SCE's cost estimates and shall be subject to later adjustment pursuant to Sections 13.1.9.3 and 13.1.9.4.
- 13.1.3. Commencing on or following the Interconnection Facilities In-Service Date, each month SCE will render bills to Moreno Valley for the Interconnection Facilities Charge. The Interconnection Facilities Charge payments shall initially be based on the estimated Interconnection Facilities Cost and such payments shall be subject to later adjustment pursuant to Sections 13.1.9.3 and 13.1.9.4. The Interconnection Facilities Charge for the first and last month of service hereunder shall be pro-rated based on the number of days in which service was provided during said months.
- 13.1.4. SCE will bill Moreno Valley for the Capital Additions Payment prior to commencing any work on any Capital Additions in accordance with Section 9.2; provided that, at SCE's sole discretion, SCE may bill Moreno Valley for the Capital Additions Payment after commencing such work if SCE determines that Capital Additions are required in accordance with safety or regulatory requirements or to preserve system integrity or reliability. Such billing shall initially be based on SCE's cost estimates and shall be subject to later adjustment pursuant to Sections 13.1.9.1 and 13.1.9.2.
- 13.1.5. Except as otherwise provided in Section 9.3, if certain Interconnection Facilities are removed to accommodate such Capital Additions and such removal results in a change in the Interconnection Facilities Cost, the Interconnection Facilities Charge shall be adjusted as of the in-service date of such Capital Additions to reflect the change in the Interconnection Facilities Cost.
- 13.1.6. Except as otherwise provided in Section 9.3, if such Capital Additions result in an increase in the Interconnection Facilities Cost, then the Interconnection Facilities Charge, shall be adjusted as of the in-service date of such Capital Additions to reflect the change in such costs.
- 13.1.7. Commencing on the Effective Date, SCE will render bills to Moreno Valley for any reimbursable FERC fees in accordance with Section 18.3. Such billing shall be for any reimbursable FERC fees or costs incurred since the preceding billing.
- 13.1.8. Within twelve (12) months following the earlier of 1) the date Moreno Valley

- transfers ownership of Moval Substation to SCE, or 2) the Moval Substation in-service date, Moreno Valley shall determine the actual recorded cost of Moval Substation, and provide SCE with a final accounting.
- 13.1.9. Within twelve (12) months following the Interconnection Facilities In-Service Date, the 115 kV Interconnection Project Expansion In-Service Date, or the in-service date of any Capital Additions, as the case may be, SCE shall determine the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, and provide Moreno Valley with a final invoice.
 - 13.1.9.1. If the amounts paid for the estimated Interconnection Facilities Payment, or the Capital Additions Payment are less than the amounts due for the Interconnection Facilities Payment, or the Capital Additions Payment as determined from the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, SCE will bill Moreno Valley for the difference between the amounts previously paid by Moreno Valley and the actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
 - 13.1.9.2. If the amounts paid for the estimated Interconnection Facilities Payment or the Capital Additions Payment are greater than the amounts due for the Interconnection Facilities Payment or the Capital Additions Payment as determined from the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, SCE will refund Moreno Valley the difference between the amounts previously paid by Moreno Valley and the actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
 - 13.1.9.3. If the amounts paid for the Interconnection Facilities Charge are less than the amounts due for the Interconnection Facilities Charge as determined from the actual recorded Interconnection Facilities Cost, SCE will bill Moreno Valley for the difference between the amounts previously paid by Moreno Valley and the amounts which would have been paid based on actual recorded costs, without interest, on the next regular billing.
 - 13.1.9.4. If the amounts paid for the Interconnection Facilities Charge are greater than the amounts due for the Interconnection Facilities Charge as determined from the actual recorded Interconnection Facilities Cost, SCE will credit Moreno Valley the difference between the amounts previously paid by Moreno Valley and the amounts which would have been paid based on actual recorded costs, without interest, on the next regular billing.
- 13.1.10. Charges for payments upon termination shall be billed and paid as provided in Section 5.

13.2. Removal Cost.

- 13.2.1. If, in accordance with Section 10.2, SCE decides to physically remove the Interconnection Facilities, SCE shall render a bill to Moreno Valley for the Removal Cost. Moreno Valley shall pay the Removal Cost in accordance with Section 12.1. Such billing shall be initially based on SCE's estimate of the Removal Cost. Within 12 months following the removal of the Interconnection Facilities, SCE shall determine the recorded Removal Cost and provide Moreno Valley with a final invoice.
- 13.2.2. If the amount paid for the Removal Cost is less than the amount due for the Removal Cost as determined from the actual recorded Removal Cost, SCE will bill Moreno Valley for the difference between the amount previously paid by Moreno Valley and the amount which would have been paid based on actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
- 13.2.3. If the amount paid for the Removal Cost is greater than the amount due for the Removal Cost as determined from the actual recorded Removal Cost, SCE will refund Moreno Valley the difference between the amount previously paid by Moreno Valley and the amount which would have been paid based on actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.

13.3. Interest On Unpaid Balances.

Interest on any unpaid amounts shall be calculated in accordance with the methodology specified in the Interest on Unpaid Balances provision of the WDAT.

13.4. **Default And Billing Dispute**.

Any default or billing dispute shall be handled in accordance with the methodology specified in the Customer Default provision of the WDAT, including, without limitation, the provision for termination upon default, subject to FERC approval.

14. Addresses For Billing And Payment:

14.1. All payments to be made by Moreno Valley to SCE shall be sent to:

Southern California Edison Company Accounts Receivable Box 600 Rosemead, California 91770-0600

SCE may, at any time, by written notice to Moreno Valley pursuant to Section 6 of the Service Agreement for Wholesale Distribution Service, change the address to which payments will be sent.

14.2. All billings to be presented by SCE to Moreno Valley shall be sent to:

City of Moreno Valley City Manager's Office Attn: City Manager 14177 Frederick Street Moreno Valley, CA 92552-0805

Moreno Valley may, at any time, by written notice to SCE pursuant to Section 6 of the Service Agreement for Wholesale Distribution Service, change the address to which billings will be sent.

15. Disputes:

With the exception of any billing dispute as provided pursuant to Section 13.4 herein, or as otherwise limited by law, the Dispute Resolution Procedures set forth in the WDAT shall apply to all disputes between Moreno Valley and SCE which arise under this Agreement; provided, however, that the Dispute Resolution Procedures set forth in the WDAT shall not apply as to disputes regarding whether rates and charges set forth in this Agreement are just and reasonable under the Federal Power Act.

16. Audits:

- 16.1. SCE will maintain records and accounts of all costs incurred in sufficient detail to allow verification of all costs incurred, including, but not limited to, labor and associated labor burden, material and supplies, outside services, and administrative and general expenses.
- 16.2. Moreno Valley shall have the right, upon reasonable notice, at a reasonable time at SCE's offices and at its own expense, to audit SCE's records and accounts as necessary and as appropriate in order to verify costs incurred by SCE. Any audit requested by Moreno Valley shall be limited to the costs reflected in the final invoice as set forth in Sections 13.1.8 or 13.2.1, and shall be completed, and written notice of any audit dispute provided to SCE pursuant to Section 6 of the Service Agreement, within one hundred eighty (180) calendar days following receipt by Moreno Valley of such final invoice.

17. Operating Representatives:

The responsibilities assigned to the Operating Representatives appointed pursuant to Section 3 of Attachment B to the Tariff shall extend to the activities required under this Agreement.

18. Regulatory Authority:

18.1. No later than thirty (30) calendar days following the execution of this Agreement, SCE shall tender this Agreement for filing with FERC with a request that it be made effective upon acceptance without suspension, and Moreno Valley shall support SCE

- in obtaining all necessary authorizations and approvals for this Agreement.
- 18.2. Nothing contained herein shall be construed as affecting in any way: (i) the right of SCE to unilaterally make application to the FERC for a change in rates, charges, classification, or service, or any rule, regulation, or contract relating thereto, under Section 205 of the Federal Power Act and pursuant to the Rules and Regulations promulgated by FERC thereunder; (ii) the right of Moreno Valley to oppose such changes under Section 205 of the Federal Power Act; (iii) the right of Moreno Valley to file a complaint requesting a change in rates, charges, classification, or service, or any rule, regulation or contract relating thereto, or rate methodology or design relating to services provided hereunder, under Section 206 of the Federal Power Act and pursuant to the rules and regulations promulgated by the FERC thereunder; or (iv) the right of SCE to oppose such complaint by Moreno Valley under Section 206 of the Federal Power Act. Any change shall become effective pursuant to Section 205 of the Federal Power Act.
- 18.3. Moreno Valley shall reimburse SCE for all fees and charges imposed on SCE by the FERC attributable to the service provided under this Agreement and the Service Agreement, or any amendments thereto.

19. No Dedication Of Facilities:

Any undertaking by one Party to the other Party under this Agreement shall not constitute the dedication of the electrical system or any portion thereof of the undertaking Party to the public or to the other Party, and it is understood and agreed that any such undertaking by a Party shall cease upon the termination of its obligations hereunder.

20. No Third Party Rights:

Unless otherwise specifically provided in this Agreement, the Parties do not intend to create rights in or grant remedies to any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established hereunder.

21. Relationship Of Parties:

The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust, or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of or shall be deemed to control the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

22. Waivers:

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement,

shall not be deemed a waiver with respect to any other or subsequent default or other matter arising in connection therewith. Any delay, short of any statutory period of limitation, in asserting or enforcing any right, shall not be deemed a waiver of such right.

23. Governing Law:

Except as otherwise provided by federal law, this Agreement shall be governed by and construed in accordance with, the laws of the state of California.

24. Notices:

Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, shall be made in accordance with Section 6 of the Service Agreement.

25. Severability:

In the event that any term, provision, covenant, or condition of this Agreement or the application of any such term, covenant, or condition shall be held invalid as to any person, entity, or circumstance by any court, arbitration, or regulatory authority having jurisdiction, the invalidity of such term, covenant or condition shall not affect the validity of any other term, provision, condition or covenant and such term, provision, covenant or condition shall remain in force and effect as applied to this Agreement to the maximum extent permitted by law. The Parties hereto further agree to negotiate in good faith to establish new and valid terms, conditions and covenants to replace any found invalid so as to place each Party as nearly as possible in the position contemplated by this Agreement.

26. Entire Agreement:

This Agreement and the Service Agreement constitute the complete and final expression of the agreement between the Parties and are intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement and the Service Agreement.

27. Ambiguities:

Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but will be construed in the manner that most accurately reflects the Parties' intent as of the date they executed this Agreement.

28. Signature Clause:

The signatories hereto represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign. This Agreement is hereby executed as of the $\underline{12^{th}}$ day of $\underline{\underline{July}}$, 2006.

SOUTHERN CALIFORNIA EDISON COMPANY

By: /s/ Ronald L. Litzinger

Name: Ronald L. Litzinger
Title: Senior Vice President

CITY OF MORENO VALLEY

By: <u>/s/ Bonnie Flickinger</u>

Name: Bonnie Flickinger

Title: Mayor

Exhibit A

Interconnection Facilities Description <u>– 115 kV Interconnection Project</u>

A. Substation:

1A. Moval Substation – Scope of Work by Moreno Valley

Engineer and construct a 115kV interconnection facility, arranged in a three-element ring-bus configuration to provide service to interconnect one 115 kV customer owned transmission line from Moreno Valley.

All work to be performed according to SCE engineering, design, layout, materials and construction Standards.

1B. Moval Substation – Scope of Work by SCE

Review the complete engineering and design drawings and bills of materials submitted by Moreno Valley to verify their compliance with the SCE engineering and design standards.

Install one set of 115kV revenue metering equipment, one metering cabinets, one Mechanical-Electrical Equipment Room (MEER) and one Remote Terminal Unit (RTU).

Inspect the site during construction to verify compliance with SCE Materials and Construction Standards.

Test the substation prior to energization.

2. Valley Substation – Scope of Work by SCE

Upgrade the line protection relays on the Moreno – Vista 115kV Line Position No.12-N. This line will become the new Moval 115kV Line.

Remove 1-LCB II, 3-CO-8, 1-JBCG 99, 1-KD10 and 3-SC Relays and install new SEL-311L Line Current Differential and G.E. D60 Line Distance Relays.

3. Moreno Substation – Scope of Work by SCE

Upgrade the line protection relays on the Valley – Vista 115kV Line Position No.3. This line will become the new Moval – Vista 115kV Line.

Remove 1-LCB II, 3-IBC54, 1-JBCG 99, 1-KD10 and 3-SC Relays and install new SEL-311L Line Current Differential and G.E. D60 Line Distance Relays.

4. Vista Substation – Scope of Work by SCE

Upgrade the line protection relays on the Valley – Moreno 115kV Line Position No.5. This line will become the new Moreno – Moval 115kV Line.

Remove 1-LCB II, 3-GCY, 1-JBCG and 1-RPM Relays and install new SEL-311L Line Current Differential and G.E. D60 Line Distance Relays.

B. Sub-Transmission – Scope of Work by SCE:

Valley – Lakeview - Moreno – Vista 115kV Line

Loop the line into Moval Substation and form the two new Valley – <u>Lakeview – Moval 115</u> kV Line Moval and the Lakeview Vista – Moreno – Moval 115kV Lines.

This work requires the removal of one 70-Ft. wood pole and the installation of two new 70-Ft. Tubular Steel Poles and two 300-Ft. spans of new 653.9KCMIL ACSR Conductors from the new poles to Moval Substation.

C. Telecommunications – Scope of Work by SCE:

Line Protection:

Install a new SONET terminal and digital multiplexer at Moval Substation and incorporate into the existing SCE SONET Transport Ring to support the line protection relays. Also install new digital multiplexer and telecommunication equipment at Valley, Moreno and Vista Substations.

Remote Terminal Unit (RTU) – Scope of Work by SCE:

Use the same digital multiplexer installed for line protection to transmit RTU data to Valley Substation. Also install new digital channel modules to the existing digital system between Valley and Mira Loma Substations to transmit RTU Data to the Mira Loma Regional Control Center (RCC).

D. Metering Services Organization – Scope of Work by SCE:

Engineer and prepare all required documentation to furnish, install and test two sets of revenue meters.

E. Power System Control – Scope of work by SCE:

Install a full size real-time RTU to monitor and control as follows:

- MW and MVAR on the incoming SCE Lines
- MW and MVAR on the outgoing City Lines
- Bus Voltage
- Circuit Breaker Status
- Circuit Beaker Control
- Protection Relays Status
- Alarms Status

F. Corporate Real Estate – Scope of Work by SCE

Acquire necessary easements to loop the existing Valley – Moreno – Vista $115 \mathrm{kV}$ line into Moval Substation and for the new substation site.

