PACIFICORP
A MIDAMERICAN ENERGY HOLDINGS COMPANY

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IDAHO PUBLIC
UTILITIES COMMISSION

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October 22, 2012

VIA OVERNIGHT DELIVERY

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attention: Jean D. Jewell
Commission Secretary

Re: PacifiCorp Notice of Affiliate Transaction
Case No. PAC-E-05-8

Dear Ms. Jewell:

This letter will serve as notice pursuant to Commitment I 17(2), incorporated in the Idaho Public Utilities Commission Order No. 29973 issued February 13, 2006, as supplemented by Order No. 29998 March 14, 2006, in the above-referenced proceeding, approving the acquisition of PacifiCorp by MidAmerican Energy Holdings Company, of an indirect affiliate interest transaction with International Business Machines Corporation (IBM). The Company intends to purchase IBM mainframe hardware equipment and support services through Sirius Computer Solutions, Inc (Sirius). A copy of the Professional Services Contract between PacifiCorp and Sirius Computer Solutions, Inc. for IBM Mainframe Replacement (Contract) is included as Attachment A. Exhibit B to the Contract contains commercially-sensitive pricing information and is submitted as confidential, and the Company requests this information be kept under seal.

PacifiCorp is a wholly-owned indirect subsidiary of MidAmerican Energy Holdings Company (MEHC). MEHC is a subsidiary of Berkshire Hathaway, Inc (Berkshire Hathaway). In mid-November 2011, Berkshire Hathaway publicly announced purchases of IBM common stock totaling greater than a five percent interest. Therefore, Berkshire Hathaway's ownership interest in IBM may create an affiliated interest in some PacifiCorp jurisdictions.

The Company recently conducted a formal bidding process to select a vendor to replace existing IBM mainframe equipment, which is reaching the end of its lifecycle. The Company selected Sirius because Sirius submitted the lowest cost bid. The estimated useful life of the mainframe is five years. The initial purchase under the Contract will include three years of hardware support. The Company anticipates renewing the hardware support for an additional two-year term upon the expiration of the initial three-year term. The software support services will provide technical guidance for managing the mainframe environment and will be provided for one year under the Contract. PacifiCorp will evaluate the software support services at the end of the first year to determine if the service is cost effective and should be renewed after the first year.

The Company relies on hardware and software furnished by IBM to create, maintain and process critical business records. New mainframe hardware equipment is needed to accommodate normal capacity growth and to support planned expansion of the use of the customer self-service Internet application. The Company will be able to increase its processing capacity by eight percent and reduce certain software licensing costs by 14%. Accordingly, the transaction is consistent with the public interest.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Mark C. Moench
Senior Vice President and General Counsel
PacifiCorp

Enclosures

PROFESSIONAL SERVICES CONTRACT

BETWEEN

PACIFICORP

AND

SIRIUS COMPUTER SOLUTIONS, INC.

FOR

IBM MAINFRAME REPLACEMENT

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PROFESSIONAL SERVICES CONTRACT
BETWEEN
PACIFICORP
AND
SIRIUS COMPUTER SOLUTIONS, INC.
FOR
IBM MAINFRAME REPLACEMENT

PARTIES

The Parties to this Professional Services Contract ("Contract") are **PACIFICORP** (hereinafter "Company"), whose address is 825 NE Multnomah Street, Portland, Oregon 97232, and **Sirius Computer Solutions, Inc.** (hereinafter "Consultant"), whose address is 613 NW Loop 410, Suite 1000, San Antonio, Texas 78216. Company and Consultant are hereinafter sometimes collectively referred to as "Parties" and individually as a "Party," as the context may require.

ARTICLE 1. DEFINITIONS

CIPS Covered Assets shall mean any assets identified by Company as "critical assets" or "critical cyber assets," as those terms are defined in the North American Electric Reliability Corporation Glossary of Terms.

Company's Criteria shall mean applicable requirements used as the baseline for determining whether an individual is a restricted person, as set forth on Exhibit E.

Company's Facilities shall mean any facilities owned, operated or otherwise controlled by Company which require Company authorization to obtain access.

Critical Infrastructure Information (CII) shall mean information concerning CIPS Covered Assets that: (i) relates to the production, generation or transmission of energy; (ii) could be useful to a person planning an attack on critical infrastructure; and (iii) provides strategic information beyond the geographic location of the critical asset, and which is identified as CII by Company.

Deliverables shall mean all drawings, manuals, calculations, specifications, maps, sketches, designs, tracings, notes, reports, data, computer programs, models, plans, programs, procedures, protocols, samples and other documents and deliverables that are to be provided, obtained, prepared and delivered to Company by Consultant as set forth in the Scope of Work.

Emergency shall mean conditions under which, without effecting an immediate repair or replacement: (i) life, health, or safety would be endangered by operation of the Company's assets; (ii) the Company's assets would be unavailable for commercial use; or (iii) the Company's assets could not be operated, or demonstrated to be operating, in compliance with a) environmental regulations; b) regulations, policies or procedures issued by governmental or regulatory authorities; or c) prudent utility practice.

Equipment shall mean all products, equipment, materials, goods, parts, associated hardware, documentation, spare parts, data packages and software to be provided to Company by Consultant in conjunction with the Work.

Force Majeure Event shall mean a delay caused by any national or general strikes (but excluding strikes relating solely to the work force of Company, Consultant or a Subcontractor), fires, riots, acts of God, acts of the public enemy, floods, acts of terrorism, unavoidable transportation accidents or embargoes, or other events: (i) which are not reasonably foreseeable as of the date the Contract was executed; (ii) which are attributable to a cause beyond the control and without the fault or negligence of the Party incurring such delay; and (iii) the effects of which cannot be avoided or mitigated by the Party claiming such Force Majeure Event through the use of commercially reasonable efforts. The term Force Majeure Event does not include a delay caused by seasonal weather conditions, inadequate construction forces, general economic conditions, changes in the costs of goods, or Consultant's failure to place orders for Equipment, materials, construction equipment or other items sufficiently in advance to ensure that the Work is completed in accordance with the Contract.

