

Southern California Edison Company
Tariff Title: Wholesale Distribution Access Tariff
Tariff Record Title: Service Agreement No. XXX

FERC FPA Electric Tariff

**KITCHING STREET 115 KV INTERCONNECTION PROJECT
WHOLESALE DISTRIBUTION LOAD
INTERCONNECTION FACILITIES AGREEMENT**

BETWEEN

CITY OF MORENO VALLEY

AND

SOUTHERN CALIFORNIA EDISON COMPANY

Contract Effective Date: xx/xx/xx
905.xxx.x
WDT1249

Tariff Record Proposed Effective Date: xx/xx/xx
Version Number: 0.0.0
Option Code: A

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

TABLE OF CONTENTS

1.	Parties:	3
2.	Recitals:	3
3.	Agreement:	3
4.	Definitions:	4
5.	Effective Date And Term:	6
6.	Agreement Pursuant To The WDAT:	6
7.	Creditworthiness:	7
8.	Security Amount for Estimated Tax Liability:	18
9.	Interconnection Facilities:	10
10.	Capital Additions:	11
11.	Removal Of Interconnection Facilities:	12
12.	Other Taxes:	12
13.	Charges:	12
14.	Billing And Payment:	13
15.	Addresses For Billing And Payment:	15
16.	Disputes:	16
17.	Audits:	16
18.	Operating Representatives:	16
19.	Regulatory Authority:	16
20.	No Dedication Of Facilities:	17
21.	No Third Party Rights:	17
22.	Relationship Of Parties:	17
23.	Waivers:	17
24.	Governing Law:	17
25.	Notices:	18
26.	Severability:	18
27.	Confidentiality:	18
28.	Entire Agreement:	21
29.	Ambiguities:	21
30.	Signature Clause:	21

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

TABLE OF CONTENTS (CONT.)

Exhibit A.	Interconnection Facilities Description:	22
Exhibit B.	Interconnection Facilities Cost:	25
Exhibit C.	Engineering And Construction Payment Schedule:	28
Exhibit D.	One-Line Diagram:.....	29

**KITCHING STREET 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 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 - Alessandro - Cajalco 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 existing Wholesale Distribution Loads currently served under Moreno Valley’s current interconnection facilities agreements and WDAT service agreements and also interconnect new load. The amount of Distribution Service requested is 5,000 kW for 2017, 10,000 kW for 2018, 15,000 kW for 2019, 20,000 kW for 2020 and 28,000 kW for 2021.
- 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 Distribution Upgrades; and for Moreno Valley to pay for such facilities; and for Moreno Valley to engineer, design, construct and install the SCE owned 115 kV Substation.
- 2.5. SCE and Moreno Valley intend to execute a WDAT Service Agreement in connection with this Agreement to implement wholesale Distribution Service under SCE's WDAT.

3. Agreement:

In consideration of the premises 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. Accounting Practice: Generally accepted accounting principles and practices applicable to electric utility operations.
- 4.2. Agreement: This Kitching Street 115 kV Interconnection Project Interconnection Facilities Agreement between the City of Moreno Valley and Southern California Edison Company.
- 4.3. Alessandro Substation: SCE's 115/33/12 kV Substation located south of John F. Kennedy Drive and east of Perris Blvd. in Sunnymead California.
- 4.4. Annual Tax Security Reassessment: In accordance with the directives of FERC Orders 2003-A and 2003-B, the annual reassessment of the Current Tax Liability, which will commence the first year after Moreno Valley's In-Service date.
- 4.5. Cajalco Substation: Substation: SCE's 115/12 kV Substation located on the north east corner of Newberry Road and Fairview Road, in Newberry California.
- 4.6. Capital Additions: Any modifications to the SCE's Interconnection Facilities or to the Distribution Upgrades. Such modifications may be any Units of Property which are added to the SCE's Interconnection Facilities or Distribution Upgrades; the enlargement, modification or betterment of any Units of Property constituting a part of the SCE's Interconnection Facilities or Distribution Upgrades; or the replacement of any Units of Property constituting a part of the SCE's Interconnection Facilities or Distribution Upgrades, irrespective of whether such replacement constitutes an enlargement, modification or betterment of that which it replaces; and 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 or the Distribution Upgrades Cost.
- 4.7. Capital Additions Cost: All costs, excluding One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of Capital Additions.
- 4.8. Capital Additions Payment: The sum of the Capital Additions Cost, associated ITCC and associated One-Time Cost.
- 4.9. CPUC: The California Public Utilities Commission, or its regulatory successor.
- 4.10. Credit Provider: Provider of any Credit Support.
- 4.11. Credit Support: Parent guarantee, letter of credit, surety bond, or other security meeting the requirements of Section 7.2.
- 4.12. 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 provided in Attachment J to SCE's WDAT Tariff.
- 4.13. Distribution Upgrades Charge: The monthly charge to Moreno Valley to recover the revenue requirements for the Distribution Upgrades, calculated as the product of the Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities and the Distribution Upgrades Cost. The Interconnection Facilities Charge is provided in

Exhibit B.