1.____

Exhibit B

Interconnection Facilities Cost

I. Estimated Interconnection Facilities Payment - - 115 kV Interconnection Project

| Element SCE-Constructed | Interconnection Facilities Cost | ITCC | Total Cost |
|---|------------------------------------|--------------|--------------|
| Interconnection Facilities | | | |
| • Moval Substation | \$ 650,000 | \$ 228,000 | \$ 878,000 |
| • Valley Substation | \$ 215,000 | \$ 75,000 | \$ 290,000 |
| Vista Substation | \$ 215,000 | \$ 75,000 | \$ 290,000 |
| Moreno Substation | \$ 215,000 | \$ 75,000 | \$ 290,000 |
| Sub-Transmission Line (Loop into Moval Sub.) | \$ 268,000 | \$ 94,000 | \$ 362,000 |
| Telecommunications – Line Protection & RTU | \$ 436,000 | \$ 153,000 | \$ 589,000 |
| • Metering | \$ 19,000 | \$ 7,000 | \$ 26,000 |
| Power System Control | \$ 80,000 | \$ 28,000 | \$ 108,000 |
| Corporate Real Estate | \$ 19,000 | \$ 7,000 | \$ 26,000 |
| Subtotal | \$ 2,117,000 | \$ 742,000 | \$ 2,859,000 |
| Moreno Valley- Constructed Interconnection Facilities | | | |
| Deeded Facilities (Moval Substation) | \$ 1,481,481 | \$ 518,519 | \$ 2,000,00 |
| Subtotal | \$ 1,481,481 | \$ 518,519 | \$ 2,000,000 |
| Total | \$ 3,598,481 | \$ 1,260,519 | \$ 4,859,000 |

Estimated Removal Cost: \$73,000

Estimated Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC associated with SCE-Constructed Interconnection Facilities + ITCC associated with Moreno Valley Constructed Moval Substation) = \$2,859,000 + \$518,519 = \$3,377,519

II. Actual Interconnection Facilities Payment - 115 kV Interconnection Project

| | Interconnection | | | |
|---|-----------------|--------------|---------------|----------------|
| Element | Facilities Cost | ITCC | One-Time Cost | Total Cost |
| SCE-Constructed Interconnection Facilities | | | | |
| • Interconnection Facilities | \$1,556,823.96 | \$423,947.68 | \$0 | \$1,980,771.64 |
| Moreno Valley- Constructed Interconnection Facilities | | | | |
| Deeded Facilities (Moval Substation) | \$2,166,000.00 | \$476,520.00 | \$0 | \$2,642,520.00 |

¹Actual Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC + One-Time Cost)

III. Estimated Interconnection Facilities Payment - 115 kV Interconnection Project Expansion

| Element | Interconnection Facilities Cost | One Time Cost | <u>ITCC</u> | Total Cost |
|------------------------|---------------------------------|------------------|-------------|--------------------|
| <u>Substation</u> | <u>\$1,491,596</u> | <u>\$11,902</u> | \$357,983 | <u>\$1,861,481</u> |
| Subtransmission | <u>\$24,917</u> | | \$5,980 | <u>\$30,897</u> |
| Power System Controls | <u>\$84,692</u> | \$30,936 | \$20,326 | <u>\$135,954</u> |
| Metering Services | \$49,217 | | \$11,812 | <u>\$61,029</u> |
| Environmental Services | \$130,792 | | \$31,390 | <u>\$162,182</u> |
| Telecommunications | <u>\$488,696</u> | | \$117,287 | <u>\$605,983</u> |
| Real Properties | <u>\$77,185</u> | | \$18,524 | <u>\$95,709</u> |
| <u>Total</u> | <u>\$2,347,095</u> | \$42,838 | \$563,303 | \$2,953,236 |

Estimated Removal Cost: Too be determined

Estimated Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC associated with SCE-Constructed Interconnection Facilities) = \$2,389,933 + \$563,303 = \$2,953,236

IV. Actual Interconnection Facilities Payment - 115 kV Interconnection Project Expansion

| <u>Element</u> | Interconnection Facilities Cost | One Time Cost | <u>ITCC</u> | Total Cost |
|---------------------------|---------------------------------|------------------|-------------|------------|
| Substation | | | | |
| Subtransmission | | | | |
| Power System Controls | | | | |
| Metering Services | | | | |
| Environmental Services | | | | |

² As of the Amendment Letter Agreement effective date, the Actual Interconnection Facilities Payment has been received by SCE.

| Telecommunications | | |
|---------------------------|--|--|
| Real Properties | | |
| Total | | |

³ Actual Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC + One-Time Cost)

H.V. Monthly Charges:

Estimated Interconnection Facilities Cost <u>— 115 kV Interconnection Project</u> := Estimated Cost of Moreno Valley constructed Moval Substation plus Estimated Cost of SCE constructed Interconnection Facilities = \$1,481,481 + \$2,117,000 = \$3,598,481

Actual Interconnection Facilities Cost <u>- 115 kV Interconnection Project</u> = Actual Cost of Moreno Valley constructed Moval Substation plus Actual Cost of SCE constructed Interconnection Facilities = \$2,166,000 + \$1,556,823.96 = \$3,722,823.96

Estimated Interconnection Facilities Cost – 115 kV Interconnection Expansion Project = Estimated Cost of Interconnection Facilities = \$2,347,095+\$42,838 = 2,389,933

| | Customer- | | Interconnection | | Interconnection |
|-----------------|---------------|-----------------|------------------------|-----------------|-------------------|
| | Financed | Estimated | Facilities Charge | Actual | Facilities Charge |
| Effective Date | Monthly | Interconnection | Based on Estimated | Interconnection | Based on |
| | Rate for | Facilities Cost | Cost | Facilities Cost | Actual Cost |
| | Non-ISO- | | | | |
| | Controlled | | | | |
| | Facilities | | | | |
| | | | | | |
| | | | Customer-Financed | | Customer-Financed |
| | | | Monthly Rate for | | Monthly Rate for |
| Interconnection | See Section | | Non-ISO- | | Non-ISO- |
| Facilities In- | 4.1 of | | Controlled | | Controlled |
| Service Date: | Attachment J | | Facilities x | | Facilities x |
| 08/30/07 - | to the | | Interconnection | | Interconnection |
| Present | WDAT* | \$3,598,481 | Facilities Cost | \$3,722,823.96 | Facilities Cost |
| | | | Customer-Financed | | |
| As of the | | | Monthly Rate for | | |
| Moval-City of | See Section | | Non-ISO- | | |
| Moreno Valley | <u>4.1 of</u> | | Controlled | | |
| No. 2 115 kV | Attachment J | \$6,112,756.96 | Facilities x | | |
| Line In-Service | to the | (\$3,722,823.96 | Interconnection | | |
| <u>Date</u> | WDAT* | + \$2,389,933) | <u>Facilities Cost</u> | | |

^{*}Attachment J to the WDAT is available at the following link: https://www.sce.com/openaccess

Exhibit C

Engineering And Construction Payment Schedules Payment Schedule 115 kV Interconnection Project

| | | Payment | | | |
|---------|--------------------|-------------|----------|--------------|----------------|
| Payment | 1. Interconnection | | One-Time | Project | Due Date |
| Period | Facilities Cost | ITCC | Cost | Payment | |
| | | | | | |
| Paid4 | \$604,857.14 | \$212,000 | \$0.0 | \$816,857.14 | Ten days from |
| | | | | | following |
| | | | | | Effective Date |
| | | | | | (est. 5/20/06) |
| Paid2 | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 6/20/06 |
| 3Paid | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 7/20/06 |
| Paid4 | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 8/20/06 |
| Paid5 | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 9/20/06 |
| Paid6 | \$302,428.58 | \$106,000 | \$0.0 | \$408,428.58 | 10/20/06 |
| Paid7 | \$0.0 | \$518,518 | \$0.0 | \$518,518.00 | Ten days |
| | | | | | following |
| | | | | | transfer of |
| | | | | | ownership of |
| | | | | | Moval |
| | | | | | Substation |
| | | | | | from Moreno |
| | | | | | Valley to SCE |
| Total | \$2,117,000 | \$1,260,518 | \$0.0 | \$3,377,518 | |

Payment Schedule - 115 kV Interconnection Project Expansion

| Payment Number | Due Date | Interconnection Facilities Cost | One Time Cost | ITCC | Total Payment |
|-------------------|-----------------|---------------------------------|---------------------|----------------|-----------------|
| 1 | 10/1/2024 | <u>\$8,192</u> | <u>\$150</u> | <u>\$1,966</u> | \$10,308 |
| <u>2</u> | 11/1/2024 | <u>\$9,531</u> | <u>\$174</u> | <u>\$2,287</u> | \$11,992 |
| <u>3</u> | 12/1/2024 | <u>\$11,076</u> | <u>\$202</u> | <u>\$2,658</u> | <u>\$13,936</u> |
| <u>4</u> | 1/1/2025 | <u>\$12,933</u> | <u>\$236</u> | <u>\$3,104</u> | \$16,273 |
| <u>5</u> | 2/1/2025 | <u>\$14,983</u> | <u>\$273</u> | <u>\$3,596</u> | \$18,852 |
| <u>6</u> | 3/1/2025 | <u>\$17,323</u> | <u>\$316</u> | <u>\$4,158</u> | \$21,797 |
| <u>7</u> | <u>4/1/2025</u> | <u>\$19,984</u> | <u>\$364</u> | <u>\$4,796</u> | <u>\$25,144</u> |
| 8 | <u>5/1/2025</u> | <u>\$22,995</u> | <u>\$420</u> | <u>\$5,519</u> | <u>\$28,934</u> |
| 9 | 6/1/2025 | <u>\$26,381</u> | <u>\$482</u> | <u>\$6,331</u> | \$33,194 |

| 10 | 7/1/2025 | \$30,160 | \$551 | \$7,238 | \$37,949 |
|-----------|------------------|-----------------|----------------|------------------|-----------------|
| 11 | 8/1/2025 | \$34,347 | \$627 | \$8,243 | \$43,217 |
| 12 | 9/1/2025 | \$38,942 | \$710 | \$9,346 | \$48,998 |
| 13 | 10/1/2025 | \$43,928 | \$802 | \$10,543 | \$55,273 |
| 14 | 11/1/2025 | \$49,271 | \$899 | \$11,825 | \$61,995 |
| 15 | 12/1/2025 | \$54,913 | \$1,002 | \$13,179 | \$69,094 |
| 16 | 1/1/2026 | \$60,480 | \$1,104 | \$14,515 | \$76,099 |
| 17 | 2/1/2026 | \$66,403 | \$1,212 | \$15,937 | \$83,552 |
| 18 | 3/1/2026 | \$72,278 | \$1,320 | \$17,347 | \$90,945 |
| 19 | 4/1/2026 | \$77,935 | \$1,422 | \$18,704 | \$98,061 |
| 20 | 5/1/2026 | \$83,190 | \$1,519 | \$19,966 | \$104,675 |
| 21 | 6/1/2026 | \$87,844 | \$1,603 | \$21,083 | \$110,530 |
| 22 | 7/1/2026 | \$91,705 | \$1,674 | \$22,009 | \$115,388 |
| <u>23</u> | 8/1/2026 | \$94,602 | \$1,727 | \$22,704 | \$119,033 |
| 24 | 9/1/2026 | \$96,397 | \$1,760 | <u>\$23,135</u> | \$121,292 |
| <u>25</u> | 10/1/2026 | <u>\$97,007</u> | <u>\$1,771</u> | \$23,282 | \$122,060 |
| <u>26</u> | 11/1/2026 | <u>\$96,397</u> | <u>\$1,760</u> | <u>\$23,135</u> | \$121,292 |
| <u>27</u> | 12/1/2026 | <u>\$94,602</u> | \$1,727 | \$22,704 | \$119,033 |
| <u>28</u> | 1/1/2027 | <u>\$91,045</u> | \$1,662 | \$21,851 | \$114,558 |
| <u>29</u> | 2/1/2027 | <u>\$87,213</u> | \$1,592 | \$20,931 | \$109,736 |
| <u>30</u> | 3/1/2027 | \$82,592 | \$1,508 | \$19,822 | \$103,922 |
| <u>31</u> | 4/1/2027 | <u>\$77,376</u> | \$1,412 | \$18,570 | \$97,358 |
| <u>32</u> | 5/1/2027 | <u>\$71,759</u> | <u>\$1,310</u> | \$17,222 | \$90,291 |
| <u>33</u> | 6/1/2027 | <u>\$65,926</u> | <u>\$1,203</u> | \$15,822 | <u>\$82,951</u> |
| <u>34</u> | 7/1/2027 | <u>\$60,046</u> | <u>\$1,095</u> | \$14,411 | \$75,552 |
| <u>35</u> | 8/1/2027 | <u>\$54,262</u> | <u>\$990</u> | \$13,023 | \$68,275 |
| <u>36</u> | 9/1/2027 | <u>\$48,687</u> | <u>\$889</u> | <u>\$11,685</u> | <u>\$61,261</u> |
| <u>37</u> | <u>10/1/2027</u> | <u>\$43,407</u> | <u>\$792</u> | <u>\$10,418</u> | <u>\$54,617</u> |
| <u>38</u> | 11/1/2027 | <u>\$38,481</u> | <u>\$702</u> | <u>\$9,235</u> | <u>\$48,418</u> |
| <u>39</u> | <u>12/1/2027</u> | <u>\$33,941</u> | <u>\$619</u> | <u>\$8,146</u> | <u>\$42,706</u> |
| <u>40</u> | 1/1/2028 | <u>\$29,784</u> | <u>\$544</u> | <u>\$7,148</u> | <u>\$37,476</u> |
| <u>41</u> | 2/1/2028 | <u>\$26,052</u> | <u>\$475</u> | <u>\$6,252</u> | \$32,779 |
| <u>42</u> | 3/1/2028 | <u>\$22,707</u> | <u>\$414</u> | <u>\$5,450</u> | <u>\$28,571</u> |
| <u>43</u> | 4/1/2028 | <u>\$19,736</u> | <u>\$360</u> | <u>\$4,737</u> | \$24,833 |
| <u>44</u> | 5/1/2028 | <u>\$17,108</u> | <u>\$312</u> | <u>\$4,106</u> | \$21,526 |
| <u>45</u> | 6/1/2028 | <u>\$14,796</u> | <u>\$270</u> | <u>\$3,551</u> | <u>\$18,617</u> |
| <u>46</u> | 7/1/2028 | <u>\$12,772</u> | <u>\$233</u> | <u>\$3,065</u> | <u>\$16,070</u> |
| <u>47</u> | 8/1/2028 | <u>\$11,006</u> | <u>\$201</u> | <u>\$2,641</u> | \$13,848 |
| <u>48</u> | 9/1/2028 | <u>\$9,472</u> | <u>\$173</u> | <u>\$2,273</u> | <u>\$11,918</u> |
| <u>49</u> | 10/1/2028 | <u>\$8,140</u> | <u>\$148</u> | <u>\$1,954</u> | \$10,242 |
| <u>50</u> | 11/1/2028 | <u>\$6,988</u> | <u>\$127</u> | <u>\$1,677</u> | \$8,792 |
| Total | | \$2,953,236 | \$42,838 | <u>\$563,303</u> | \$2,347,095 |