Hazardous Materials shall mean any chemical, substance or material designated or regulated as a "hazardous material," "hazardous waste," "toxic substance" or any similar designation (including petroleum products) by any national, federal, state, provincial, or local government (including any agency, authority, department, instrumentality or other subdivision of the

foregoing) having or asserting environmental regulatory jurisdiction with respect to the substance or material, the Work or the Work Site.

Material Adverse Change (MAC) shall mean, with respect to Consultant, if Consultant, in the reasonable opinion of Company, has experienced a material adverse change in Consultant's financial condition or Consultant's ability to fulfill its obligations under this Contract including any event or circumstance that would give Company the right to terminate for cause pursuant to ARTICLE 45, TERMINATION FOR CAUSE.

Net Replacement Costs shall mean the "cost to cover" remedy available to Company in the event of a default by Consultant under this Contract. The Net Replacement Costs shall be calculated by: (i) subtracting the unpaid balance of the total price of the Work to be performed from the costs incurred by Company to obtain a replacement contractor to finish the Work that Consultant was otherwise obligated to provide under this Contract (or the costs, internal or third-party, incurred by Company to complete such remaining Work itself); and (ii) adding a sum for additional managerial, administrative, and other reasonable costs Company incurs as a result of Consultant's default.

Notice shall mean a formal written communication which, pursuant to the Contract, one Party must deliver to the other in order to invoke a Contract right set forth herein.

Personnel shall mean the employees of Consultant or any of its agents, Subcontractors, or independent contractors who are employed to perform Work under this Contract.

Scope of Work or **Specification** shall mean the requirements regarding the Work, as detailed in the exhibits to this Contract.

Sensitive Personnel shall mean all Personnel with authorized unescorted physical access or authorized cyber access to Company's CIPS Covered Assets.

Service(s) shall mean any labor, skill, or advice provided to Company pursuant to this Contract.

Subcontractor shall mean any entity or person (including subcontractors at any tier, laborers and materials suppliers) having an agreement with Consultant or any other Subcontractor to perform a portion of Consultant's obligations under this Contract.

Unescorted Personnel shall mean all Personnel with authorized unescorted physical access to Company's Facilities.

Work shall mean all obligations, duties, requirements, and responsibilities for the successful completion of the Contract by Consultant, including furnishing of all Services and/or Equipment (including obtaining all applicable licenses and permits) in accordance with the terms and conditions set forth in the Contract.

Workers' Compensation Laws shall mean the statutory requirements of the state and/or federal regulations (e.g., FELA, USL&H, Jones Act) where the Work is to be performed.

Work Site shall mean the location or locations on Company's premises where the Work is to be performed.

ARTICLE 2. DESCRIPTION OF WORK

Consultant shall perform the Work in accordance with Exhibit A. Consultant shall be solely responsible for the means, methods, and procedures of performing the Work. Except as otherwise provided in this Contract, Consultant shall provide all necessary utilities and support services.

ARTICLE 3. PERIOD OF PERFORMANCE

Unless earlier terminated as provided herein, this Contract shall continue in effect until final completion of all Work set forth herein. Consultant shall commence performance upon execution of this Contract by the Company and shall complete the Work within the applicable timeframe(s) specified in the Scope of Work and/or Exhibit B, Pricing Schedule; provided that the term of this Contract shall expire on December 31, 2015. Neither the completion of the Work nor any earlier termination of this Contract shall impact any warranties, indemnities, insurance requirements, confidentiality obligations, termination obligations or other obligations which by their own terms are intended to survive the completion of the Work, all of which shall continue in full force and effect after the termination or expiration of the Contract. Time is of the essence with respect to Consultant's obligations under the Contract.

ARTICLE 4. CONSIDERATION AND PAYMENT

As full consideration for the satisfactory performance of Consultant's obligations under this Contract, Company will pay Consultant all undisputed amounts within thirty (30) days of the Receipt Date (as hereinafter defined) of the invoices, net of any retention amounts that are entitled to be withheld by Company pursuant to the terms of Exhibit B. "Receipt Date" shall

mean five (5) days after the date Consultant sends the invoices to Company. Company agrees that any payment not received by Consultant within thirty (30) days from the Receipt Date may be subject to an interest charge of 1% per month, or the maximum allowed by law, whichever is less. All invoices shall reference the applicable Contract number. Consultant shall identify and clearly set forth on the invoice any discount for early payment. The total amount of consideration payable for the Work is specified in Exhibit B.

All invoices shall be addressed as follows:

PacifiCorp
Attn: Tami Ho-Gland
825 NE Multnomah St., LCT 800
Portland, OR 97232

INVOICES WHICH DO NOT CONTAIN THE ABOVE INFORMATION, OR ARE NOT ADDRESSED AS ABOVE, MAY CAUSE PAYMENT DELAY

Company may offset any such payment to reflect amounts owing from Consultant to Company or its subsidiaries pursuant to this Contract or any other agreement between the Parties or otherwise. In addition, Company may withhold all payments otherwise due Consultant until such time as Consultant has provided any Default Security required by this Contract. If required by Company, the final payment, including any retention amounts withheld, shall not become due until Consultant has furnished Company a final release from all claims and demands arising out the Work in a form acceptable to Company.

Upon request by Company, Consultant shall also provide interim lien and claim releases executed by Consultant, and interim and/or final lien and claim releases executed by Subcontractors through the date of each invoice submitted.

ARTICLE 5. TAXES

The consideration to be paid under the Contract includes all taxes arising out of Consultant's performance hereunder, including without limitation state and local sales and use taxes, value-added taxes, import duties, payroll taxes, income taxes and other taxes relating to the performance of the Work. State and local sales and use taxes shall be stated separately and shown on all invoices as a separate line item. Upon request of Company, Consultant shall promptly provide to Company evidence satisfactory to Company of the payment of all applicable taxes.