- 4.14. Distribution Upgrades Cost: All costs, excluding One-Time Cost, determined by SCE to be associated with the design, engineering, procurement, construction and installation of the Distribution Upgrades. The Distribution Upgrades Cost is provided in Exhibit B.
- 4.15. Distribution Upgrades In-Service Date: The date upon which the construction of the Distribution Upgrades is complete and such facilities are successfully tested and ready for service.
- 4.16. Distribution Upgrades Payment: The sum of the Distribution Upgrades Cost, associated with those Distribution Upgrades constructed by SCE, ITCC and One-Time Cost associated with the Distribution Upgrades. The Distribution Upgrades Payment is provided in Exhibit B.
- 4.17. FERC: Federal Energy Regulatory Commission, or its regulatory successor.
- 4.18. Interconnection Facilities: Facilities, as specified in Exhibit A, owned by SCE to interconnect Moreno Valley distribution systems serving Moreno Valley's Wholesale Distribution Loads to the Distribution System, as such facilities may be modified during the term of this Agreement.
- 4.19. 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.
- 4.20. Interconnection Facilities Cost: All costs, excluding 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.
- 4.21. Interconnection Facilities In-Service Date: The date upon which the construction of the Interconnection Facilities is complete and such facilities are successfully tested and ready for service.
- 4.22. 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.
- 4.23. 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.
- 4.24. Kitching Street 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, ("Karma 115 kV Substation"), deeding the ownership of the Karma 115 kV Substation to SCE. SCE looping the Valley-Alessandro-Cajalco 115 kV transmission line into the new SCE owned, Karma 115 kV Substation. Moreno Valley constructing and owning a new 115/12 kV substation and interconnecting the 115/12 kV substation to the new SCE owned Karma 115 kV Substation and interconnecting existing and new load.
- 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. 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.
 - 4.27. Service Agreement: The Service Agreement For Wholesale Distribution Service between the Parties executed concurrently herewith.
 - 4.28. 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.
 - 4.29. Valley Substation: SCE's 500/115 kV Substation located at 26125 Meniffee Rd, Romoland, CA, 92380.
 - 4.30. WDAT: SCE's Wholesale Distribution Access Tariff, designated as FERC Electric Tariff, Volume No. 5, as such tariff may be amended or suspended.

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 9.10 or 14.4.
- 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, and Distribution System 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 13.1, 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).
- 7.2. 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 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 11.2, 13.1 and 14.2, 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 14.4.
- 7.5. The amount available to be drawn under any Credit Support shall be equal to the amounts listed below. The disposition of any released Credit Support shall be directed by Moreno Valley.
- 7.5.1. Moreno Valley shall provide Credit Support in the total amount of \$502,639.00 for removal costs. The disposition of any released Credit Support shall be directed by Moreno Valley.
- 7.5.2. Moreno Valley shall provide Credit Support in the amounts, and on the dates as listed in the Credit Support table below, to cover the costs for constructing, procuring and installing the SCE's Distribution Upgrades.

Due Date	Credit Support Amount
9/1/2016	\$209,534.00
3/1/2017	\$248,459.00
6/1/2017	\$361,116.00
9/1/2017	\$399,284.00
12/1/2017	\$336,319.00
3/1/2018	\$214,674.00
6/1/2018	\$115,916.00
9/1/2018	\$56,988.00

- 7.5.3. Interconnection Facilities: Moreno Valley shall provide Credit Support in the amounts, and on the dates as listed in the Credit Support table below, to cover the costs for constructing, procuring and installing the SCE's Interconnection Facilities.

Due Date	Credit Support Amount
9/1/2016	\$24,668.00
3/1/2017	\$29,250.00
6/1/2017	\$42,512.00
9/1/2017	\$47,004.00
12/1/2017	\$39,594.00
3/1/2018	\$25,273.00
6/1/2018	\$13,646.00
9/1/2018	\$6,710.00

- 7.5.4. To the extent that any Credit Support is not utilized by the SCE, the release of such Credit Support shall be made in accordance with Moreno Valley's instruction.
- 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.

8. Security Amount for Estimated Tax Liability. Moreno Valley's estimated tax liability is as follows:

- 8.1. The estimated tax liability for SCE's Interconnection Facilities = The sum of the product of (i) the applicable ITCC rate for the year payments are anticipated to be received, and (ii) the total of the payments anticipated to be received for the Interconnection Facilities Cost for that year.