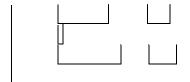
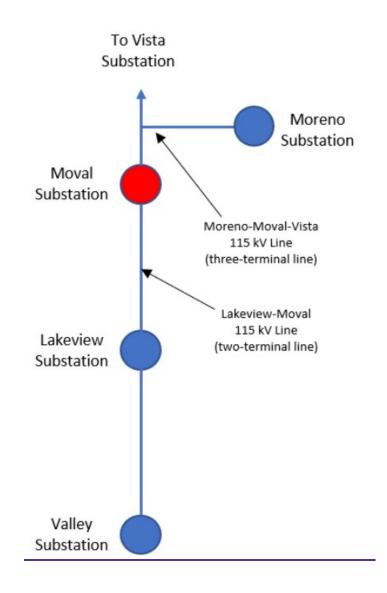
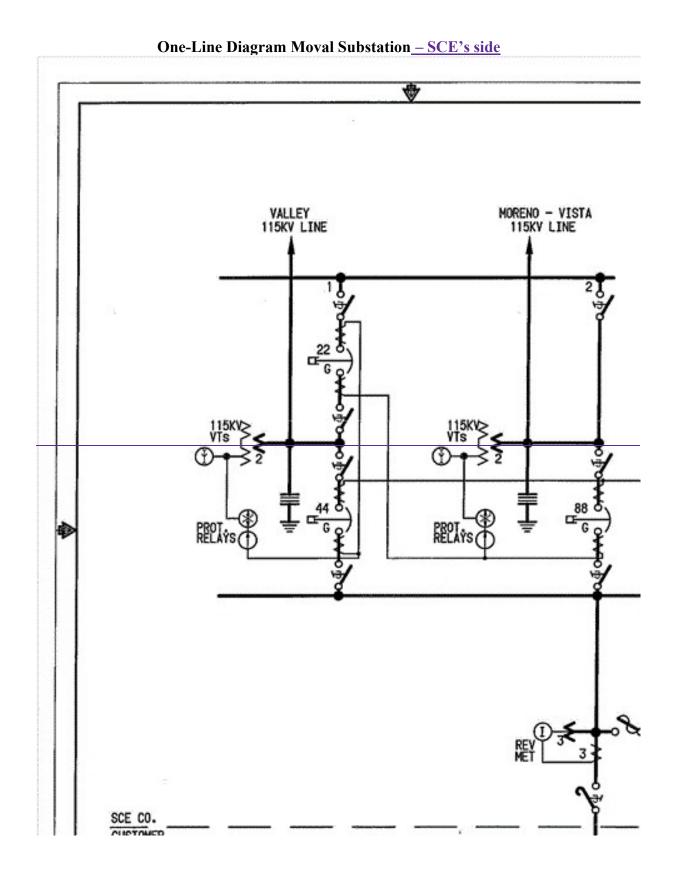


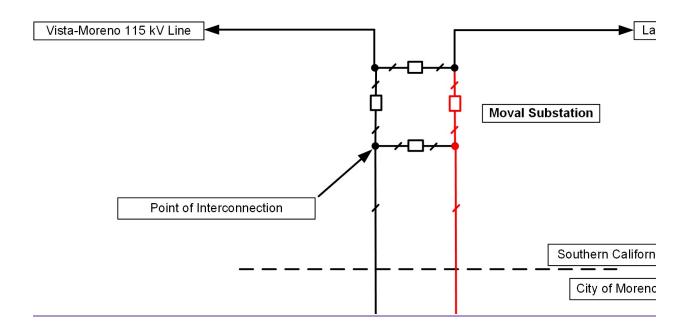
Exhibit D

One Line Diagram – 115 kV Interconnection Project Plan of Service





WDT168EXP



<u>One-Line Diagram Moval Substation – Moreno Valley's side</u>

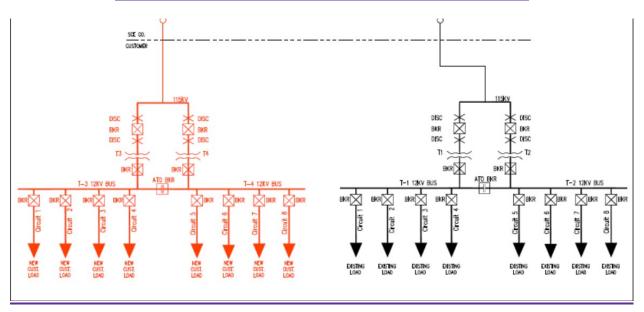


Exhibit E

Interconnection Facilities Description – 115 kV Interconnection Project Expansion

1. SCE Scope of Work

A. Environmental, licensing, and permits activities.

Perform all environmental studies and prepare draft environmental permit applications related to the installation of the Moval-City of Moreno Valley No. 2 115 kV Line related to SCE internal substation activities and facilities. Perform and/or coordinate the required environmental activities and obtain required licensing and permits for the installation of SCE's Interconnection Facilities, including any associated telecommunication equipment, if applicable. SCE will act as the lead for regulatory agency communication for permits issued to SCE covering such SCE facilities.

B. Moval Substation

- 1. Rewire and retest existing relays to protect the new 115kV line position.
- 2. Install facilities for 1 additional line to customer's facilities:
 - a. Three (3) sets of 115 kV disconnect switches, including steel structure and foundations.
 - b. One (1) 115 kV circuit breaker including foundation.
 - c. Three (3) metering voltage transformers, including steel structure and foundations.
 - d. Three (3) metering current transformers, including steel structure and foundations.
 - e. One (1) roto-switch at the interface cabinet.

C. Telecommunications

- 1. Install all required lightwave, channel banks, and associated equipment (including terminal equipment), supporting line protection at Moval Substation at the customer's facilities.
- 2. Extend the customer's diverse fiber optic cable from POCO into Moval MEER.

D. Metering - Scope of Work

Install meters required to meter the retail load at the City of Moreno Valley.

Notwithstanding that the meters will be located on the Interconnection Customer's side of the Point of Change of Ownership, SCE shall own, operate and maintain such facilities as part of the SCE's Interconnection Facilities.

E. Power System Controls.

- 1. Install one (1) RTU at the City of Moreno Valley facilities to monitor typical elements such as MW, MVAR, terminal voltage and circuit breaker status, plant auxiliary load, and transmit the information received thereby to the SCE's Grid Control Center. Notwithstanding that the RTU will be located on the customer's side of the Point of Change of Ownership, SCE shall own, operate, and maintain the RTU as part of the Interconnection Facilities.
- 2. Add points to existing RTU at Moval Substation to include points for new

protection relay/status/alarm/control.

F. Real Properties.

Obtain easements and/or acquire land for the installation of SCE's Interconnection Facilities.

2. Moreno Valley Scope of Work

Environmental activities, licensing, and permits

Perform all environmental studies and prepare draft environmental permit applications related to the installation of the Moval-City of Moreno Valley No. 2 115 kV Line, except for the SCE internal substation activities.

1 2 SERVICE AGREEMENT FOR WHOLESALE DISTRIBUTION SERVICE 3 4 5 1. This Service Agreement, dated as of the date executed by the Distribution Customer, is 6 entered into, by and between Southern California Edison Company ("Distribution Provider"), 7 and the City of Moreno Valley ("Distribution Customer"). 2. The Distribution Customer has been determined by the Distribution Provider to have a 8 Completed Application for Distribution Service under the Tariff. 9 3. 10 The Distribution Customer has provided to the Distribution Provider an Application deposit in the amount of \$ 48,400, in accordance with the provisions of Section 15.2 of the 11 12 Tariff. 13 4. Service under this Service Agreement shall commence on the later of (1) eight months following the effective date of the 115 kV Interconnection Project Wholesale 14 Distribution Load Interconnection Facilities Agreement between Distribution Provider and 15 Distribution Customer executed concurrently herewith, or (2) the date on which construction of 16 17 any Direct Assignment Facilities and/or Distribution System Upgrades specified in Sections 7.0 18 and 8.0 of the attached Specifications For Wholesale Distribution Service are completed and all additional requirements are met pursuant to Section 13.5 of the Tariff, or (3) such other date as it 19 20 is permitted to become effective by the Commission. Service under this Service Agreement shall 21 terminate on the earliest of the following to occur: (1) 30 years from the commencement date of Distribution Service under this Service Agreement, or (2) the termination date of the 115 kV 22

Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement

Issued by: James A. Cuillier, Manager, FERC Rates & Regulation Issued on:

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between Distribution Provider and Distribution Customer executed concurrently herewith ("Interconnection Agreement"), or (3) the date on which Distribution Provider terminates service at Distribution Provider's option, upon failure by Distribution Customer to provide advance notice to Distribution Provider of changes in Wholesale Distribution Load in accordance with Section 2.3 of Attachment B to the Tariff and subject to FERC acceptance. After the Interconnection Facilities In-Service Date, Distribution Customer shall provide Distribution Provider advance notice prior to making any changes (other than maintenance) to the power transformation facilities and equipment which comprise the Distribution Customer's distribution systems serving the Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue developments, as defined in the Interconnection Agreement. Distribution Customer shall notify Distribution Provider within a reasonable time prior to the date when any such changes are planned to be placed in service so that the Distribution Provider can evaluate any potential system impacts which may occur as a result of such changes and whether such changes will require a new Application pursuant to the Tariff. If Distribution Customer fails to provide Distribution Provider advance notice of changes to the Distribution Customer's power transformation equipment and related facilities and any such change does or may cause adverse system impacts or is or may be materially inconsistent with the service provided pursuant to this Service Agreement, Distribution Provider shall have the right to terminate this Service Agreement subject to Commission acceptance or approval. Distribution Customer shall not cause the 115 kV Interconnection Project, as defined in the Interconnection Agreement, to operate in parallel with or to interconnect to any other electrical facilities, which facilities shall include, but not be limited to, Distribution Customer's distribution systems served under other WDAT interconnection facilities agreements or service agreements, any generating facilities,

Issued by: James A. Cuillier, Manager, FERC Rates & Regulation

Issued on:

| 1 | other Distribution Provider facilities, or any facilities served by other electric utilities without | | | | | | | |
|----|--|--|--|--|--|--|--|--|
| 2 | receiving prior review and authorization from Distribution Provider. If Distribution Customer | | | | | | | |
| 3 | fails to comply with the requirements set forth in this Section 4, then, Distribution Provider shall | | | | | | | |
| 4 | have the right to terminate this Agreement, subject to Commission acceptance or approval. | | | | | | | |
| 5 | 5. The Distribution Provider agrees to provide and the Distribution Customer agrees to take | | | | | | | |
| 6 | and pay for Distribution Service in accordance with the provisions of the Tariff and this Service | | | | | | | |
| 7 | Agreement. | | | | | | | |
| 8 | 6. Any notice or request made to or by either Party regarding this Service Agreement shall | | | | | | | |
| 9 | be made to the representative of the other Party as indicated below. | | | | | | | |
| 10 | Distribution Provider: | | | | | | | |
| 11 | Southern California Edison Company | | | | | | | |
| 12 | Director of Grid Contracts | | | | | | | |
| 13 | P. O. Box 800 | | | | | | | |
| 14 | 2244 Walnut Grove Avenue | | | | | | | |
| 15 | Rosemead, California 91770 | | | | | | | |
| 16 | Telefax No. (626) 302-9292 | | | | | | | |
| 17 | Telephone No. (626) 302-1771 | | | | | | | |
| 18 | | | | | | | | |
| 19 | Distribution Customer: | | | | | | | |
| 20 | City of Moreno Valley | | | | | | | |
| 21 | City Manager's Office | | | | | | | |
| 22 | Attn: City Manager | | | | | | | |
| 23 | 14177 Frederick Street | | | | | | | |
| 24 | Moreno Valley, CA 92552-0805 | | | | | | | |
| 25 | Telefax No. (909) 413-3000 | | | | | | | |
| 26 | Telephone No. (909) 413-3750 | | | | | | | |
| 27 | | | | | | | | |

Effective:

| 7. | The Tariff and attached Specifications For Wholesale Distribution Service are | |
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| incor | porated herein and made a part hereof. | |
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Issued by: James A. Cuillier, Manager, FERC Rates & Regulation

Issued on:

| 1 | IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by | | | | | | | |
|----------|--|-------------------------|--------------------|---------|--|--|--|--|
| 2 | their respective authorized officials. | | | | | | | |
| 3 | | | | | | | | |
| 4 | Distribution Prov | vider: | | | | | | |
| 5 | | | | | | | | |
| 6 | /S/ | | Sr. Vice President | 5/8/06 | | | | |
| 7 | By: | | | | | | | |
| 8 | | Ronald L. LitzingerName | Title | Date | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |
| 11 | Distribution Cust | omer: | | | | | | |
| 12 | | | | | | | | |
| | | | | | | | | |
| 13 | /S/ | | Mayor | 7/12/06 | | | | |
| 13 14 | | | | | | | | |
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| 1 | SPECIFICATIONS FOR WHOLESALE DISTRIBUTION SERVICE |
|----|---|
| 2 | |
| 3 | 1. Term of Transaction: <u>See Section 4 of the Service Agreement</u> |
| 4 | Service Commencement Date: See Section 4 of the Service Agreement |
| 5 | Termination Date: See Section 4 of the Service Agreement |
| 6 | 2. For a Resource connected to the Distribution Provider's Distribution System, a |
| 7 | description of capacity and energy to be transmitted by Distribution Provider and a five year |
| 8 | forecast of monthly Generation: Not Applicable. |
| 9 | 3. Point of Receipt: <u>The ISO Grid at Distribution Provider's Valley Substation</u> , 500 kV bus. |
| 10 | Point of Delivery: The Distribution Provider's interconnection with the Distribution |
| 11 | Customer as described in the 115 kV Interconnection Project Wholesale Distribution Load |
| 12 | Interconnection Facilities Agreement between Distribution Provider and the Distribution |
| 13 | Customer executed concurrently herewith. |
| 14 | Receiving Party: <u>Distribution Customer.</u> |
| 15 | 4. Description of Wholesale Distribution Load at the Point of Delivery (including a five |
| 16 | year forecast of monthly load requirements): <u>Electric energy delivered by the Distribution</u> |
| 17 | Provider at 115 kV for use to serve Distribution Customer's Wholesale Distribution Loads |
| 18 | connected to the Distribution Customer's 115/12 kV Substation as defined in the 115 kV |
| 19 | Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement |
| 20 | between Distribution Provider and the Distribution Customer executed concurrently herewith. |
| 21 | 5. Interruptible Load amount (summer and winter), location and conditions/limitations (five |
| 22 | year forecast): None. |