ARTICLE 6. TRAVEL

All expenses for travel and related expenses are included in the fixed pricing amounts set forth in Exhibit B.

ARTICLE 7. ACCOUNTING AND AUDITING

Consultant shall keep accurate and complete accounting records in support of any cost-based billings and claims to Company in accordance with generally accepted accounting principles. Company, or its audit representatives, shall have the right, no more often than twice per calendar year and at Company's sole expense, at any reasonable time or times upon at least five (5) days' written notice to Consultant, to examine, audit, and copy the records, vouchers, and other source documents which relate to any claim for compensation other than pricing elements which are fixed in amount by this Contract. Such documents shall be available for examination, audit and reproduction for three (3) years after completion or termination of this Contract.

Consultant shall assist Company with preparing necessary audit material and will allow Company to review any work papers prepared by independent auditors as allowed by professional standards.

Audit findings by Company's representative will be considered to be final and conclusive for the period audited. Any over collections shall be returned to Company within thirty (30) calendar days from date of Notice of overcharge.

ARTICLE 8. INTENTIONALLY OMITTED

ARTICLE 9. INTENTIONALLY OMITTED

ARTICLE 10. WITHHOLDING PAYMENT

Company may, without limiting any other rights or remedies Company may have, withhold from payment amounts which reflect the reasonable cost to repair or replace unsatisfactory Work or the value of any claim against Company, which Consultant has failed to settle pursuant to its indemnity obligations under the Contract. Company may also retain from payment sufficient funds to discharge any delinquent accounts of Consultant for which liens on Company's property have been or can be filed, and Company may at any time pay therefrom for Consultant's account such amounts as are, in the reasonable opinion of

Company, due thereon, including any sums due under any federal or state law.

ARTICLE 11. DESIGNATED REPRESENTATIVES AND NOTICES

Prior to commencement of the Work, each Party shall designate a representative authorized to act on its behalf, shall advise the other Party in writing of the name, address, and telephone number of such designated representative, and shall inform the other Party of any subsequent change in such designation. All communications relating to the day-to-day activities under this Contract shall be exchanged between such designated representatives through any agreed form of communication.

Any formal Notice required to be delivered in writing under the terms of this Contract shall be delivered to the representative of the other Party as designated below. All formal written Notices shall be: (i) hand delivered; (ii) deposited in the mail, properly stamped with the required postage; (iii) sent via registered or certified mail; or (iv) sent via recognized overnight courier service. The Parties' addresses for purposes of Notice shall be as set forth below:

If to Company:	If to Consultant:
PacifiCorp	Sirius Computer Solutions, Inc.
825 NE Multnomah St.	613 NW Loop 410, Suite 1000
Portland, OR 97232	San Antonio, Texas 78216
Attn: Clay Miller	Attn: Contracts Department
Telephone: 712-277-7790	Telephone: 210-369-8000

Either Party may change the name or address of the designated recipient of Notices by delivery of a Notice of such change as provided for in this Article.

ARTICLE 12. CORRECTION OF WORK

Any time prior to final completion of the Work and acceptance by Company, Company may reject Work which, in Company's opinion, fails to conform to this Contract. Consultant, at its sole expense, shall: (i) promptly re-perform or replace any Services or Equipment so as to conform with the requirements of this Contract; and (ii) remove from the Work Site all Equipment rejected by Company, whether incorporated in the Work or not.

If Consultant fails to promptly remedy rejected Work, Company may, without limiting or waiving any other rights or remedies it may have, correct the Work and remove and dispose of rejected Equipment at the expense of Consultant, and may deduct from amounts due Consultant any cost so incurred by Company.

ARTICLE 13. PROFESSIONAL RESPONSIBILITY

Consultant shall perform the Work using the standards of care, skill, and diligence normally provided by a professional in the performance of similar Services, and shall comply with all codes and standards applicable to the Work.

In the event of Consultant's failure to do so, Consultant shall, upon Notice by Company, promptly reperform the Work and correct the defect at Consultant's sole cost. Consultant's obligation to correct and reperform its Work shall be in addition to, and not in lieu of, any other right that Company may have.

ARTICLE 14. WARRANTY

Consultant warrants that all Services performed shall conform to the Specifications, drawings, samples, and other descriptions set forth in this Contract and shall be free of defects in workmanship. Consultant further warrants that all Equipment and Deliverables manufactured or developed by it shall be of the quality specified, or of the best grade if no quality is specified, and, unless otherwise provided in this Contract, will be new, and free from defects in design.

At any time for a period of one (1) year from the date of final completion of the foregoing Services or delivery of such Equipment or Deliverables and acceptance by Company, Consultant shall at its own expense promptly repair, replace and/or re-perform any portion of the Work that is defective or in any way fails to conform to the Contract requirements. Any repair, replacement or re-performance will meet the requirements of this Contract for a period of one (1) additional year following Company's acceptance of such repair, replacement or re-performance. In addition, Consultant shall pass through to Company

If any such Services, Equipment or Deliverable fails to meet the foregoing warranties, the Company shall have the right to self-perform Emergency warranty work as Company deems necessary. The Company agrees to notify Consultant of such Emergency work within forty-eight (48) hours. Provided that the Emergency repairs, replacement or re-performance is performed in a reasonable manner and with workmanship and care measured by industry standards, Consultant shall reimburse the Company for the cost of any Emergency warranty work self-performed by Company.

Notwithstanding the foregoing, Consultant makes no warranty whatsoever with respect to any Equipment or Deliverables to the extent they are not manufactured or developed by Consultant. However, Consultant will assign or otherwise make available to Company the warranty which has been assigned by a manufacturer or developer of any such Equipment or Deliverables and which Consultant has the right to so assign or otherwise make available (the "Third Party Warranty"). Company shall promptly notify Consultant of any defects in the Equipment or Deliverables which are covered by a Third Party Warranty during the applicable warranty period. Consultant will assist Company in notifying the applicable manufacturer or developer of any Third Party Warranty claim and the processing of such claim.

EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT OR AN APPLICABLE SOW, CONSULTANT MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, TO COMPANY OR TO ANY OTHER PERSON OR ENTITY REGARDING EQUIPMENT, DELIVERABLES AND/OR SERVICES OR OTHER ITEMS PROVIDED BY CONSULTANT UNDER THIS CONTRACT OR THE RESULTS TO BE DERIVED FROM THE USE THEREOF, AND CONSULTANT EXPRESSLY DISCLAIMS ANY REPRESENTATIONS AND WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OF TRADE OR COURSE OF PERFORMANCE, AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE 15. INTENTIONALLY OMITTED

ARTICLE 16. CHANGES

Company may at any time in writing direct changes and/or additions within the general scope of this Contract, direct the omission of or variation in Work, or alter the schedule. If any such direction results in a material change in the amount or character of the Work, an equitable adjustment in the Contract price and/or other such provisions of this Contract as may be affected shall be made and this Contract shall be modified in writing accordingly. Any claim by Consultant for an adjustment under this Article shall be processed in accordance with the provisions of ARTICLE 42, CLAIM NOTICE AND RESOLUTION PROCEDURE.

No change shall be binding upon Company until a change order is executed by an authorized representative of Company which EXPRESSLY STATES THAT IT CONSTITUTES A CHANGE ORDER TO THIS CONTRACT. THE ISSUANCE OF INFORMATION, ADVICE, APPROVALS, OR INSTRUCTIONS BY ANYONE OTHER THAN THE AUTHORIZED COMPANY REPRESENTATIVE SHALL NOT CONSTITUTE AN AUTHORIZED CHANGE ORDER PURSUANT TO THIS ARTICLE.

ARTICLE 17. INSURANCE

Without limiting any liabilities or any other obligations of Consultant, Consultant shall, prior to commencing Work, secure and continuously carry with insurers having an A.M. Best Insurance Reports rating of A-:VII or better such insurance as will protect Consultant from liability and claims for injuries and damages which may arise out of or result from Consultant's operations under the Contract and for which Consultant may be legally liable, whether such operations are by Consultant or a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Consultant shall insure the risks associated with the Work and this Contract with minimum coverages and limits as set forth below:

Workers' Compensation. Consultant shall comply with all applicable workers' compensation laws and shall furnish proof thereof satisfactory to Company prior to commencing Work. If Work is to be performed in Washington or Wyoming, Consultant will participate in the appropriate state fund(s) to cover all eligible employees and provide a stop gap (employer's liability) endorsement. Coverage should also provide applicable federal regulations (including, without limitation, FELA, USL&H and the Jones Act).

Employers' Liability. Consultant shall maintain employers' liability insurance with a minimum single limit of $500,000 each accident, $500,000 disease each employee, and $500,000 disease policy limit.

Commercial General Liability. Consultant shall maintain commercial general liability insurance on the most recently approved ISO policy form, or its equivalent, written on an occurrence basis, with limits not less than $1,000,000 per

occurrence/$2,000,000 general aggregate (on a per location and/or per job basis) and shall include the following coverages, but only to the extent applicable to the Work:

a. Premises and operations coverage
b. Independent contractor's coverage
c. Contractual liability
d. Products and completed operations coverage
e. Coverage for explosion, collapse, and underground property damage
f. Broad form property damage liability
g. Personal and advertising injury liability, with the contractual exclusion removed
h. Sudden and accidental pollution liability, as applicable

Business Automobile Liability. Consultant shall maintain business automobile liability insurance on the most recently approved ISO policy form, or its equivalent, with a minimum single limit of $1,000,000 each accident for bodily injury and property damage including sudden and accidental pollution liability, with respect to Consultant's vehicles whether owned, hired or non-owned, assigned to or used in the performance of the Work. If applicable, the automobile liability policy will include pollution liability coverage equivalent to that provided under the ISO Pollution Liability Broadened Coverage for Covered Autos endorsement (CA9948) and Motor Carrier Act endorsement (MCS90) shall be attached.

Professional Liability. Consultant shall maintain professional liability insurance covering damages arising out of negligent acts, errors, or omissions committed by Consultant in the performance of this Contract, with a liability limit of not less than $1,000,000 each claim. Consultant shall maintain this policy for a minimum of two (2) years after completion of the Work or shall arrange for a two (2) year extended discovery (tail) provision if the policy is not renewed. The intent of this policy is to provide coverage for claims arising out of the performance of Work or Services under this Contract and caused by any error, omission for which the Consultant is held liable.

Umbrella or Excess Liability. Consultant shall maintain umbrella or excess liability insurance with a minimum limit of $5,000,000 each occurrence/aggregate where applicable on a following form basis to be excess of the insurance coverage and limits required in employers' liability insurance, commercial general liability insurance and business automobile liability insurance above. Consultant shall provide Notice to Company, if at any time the full umbrella limit required under this Contract is not available, and will purchase additional limits, if requested by Company.

Transit and Installation. Consultant shall maintain transit and installation insurance covering all worldwide air, land and water shipments, and installation of plant, equipment, machinery, components, supplies and materials, and shall include loading and unloading if Work conducted by Consultant or any Subcontractor, and offsite storage, if applicable. Coverage shall attach at Consultant's point of shipment and continue until installed, constructed or rigged by Consultant or its Subcontractors in conjunction with this Work. Transit insurance shall be provided on an all risk basis to include direct physical loss or damage, including but not limited to loss caused by war, terrorism, strike, riot and civil commotion, and fabrication/repairs. Losses resulting from damage during transit shall be provided to cover full replacement cost of the plant, equipment, machinery, components, supplies and materials being shipped and provide valuation of not less than CIF plus 10%.