Year(s) payments anticipated to be received	Applicable ITCC rate	Total anticipated payments received for Interconnection Facilities Cost	ITCC for SCE's Interconnection Facilities
2016 & 2017	22%	\$143,434.00	\$31,555.48
2018	24%	\$3,744,310.00	\$898,634.40
Total		\$3,887,744.00	\$930,189.88

- 8.2. The estimated tax liability for SCE's Distribution Upgrades = The sum of the product of (i) the applicable ITCC rate for the year payments are anticipated to be received, and (ii) the total of the payments anticipated to be received for the Distribution Upgrades Cost for that year.

Year(s) payments anticipated to be received	Applicable ITCC rate	Total anticipated payments received for Distribution Upgrades Cost	ITCC for SCE's Distribution Upgrades
2016 & 2017	22%	\$1,218,393.00	\$268,046.46
2018	24%	\$723,897.00	\$173,735.28
Total		\$1,942,290.00	\$441,781.74

* The estimated tax liability is based on the applicable ITCC rate in Attachment J to the Wholesale Distribution Access Tariff as of the Effective Date and is available at the following link: <https://www.sce.com/openaccess>

Based upon the total estimated tax liability, Moreno Valley shall provide to SCE cash amounts shown in the table shown in Exhibit C.

Upon notification of the Annual Tax Security Reassessment, Moreno Valley shall modify its Tax Security accordingly. If the Annual Tax Security Reassessment results in a deficiency in the Tax Security amount, Moreno Valley will be required to increase its Tax Security amount within 30 days after receipt of the deficiency notification. If the Annual Tax Security Reassessment results in a reduction of the Tax Security amount, Moreno Valley may choose to reduce its Tax Security amount or maintain the Tax Security in the current amount for the following year.

The Annual Tax Security Reassessment will be calculated utilizing the following methodology:

- 1) Tax Assessment Event:

$$((\text{Current Tax Rate} \times (\text{Gross income} - \text{NPV Tax Depreciation})) + \text{Interest}) / (1 - \text{Current Tax Rate})$$
- 2) Subsequent Taxable Event:

$$(\text{Current Tax Rate} \times (\text{Replacement Facility Cost} - \text{NPV Tax Depreciation})) / (1 - \text{Current Tax Rate})$$

Moreno Valley's obligation to provide Tax Security shall terminate at the earlier of (1) the expiration of the ten year testing period and the applicable statute of limitation, as it may be extended by SCE upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations as contemplated by this Section 8 of this IFA. Upon termination of Moreno Valley's obligation to provide Tax Security, and SCE's receipt of Moreno Valley's written instructions regarding the release of any unused Tax Security, any unused amount of the Tax Security shall be released to Moreno Valley.

9. Interconnection Facilities:

- 9.1. Moreno Valley is responsible for engineering and constructing the Karma 115 kV Substation, at its cost, as set forth in Exhibit A hereof under the caption Karma 115 kV Substation – Scope of Work by Moreno Valley.
- 9.2. Moreno Valley shall own the land associated with the Karma 115 kV Substation and shall grant SCE all necessary easements pursuant to Section 9.8.
- 9.3. 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.
- 9.4. 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.
- 9.5. The Scope of Work by SCE as set forth in Exhibit A is based on the assumption that the project is GO-131D exempt and a permit to construct from the CPUC is not needed. If the project is not GO-131D exempt, a permit to construct needed, or additional licensing or permitting work is required by SCE, this may delay the project's in-service date.
- 9.6. 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 twenty seven (27) months from receipt of payments pursuant to Section 12 and Exhibit C herein. However, Moreno Valley understands and acknowledges that such dates are only estimates and that following the Effective Date, and the associated engineering kick-off meeting, the twenty seven (27) month timeline above may be shortened. Also, 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 9.1; 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.
- 9.7. SCE shall own, operate and maintain Karma 115 kV Substation.
 - 9.8. Moreno Valley shall transfer the ownership of Karma 115 kV Substation and facilities as described in Exhibit A, hereof, to SCE within forty five (45) days following completion of Karma 115 kV Substation. SCE will not energize the facilities necessary to provide interconnection to Moreno Valley until Moreno Valley transfers the ownership of Karma 115 kV Substation to SCE.
 - 9.9. Moreno Valley shall grant to SCE all necessary easements, which will allow SCE the right to operate, maintain, repair and access Karma 115 kV Substation. SCE will not energize the facilities necessary to provide interconnection to Moreno Valley until Moreno Valley transfers the ownership of Karma 115 kV Substation to SCE.
 - 9.10. 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 28.0 MW. 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.
 - 9.11. Moreno Valley shall not cause its distribution systems serving other Wholesale Distribution Loads and 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 9, then SCE shall have the right to terminate this Agreement, subject to FERC acceptance or approval.
 - 9.12. Moreno Valley shall cause its electrical facilities to be a balanced system across all three phases.
 - 9.13. This Agreement governs the facilities required to interconnect Moreno Valley's distribution system serving Moreno Valley Wholesale distribution system 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.