For Resources, the maximum amount of capacity and energy to be transmitted. For 1 6. 2 Wholesale Distribution Load, the estimated peak load for informational purposes only: 3 Contract Demand 2028 and beyond Year Prior to 2025 2025 2026 2027 12,000 kW 48,200 kW 66,200 kW Capacity 24,200 kW 30,200 kW 4 5 12,000 kW for 2006, 15,600 kW for 2007, 18,800 kW for 2008, 22,000 kW for 2009 and 24,200 6 kW for 2010. The contract demand is 12,000 kW- and is subject to increase based on increases 7 to Distribution Customer's Wholesale Distribution Load. 7. Direct Assignment Facilities: The Interconnection Facilities described in the 115 kV 8 Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement 9 10 between Distribution Provider and Distribution Customer executed concurrently herewith. 8. 11 Distribution System Upgrades required prior to the commencement of service: None 9. 12 Real Power Loss Factors: 0.43% 13 10. Power Factor: The Distribution Customer is required to maintain its power factor within 14 a range of 0.95 lagging to 0.95 leading (or, if so specified in the Service Agreement, a greater 15 range), pursuant to Good Utility Practice. This provision recognizes that a Distribution 16 Customer may provide reactive power support in accordance with Section 12.10 (Self Provision 17 of Ancillary Services), of this Tariff. 18 11. Distribution Service under this Agreement will be subject to the charges detailed below. Customer Charge: \$ 7.31/month. 19 11.1 20 11.2 Demand Charge: The Demand Charge is the product of the Demand Rate 21 expressed as \$/kW-mo and the monthly Billing Demand expressed in kW. 22 11.2.1 The Demand Rate is \$ 0.87/kW per month

| 1 | 11.2.2 Billing Demand is the higher of the metered demand or the contract |
|----|--|
| 2 | demand. The metered demand is the hourly demand averaged over 15 or |
| 3 | 5-minute intervals, summed for a month and expressed in kilowatts. The |
| 4 | metered demand is rounded to the nearest kW. The Distribution Provider |
| 5 | will meter the Distribution Customer's demand using a 15-minute interval |
| 6 | under normal conditions. If such demand is intermittent or subject to |
| 7 | violent fluctuations, a 5-minute interval may be used. The contract |
| 8 | demand is as set forth in Section 6 above. |
| 9 | Facilities Charge: The charges as provided in the 115 kV Interconnection |
| 10 | Project Wholesale Distribution Load Interconnection Facilities Agreement |
| 11 | between Distribution Provider and Distribution Customer executed |
| 12 | concurrently herewith. |
| 13 | 11.4 System Impact and/or Facilities Study Charge(s): None |
| 14 | 12. Letter of credit or alternative form of security to be provided and maintained by |
| 15 | Distribution Customer pursuant to Sections 8 and 16.4 of the Tariff: <u>Provided for in the 115 kV</u> |
| 16 | Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement |
| 17 | between Distribution Provider and Distribution Customer executed concurrently herewith. |
| | |

Exhibit B Amendment Revisions to the IFA and DSA with Changes Accepted

FERC FPA Electric Tariff

Southern California Edison Company Tariff Title: Wholesale Distribution Access Tariff Tariff Record Title: First Revised Service Agreement No. 149

115 KV INTERCONNECTION PROJECT WHOLESALE DISTRIBUTION LOAD INTERCONNECTION FACILITIES AGREEMENT

BETWEEN

CITY OF MORENO VALLEY

AND

SOUTHERN CALIFORNIA EDISON COMPANY

Contract Effective Date: 07/22/2006 Tariff Record Proposed Effective Date: 09/01/2024 905.149.5 Version Number: 15.0.0

WDT168 Option Code: A

115 kV INTERCONNECTION PROJECT WHOLESALE DISTRIBUTION LOAD INTERCONNECTION FACILITIES AGREEMENT BETWEEN CITY OF MORENO VALLEY

AND SOUTHERN CALIFORNIA EDISON COMPANY

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115 kV INTERCONNECTION PROJECT WHOLESALE DISTRIBUTION LOAD INTERCONNECTION FACILITIES AGREEMENT BETWEEN CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON COMPANY

1. Parties:

The Parties to this Interconnection Facilities Agreement are the City of Moreno Valley, ("Moreno Valley"), a municipality in the State of California, and Southern California Edison Company ("SCE"), a California corporation, hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

2. Recitals:

This Agreement is made with reference to the following facts, among others:

- 2.1. SCE is a California public utility engaged in the business of generating and transmitting electric energy in the States of Arizona, California, Nevada, and New Mexico. SCE is further engaged in the business of distributing such energy in the State of California.
- 2.2. Moreno Valley is a municipality in the state of California.
- 2.3. Moreno Valley submitted an interconnection request in 2005 to SCE for interconnection and wholesale Distribution Service from the ISO Grid to a new SCE-owned 115 kV substation at Moreno Valley owned property located in Moreno Valley. Moreno Valley requested that SCE loop the Valley-Moreno-Vista 115 kV transmission line into the new SCE-owned 115 kV substation and proposed that Moreno Valley construct and own a new 115/12 kV substation, interconnect the 115/12 kV substation to SCE's new 115 kV substation and transfer the existing Wholesale Distribution Loads currently served under Moreno Valley's Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue interconnection facilities agreements and WDAT service agreements. The amount of Distribution Service requested is 12,000 kW for 2006, 15,600 kW for 2007, 18,800 kW for 2008, 22,000 kW for 2009 and 24,200 kW for 2010.
- 2.4. The Parties desire to enter into this Agreement and the Service Agreement to specify the terms for SCE to provide interconnection; for SCE to engineer, design, construct, install, own, operate and maintain the Interconnection Facilities; and for Moreno Valley to pay for such facilities.
- 2.5 SCE and Moreno Valley executed a WDAT Service Agreement in connection with this Agreement to implement wholesale Distribution Service under SCE's WDAT.
- 2.6 Moreno Valley submitted to SCE a request on September 2, 2023 for additional service of up to 66,200 kW by 2028. Such service is proposed to be provided from the SCE-owned Moval 115 kV substation by converting the existing three-element ringbus at Moval to a four-element ring-bus and utilizing the new ring-bus position to support the requested new 115 kV service.

3. Agreement:

In consideration of the promises and the mutual covenants and agreements contained herein, the Parties agree as follows:

4. **Definitions**:

All terms with initial capitalization not otherwise defined herein shall have the meanings assigned to them in SCE's WDAT as that Tariff may be amended from time to time. The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the meanings specified:

- 4.1. <u>Accounting Practice</u>: Generally accepted accounting principles and practices applicable to electric utility operations.
- 4.2. <u>Agreement</u>: This 115 kV Interconnection Project Interconnection Facilities Agreement between the City of Moreno Valley and Southern California Edison Company.
- 4.3. <u>Amendment Letter Agreement</u>: The agreement between the City of Moreno Valley and Southern California Edison Company to amend the 115 kV Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement, between City of Moreno Valley and Southern California Edison Company, Service Agreement No. 149 and the the Service Agreement for Wholesale Distribution Service Agreement between City of Moreno Valley and Southern California Edison Company Service Agreement No. 150, for the purpose of adding the required provisins to provide for the 115 kV Interconnection Project Expansion.
- 4.4. <u>Capital Additions</u>: Any Units of Property which are added to the Interconnection Facilities; the enlargement, modification or betterment of any Units of Property constituting a part of the Interconnection Facilities; or the replacement of any Units of Property constituting a part of the Interconnection Facilities, irrespective of whether such replacement constitutes an enlargement, modification or betterment of that which it replaces; the costs of which additions, enlargements, modifications, betterments or replacements in accordance with Accounting Practice would be capitalized and have not previously been included in the Interconnection Facilities Cost.
- 4.5. <u>Capital Additions Cost</u>: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of Capital Additions.
- 4.6. <u>Capital Additions Payment</u>: The sum of the Capital Additions Cost, associated ITCC and associated One-Time Cost.
- 4.7. <u>CPUC</u>: The California Public Utilities Commission, or its regulatory successor.
- 4.8. Credit Provider: Provider of any Credit Support.
- 4.9. <u>Credit Support</u>: Parent guarantee, letter of credit, surety bond, or other security meeting the requirements of Section 7.2.
- 4.10. <u>Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities</u>: The rate most recently adopted by the CPUC for application to SCE's retail electric customers for customer-financed added facilities, which does not compensate SCE for replacement of added facilities. The Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities is as provided in Attachment J of the WDAT.
- 4.11. FERC: Federal Energy Regulatory Commission, or its regulatory successor.

- 4.12. <u>Interconnection Facilities</u>: Facilities, as specified in Exhibit A, owned by SCE to interconnect Moreno Valley distribution systems serving Moreno Valley's Wholesale Distribution Loads at the Laselle Street, Cactus Avenue, Eucalyptus Avenue, and Cottonwood Avenue Developments (see new definitions) to the Distribution System, as such facilities may be modified during the term of this Agreement.
- 4.13. <u>Interconnection Facilities Charge</u>: The monthly charge to Moreno Valley to recover the revenue requirements for the Interconnection Facilities, calculated as the product of the Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities and the Interconnection Facilities Cost. The Interconnection Facilities Charge is provided in Exhibit B.
- 4.14. <u>Interconnection Facilities Cost</u>: All costs, excluding ITCC and One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of the Interconnection Facilities. The Interconnection Facilities Cost is provided in Exhibit B.
- 4.15. <u>Interconnection Facilities In-Service Date</u>: The date upon which the construction of the Interconnection Facilities is complete and such facilities are successfully tested and ready for service.
- 4.16. <u>Interconnection Facilities Payment</u>: The sum of the Interconnection Facilities Cost, associated with those Interconnection Facilities constructed by SCE, and ITCC and One-Time Cost associated with the Interconnection Facilities. The Interconnection Facilities Payment is provided in Exhibit B.
- 4.17. <u>ITCC</u>: The Income Tax Component of Contribution specified in the Preliminary Statement, Part M of SCE's tariff on file with the CPUC, applicable to the Interconnection Facilities Cost and the Capital Additions Cost. The ITCC applicable to the Interconnection Facilities Cost is provided in Exhibit B.
- 4.18. <u>Lakewiew Substation</u>: SCE's 115/12 kV Substation located at West of Reservior Ave and 10th Street, Lakeview, Californa.
- 4.19. Moreno Valley Cactus Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Cactus Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Cactus Avenue, near Moreno Beach Drive in the City of Moreno Valley.
- 4.20. Moreno Valley Cottonwood Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the End-Use Customers' loads at the Moreno Valley Cottonwood Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on the southwest corner of Cottonwood Avenue and Redlands Boulevard in the city of Moreno Valley.
- 4.21. Moreno Valley Eucalyptus Avenue: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Eucalyptus Avenue development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Eucalyptus Avenue, near Moreno Beach in the City of Moreno Valley.
- 4.22. Moreno Valley Lasselle Street: All equipment and facilities comprising Moreno Valley's distribution system serving the end-use customers' loads at the Moreno Valley Lasselle Street development, as described by Moreno Valley in its WDAT application and as installed by Moreno Valley located on Lasselle Street, nearYanez

- Trail in the City of Moreno Valley.
- 4.23. Moval-City of Moreno Valley No. 1 115 kV Line: The existing 115 kV service that terminates at the SCE Moval 115 kV Substation, installed pursuant to the 2005 115 kV interconnection request.
- 4.24. Moval-City of Moreno Valley No. 2 115 kV Line: The 115 kV service that will terminate at the SCE Moval 115 kV Substation following conversion of the existing Moval three-element ring-bus to a four-element ring-bus and pursuant to the 2023 interconnection request.
- 4.25. One-Time Cost: All costs determined by SCE to be associated with the installation of Interconnection Facilities or Capital Additions which are not capitalized. The Interconnection Facilities One-Time Cost is provided in Exhibit B.
- 4.26. 115 kV Interconnection Project: All equipment and facilities comprising the project, as disclosed by Moreno Valley in its 115 kV Interconnection Request, including but not limited to Moreno Valley constructing a new 115 kV substation, deeding the ownership of the 115 kV substation to SCE, SCE looping the Valley-Moreno-Vista 115 kV transmission line into the new SCE owned 115 kV substation, Moreno Valley constructing and owning a new 115/12 kV substation interconnecting the 115/12 kV substation to the new SCE owned115 kV substation and transferring the existing Wholesale Distribution Loads from Moreno Valley's Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue interconnection facilities agreements and WDAT Service Agreements.
- 4.27. 115 kV Interconnection Project Expansion: All equipment and facilities comprising Moreno Valley's request of September 2, 2023 for additional Wholesale Load service upto 66,200 kW by 2028 and the request for the installation of a Moval City of Moreno Valley No. 2 115 kV Line (Note: The Valley-Moval 115 kV line has since been looped into SCE's Lakeview substation resulting in the creation of the Valley-Lakeview and Lakeview-Moval 115kV lines).
- 4.28. 115 kV Interconnection Project Expansion In-Service Date: The date upon which the construction of the 115 kV Interconnection Project Expansion is complete and such facilities are successfully tested and ready for service.
- 4.29. <u>Removal Cost</u>: The actual cost SCE incurs for the removal of the Interconnection Facilities, which is calculated as the amount, if positive, of the costs of removal minus the salvage value of the Interconnection Facilities.
- 4.30. <u>Service Agreement</u>: The Service Agreement For Wholesale Distribution Service between the Parties executed concurrently herewith.
- 4.31. <u>Units of Property</u>: As described in FERC's "List of Units of Property for Use in Connection with Uniform System of Accounts Prescribed for Public Utilities and Licensees" in effect as of the date of this Agreement, and as such list may be amended from time to time.
- 4.32. <u>Valley Substation</u>: SCE's 500/115 kV Substation located at 26125 Menifee Rd, Romoland, CA, 92380.
- 4.33. <u>Vista Substation</u>: SCE's 220/115 kV Substation located at 22200 Newport Avenue, Grand Terrace, CA 92324.
- 4.34. WDAT: SCE's Wholesale Distribution Access Tariff.