Installation insurance shall be provided on an all risk basis with normal and customary exclusions and will include coverage for mechanical breakdown, testing and commissioning and resulting damage to the Work from faulty design, workmanship and materials on a full replacement cost basis of this property while located at any one location at any one time, and shall protect against loss while property is in the care, custody or control of Consultant or its Subcontractors.

Deductibles shall not be greater than $100,000 for any loss. Consultant shall have obtained such transit or installation coverage on or prior to the date on which the exposure to the risk arises. Company will be named loss payee or additional named insured for its interest in the covered property.

Company does not represent that the insurance coverages specified herein (whether in scope of coverage or amounts of coverage) are adequate to protect the obligations of Consultant, and Consultant shall be solely responsible for any deficiencies thereof.

Except for workers' compensation and professional liability insurance, the policies required herein shall include provisions or endorsements naming Company, its parent, divisions, affiliates, subsidiary companies, co-lessees, co-venturers, officers, directors, agents, employees, servants and insurers as additional insureds. The Commercial General Liability additional insured endorsement shall be ISO Form CG 20 10 or its equivalent.

To the extent of Consultant's negligent acts or omissions, all policies required by this Contract shall include: (i) provisions that such insurance is primary insurance with respect to the interests of Company and that any other insurance maintained by Company is excess and not contributory insurance with the insurance required hereunder, (ii) provisions that the policy contain a cross liability or severability of interest clause or endorsement in the commercial general liability and automobile liability coverage; and (iii) provisions that such policies not be canceled or their limits of liability reduced without: (a) ten (10) calendar days prior written Notice to Company if canceled for nonpayment of premium; or (b) thirty (30) calendar days prior written Notice to Company if canceled for any other reason. Unless prohibited by applicable law, all required insurance policies (except professional liability) shall contain provisions that the insurer will have no right of recovery or subrogation against the Company, its parent, divisions, affiliates, subsidiary companies, co-lessees, or co-venturers, agents, directors, officers, employees, servants, and insurers, it being the intention of the Parties that the insurance as effected shall protect all of the above-referenced entities evidenced by waiver of subrogation wording.

A certificate of insurance shall be furnished to Company confirming the issuance of such insurance prior to commencement of Work by Consultant. Should a loss arise during the term of the Contract that may give rise to a claim against Consultant and/or the Company as an additional insured, Consultant shall deliver to the Company (or cause to be delivered to the Company) certified copies of such insurance policies.

Consultant shall require Subcontractors who perform Work at the Work Site to carry liability insurance (auto, commercial general liability and excess) and workers' compensation/employer's liability insurance commensurate with their respective scopes of work. Consultant shall remain responsible for any claims, lawsuits, losses and expenses included defense costs that exceed any of its Subcontractors' insurance limits or for uninsured claims or losses.

ARTICLE 18. INDEMNIFICATION; LIMITATION OF LIABILITY

Consultant specifically and expressly agrees to indemnify, defend, and hold harmless Company and its officers, directors, employees and agents (hereinafter collectively "Indemnitees") against and from any and all claims, demands, suits, losses, costs and damages of every kind and description, including attorneys' fees and/or litigation expenses, brought or made against or incurred by any of the Indemnitees resulting from or arising out of the acts, errors or omissions of Consultant, its employees, agents, representatives or Subcontractors of any tier, their employees, agents or representatives in the performance or nonperformance of Consultant's obligations under this Contract or in any way related to this Contract. The indemnity obligations under this Article shall include without limitation:

a. Loss of or damage to any property of Company, Consultant or any third party;

b. Bodily injury to, or death of any person(s), including without limitation employees of Company, or of Consultant or its Subcontractors of any tier; and

c. Claims arising out of workers' compensation, unemployment compensation, or similar such laws or obligations applicable to employees of Consultant or its Subcontractors of any tier.

Consultant's indemnity obligations owing to Indemnitees under this Article are not limited by any applicable insurance coverage identified in ARTICLE 17, INSURANCE. Consultant's indemnity obligation under this Article shall not extend to any liability caused by the sole negligence of any of the Indemnitees.

For Work performed in the States of Oregon and Washington, and to the limited extent that this Contract requires Consultant to perform Work meeting the statutory definition of "construction" in either of the above-referenced states, Consultant's indemnity obligations under this Article shall extend only to liability for damage arising out of death or bodily injury to persons or damage to property to the extent that the death or bodily injury to persons or damage to property arises out of the fault of Consultant, or the fault of Consultant's agents, representatives or Subcontractors.

With respect to Consultant's indemnity obligations to Company, Consultant specifically and expressly waives any immunity under either Industrial Insurance, Title 51, RCW, or Workers' Compensation Law, Chapter 656, ORS, and acknowledges that this waiver was mutually negotiated by the Parties hereinThe invalidity, in whole or in part, of any of the foregoing paragraphs will not affect the remainder of such paragraph or any other paragraphs in this Article.

IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR ANY OTHER NON-DIRECT DAMAGES , WHETHER UNDER THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EVEN IF SAID PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

EACH PARTY'S LIABILITY UNDER THIS CONTRACT OR OTHERWISE ARISING OUT OF THIS CONTRACT

REGARDLESS OF THE FORM OF ACTION, WHETHER UNDER THEORY OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, SHALL NOT EXCEED AN AMOUNT EQUAL TO THE TOTAL CONTRACT PRICE.

The limitations set forth in this Article shall not apply to (i) claims to the extent paid out of proceeds from insurance coverage Consultant is required to carry as identified in ARTICLE 17, INSURANCE, (ii) Consultant's third party indemnity obligations under this Contract, (iii) damages resulting from Consultant's breach of ARTICLE 17, INSURANCE, and (iv) damages resulting from breach of the confidentiality provisions set forth herein, gross negligence or intentional misconduct.