10. Capital Additions:

- 10.1. SCE shall engineer, design, construct, install, own, operate and maintain all Capital Additions pursuant to Good Utility Practice.
- 10.2. Except as otherwise provided in Section 10.3, 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.
- 10.3. 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.

11. Removal Of Interconnection Facilities:

- 11.1. Following termination of this Agreement, SCE will remove the Interconnection Facilities from service to Moreno Valley.
- 11.2. 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 13.1 and 14.2. 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 and such Removal Cost security provided pursuant to Section 7.5.1 will be returned to Moreno Valley.

12. 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.

13. Charges:

- 13.1. Moreno Valley shall pay to SCE the following charges in accordance with this Agreement: (a) Interconnection Facilities Payment; (b) Interconnection Facilities Charge; (c) Distribution Upgrades Payment; (d) Distribution Upgrades Charge; (e) Capital Additions Payment; (f) any reimbursable FERC fees pursuant to Section 19.3; (g) Removal Cost pursuant to Section 14.2; (h) other taxes pursuant to Section 12; and (i) termination charges pursuant to Section 5.5.
- 13.2. The Interconnection Facilities Cost, Distribution Upgrades Cost, Capital Additions Cost, One-Time Cost, ITCC and Removal Cost shall be compiled in accordance with Accounting Practice.
- 13.3. 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.

14. Billing And Payment:

14.1. Billing Procedure.

- 14.1.1. 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.
- 14.1.2. Moreno Valley shall make payments to SCE for the Interconnection Facilities Payment according to the payment schedule 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 14.1.9.3 and 14.1.9.4.
- 14.1.3. 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 14.1.9.3 and 14.1.9.4. 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.
- 14.1.4. SCE will bill Moreno Valley for the Capital Additions Payment prior to commencing any work on any Capital Additions in accordance with Section 10.2; 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 14.1.9.1 and 14.1.9.2.
- 14.1.5. Except as otherwise provided in Section 10.3, 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.
- 14.1.6. Except as otherwise provided in Section 10.3, 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.
- 14.1.7. Commencing on the Effective Date, SCE will render bills to Moreno Valley for any reimbursable FERC fees in accordance with Section 19.3. Such billing shall be for any reimbursable FERC fees or costs incurred since the preceding billing.
- 14.1.8. Within twelve (12) months following the earlier of 1) the date Moreno

Valley transfers ownership of the Karma 115 kV Substation to SCE, or 2) the Karma 115 kV Substation in-service date, Moreno Valley shall determine the actual recorded cost of the Karma 115 kV Substation, and provide SCE with a final accounting.

- 14.1.9. Within twelve (12) months following the Interconnection Facilities 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.

14.1.9.1. 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.

14.1.9.2. 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.

14.1.9.3. 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.

14.1.9.4. 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.

- 14.1.10. Charges for payments upon termination shall be billed and paid as provided in Section 5.

14.2. **Removal Cost.**

- 14.2.1. 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 13.1. 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.
- 14.2.2. 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.
- 14.2.3. 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.

14.3. 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.

14.4. 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.

15. Addresses For Billing And Payment:

- 15.1. 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.

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

City of Moreno Valley
Moreno Valley Utility

Attn: Electric Utility Division 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.

16. Disputes:

With the exception of any billing dispute as provided pursuant to Section 14.4 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.

17. Audits:

- 17.1. 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.
- 17.2. 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 14.1.8 or 14.2.1, 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.

18. 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.

19. Regulatory Authority:

- 19.1. 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.
- 19.2. 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.
- 19.3. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. Confidentiality:

Confidential Information shall include, without limitation, all information that is identified as confidential by the disclosing Party relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either Party to the other Party prior to the Effective Date of this Agreement.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Section 28 warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be responsible for the costs associated with affording confidential treatment to its information.

27.1. Term. During the term of this Agreement, and for a period of three (3) years after the expiration or termination of this Agreement, except as otherwise provided in this Section 27, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

27.2. Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the

- knowledge of the receiving Party after due inquiry, was under no obligation to the disclosing Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or breach of this Agreement; or (6) is required, in accordance with Section 27.7 of this Agreement, Order of Disclosure, to be disclosed by any Governmental Authority or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this Agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.
- 27.3. **Release of Confidential Information.** No Party shall release or disclose Confidential Information to any other person, except to its employees, consultants, affiliates (limited by the Standards of Conduct requirements set forth in Part 358 of FERC's Regulations, 18 C.F.R. 358), subcontractors, or to parties who may be or are considering providing financing to or equity participation with the disclosing Party, or to potential purchasers or assignees of the disclosing Party, on a need-to-know basis in connection with this Agreement, unless such person has first been advised of the confidentiality provisions of this Section 27 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 27.
- 27.4. **Rights.** Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by a Party or any other person or entity of the right to protect the Confidential Information from public disclosure.
- 27.5. **No Warranties.** The mere fact that a Party has provided Confidential Information does not constitute a warranty or representation as to its accuracy or completeness. In addition, by supplying Confidential Information, no Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.
- 27.6. **Standard of Care.** Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.
- 27.7. **Order of Disclosure.** If a court or a Governmental Authority or entity with the right, power, and apparent authority to do so requests or requires any Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of