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5. Effective Date And Term:

- 5.1. This Agreement shall become effective upon the effective date ordered by FERC ("Effective Date").
- 5.2. This Agreement shall terminate on the earliest of (i) the termination date of the Service Agreement, (ii) the date specified by Moreno Valley upon one hundred eighty (180) calendar days advance written notice to SCE if the notice of termination is received by SCE on or after the Interconnection Facilities In-Service Date (iii) the date specified by Moreno Valley upon thirty (30) calendar days advance written notice to SCE if the notice of termination is received by SCE before the Interconnection Facilities In-Service Date (iv) the date specified by SCE pursuant to Sections 8.8 or 13.4.
- 5.3. Any obligations of one Party to the other, including payment obligations, as a result of this Agreement, which accrued prior to or as a result of termination of this Agreement, shall survive termination.
- 5.4. If Moreno Valley has given notice of termination and a filing with FERC is required to terminate this Agreement, Moreno Valley shall support such filing before the FERC if requested by SCE.
- 5.5. Upon termination of this Agreement, Moreno Valley shall pay SCE any remaining balance owed for SCE's costs incurred or irrevocably committed to be incurred pursuant to this Agreement as of the effective date of termination within sixty (60) calendar days following receipt of a billing from SCE requiring such payment. Such billing shall reflect all payments received by SCE, which shall be credited against the amount of SCE's costs and expenses incurred or irrevocably committed to be incurred in accordance with this Agreement.

6. Agreement Pursuant To The WDAT:

This Agreement provides terms regarding Interconnection Facilities, Delivery Upgrades, Distribution System Facilities and Reliability Upgrades associated with wholesale Distribution Service pursuant to the WDAT. Accordingly, the rights and obligations of the Parties pursuant to this Agreement are subject to applicable provisions of the WDAT, including without limitation its provisions regarding indemnification and Uncontrollable Force, in addition to the provisions of this Agreement. In case of a conflict in the terms contained in this Agreement and the terms in the WDAT, the terms of the WDAT shall apply. Moreno Valley has read and is familiar with the terms of the WDAT.

7. Creditworthiness:

7.1. Upon the Effective Date and until all payment obligations of Moreno Valley to SCE under this Agreement and the Service Agreement, including any obligation to pay the Removal Cost in accordance with Section 12.1, have been finally and irrevocably paid after the termination date pursuant to Section 5, Moreno Valley shall either maintain an unsecured long-term debt rating of A2 or higher from Moody's Investor Service, Inc. ("Moody's") or A or higher from Standard and Poor's Corporation ("S&P") or provide and maintain additional security as described in Section 7.2 clauses (b) through (e).

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- Upon the Effective Date, Moreno Valley shall provide to SCE, in a form that is acceptable to SCE in its sole discretion, (a) evidence that Moreno Valley has one of the ratings specified in Section 7.1; (b) an unconditional and irrevocable guarantee of Moreno Valley's obligations from a parent company of Moreno Valley that has an unsecured long-term debt rating of A2 or higher from Moody's or A or higher from S&P, together with evidence of one of such ratings; (c) an unconditional and irrevocable letter of credit in US dollars from a depository institution organized under the laws of the United States of America or any State (or any domestic branch of a foreign bank), which (i) has either (A) a long-term unsecured debt rating of A or higher by S&P or A2 or higher by Moody's or (B) a certificate of deposit rating of A-1+ by S&P and P-1 by Moody's, and (ii) whose deposits are insured by FDIC, together with evidence of such ratings; (d) an unconditional and irrevocable surety bond in US dollars issued by an insurance company that has and maintains an Insurance Financial Strength rating of A2 or higher from Moody's or A or higher from S&P, and is rated no less than A- (with a minimum size rating of VIII) by Best's Insurance Guide and Key Ratings, together with evidence of such ratings or (e) other security that is acceptable to SCE in its sole discretion.
- 7.3. Until all payment obligations of Moreno Valley to SCE under this Agreement and the Service Agreement, including any obligation to pay the Removal Cost in accordance with Sections 10.2, 12.1 and 13.2, have been finally and irrevocably paid after the termination date pursuant to Section 5, Moreno Valley shall provide to SCE, within ten (10) calendar days after June 30 and December 31 of each year, evidence of the then current applicable ratings of Moreno Valley or the Credit Provider of any Credit Support being maintained for the benefit of SCE hereunder; and if any such applicable rating is reduced at any time, Moreno Valley shall notify SCE in writing within five (5) calendar days after such reduction.
- 7.4. Any Credit Support provided hereunder shall be payable in at least the amount specified in Section 7.5, and shall be issued in favor of or for the benefit of SCE and its successors and assignees, and shall state that it may be drawn upon in whole or in part by SCE or its successors or assignees at any time (i) if a substitute Credit Support meeting the requirements of Section 7.2 is not provided within ten (10) calendar days after any reduction in the applicable rating of the Credit Provider meeting the requirements of Section 7.2 below the level specified herein; (ii) if a substitute Credit Support has not been provided at least thirty (30) calendar days before any expiration of the Credit Support; or (iii) upon any failure by Moreno Valley to make any payment required by this Agreement and the Service Agreement when due and following the expiration of any applicable cure period, pursuant to Section 13.4.
- 7.5. The amount available to be drawn under any Credit Support shall be equal to \$2,389,933. The disposition of any released Credit Support shall be directed by Moreno Valley.
- 7.6. In addition to the provisions described above, any Credit Support provided hereunder shall contain such terms, conditions, waivers, representations, covenants, and other provisions as may be customary for similar instruments delivered in the State of California, as approved by SCE in its reasonable discretion.
- 7.7. Within thirty (30) calendar days of the Amendment Letter Agreement Effective Date, Effective Date, Moreno Valley shall provide to SCE, in a form that is acceptable to SCE

in its sole discretion, security that is acceptable to sCE pursuant to Section 7.1 of the Agreement, and Section 7.5 of the Agreement, to provide for the <u>115 kV Interconnection Project Expansion</u>.

8. Interconnection Facilities:

- 8.1. Moreno Valley is responsible for engineering and constructing Moval Substation, at its cost, as set forth in Exhibit A hereof under the caption Moval Substation Scope of Work by Moreno Valley.
- 8.2. Moreno Valley shall make all necessary arrangements for easements required in order for SCE to comply with its obligations under this Agreement. SCE shall provide forms of easement agreements for execution by affected property owners. Notwithstanding any other provision of this Agreement, SCE shall have no obligation to install the Interconnection Facilities prior to the effective date of such easement agreements.
- 8.3. Moreno Valley shall perform the environmental, licensing, and permitting activies for the 115 kV Interconnection Project Expansion as set forth in Exhibit E Section 2. make all necessary arrangements for easements required in order for SCE to comply with its obligations under this Agreement. SCE shall provide forms of easement agreements for execution by affected property owners. Notwithstanding any other provision of this Agreement, SCE shall have no obligation to install the Interconnection Facilities prior to the effective date of such easement agreements.

8.4.

- 8.5. SCE is responsible for performing the Scope of Work by SCE as set forth in Exhibit A pursuant to Good Utility Practice and apply for any regulatory approvals necessary for the construction, operation and maintenance of the Interconnection Facilities.
- 8.6.SCE is responsible for performing the Scope of Work by SCE for the 115 kV Interconnection Project Expansion as set forth in Exhibit E Section 1 pursuant to Good Utility Practice and apply for any regulatory approvals necessary for the construction, operation and maintenance of the 115 kV Interconnection Project Expansion.
- 8.7. SCE shall use commercially reasonable efforts to complete the Scope of Work by SCE as set forth in Exhibit A hereof, successfully test and declare ready for service the described facilities on or before eight months from the Effective Date. However, Moreno Valley understands and acknowledges that such dates are only estimates and that equipment and material lead times, labor availability, outage coordination, regulatory approvals, or other unforeseen events could delay the actual in-service date(s) beyond those specified. SCE's efforts to complete the Scope of Work by SCE is contingent upon Moreno Valley's timely completion of the work required to be performed by it in accordance with Section 8.1; thus, any delay by Moreno Valley in performing Work To Be Performed By Moreno Valley as described in Exhibit A may cause delay in completion of the Scope of Work by SCE.
- 8.8.SCE shall use commercially reasonable efforts to complete the Scope of Work by SCE as set forth in Exhibit E Section 1. For the 115 kV Interconnection Project Expansion, successfully test and declare ready for service the described facilities on or before fifty-

one (51) months from the Amendment Letter Agreement effective date. However, Moreno Valley understands and acknowledges that such dates are only estimates and that equipment and material lead times, labor availability, outage coordination, regulatory approvals, or other unforeseen events could delay the actual in-service date(s) beyond those specified. SCE's efforts to complete the Scope of Work by SCE is contingent upon Moreno Valley's timely completion of the work required to be performed by it in accordance with Exhibit E Section 2; thus, any delay by Moreno Valley in performing Work To Be Performed By Moreno Valley may cause delay in completion of the Scope of Work by SCE.

- 8.9. SCE shall own, operate and maintain the Interconnection Facilities.
- 8.10. Moreno Valley shall transfer the ownership of Moval Substation as described in Exhibit A, hereof, to SCE within forty five (45) days following completion of the Moval Substation. SCE will not energize the facilities necessary to provide interconnection to Moreno Valley until Moreno Valley transfers the ownership of Moval Substation to SCE.
- 8.11. The maximum capacity of the Interconnection Facilities made available by SCE to Moreno Valley for the purpose of interconnecting and delivering energy and other services from the ISO under this Agreement shall be 66,200kW. Moreno Valley acknowledges that if Moreno Valley wishes to increase the amount of Distribution Service provided pursuant to this Agreement and the Service Agreement, Moreno Valley shall be required to submit a new application for Distribution Service in accordance with the terms and conditions of the WDAT.
- 8.12. Moreno Valley shall not cause it's distribution systems serving the Wholesale Distribution Loads at the Laselle Street, Cactus Avenue, Eucalyptus Avenue, and Cottonwood Avenue Developments to operate in parallel with or to interconnect to any other electrical facilities, which facilities shall include, but not be limited to, Moreno Valley's distribution systems served under other WDAT interconnection facilities agreements or service agreements, any generating facilities, other SCE facilities, or any facilities served by other electric utilities without receiving prior review and authorization from SCE. If Moreno Valley fails to comply with the requirements set forth in this Section 8.8, then SCE shall have the right to terminate this Agreement, subject to FERC acceptance or approval.
- 8.13. Moreno Valley shall cause its electrical facilities to be a balanced system across all three phases.
- 8.14. This Agreement governs the facilities required to interconnect Moreno Valley's distribution systems serving the Moreno Valley, Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue developments to SCE's electrical system pursuant to the WDAT and as described herein. Moreno Valley shall be responsible for making all necessary operational arrangements with the ISO, including, without limitation, arrangements for obtaining transmission service from the ISO, and for scheduling delivery of energy and other services from the ISO Grid.

9. Capital Additions:

9.1. SCE shall engineer, design, construct, install, own, operate and maintain all Capital

- Additions pursuant to Good Utility Practice.
- 9.2. Except as otherwise provided in Section 9.3, whenever Capital Additions are required by SCE pursuant to Good Utility Practice (which may include compliance with system or regulatory requirements), Moreno Valley shall pay all charges associated with such Capital Additions in accordance with Section 13.
- 9.3. In the event that Capital Additions are required in order to benefit SCE, or because of damage caused by negligence or willful misconduct of SCE, Moreno Valley shall not bear cost responsibility for such Capital Additions. No adjustment will be made to the Interconnection Facilities Cost and no Capital Additions Cost, ITCC, or One-Time Cost will be charged to Moreno Valley for such Capital Additions.

10. Removal Of Interconnection Facilities:

- 10.1. Following termination of this Agreement, SCE will remove the Interconnection Facilities from service to Moreno Valley.
- 10.2. On or before the date one year following termination of this Agreement, SCE shall notify Moreno Valley whether SCE intends to physically remove the Interconnection Facilities or any part thereof. If SCE intends to physically remove the Interconnection Facilities or any part thereof, then SCE shall physically remove such facilities within two years from the date of notification of intent, and Moreno Valley shall pay the Removal Cost in accordance with Sections 12.1 and 13.2. If SCE does not intend to physically remove the Interconnection Facilities or any part thereof, then Moreno Valley shall have no obligation to pay such Removal Cost.

11. Other Taxes:

Moreno Valley shall be solely responsible for any taxes (including, but not limited to, property tax, sales and use tax, excise tax, and document transfer tax) that are asserted against any payments or asset transfers made by Moreno Valley to SCE under this Agreement for Interconnection Facilities and Capital Additions. SCE and Moreno Valley shall cooperate in good faith to appeal, protest, seek abatement of, or otherwise contest other taxes associated against payments or asset transfers made by Moreno Valley to SCE under this Agreement for Interconnection Facilities and Capital Additions.

12. Charges:

- 12.1. Moreno Valley shall pay to SCE the following charges in accordance with this Agreement: (a) Interconnection Facilities Payment; (b) Interconnection Facilities Charge; (c) Capital Additions Payment; (d) any reimbursable FERC fees pursuant to Section 18.3; (e) Removal Cost pursuant to Section 13.2; (f) other taxes pursuant to Section 11; and (g) termination charges pursuant to Section 5.5.
- 12.2. The Interconnection Facilities Cost, Capital Additions Cost, One-Time Cost, ITCC and Removal Cost shall be compiled in accordance with Accounting Practice.
- 12.3. If, during the term of this Agreement, SCE executes an agreement to provide service to another entity (other than retail load) which contributes to the need for the Interconnection Facilities, the charges due hereunder may be adjusted to appropriately

reflect such service based on SCE's cost allocation principles in effect at such time and shall be subject to FERC approval.