ARTICLE 19. CONSULTANT'S PERSONNEL; DRUGS, ALCOHOL AND FIREARMS

Consultant shall employ in the performance of the Work only persons qualified for the same. Consultant shall at all times enforce strict discipline and good order among its employees and the employees of any Subcontractor of any tier. Consultant shall not permit or allow the introduction or use of any firearms, illegal drugs or intoxicating liquor upon the Work Site under this Contract, or upon any of the grounds occupied, controlled, or used by Consultant in the performance of the Work. Consultant shall immediately remove from the Work, whenever requested by Company, any person considered by Company to be incompetent, insubordinate, careless, disorderly, in violation of the above restriction on firearms, illegal drugs or intoxicating liquor, or under the influence of illegal drugs or intoxicating liquor, and such person shall not again be employed in the performance of the Work herein without the consent of Company.

ARTICLE 20. ACCESS TO COMPANY'S FACILITIES

20.1 Requirements for Unescorted Personnel and Sensitive Personnel

Company shall specify in the Scope of Work whether or not the Work under this Contract requires: (i) authorized unescorted physical access to Company's Facilities (*i.e.*, use of Unescorted Personnel); or (ii) authorized unescorted physical access or authorized cyber access to Company's CIPS Covered Assets (*i.e.*, use of Sensitive Personnel). For all Personnel who require such access, Consultant shall:

a. Ensure that Unescorted Personnel and Sensitive Personnel have passed the background checks outlined in subsection 20.3(a) consistent with the Company's Criteria set forth on Exhibit E prior to requesting unescorted physical access and/or cyber access to Company's Facilities and/or CIPS Covered Assets, as applicable;

b. Ensure that Unescorted Personnel and Sensitive Personnel complete Company provided or approved initial CIPS compliance training prior to requesting unescorted physical access and/or cyber access to Company's Facilities and/or CIPS Covered Assets, as applicable;

c. Ensure that Unescorted Personnel and Sensitive Personnel have passed Consultant's drug and alcohol exam and are in compliance with Consultant's substance abuse/drug and alcohol policy as outlined in ARTICLE 21, SUBSTANCE ABUSE; DRUG AND ALCOHOL POLICY; and

d. Keep accurate and detailed documentation to confirm completion dates for background checks, all CIPS compliance training (initial and annual training, to the extent applicable), and drug tests, and certify to Company such documentation by completing a Contractor/Vendor Information Form, attached as Exhibit D hereto, for each Unescorted Personnel or Sensitive Personnel.

Consultant shall not allow any Unescorted Personnel or Sensitive Personnel who have not met the foregoing requirements of this subsection 20.1 to perform Work, unless Consultant has received prior written consent from Company.

20.2 Additional Access Requirements Specific to Sensitive Personnel

In addition to the access requirements outlined in subsection 20.1, with respect to all Sensitive Personnel, Consultant also shall:

a. Ensure that Sensitive Personnel (and any Personnel with access to CII) are informed of and comply with Company's CII requirements contained in any confidentiality agreement previously executed by Consultant as well as the CII requirements set forth herein;

b. In addition to the initial CIPS compliance training requirement outlined in subsection 20.1(b), ensure that Sensitive Personnel complete Company provided or approved CIPS compliance training within Company's prescribed training window, and not less than on an annual basis; and

c. Immediately report both (i) Sensitive Personnel terminations for cause and (ii) all other Sensitive Personnel terminations or changes in employment status for those who no longer require access, to the Company's Technology Resource Center (TRC). The TRC is available by calling either (503) 813-5555 or (801) 220-5555.

Consultant shall not allow any Sensitive Personnel who have not met the foregoing requirements of this subsection 20.2 to perform Work, unless Consultant has received prior written consent from Company.

20.3 Personnel Screening/Background Check Requirements for Unescorted Personnel and Sensitive Personnel

For all Unescorted Personnel or Sensitive Personnel, the following requirements must be met by Consultant:

Consultant shall conduct, at Consultant's cost and expense, the requisite background checks for the current and past countries of residence of all Unescorted Personnel and Sensitive Personnel consistent with the Company's Criteria set forth on Exhibit E. All background checks will be conducted in accordance with federal, state, provincial, and local laws, and subject to existing collective bargaining unit agreements or other agreements, if any.

Following the initial background check to obtain authorization for access, the background checks shall be updated no less frequently than every seven (7) years or upon request by Company, and shall, at a minimum, consist of a social security number identity verification and seven-year criminal background check, including all convictions for a crime punishable by imprisonment for a term exceeding one year.

Consultant shall ensure that each of the Unescorted Personnel and Sensitive Personnel sign an appropriate authorization form prior to background checks being conducted, acknowledging that the background check is being conducted, and authorizing the information obtained to be provided to Company.

Company has the right to audit Consultant's records supporting each Contractor/Vendor Information Form, attached as Exhibit D, submitted to Company, including background check results, and to verify that the requisite background checks and drug tests were performed consistent with Company's Criteria, set forth on Exhibit E. Consultant shall provide Company with all requested records supporting Contractor/Vendor Information Forms within a reasonable time after receiving such request, and in the form requested by Company, but not longer than three (3) business days following the date of such request.

For purposes of this Contract, a background check is considered valid pursuant to the Company's Criteria, set forth on Exhibit E, if it was completed within two (2) years prior to the date on which Consultant signed a Contractor/Vendor Information Form for each Unescorted Personnel and Sensitive Personnel. Regardless of when performed, all background checks shall be documented pursuant to the requirements set forth in this subsection 19.3.

In the event Company notifies Consultant of the impending expiration of the background check of any Unescorted Personnel or Sensitive Personnel, Consultant shall provide an updated Contractor/Vendor Information Form reflecting a refreshed background check within twenty (20) days of receipt of the Notice, in order to avoid revocation of such person's access.

20.4 Consultant Designee

Consultant shall designate one person to be responsible for compliance with the requirements of this Article, and all reporting and inquiries (other than Sensitive Personnel terminations or changes in employment status) shall be made via e-mail to CIPS-Contracting@PacifiCorp.com. Sensitive Personnel terminations or changes in employment status should be reported to the TRC pursuant to subsection 20.2(c).