- this Agreement. Notwithstanding the absence of a protective order or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.
- 27.8. Termination of Agreement. Upon termination of this Agreement for any reason, each Party shall, within ten (10) calendar days of receipt of a written request from the other Party, use reasonable efforts to destroy, erase, or delete (with such destruction, erasure, or deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.
- 27.9. Remedies. The Parties agree that monetary damages would be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 27. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party breaches or threatens to breach its obligations under this Section 27, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed an exclusive remedy for the breach of this Section 27, but shall be in addition to all other remedies available at law or in equity. The Parties further acknowledge and agree that the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental, or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 27.
- 27.10. Disclosure to FERC, its Staff, or a State. Notwithstanding anything in this Section 27 to the contrary, and pursuant to 18 C.F.R. section 1b.20, if FERC or its staff, during the course of an investigation or otherwise, requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party shall provide the requested information to FERC or its staff within the time provided for in the request for information. In providing the information to FERC or its staff, the Party must, consistent with 18 C.F.R. section 388.112, request that the information be treated as confidential and non-public by FERC and its staff and that the information be withheld from public disclosure. Each Party is prohibited from notifying the other Party to this Agreement prior to the release of the Confidential Information to FERC or its staff. Each Party shall notify the other Party to the Agreement when it is notified by FERC or its staff that a request to release Confidential Information has been received by FERC, at which time either of the Parties may respond before such information would be made public, pursuant to 18 C.F.R. section 388.112. Requests from a state regulatory body conducting a confidential investigation shall be treated in a similar manner if consistent with the applicable state rules and regulations.
- 27.11. Subject to the exception in Section 27.10, Confidential Information shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by

the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement or as a transmission service provider or a balancing authority area operator including disclosing the Confidential Information to a regional transmission organization or the ISO or to a regional or national reliability organization. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subparagraph, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subparagraph, the disclosing Party agrees to promptly notify the other Party and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

28. 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.

29. 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.

30. 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 ____ day of _____, 2016.

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____
Name:
Title:

CITY OF MORENO VALLEY

By: _____

Name:

Title:

Exhibit A

Interconnection Facilities Description

1. Substation:

- a. Karma 115 kV Substation – Scope of Work by Moreno Valley
 - i. Engineer and construct a 115kV interconnection facility, arranged in a three-element ring-bus configuration to provide service to interconnect one 115 kV Moreno Valley owned transmission line, including, but not limited to the following:
 1. Install three (3) 115 kV, 2000A, 40KA circuit breakers with associated structures and foundations.
 2. Install 69/115 kV, 115/69 kV and 115/69 kV potential transformers for relay potential of the L90 and SEL-311L relays. Communication between relays can be direct fiber, but must be diversely routed through conduit (25 foot separation minimum) from Kitching Substation.
 3. Install one (1) 115 kV ring bus switchyard structure with associated foundations.
 4. Install seven (7) sets of 115 kV, 2000A, three pole group-operated vertical mounted disconnect switches.
 5. Install a Mechanical Electrical Equipment Room (“MEER”) according to SCE standards and include the following:
 - a. Install One (1) G.E. L90 relay and one (1) SEL-311L relay on a 19 inch rack for the new Valley – Karma – Alessandro 115 kV line protection.
 - b. Install two (2) G.E. F35 relays (or equivalent relays as approved by SCE) on a 19 inch rack for Moreno Valley – Karma 115 kV line protection.
 - c. Install two (2) 19 inch racks for Distribution Provider’s telecommunication equipment.
 - d. Install one (1) 19 inch rack for Distribution Provider’s RTU.
 - e. Install lightwave, channel and associated equipment at Karma 115 kV Substation out-of the communications room of the new MEER at Karma 115 kV Substation.
 6. Provide required data signals, make available adequate space, facilities, and associated dedicated electrical circuits within a secure building having suitable environmental controls for the installation of the SCE’s RTU in accordance with the Interconnection Handbook.
 7. Make available adequate space, facilities, and associated dedicated electrical circuits within a secure building having suitable environmental controls for the installation of the SCE’s telecommunications terminal equipment in accordance with the Interconnection Handbook.
 8. Install a revenue metering cabinet and revenue metering equipment (typically, voltage and current transformers) at the Karma 115 kV Substation to meter the Wholesale Load, as specified by the SCE.