13. Billing And Payment:

13.1. Billing Procedure.

- 13.1.1. Except as otherwise specifically provided herein, commencing on or following the Effective Date, SCE will render bills to Moreno Valley for charges under this Agreement, and Moreno Valley shall pay such bills, in accordance with the Billing and Payment provisions of the WDAT.
- 13.1.2. Moreno Valley shall make payments to SCE for the Interconnection Facilities Payment according to the payment schedules shown in Exhibit C. The amount of such Interconnection Facilities Payment is based on SCE's cost estimates and shall be subject to later adjustment pursuant to Sections 13.1.9.3 and 13.1.9.4.
- 13.1.3. Commencing on or following the Interconnection Facilities In-Service Date, each month SCE will render bills to Moreno Valley for the Interconnection Facilities Charge. The Interconnection Facilities Charge payments shall initially be based on the estimated Interconnection Facilities Cost and such payments shall be subject to later adjustment pursuant to Sections 13.1.9.3 and 13.1.9.4. The Interconnection Facilities Charge for the first and last month of service hereunder shall be pro-rated based on the number of days in which service was provided during said months.
- 13.1.4. SCE will bill Moreno Valley for the Capital Additions Payment prior to commencing any work on any Capital Additions in accordance with Section 9.2; provided that, at SCE's sole discretion, SCE may bill Moreno Valley for the Capital Additions Payment after commencing such work if SCE determines that Capital Additions are required in accordance with safety or regulatory requirements or to preserve system integrity or reliability. Such billing shall initially be based on SCE's cost estimates and shall be subject to later adjustment pursuant to Sections 13.1.9.1 and 13.1.9.2.
- 13.1.5. Except as otherwise provided in Section 9.3, if certain Interconnection Facilities are removed to accommodate such Capital Additions and such removal results in a change in the Interconnection Facilities Cost, the Interconnection Facilities Charge shall be adjusted as of the in-service date of such Capital Additions to reflect the change in the Interconnection Facilities Cost.
- 13.1.6. Except as otherwise provided in Section 9.3, if such Capital Additions result in an increase in the Interconnection Facilities Cost, then the Interconnection Facilities Charge, shall be adjusted as of the in-service date of such Capital Additions to reflect the change in such costs.
- 13.1.7. Commencing on the Effective Date, SCE will render bills to Moreno Valley for any reimbursable FERC fees in accordance with Section 18.3. Such billing shall be for any reimbursable FERC fees or costs incurred since the preceding billing.
- 13.1.8. Within twelve (12) months following the earlier of 1) the date Moreno Valley

- transfers ownership of Moval Substation to SCE, or 2) the Moval Substation in-service date, Moreno Valley shall determine the actual recorded cost of Moval Substation, and provide SCE with a final accounting.
- 13.1.9. Within twelve (12) months following the Interconnection Facilities In-Service Date, the 115 kV Interconnection Project Expansion In-Service Date, or the in-service date of any Capital Additions, as the case may be, SCE shall determine the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, and provide Moreno Valley with a final invoice.
 - 13.1.9.1. If the amounts paid for the estimated Interconnection Facilities Payment, or the Capital Additions Payment are less than the amounts due for the Interconnection Facilities Payment, or the Capital Additions Payment as determined from the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, SCE will bill Moreno Valley for the difference between the amounts previously paid by Moreno Valley and the actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
 - 13.1.9.2. If the amounts paid for the estimated Interconnection Facilities Payment or the Capital Additions Payment are greater than the amounts due for the Interconnection Facilities Payment or the Capital Additions Payment as determined from the actual recorded Interconnection Facilities Cost or the Capital Additions Cost, including the associated One-Time Cost and ITCC, SCE will refund Moreno Valley the difference between the amounts previously paid by Moreno Valley and the actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
 - 13.1.9.3. If the amounts paid for the Interconnection Facilities Charge are less than the amounts due for the Interconnection Facilities Charge as determined from the actual recorded Interconnection Facilities Cost, SCE will bill Moreno Valley for the difference between the amounts previously paid by Moreno Valley and the amounts which would have been paid based on actual recorded costs, without interest, on the next regular billing.
 - 13.1.9.4. If the amounts paid for the Interconnection Facilities Charge are greater than the amounts due for the Interconnection Facilities Charge as determined from the actual recorded Interconnection Facilities Cost, SCE will credit Moreno Valley the difference between the amounts previously paid by Moreno Valley and the amounts which would have been paid based on actual recorded costs, without interest, on the next regular billing.
- 13.1.10. Charges for payments upon termination shall be billed and paid as provided in Section 5.

13.2. Removal Cost.

- 13.2.1. If, in accordance with Section 10.2, SCE decides to physically remove the Interconnection Facilities, SCE shall render a bill to Moreno Valley for the Removal Cost. Moreno Valley shall pay the Removal Cost in accordance with Section 12.1. Such billing shall be initially based on SCE's estimate of the Removal Cost. Within 12 months following the removal of the Interconnection Facilities, SCE shall determine the recorded Removal Cost and provide Moreno Valley with a final invoice.
- 13.2.2. If the amount paid for the Removal Cost is less than the amount due for the Removal Cost as determined from the actual recorded Removal Cost, SCE will bill Moreno Valley for the difference between the amount previously paid by Moreno Valley and the amount which would have been paid based on actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.
- 13.2.3. If the amount paid for the Removal Cost is greater than the amount due for the Removal Cost as determined from the actual recorded Removal Cost, SCE will refund Moreno Valley the difference between the amount previously paid by Moreno Valley and the amount which would have been paid based on actual recorded costs, without interest, within twenty (20) calendar days of the date of such invoice.

13.3. Interest On Unpaid Balances.

Interest on any unpaid amounts shall be calculated in accordance with the methodology specified in the Interest on Unpaid Balances provision of the WDAT.

13.4. **Default And Billing Dispute**.

Any default or billing dispute shall be handled in accordance with the methodology specified in the Customer Default provision of the WDAT, including, without limitation, the provision for termination upon default, subject to FERC approval.

14. Addresses For Billing And Payment:

14.1. All payments to be made by Moreno Valley to SCE shall be sent to:

Southern California Edison Company Accounts Receivable Box 600 Rosemead, California 91770-0600

SCE may, at any time, by written notice to Moreno Valley pursuant to Section 6 of the Service Agreement for Wholesale Distribution Service, change the address to which payments will be sent.

14.2. All billings to be presented by SCE to Moreno Valley shall be sent to:

City of Moreno Valley City Manager's Office Attn: City Manager 14177 Frederick Street Moreno Valley, CA 92552-0805

Moreno Valley may, at any time, by written notice to SCE pursuant to Section 6 of the Service Agreement for Wholesale Distribution Service, change the address to which billings will be sent.

15. Disputes:

With the exception of any billing dispute as provided pursuant to Section 13.4 herein, or as otherwise limited by law, the Dispute Resolution Procedures set forth in the WDAT shall apply to all disputes between Moreno Valley and SCE which arise under this Agreement; provided, however, that the Dispute Resolution Procedures set forth in the WDAT shall not apply as to disputes regarding whether rates and charges set forth in this Agreement are just and reasonable under the Federal Power Act.

16. Audits:

- 16.1. SCE will maintain records and accounts of all costs incurred in sufficient detail to allow verification of all costs incurred, including, but not limited to, labor and associated labor burden, material and supplies, outside services, and administrative and general expenses.
- 16.2. Moreno Valley shall have the right, upon reasonable notice, at a reasonable time at SCE's offices and at its own expense, to audit SCE's records and accounts as necessary and as appropriate in order to verify costs incurred by SCE. Any audit requested by Moreno Valley shall be limited to the costs reflected in the final invoice as set forth in Sections 13.1.8 or 13.2.1, and shall be completed, and written notice of any audit dispute provided to SCE pursuant to Section 6 of the Service Agreement, within one hundred eighty (180) calendar days following receipt by Moreno Valley of such final invoice.

17. Operating Representatives:

The responsibilities assigned to the Operating Representatives appointed pursuant to Section 3 of Attachment B to the Tariff shall extend to the activities required under this Agreement.

18. Regulatory Authority:

18.1. No later than thirty (30) calendar days following the execution of this Agreement, SCE shall tender this Agreement for filing with FERC with a request that it be made effective upon acceptance without suspension, and Moreno Valley shall support SCE

- in obtaining all necessary authorizations and approvals for this Agreement.
- 18.2. Nothing contained herein shall be construed as affecting in any way: (i) the right of SCE to unilaterally make application to the FERC for a change in rates, charges, classification, or service, or any rule, regulation, or contract relating thereto, under Section 205 of the Federal Power Act and pursuant to the Rules and Regulations promulgated by FERC thereunder; (ii) the right of Moreno Valley to oppose such changes under Section 205 of the Federal Power Act; (iii) the right of Moreno Valley to file a complaint requesting a change in rates, charges, classification, or service, or any rule, regulation or contract relating thereto, or rate methodology or design relating to services provided hereunder, under Section 206 of the Federal Power Act and pursuant to the rules and regulations promulgated by the FERC thereunder; or (iv) the right of SCE to oppose such complaint by Moreno Valley under Section 206 of the Federal Power Act. Any change shall become effective pursuant to Section 205 of the Federal Power Act.
- 18.3. Moreno Valley shall reimburse SCE for all fees and charges imposed on SCE by the FERC attributable to the service provided under this Agreement and the Service Agreement, or any amendments thereto.

19. No Dedication Of Facilities:

Any undertaking by one Party to the other Party under this Agreement shall not constitute the dedication of the electrical system or any portion thereof of the undertaking Party to the public or to the other Party, and it is understood and agreed that any such undertaking by a Party shall cease upon the termination of its obligations hereunder.

20. No Third Party Rights:

Unless otherwise specifically provided in this Agreement, the Parties do not intend to create rights in or grant remedies to any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established hereunder.

21. Relationship Of Parties:

The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this Agreement shall ever be construed to create an association, joint venture, trust, or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of or shall be deemed to control the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

22. Waivers:

Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement,

shall not be deemed a waiver with respect to any other or subsequent default or other matter arising in connection therewith. Any delay, short of any statutory period of limitation, in asserting or enforcing any right, shall not be deemed a waiver of such right.

23. Governing Law:

Except as otherwise provided by federal law, this Agreement shall be governed by and construed in accordance with, the laws of the state of California.

24. Notices:

Any notice, demand, or request provided in this Agreement, or served, given, or made in connection with it, shall be made in accordance with Section 6 of the Service Agreement.

25. Severability:

In the event that any term, provision, covenant, or condition of this Agreement or the application of any such term, covenant, or condition shall be held invalid as to any person, entity, or circumstance by any court, arbitration, or regulatory authority having jurisdiction, the invalidity of such term, covenant or condition shall not affect the validity of any other term, provision, condition or covenant and such term, provision, covenant or condition shall remain in force and effect as applied to this Agreement to the maximum extent permitted by law. The Parties hereto further agree to negotiate in good faith to establish new and valid terms, conditions and covenants to replace any found invalid so as to place each Party as nearly as possible in the position contemplated by this Agreement.

26. Entire Agreement:

This Agreement and the Service Agreement constitute the complete and final expression of the agreement between the Parties and are intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement and the Service Agreement.

27. Ambiguities:

Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but will be construed in the manner that most accurately reflects the Parties' intent as of the date they executed this Agreement.

28. Signature Clause:

The signatories hereto represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign. This Agreement is hereby executed as of the $\underline{12^{th}}$ day of $\underline{\underline{July}}$, 2006.

SOUTHERN CALIFORNIA EDISON COMPANY

By: /s/ Ronald L. Litzinger

Name: Ronald L. Litzinger
Title: Senior Vice President

CITY OF MORENO VALLEY

By: <u>/s/ Bonnie Flickinger</u>

Name: Bonnie Flickinger

Title: Mayor

Exhibit A

Interconnection Facilities Description – 115 kV Interconnection Project

A. Substation:

1A. Moval Substation – Scope of Work by Moreno Valley

Engineer and construct a 115kV interconnection facility, arranged in a three-element ring-bus configuration to provide service to interconnect one 115 kV customer owned transmission line from Moreno Valley.

All work to be performed according to SCE engineering, design, layout, materials and construction Standards. 1B. Moval Substation – Scope of Work by SCE

Review the complete engineering and design drawings and bills of materials submitted by Moreno Valley to verify their compliance with the SCE engineering and design standards.

Install one set of 115kV revenue metering equipment, one metering cabinets, one Mechanical-Electrical Equipment Room (MEER) and one Remote Terminal Unit (RTU).

Inspect the site during construction to verify compliance with SCE Materials and Construction Standards.

Test the substation prior to energization.

2. Valley Substation – Scope of Work by SCE

Upgrade the line protection relays on the Moreno – Vista 115kV Line Position No.12-N. This line will become the new Moval 115kV Line.

Remove 1-LCB II, 3-CO-8, 1-JBCG 99, 1-KD10 and 3-SC Relays and install new SEL-311L Line Current Differential and G.E. D60 Line Distance Relays.

3. Moreno Substation – Scope of Work by SCE

Upgrade the line protection relays on the Valley – Vista 115kV Line Position No.3. This line will become the new Moval – Vista 115kV Line.

Remove 1-LCB II, 3-IBC54, 1-JBCG 99, 1-KD10 and 3-SC Relays and install new SEL-311L Line Current Differential and G.E. D60 Line Distance Relays.

4. Vista Substation – Scope of Work by SCE

Upgrade the line protection relays on the Valley – Moreno 115kV Line Position No.5. This line will become the new Moreno – Moval 115kV Line.

Remove 1-LCB II, 3-GCY, 1-JBCG and 1-RPM Relays and install new SEL-311L Line Current Differential and G.E. D60 Line Distance Relays.

B. Sub-Transmission – Scope of Work by SCE:

Valley – Lakeview - Moreno – Vista 115kV Line

Loop the line into Moval Substation and form the two new Valley – Lakeview – Moval 115 kV Line and the Lakeview – Moval 115kV Lines.

This work requires the removal of one 70-Ft. wood pole and the installation of two new 70-Ft. Tubular Steel Poles and two 300-Ft. spans of new 653.9KCMIL ACSR Conductors from the new poles to Moval Substation.

C. Telecommunications – Scope of Work by SCE:

Line Protection:

Install a new SONET terminal and digital multiplexer at Moval Substation and incorporate into the existing SCE SONET Transport Ring to support the line protection relays. Also install new digital multiplexer and telecommunication equipment at Valley, Moreno and Vista Substations.

Remote Terminal Unit (RTU) – Scope of Work by SCE:

Use the same digital multiplexer installed for line protection to transmit RTU data to Valley Substation. Also install new digital channel modules to the existing digital system between Valley and Mira Loma Substations to transmit RTU Data to the Mira Loma Regional Control Center (RCC).

D. Metering Services Organization – Scope of Work by SCE:

Engineer and prepare all required documentation to furnish, install and test two sets of revenue meters.