ARTICLE 21. SUBSTANCE ABUSE; DRUG AND ALCOHOL POLICY

a. Consultant shall have and ensure compliance with a substance abuse/drug and alcohol policy that complies with all applicable federal, state and/or local statutes or regulations. Consultant shall subject each of the Personnel to a drug test at Consultant's sole cost and expense. Such drug test shall, at a minimum, be a five (5) Panel Drug Test, which should be recognizable at testing labs as a "SamHSA5 panel at 50NG – THC cut-off".

b. For any Personnel who have had a recent drug test, such recent drug test shall be documented pursuant to the previous Article. Consultant warrants that Consultant and the Personnel are in compliance with Consultant's substance abuse/drug and alcohol policy.

c. During the course of Work performed under this Contract, Consultant shall keep accurate and detailed documentation of its drug policy and Personnel drug tests, which it shall submit to Company upon request.

d. Consultant shall designate one person to be responsible for compliance with the requirements of this Article and all reporting and inquiries shall be made to a duly authorized representative of Company in a timely manner.

ARTICLE 22. DEPARTMENT OF TRANSPORTATION

Consultant shall ensure Department of Transportation compliance, including but not limited to valid driver's license, equipment inspections, hours of service and all appropriate documentation for any Personnel who may drive while on assignment to Company.

ARTICLE 23. BUSINESS ETHICS

Consultant, its employees, officers, agents, representatives and Subcontractors shall at all times maintain the highest ethical standards and avoid conflicts of interest in the performance of Consultant's obligations under this Contract. In conjunction with its performance of the Work, Consultant and its employees, officers, agents and representatives shall comply with, and cause its Subcontractors and their respective employees, officers, agents and representatives to comply with, all applicable laws, statutes, regulations and other requirements prohibiting bribery, corruption, kick-backs or similar unethical practices including, without limitation, the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act 2010, and the Company Code of Business Conduct, a copy of which is attached hereto as Exhibit F. Without limiting the generality of the foregoing, Consultant specifically represents and warrants that neither Consultant nor any Subcontractor, employees, officers, representatives or other agents of Consultant have made or will make any payment, or have given or will give anything of value, in either case to any government official (including any officer or employee of any governmental authority) to influence his, her, or its decision or to gain any other advantage for Company or Consultant in connection with the Work to be performed hereunder. Consultant shall maintain and cause to be maintained effective accounting procedures and internal controls necessary to record all expenditures in connection with this Contract and to verify Consultant's compliance with this Article. Company shall be permitted to audit such records as reasonably necessary to confirm Consultant's compliance with this Article; provided that Consultant may redact all personal information (e.g. social security numbers birth dates, etc.) from such records. Consultant shall immediately provide notice to Company of any facts, circumstances or allegations that constitute or might constitute a breach of this Article and shall cooperate with Company's subsequent investigation of such matters. Consultant shall indemnify and hold Company harmless from all fines, penalties, expenses or other losses sustained by Company as a result of Consultant's breach of this provision. The Parties specifically acknowledge that Consultant's failure to comply with the requirements of this Article shall constitute a condition of default under this Contract.

ARTICLE 24. TITLE; RISK OF LOSS

Title to all Equipment (other than software) to be sold by Consultant hereunder shall pass to Company upon delivery to the designated Company site. Title to software is not transferred and the right to use software included in the Equipment shall be governed by a separate license agreement between Company and the applicable software licensor. Until the earlier of acceptance or beneficial use by Company, Consultant assumes risk of loss and full responsibility for the cost of replacing "in-progress" Work and any incorporated Equipment (including any insurance deductibles and uninsured losses) to the extent such loss or damage results from the negligent or willful acts or omissions of Consultant. This provision shall apply regardless of whether Company holds title to the "in-progress" Work and any incorporated Equipment. This provision shall not apply to the extent such loss or damage is a result of the negligence or intentional misconduct of Company or Company's agents during such time as such agents are acting under Company's control.

ARTICLE 25. LABOR

Consultant shall be aware of, and familiar with, all collective bargaining agreements, which do or may pertain to or affect the Work under this Contract or other work at the Work Site. Consultant shall plan and conduct its operations so that its employees and Subcontractors of any tier will work harmoniously with Company employees and other workers employed on the same or related projects to ensure that there will be no delays, work stoppages, excessive labor costs, or other labor difficulties. Consultant confirms that its employees and the employees of Subcontractors employed in the performance of the Work may legally work in the United States.

ARTICLE 26. INSPECTION AND TESTING

All Work will be subject to inspection and testing at any reasonable time or times by Company, which shall have the right to reject unsatisfactory Work. Final acceptance testing of the Work shall occur as set forth in Exhibit A. Neither inspection and testing of Work nor the lack of same nor acceptance of the Work by Company nor payment therefore shall relieve Consultant from any of its obligations under this Contract.

Any inspection and testing performed by Company shall not relieve Consultant of the responsibility for providing quality control measures to assure that the Work strictly complies with the Contract requirements. Consultant shall cooperate with any inspection and testing performed by Company.

ARTICLE 27. REVIEW OF DELIVERABLES

Review by Company of any Deliverables submitted by Consultant shall occur as set forth in Exhibit A, and shall not relieve Consultant of its responsibility to comply with all requirements of the Contract and for the accuracy of the Deliverables or the materials fabricated from such Deliverables.

ARTICLE 28. SITE REGULATIONS

Consultant, while performing Work at the Work Site, shall make itself aware of and adhere to the Company Work Site regulations, if any, including without limitation environmental protection, loss control, dust control, safety, and security.

ARTICLE 29. SAFETY AND HEALTH; ACCIDENT AND DAMAGE PREVENTION

Consultant shall be responsible for being aware of and initiating, maintaining and supervising compliance with all safety laws, regulations, precautions, and programs in connection with the performance of the Contract. Prior to the start of any Work required by this Contract, Consultant shall ensure that each of its own employees, together with all employees of its Subcontractors of any tier, are fully informed concerning all safety, health, and security regulations pertaining to their Work.