9. Allow the SCE to install, in the revenue metering cabinet provided by Moreno Valley, revenue meters and appurtenant equipment required to meter the Wholesale load.
 10. Acquire approximately 168 feet by 140 feet (includes land for MEER), and 10 feet of outside fence perimeter for the construction of the Karma 115 kV Substation.
 11. Perform all required activities related to the licensing, permitting and environmental work associated with the Karma 115 kV Substation and include all necessary SCE facilities and land associated with the Valley - Alessandro – Cajalco 115 kV line loop into Karma 115 kV Substation in any pertinent licensing, permitting and environmental documents.
- ii. All work to be performed using SCE approved contractors and shall be according to SCE engineering, design, layout, materials and construction standards.
- b. Kitching Substation – Scope of Work by Moreno Valley:
 - i. Install one (1) SEL-311L relay and one (1) L90 relay compatible with relays at Karma 115 kV Substation.
 - ii. Communication between relays can be direct fiber, but must be diversely routed through conduit (25 foot separation minimum) from Karma 115 kV Substation.
 - c. Karma 115 kV Substation – Scope of Work by SCE
 - i. 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.
 - ii. Install one (1) Remote Terminal Unit (RTU).
 - iii. Inspect the site during construction to verify compliance with SCE Materials and Construction Standards.
 - iv. Loop the Valley – Alessandro – Cajalco 115 kV line into the Karma 115 kV Substation and form the two new Valley – Cajalco – Karma and Alessandro - Karma 115kV Lines.
 - v. Test the substation, circuit breakers, facilities, relay protection, telecommunication equipment, controls, and all appurtenant equipment.
 - d. Valley Substation – Scope of Work by SCE
 - i. Upgrade the line protection relay settings on the Valley – Alessandro - Cajalco 115kV Line Position. This line will become the new Valley – Cajalco - Karma 115kV Line.
 - e. Cajalco Substation – Scope of Work by SCE
 - i. Upgrade the line protection relays setting on the Valley – Alessandro – Cajalco 115 kV line position. This line will become the new Valley – Cajalco - Karma 115 kV line.
 - f. Alessandro Substation – Scope of Work by SCE
 - i. Upgrade the line protection relays on the Valley – Alessandro – Cajalco 115 kV line position. This line will become the new Alessandro - Karma 115 kV line.
 - ii. Remove existing relay protection and install one (1) G.E. L90 relay and one (1) SEL-311L relay.

2. Sub-Transmission – Scope of Work by SCE:
 - a. Valley – Alessandro – Cajalco 115kV Line
 - i. Install one (1) double circuit tubular steel pole on existing circuit.
 - ii. Install loop for Karma 115 kV Substation on existing 115 kV line.
 - iii. Install 1,500 feet of 954 SAC conductor for the loop.
 - b. Update system diagrams and drawings to reflect the addition of the Karma 115 kV Substation and the new Valley – Cajalco - Karma and Alessandro - Karma 115 kV lines.
3. Telecommunications – Scope of Work by SCE:
 - a. Install lightwave, channel and associated equipment at Valley, Cajalco and Alessandro Substations, build out of the communications facilities in the new MEER at Karma 115 kV Substation.
 - b. Install two (2) diverse paths (Path A and Path B) from the two (2) SCE installed vaults outside Karma 115 kV Substation to the Karma 115 kV Substation MEER as follows:
 - i. Path A: Install approximately 675 feet of new conduit of overhead fiber optic cable on existing SCE poles, a first vault and 250 feet of single mode fiber optic cable to the inside of the Karma 115 kV Substation MEER.
 - ii. Path B: Install approximately 1000 feet of new underground fiber optic cable in new ECS conduit, a second vault and 200 feet of single mode fiber optic cable to the inside of the Karma 115 kV Substation MEER.
4. Metering Services Organization – Scope of Work by SCE:
 - a. Install 115 kV metering units at Karma 115 kV Substation to meter Moreno Valley Wholesale load.
5. Power System Control – Scope of work by SCE:
 - a. Install a full size real-time RTU to monitor and control as follows:
 - i. MW and MVAR on the incoming SCE Lines
 - ii. MW and MVAR on the outgoing Moreno Valley Line
 - iii. Bus Voltage
 - iv. Circuit Breaker Status
 - v. Circuit Breaker Control
 - vi. Protection Relays Status
 - vii. Alarms Status
 - viii. Add the points to existing HMI at Alessandro Substation
 - ix. Upgrade points to energy management system
6. Corporate Real Estate – Scope of Work by SCE
 - a. Perform all required activities necessary to support the new Karma 115 kV Substation and to loop in the existing Valley – Alessandro - Cajalco 115 kV line into Karma 115 kV Substation.