E. Power System Control – Scope of work by SCE:

Install a full size real-time RTU to monitor and control as follows:

- MW and MVAR on the incoming SCE Lines
- MW and MVAR on the outgoing City Lines
- Bus Voltage
- Circuit Breaker Status
- Circuit Beaker Control
- Protection Relays Status
- Alarms Status

F. Corporate Real Estate – Scope of Work by SCE

Acquire necessary easements to loop the existing Valley – Moreno – Vista 115kV line into Moval Substation and for the new substation site.

Exhibit B

Interconnection Facilities Cost

I. Estimated Interconnection Facilities Payment - - 115 kV Interconnection Project

| Element | | nnection es Cost | ITCC | Total Cost |
|---|---------|---------------------|-----------|-----------------|
| SCE-Constructed Interconnection Facilities | | | | |
| Moval Substation | \$ 65 | 0,000 \$ | 228,000 | \$ 878,000 |
| Valley Substation | \$ 21: | 5,000 \$ | 75,000 | \$ 290,000 |
| Vista Substation | \$ 21: | 5,000 \$ | 75,000 | \$ 290,000 |
| Moreno Substation | \$ 21: | 5,000 \$ | 75,000 | \$ 290,000 |
| • Sub-Transmission Line (Loop into Moval Sub.) | \$ 26 | 8,000 \$ | 94,000 | \$ 362,000 |
| • Telecommunications – Line Protection & RTU | \$ 43 | 6,000 \$ | 153,000 | \$ 589,000 |
| • Metering | \$ 1 | 9,000 \$ | 7,000 | \$ 26,000 |
| Power System Control | \$ 8 | 0,000 \$ | 28,000 | \$ 108,000 |
| • Corporate Real Estate | \$ 1 | 9,000 \$ | 7,000 | \$ 26,000 |
| Subtotal | \$ 2,11 | 7,000 \$ | 742,000 | \$ 2,859,000 |
| Moreno Valley- Constructed Interconnection Facilities | | | | |
| Deeded Facilities (Moval Substation) | \$ 1,48 | 1,481 \$ | 518,519 | \$ 2,000,00 |
| Subtotal | \$ 1,48 | 1,481 \$ | 518,519 | \$ 2,000,000 |
| Total | \$ 3,59 | 8,481 \$ | 1,260,519 | \$ 4,859,000 |

Estimated Removal Cost: \$73,000

Estimated Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC associated with SCE-Constructed Interconnection Facilities + ITCC associated with Moreno Valley Constructed Moval Substation) = \$2,859,000 + \$518,519 = \$3,377,519

II. Actual Interconnection Facilities Payment - 115 kV Interconnection Project

| | Interconnection | | | |
|---|-----------------|--------------|---------------|----------------|
| Element | Facilities Cost | ITCC | One-Time Cost | Total Cost |
| SCE-Constructed Interconnection Facilities | | | | |
| • Interconnection Facilities | \$1,556,823.96 | \$423,947.68 | \$0 | \$1,980,771.64 |
| Moreno Valley- Constructed Interconnection Facilities | | | | |
| Deeded Facilities (Moval Substation) | \$2,166,000.00 | \$476,520.00 | \$0 | \$2,642,520.00 |

¹ Actual Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC + One-Time Cost)

III. Estimated Interconnection Facilities Payment - 115 kV Interconnection Project Expansion

| Element | Interconnection Facilities Cost | One Time Cost | ITCC | Total Cost |
|---------------------------|------------------------------------|------------------|-----------|-------------|
| Substation | \$1,491,596 | \$11,902 | \$357,983 | \$1,861,481 |
| Subtransmission | \$24,917 | | \$5,980 | \$30,897 |
| Power System Controls | \$84,692 | \$30,936 | \$20,326 | \$135,954 |
| Metering Services | \$49,217 | | \$11,812 | \$61,029 |
| Environmental Services | \$130,792 | | \$31,390 | \$162,182 |
| Telecommunications | \$488,696 | | \$117,287 | \$605,983 |
| Real Properties | \$77,185 | | \$18,524 | \$95,709 |
| Total | \$2,347,095 | \$42,838 | \$563,303 | \$2,953,236 |

Estimated Removal Cost: Too be determined

Estimated Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC associated with SCE-Constructed Interconnection Facilities) = \$2,389,933 + \$563,303 = \$2,953,236

IV. Actual Interconnection Facilities Payment - 115 kV Interconnection Project Expansion

| Element | Interconnection Facilities Cost | One Time Cost | ITCC | Total Cost |
|---------------------------|------------------------------------|------------------|------|------------|
| Substation | | | | |
| Subtransmission | | | | |
| Power System Controls | | | | |
| Metering Services | | | | |
| Environmental Services | | | | |

² As of the Amendment Letter Agreement effective date, the Actual Interconnection Facilities Payment has been received by SCE.

| Telecommunications | | |
|--------------------|--|--|
| Real Properties | | |
| Total | | |

³ Actual Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Costs + ITCC + One-Time Cost)

V. Monthly Charges:

Estimated Interconnection Facilities Cost – 115 kV Interconnection Project = Estimated Cost of Moreno Valley constructed Moval Substation plus Estimated Cost of SCE constructed Interconnection Facilities = \$1,481,481 + \$2,117,000 = \$3,598,481

Actual Interconnection Facilities Cost – 115 kV Interconnection Project = Actual Cost of Moreno Valley constructed Moval Substation plus Actual Cost of SCE constructed Interconnection Facilities = \$2,166,000 + \$1,556,823.96 = \$3,722,823.96

Estimated Interconnection Facilities Cost – 115 kV Interconnection Expansion Project = Estimated Cost of Interconnection Facilities = \$2,347,095+\$42,838 = 2,389,933

| | Customer- | | Interconnection | | Interconnection |
|-----------------|--------------|-----------------|--------------------|-----------------|-------------------|
| | Financed | Estimated | Facilities Charge | Actual | Facilities Charge |
| Effective Date | Monthly | Interconnection | Based on Estimated | Interconnection | Based on |
| | Rate for | Facilities Cost | Cost | Facilities Cost | Actual Cost |
| | Non-ISO- | | | | |
| | Controlled | | | | |
| | Facilities | | | | |
| | | | | | |
| | | | Customer-Financed | | Customer-Financed |
| | | | Monthly Rate for | | Monthly Rate for |
| Interconnection | See Section | | Non-ISO- | | Non-ISO- |
| Facilities In- | 4.1 of | | Controlled | | Controlled |
| Service Date: | Attachment J | | Facilities x | | Facilities x |
| 08/30/07 - | to the | | Interconnection | | Interconnection |
| Present | WDAT* | \$3,598,481 | Facilities Cost | \$3,722,823.96 | Facilities Cost |
| | | | Customer-Financed | | |
| As of the | | | Monthly Rate for | | |
| Moval-City of | See Section | | Non-ISO- | | |
| Moreno Valley | 4.1 of | | Controlled | | |
| No. 2 115 kV | Attachment J | \$6,112,756.96 | Facilities x | | |
| Line In-Service | to the | (\$3,722,823.96 | Interconnection | | |
| Date | WDAT* | + \$2,389,933) | Facilities Cost | | |

^{*}Attachment J to the WDAT is available at the following link: https://www.sce.com/openaccess

Exhibit C

Engineering And Construction Payment Schedules Payment Schedule 115 kV Interconnection Project

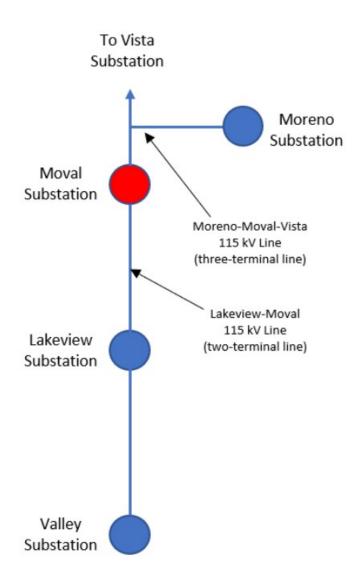
| | | Payment | | | |
|---------|--------------------|-------------|----------|--------------|----------------|
| Payment | 1. Interconnection | | One-Time | Project | Due Date |
| Period | Facilities Cost | ITCC | Cost | Payment | |
| | . | **** | | ************ | |
| Paid | \$604,857.14 | \$212,000 | \$0.0 | \$816,857.14 | Ten days from |
| | | | | | following |
| | | | | | Effective Date |
| | | | | | (est. 5/20/06) |
| Paid | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 6/20/06 |
| Paid | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 7/20/06 |
| Paid | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 8/20/06 |
| Paid | \$302,428.57 | \$106,000 | \$0.0 | \$408,428.57 | 9/20/06 |
| Paid | \$302,428.58 | \$106,000 | \$0.0 | \$408,428.58 | 10/20/06 |
| Paid | \$0.0 | \$518,518 | \$0.0 | \$518,518.00 | Ten days |
| | | | | | following |
| | | | | | transfer of |
| | | | | | ownership of |
| | | | | | Moval |
| | | | | | Substation |
| | | | | | from Moreno |
| | | | | | Valley to SCE |
| Total | \$2,117,000 | \$1,260,518 | \$0.0 | \$3,377,518 | |

Payment Schedule - 115 kV Interconnection Project Expansion

| Payment Number | Due Date | Interconnection Facilities Cost | One Time Cost | ITCC | Total Payment |
|-------------------|-----------------|------------------------------------|---------------------|---------|------------------|
| 1 | 10/1/2024 | \$8,192 | \$150 | \$1,966 | \$10,308 |
| 2 | 11/1/2024 | \$9,531 | \$174 | \$2,287 | \$11,992 |
| 3 | 12/1/2024 | \$11,076 | \$202 | \$2,658 | \$13,936 |
| 4 | 1/1/2025 | \$12,933 | \$236 | \$3,104 | \$16,273 |
| 5 | 2/1/2025 | \$14,983 | \$273 | \$3,596 | \$18,852 |
| 6 | 3/1/2025 | \$17,323 | \$316 | \$4,158 | \$21,797 |
| 7 | 4/1/2025 | \$19,984 | \$364 | \$4,796 | \$25,144 |
| 8 | 5/1/2025 | \$22,995 | \$420 | \$5,519 | \$28,934 |
| 9 | 6/1/2025 | \$26,381 | \$482 | \$6,331 | \$33,194 |

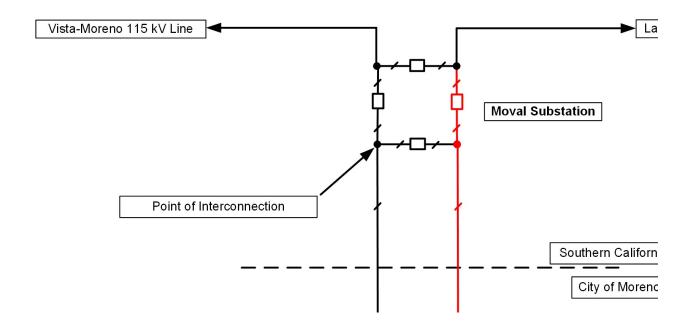
| 10 | 7/1/2025 | \$30,160 | \$551 | \$7,238 | \$37,949 |
|-------|-----------|-------------|----------|-----------|-------------|
| 11 | 8/1/2025 | \$34,347 | \$627 | \$8,243 | \$43,217 |
| 12 | 9/1/2025 | \$38,942 | \$710 | \$9,346 | \$48,998 |
| 13 | 10/1/2025 | \$43,928 | \$802 | \$10,543 | \$55,273 |
| 14 | 11/1/2025 | \$49,271 | \$899 | \$11,825 | \$61,995 |
| 15 | 12/1/2025 | \$54,913 | \$1,002 | \$13,179 | \$69,094 |
| 16 | 1/1/2026 | \$60,480 | \$1,104 | \$14,515 | \$76,099 |
| 17 | 2/1/2026 | \$66,403 | \$1,212 | \$15,937 | \$83,552 |
| 18 | 3/1/2026 | \$72,278 | \$1,320 | \$17,347 | \$90,945 |
| 19 | 4/1/2026 | \$77,935 | \$1,422 | \$18,704 | \$98,061 |
| 20 | 5/1/2026 | \$83,190 | \$1,519 | \$19,966 | \$104,675 |
| 21 | 6/1/2026 | \$87,844 | \$1,603 | \$21,083 | \$110,530 |
| 22 | 7/1/2026 | \$91,705 | \$1,674 | \$22,009 | \$115,388 |
| 23 | 8/1/2026 | \$94,602 | \$1,727 | \$22,704 | \$119,033 |
| 24 | 9/1/2026 | \$96,397 | \$1,760 | \$23,135 | \$121,292 |
| 25 | 10/1/2026 | \$97,007 | \$1,771 | \$23,282 | \$122,060 |
| 26 | 11/1/2026 | \$96,397 | \$1,760 | \$23,135 | \$121,292 |
| 27 | 12/1/2026 | \$94,602 | \$1,727 | \$22,704 | \$119,033 |
| 28 | 1/1/2027 | \$91,045 | \$1,662 | \$21,851 | \$114,558 |
| 29 | 2/1/2027 | \$87,213 | \$1,592 | \$20,931 | \$109,736 |
| 30 | 3/1/2027 | \$82,592 | \$1,508 | \$19,822 | \$103,922 |
| 31 | 4/1/2027 | \$77,376 | \$1,412 | \$18,570 | \$97,358 |
| 32 | 5/1/2027 | \$71,759 | \$1,310 | \$17,222 | \$90,291 |
| 33 | 6/1/2027 | \$65,926 | \$1,203 | \$15,822 | \$82,951 |
| 34 | 7/1/2027 | \$60,046 | \$1,095 | \$14,411 | \$75,552 |
| 35 | 8/1/2027 | \$54,262 | \$990 | \$13,023 | \$68,275 |
| 36 | 9/1/2027 | \$48,687 | \$889 | \$11,685 | \$61,261 |
| 37 | 10/1/2027 | \$43,407 | \$792 | \$10,418 | \$54,617 |
| 38 | 11/1/2027 | \$38,481 | \$702 | \$9,235 | \$48,418 |
| 39 | 12/1/2027 | \$33,941 | \$619 | \$8,146 | \$42,706 |
| 40 | 1/1/2028 | \$29,784 | \$544 | \$7,148 | \$37,476 |
| 41 | 2/1/2028 | \$26,052 | \$475 | \$6,252 | \$32,779 |
| 42 | 3/1/2028 | \$22,707 | \$414 | \$5,450 | \$28,571 |
| 43 | 4/1/2028 | \$19,736 | \$360 | \$4,737 | \$24,833 |
| 44 | 5/1/2028 | \$17,108 | \$312 | \$4,106 | \$21,526 |
| 45 | 6/1/2028 | \$14,796 | \$270 | \$3,551 | \$18,617 |
| 46 | 7/1/2028 | \$12,772 | \$233 | \$3,065 | \$16,070 |
| 47 | 8/1/2028 | \$11,006 | \$201 | \$2,641 | \$13,848 |
| 48 | 9/1/2028 | \$9,472 | \$173 | \$2,273 | \$11,918 |
| 49 | 10/1/2028 | \$8,140 | \$148 | \$1,954 | \$10,242 |
| 50 | 11/1/2028 | \$6,988 | \$127 | \$1,677 | \$8,792 |
| Total | | \$2,953,236 | \$42,838 | \$563,303 | \$2,347,095 |

Exhibit DOne Line Diagram – 115 kV Interconnection Project Plan of Service



One-Line Diagram Moval Substation – SCE's side

WDT168EXP



One-Line Diagram Moval Substation – Moreno Valley's side

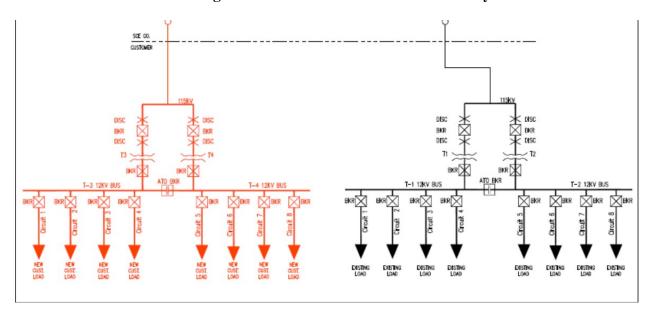


Exhibit E

Interconnection Facilities Description – 115 kV Interconnection Project Expansion

1. SCE Scope of Work

A. Environmental, licensing, and permits activities.

Perform all environmental studies and prepare draft environmental permit applications related to the installation of the Moval-City of Moreno Valley No. 2 115 kV Line related to SCE internal substation activities and facilities. Perform and/or coordinate the required environmental activities and obtain required licensing and permits for the installation of SCE's Interconnection Facilities, including any associated telecommunication equipment, if applicable. SCE will act as the lead for regulatory agency communication for permits issued to SCE covering such SCE facilities.

B. Moval Substation

- 1. Rewire and retest existing relays to protect the new 115kV line position.
- 2. Install facilities for 1 additional line to customer's facilities:
 - a. Three (3) sets of 115 kV disconnect switches, including steel structure and foundations.
 - b. One (1) 115 kV circuit breaker including foundation.
 - c. Three (3) metering voltage transformers, including steel structure and foundations.
 - d. Three (3) metering current transformers, including steel structure and foundations.
 - e. One (1) roto-switch at the interface cabinet.

C. Telecommunications

- 1. Install all required lightwave, channel banks, and associated equipment (including terminal equipment), supporting line protection at Moval Substation at the customer's facilities.
- 2. Extend the customer's diverse fiber optic cable from POCO into Moval MEER.

D. Metering - Scope of Work

Install meters required to meter the retail load at the City of Moreno Valley. Notwithstanding that the meters will be located on the Interconnection Customer's side of the Point of Change of Ownership, SCE shall own, operate and maintain such facilities as part of the SCE's Interconnection Facilities.

E. Power System Controls.

1. Install one (1) RTU at the City of Moreno Valley facilities to monitor typical elements such as MW, MVAR, terminal voltage and circuit breaker status, plant auxiliary load, and transmit the information received thereby to the SCE's Grid Control Center. Notwithstanding that the RTU will be located on the customer's side of the Point of Change of Ownership, SCE shall own, operate, and maintain the RTU as part of the Interconnection Facilities.

2. Add points to existing RTU at Moval Substation to include points for new protection relay/status/alarm/control.

F. Real Properties.

Obtain easements and/or acquire land for the installation of SCE's Interconnection Facilities.

2. Moreno Valley Scope of Work

Environmental activities, licensing, and permits

Perform all environmental studies and prepare draft environmental permit applications related to the installation of the Moval-City of Moreno Valley No. 2 115 kV Line, except for the SCE internal substation activities.

1 2 SERVICE AGREEMENT FOR WHOLESALE DISTRIBUTION SERVICE 3 4 5 1. This Service Agreement, dated as of the date executed by the Distribution Customer, is 6 entered into, by and between Southern California Edison Company ("Distribution Provider"), 7 and the City of Moreno Valley ("Distribution Customer"). 2. The Distribution Customer has been determined by the Distribution Provider to have a 8 Completed Application for Distribution Service under the Tariff. 9 3. 10 The Distribution Customer has provided to the Distribution Provider an Application deposit in the amount of \$ 48,400, in accordance with the provisions of Section 15.2 of the 11 12 Tariff. 13 4. Service under this Service Agreement shall commence on the later of (1) eight months following the effective date of the 115 kV Interconnection Project Wholesale 14 Distribution Load Interconnection Facilities Agreement between Distribution Provider and 15 Distribution Customer executed concurrently herewith, or (2) the date on which construction of 16 17 any Direct Assignment Facilities and/or Distribution System Upgrades specified in Sections 7.0 18 and 8.0 of the attached Specifications For Wholesale Distribution Service are completed and all additional requirements are met pursuant to Section 13.5 of the Tariff, or (3) such other date as it 19 20 is permitted to become effective by the Commission. Service under this Service Agreement shall 21 terminate on the earliest of the following to occur: (1) 30 years from the commencement date of Distribution Service under this Service Agreement, or (2) the termination date of the 115 kV 22

Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement

Issued by: James A. Cuillier, Manager, FERC Rates & Regulation Issued on:

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between Distribution Provider and Distribution Customer executed concurrently herewith ("Interconnection Agreement"), or (3) the date on which Distribution Provider terminates service at Distribution Provider's option, upon failure by Distribution Customer to provide advance notice to Distribution Provider of changes in Wholesale Distribution Load in accordance with Section 2.3 of Attachment B to the Tariff and subject to FERC acceptance. After the Interconnection Facilities In-Service Date, Distribution Customer shall provide Distribution Provider advance notice prior to making any changes (other than maintenance) to the power transformation facilities and equipment which comprise the Distribution Customer's distribution systems serving the Laselle Street, Cactus Avenue, Eucalyptus Avenue and Cottonwood Avenue developments, as defined in the Interconnection Agreement. Distribution Customer shall notify Distribution Provider within a reasonable time prior to the date when any such changes are planned to be placed in service so that the Distribution Provider can evaluate any potential system impacts which may occur as a result of such changes and whether such changes will require a new Application pursuant to the Tariff. If Distribution Customer fails to provide Distribution Provider advance notice of changes to the Distribution Customer's power transformation equipment and related facilities and any such change does or may cause adverse system impacts or is or may be materially inconsistent with the service provided pursuant to this Service Agreement, Distribution Provider shall have the right to terminate this Service Agreement subject to Commission acceptance or approval. Distribution Customer shall not cause the 115 kV Interconnection Project, as defined in the Interconnection Agreement, to operate in parallel with or to interconnect to any other electrical facilities, which facilities shall include, but not be limited to, Distribution Customer's distribution systems served under other WDAT interconnection facilities agreements or service agreements, any generating facilities,

Issued by: James A. Cuillier, Manager, FERC Rates & Regulation

Issued on:

| 1 | other Distribution Provider facilities, or any facilities served by other electric utilities without |
|----|--|
| 2 | receiving prior review and authorization from Distribution Provider. If Distribution Customer |
| 3 | fails to comply with the requirements set forth in this Section 4, then, Distribution Provider shall |
| 4 | have the right to terminate this Agreement, subject to Commission acceptance or approval. |
| 5 | 5. The Distribution Provider agrees to provide and the Distribution Customer agrees to take |
| 6 | and pay for Distribution Service in accordance with the provisions of the Tariff and this Service |
| 7 | Agreement. |
| 8 | 6. Any notice or request made to or by either Party regarding this Service Agreement shall |
| 9 | be made to the representative of the other Party as indicated below. |
| 10 | Distribution Provider: |
| 11 | Southern California Edison Company |
| 12 | Director of Grid Contracts |
| 13 | P. O. Box 800 |
| 14 | 2244 Walnut Grove Avenue |
| 15 | Rosemead, California 91770 |
| 16 | Telefax No. (626) 302-9292 |
| 17 | Telephone No. (626) 302-1771 |
| 18 | |
| 19 | Distribution Customer: |
| 20 | City of Moreno Valley |
| 21 | City Manager's Office |
| 22 | Attn: City Manager |
| 23 | 14177 Frederick Street |
| 24 | Moreno Valley, CA 92552-0805 |
| 25 | Telefax No. (909) 413-3000 |
| 26 | Telephone No. (909) 413-3750 |
| 27 | |

Issued by: James A. Cuillier, Manager, FERC Rates & Regulation Issued on:

Effective:

| 7. | The Tariff and attached Specifications For Wholesale Distribution Service are | |
|-------|---|--|
| incor | porated herein and made a part hereof. | |
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Issued by: James A. Cuillier, Manager, FERC Rates & Regulation

Issued on:

| 1 | IN WITNESS WHEREOF, the Parties have c | caused this Service Agreement to | o be executed by |
|----|--|----------------------------------|------------------|
| 2 | their respective authorized officials. | | |
| 3 | | | |
| 4 | Distribution Provider: | | |
| 5 | | | |
| 6 | /S/ | Sr. Vice President | 5/8/06 |
| 7 | By: | | |
| 8 | Ronald L. Litzinger | Title | Date |
| 9 | | | |
| 10 | | | |
| 11 | Distribution Customer: | | |
| 12 | | | |
| 13 | /S/ | Mayor | 7/12/06 |
| 14 | By: | | |
| 15 | Bonnie Flickinger | Title | Date |
| 16 | | | |
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Issued by: James A. Cuillier, Manager, FERC Rates & Regulation Issued on:

| 1 | SPECIFICATIONS FOR WHOLESALE DISTRIBUTION SERVICE |
|----|---|
| 2 | |
| 3 | 1. Term of Transaction: <u>See Section 4 of the Service Agreement</u> |
| 4 | Service Commencement Date: See Section 4 of the Service Agreement |
| 5 | Termination Date: See Section 4 of the Service Agreement |
| 6 | 2. For a Resource connected to the Distribution Provider's Distribution System, a |
| 7 | description of capacity and energy to be transmitted by Distribution Provider and a five year |
| 8 | forecast of monthly Generation: Not Applicable. |
| 9 | 3. Point of Receipt: <u>The ISO Grid at Distribution Provider's Valley Substation</u> , 500 kV bus. |
| 10 | Point of Delivery: The Distribution Provider's interconnection with the Distribution |
| 11 | Customer as described in the 115 kV Interconnection Project Wholesale Distribution Load |
| 12 | Interconnection Facilities Agreement between Distribution Provider and the Distribution |
| 13 | Customer executed concurrently herewith. |
| 14 | Receiving Party: <u>Distribution Customer.</u> |
| 15 | 4. Description of Wholesale Distribution Load at the Point of Delivery (including a five |
| 16 | year forecast of monthly load requirements): <u>Electric energy delivered by the Distribution</u> |
| 17 | Provider at 115 kV for use to serve Distribution Customer's Wholesale Distribution Loads |
| 18 | connected to the Distribution Customer's 115/12 kV Substation as defined in the 115 kV |
| 19 | Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement |
| 20 | between Distribution Provider and the Distribution Customer executed concurrently herewith. |
| 21 | 5. Interruptible Load amount (summer and winter), location and conditions/limitations (five |
| 22 | year forecast): None. |

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- 1 6. For Resources, the maximum amount of capacity and energy to be transmitted. For
- 2 Wholesale Distribution Load, the estimated peak load for informational purposes only:

3 Contract Demand

| Year | Prior to 2025 | 2025 | 2026 | 2027 | 2028 and beyond |
|----------|---------------|-----------|-----------|-----------|-----------------|
| Capacity | 12,000 kW | 24,200 kW | 30,200 kW | 48,200 kW | 66,200 kW |

- 5 The contract demand is 12,000 kW and is subject to increase based on increases to Distribution
- 6 Customer's Wholesale Distribution Load.

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- 7 Direct Assignment Facilities: <u>The Interconnection Facilities described in the 115 kV</u>
- 8 Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement
- 9 <u>between Distribution Provider and Distribution Customer executed</u> concurrently herewith.
- 10 8. Distribution System Upgrades required prior to the commencement of service: None
- 11 9. Real Power Loss Factors: 0.43%
- 12 10. Power Factor: The Distribution Customer is required to maintain its power factor within
- 13 | a range of 0.95 lagging to 0.95 leading (or, if so specified in the Service Agreement, a greater
- range), pursuant to Good Utility Practice. This provision recognizes that a Distribution
- 15 Customer may provide reactive power support in accordance with Section 12.10 (Self Provision
- 16 of Ancillary Services), of this Tariff.
- 17 11. Distribution Service under this Agreement will be subject to the charges detailed below.
- 18 11.1 Customer Charge: \$ 7.31/month.
- 19 11.2 Demand Charge: The Demand Charge is the product of the Demand Rate
- 20 expressed as \$/kW-mo and the monthly Billing Demand expressed in kW.
 - 11.2.1 The Demand Rate is \$ 0.87/kW per month

| 1 | 11.2.2 Billing Demand is the higher of the metered demand or the contract |
|----|--|
| 2 | demand. The metered demand is the hourly demand averaged over 15 or |
| 3 | 5-minute intervals, summed for a month and expressed in kilowatts. The |
| 4 | metered demand is rounded to the nearest kW. The Distribution Provider |
| 5 | will meter the Distribution Customer's demand using a 15-minute interval |
| 6 | under normal conditions. If such demand is intermittent or subject to |
| 7 | violent fluctuations, a 5-minute interval may be used. The contract |
| 8 | demand is as set forth in Section 6 above. |
| 9 | Facilities Charge: The charges as provided in the 115 kV Interconnection |
| 10 | Project Wholesale Distribution Load Interconnection Facilities Agreement |
| 11 | between Distribution Provider and Distribution Customer executed |
| 12 | concurrently herewith. |
| 13 | 11.4 System Impact and/or Facilities Study Charge(s): None |
| 14 | 12. Letter of credit or alternative form of security to be provided and maintained by |
| 15 | Distribution Customer pursuant to Sections 8 and 16.4 of the Tariff: <u>Provided for in the 115 kV</u> |
| 16 | Interconnection Project Wholesale Distribution Load Interconnection Facilities Agreement |
| 17 | between Distribution Provider and Distribution Customer executed concurrently herewith. |
| | |