Exhibit B

Interconnection Facilities Cost and Distribution Upgrades Cost

1. Estimated Interconnection Facilities Cost and Distribution Upgrades Cost

Element	Interconnection Facilities Cost	Distribution Upgrades Cost	One-Time Cost	Project Payment Amount	ITCC
SCE-Constructed Facilities					
• Karma 115 kV Substation	\$0.00	\$0.00	\$933,156.00	\$933,156.00	
• Alessandro Substation	\$0.00	\$411,281.00	\$0.00	\$411,281.00	
• Sub-Transmission Line (LoopValley-Alessandro-Cajalco 115 kV line into Karma Sub.)	\$0.00	\$380,889.00	\$0.00	\$380,889.00	
• Telecommunications & Carrier Solutions	\$0.00	\$1,083,989.00	\$0.00	\$1,083,989.00	
• Metering	\$36,746.00	\$0.00	\$0.00	\$36,746.00	
• Power System Control	\$76,872.00	\$0.00	\$36,810.00	\$113,682.00	
• Corporate Real Estate	\$115,039.00	\$0.00	\$0.00	\$115,039.00	
• Corporate Environmental Services	\$0.00	\$66,131.00	\$0.00	\$66,131.00	
Subtotal	\$228,657.00	\$1,942,290.00	\$969,966.00	\$3,140,913.00	\$493,790.74
Moreno Valley-Constructed, SCE Owned Facilities					
• Deeded Facilities (Karma 115 kV Substation)	\$3,659,087.00	\$0.00	\$0.00	\$3,659,087.00	\$878,180.88
Subtotal	\$3,659,087.00	\$0.00	\$0.00	\$3,659,087.00	\$878,180.88
Total	\$3,887,744.00	\$1,942,290.00	\$969,966.00	\$6,800,000.00	\$1,371,971.62

Estimated Interconnection Facilities Cost = (SCE-Constructed Interconnection Facilities Cost + One-Time Cost associated with SCE-Constructed Interconnection Facilities Cost + ITCC associated with SCE-Constructed Interconnection Facilities Cost + + Moreno Valley Constructed, SCE Owned Interconnection Facilities Cost + ITCC associated with Moreno Valley Constructed, SCE Owned Interconnection Facilities Cost) = \$228,657.00 + \$0.00 + \$52,009.00 + \$3,659,087.00 + \$878,180.88 = \$4,817,933.88

Estimated Distribution Upgrades Cost = (SCE-Constructed Distribution Upgrades Cost + One-Time Cost associated with SCE-Constructed Distribution Upgrades Cost + ITCC associated with SCE-Constructed Distribution Upgrades Cost) = \$1,942,290.00 + \$969,966.00 + \$441,781.74 = \$3,354,037.74

2. Actual Interconnection Facilities Cost and Distribution Upgrades Cost

Element	Interconnection Facilities Cost	Distribution Upgrades Cost	One-Time Cost	Project Payment Amount	ITCC
SCE-Constructed Facilities					
• Karma 115 kV Substation					
• Valley Substation					
• Vista Substation					
• Moreno Substation					

• Sub-Transmission Line (Loop into Karma 115 kV Substation)					
• Telecommunications – Line Protection & RTU					
• Metering					
• Power System Control					
• Corporate Real Estate					
Subtotal					
Moreno Valley-Constructed, SCE Owned Facilities					
• Deeded Facilities (Karma 115 kV Substation)					
Subtotal					
Total					

Actual Interconnection Facilities Cost = (SCE-Constructed Interconnection Facilities Costs + ITCC associated with SCE-Constructed Interconnection Facilities Cost + One-Time Cost associated with SCE-Constructed Interconnection Facilities Cost + ITCC associated with Moreno Valley-Constructed, SCE owned Karma 115 kV Substation Interconnection Facilities Cost) =

Actual Distribution Upgrades Cost = (SCE-Constructed Distribution Upgrades Costs + ITCC associated with SCE-Constructed Distribution Upgrades Cost + One-Time Cost associated with SCE-Constructed Distribution Upgrades Cost + ITCC associated with Moreno Valley-Constructed, SCE owned Karma 115 kV Substation Distribution Upgrades Cost) =

3. Monthly Charges:

(a) Interconnection Facilities Charge

Effective	Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities	Estimated		Actual	
		Interconnection Facilities Cost	Interconnection Facilities Charge	Interconnection Facilities Cost	Interconnection Facilities Charge
As of the Interconnection Facilities Completion Date	See Section 4.2 of Attachment J to the WDAT Tariff*	\$3,887,744.00	Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities x Customer-Financed Interconnection Facilities Cost	[to be inserted after true-up]	Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities x Customer-Financed Interconnection Facilities Cost

(b) Distribution Upgrades Charge

Effective	Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities	Estimated		Actual	
		Distribution Upgrades Cost	Distribution Upgrades Cost	Distribution Upgrades Cost	Distribution Upgrades Charge
As of the Interconnection Facilities Completion Date	See Section 4.2 of Attachment J to the	\$1,942,290.00	Customer-Financed Monthly Rate for Non-ISO-Controlled Facilities x	[to be inserted after true-up]	Customer-Financed Monthly Rate for Non-ISO-Controlled

	WDAT* Tariff		Customer-Financed Interconnection Facilities Cost		Facilities x Customer- Financed Interconnection Facilities Cost
--	-----------------	--	---	--	---

* Attachment J to the WDAT is available at the following link: [https://www.sce.com/open access](https://www.sce.com/open%20access)

Exhibit C**Engineering And Construction****Payment Schedule**

Payment Period	Due Date	Interconnection Facilities Cost	Distribution Upgrades Cost	One-Time Cost	Total Payment	ITCC
1	10/1/2016	\$2,083.00	\$17,692.00	\$8,835.00	\$28,610.00	\$4,350.50
2	11/1/2016	\$2,662.00	\$22,605.00	\$11,288.00	\$36,555.00	\$5,558.74
3	12/1/2016	\$3,379.00	\$28,703.00	\$14,335.00	\$46,417.00	\$7,058.04
4	1/1/2017	\$4,370.00	\$37,122.00	\$18,539.00	\$60,031.00	\$9,128.24
5	2/1/2017	\$5,452.00	\$46,318.00	\$23,131.00	\$74,901.00	\$11,389.40
6	3/1/2017	\$6,722.00	\$57,094.00	\$28,512.00	\$92,328.00	\$14,039.52
7	4/1/2017	\$8,162.00	\$69,329.00	\$34,622.00	\$112,113.00	\$17,048.02
8	5/1/2017	\$9,732.00	\$82,668.00	\$41,284.00	\$133,684.00	\$20,328.00
9	6/1/2017	\$11,356.00	\$96,462.00	\$48,172.00	\$155,990.00	\$23,719.96
10	7/1/2017	\$12,921.00	\$109,755.00	\$54,811.00	\$177,487.00	\$26,988.72
11	8/1/2017	\$14,287.00	\$121,355.00	\$60,604.00	\$196,246.00	\$29,841.24
12	9/1/2017	\$15,304.00	\$130,006.00	\$64,924.00	\$210,234.00	\$31,968.20
13	10/1/2017	\$15,850.00	\$134,639.00	\$67,238.00	\$217,727.00	\$33,107.58
14	11/1/2017	\$15,850.00	\$134,639.00	\$67,238.00	\$217,727.00	\$33,107.58
15	12/1/2017	\$15,304.00	\$130,006.00	\$64,924.00	\$210,234.00	\$31,968.20
16	1/1/2018	\$14,668.00	\$124,596.00	\$62,222.00	\$201,486.00	\$33,423.36
17	2/1/2018	\$13,266.00	\$112,686.00	\$56,275.00	\$182,227.00	\$30,228.48
18	3/1/2018	\$11,660.00	\$99,037.00	\$49,459.00	\$160,156.00	\$26,567.28
19	4/1/2018	\$9,992.00	\$84,875.00	\$42,386.00	\$137,253.00	\$22,768.08
20	5/1/2018	\$8,380.00	\$71,180.00	\$35,547.00	\$115,107.00	\$19,094.40
21	6/1/2018	\$6,901.00	\$58,619.00	\$29,274.00	\$94,794.00	\$15,724.80
22	7/1/2018	\$5,599.00	\$47,555.00	\$23,749.00	\$76,903.00	\$12,756.96
23	8/1/2018	\$4,486.00	\$38,113.00	\$19,033.00	\$61,632.00	\$10,223.76
24	9/1/2018	\$3,561.00	\$30,248.00	\$15,106.00	\$48,915.00	\$8,114.16
25	10/1/2018	\$2,805.00	\$23,820.00	\$11,895.00	\$38,520.00	\$6,390.00
26	11/1/2018	\$2,195.00	\$18,645.00	\$9,311.00	\$30,151.00	\$5,001.60
27	12/1/2018	\$1,710.00	\$14,523.00	\$7,252.00	\$23,485.00	\$3,895.92
Total		\$228,657.00	\$1,942,290.00	\$969,966.00	\$3,140,913.00	\$493,790.74

Interconnection Facilities Payment = (SCE-Constructed Interconnection Facilities Cost + One-Time Cost associated with SCE-Constructed Interconnection Facilities Cost + ITCC associated with SCE-Constructed Interconnection Facilities Cost) = (\$228,657.00 + \$0.00 + \$52,009.00 = \$280,666.00

Distribution Upgrades Payment = (SCE-Constructed Distribution Upgrades Cost + One-Time Cost associated with SCE-Constructed Distribution Upgrades Cost + ITCC associated with SCE-Constructed Distribution Upgrades) = \$1,942,290.00 + \$969,966.00 + \$441,781.74 = \$3,354,037.74

Exhibit D

One-Line Diagram Karma 115 kV Substation