Consultant shall conduct all Work in such a manner as to avoid the risk of bodily harm to persons including the public or risk of damage to any property.

In the event Consultant fails to promptly correct any violation of safety or health regulations, Company may suspend all or any part of the Work. Consultant shall not be entitled to any extension of time or reimbursement for costs caused by any such suspension order. Failure of Company to order discontinuance of any or all of Consultant's operations shall not relieve Consultant of its responsibility for the safety of personnel and property.

Consultant shall maintain an accurate record of and shall promptly report to Company all cases of property damage in excess of $100, and of death, occupational diseases, or injury to employees or any other third parties and incident to performance of Work under this Contract. Consultant shall provide Company with Notice and a copy of any safety citation issued by any governmental entity.

ARTICLE 30. HAZARDOUS MATERIALS

Consultant shall comply with, and cause all Subcontractors to comply with, all applicable statutes, laws, rules, regulations, codes, ordinances, decrees, writs, orders or similar requirements concerning Hazardous Materials. Without limiting the generality of the foregoing provision, Consultant shall comply with the following sections of the Company's hazard communication program:

a. Materials Safety Data Sheets ("MSDS") for all Hazardous Materials that Consultant or its Subcontractors plan to bring to the Work Site must first be presented to Company for review by Company's applicable safety coordinator.

b. Consultant shall furnish appropriate MSDS and appropriate labels with all Hazardous Materials brought to the Work Site. All Hazardous Materials will be contained so as to meet applicable legal requirements.

c. Consultant will cause all of its employees, and the employees of its Subcontractors, to review the MSDS of Hazardous Materials and to follow the requirements of the OSHA Hazard Communication Standard.

Consultant is responsible for all applicable training and adherence to the OSHA Hazard Communication Standard by their employees, Subcontractors, and Subcontractor's employees.

Consultant shall be solely responsible for all losses arising from Hazardous Materials brought to the Work Site by Consultant or its Subcontractors during the performance of the Work, including the storage, transportation, processing and disposal of Hazardous Materials, except to the proportionate extent any such loss results from the negligence or willful misconduct of Company or any third party other than Consultant's Subcontractors. Subject to the foregoing provision, Consultant shall be responsible for all losses related to the Hazardous Materials brought to the Work Site by Consultant or its Subcontractors including, without limitation: (ii) the remediation of any environmental condition caused by such Hazardous Materials, and (ii) any fines or penalties imposed by any governmental authority having or asserting jurisdiction with respect to the Hazardous Materials or Work.

ARTICLE 31. PROTECTION OF EXISTING FACILITIES

Consultant shall take commercially reasonable precautions to protect existing equipment and facilities, and avoid interference with Company's operations.

Consultant shall not remove or alter any part of the existing structures, equipment or facilities without the prior knowledge and consent of Company.

ARTICLE 32. PRESERVATION OF PUBLIC/PRIVATE ACCESS

Consultant shall not damage, close, or obstruct any highway, road, or other public or private easement, except to the extent allowed by permits. If such facilities are closed, obstructed, damaged, or made unsafe by Consultant, Consultant shall, at its sole expense, make such repair as necessary and shall also provide such temporary guards, lights, and other signals as necessary or required for safety or as reasonably requested by Company.

ARTICLE 33. PROGRESS MEETINGS

Company will conduct weekly, or at other regular intervals as agreed by both Parties, meetings with Consultant to inspect facilities and discuss any unusual conditions or critical items which have affected or could affect the Work.

ARTICLE 34. SUPERINTENDENCE BY CONSULTANT

Consultant shall have competent supervisory personnel satisfactory to Company and with authority to act for Consultant present at the Work Site at all times the Work is in progress.

ARTICLE 35. USE OF PREMISES AND TRESPASS

Consultant shall confine the storage of materials and construction equipment to locations acceptable to Company and in accordance with all applicable ordinances, regulations, or laws. Consultant shall provide adequate safety barriers, signs, lanterns, and other warning devices to properly protect any person having access to or near the Work Site. Consultant shall be solely responsible for any act of trespass or any damage to adjacent property resulting from or in connection with its operations under this Contract.

ARTICLE 36. UNDERGROUND OBSTACLES

Consultant shall be responsible for ascertaining the location of and avoiding damage to all underground installations including without limitation cable, gas, water pipes, telephone lines, and other underground installations, whether the location of the excavation, digging, or trenching required for performance of the Work is fixed by Company or by Consultant.

ARTICLE 37. COOPERATION WITH OTHERS

Consultant shall fully cooperate and coordinate with Company employees and other contractors who may be awarded other work. Consultant shall not commit or permit any act which will interfere with the performance of work by Company employees or other contractors.

ARTICLE 38. CLEANUP

Consultant shall keep the Work Site, including storage areas used by it, free from accumulation of waste materials or rubbish arising out of the Work, and prior to completion of the Work, shall remove and properly dispose of any such rubbish from and about the Work Site, as well as remove all tools and equipment not property of Company. Upon completion of the Work, Consultant shall leave the Work Site in a condition satisfactory to Company. In the event of Consultant's failure within a reasonable time to comply with any of the foregoing, Company may, after written Notice to Consultant of such failure, perform the cleanup and removal at the expense of Consultant.

ARTICLE 39. INTENTIONALLY OMITTED

ARTICLE 40. INTENTIONALLY OMITTED

ARTICLE 41. CONFLICTS, ERRORS, OMISSIONS, OR DISCREPANCIES IN CONTRACT DOCUMENTS

Each Party shall advise the other Party in writing of all conflicts, errors, omissions, or discrepancies among the various documents comprising this Contract immediately upon discovery and prior to Consultant's performing the affected Work. Company shall resolve any conflicts and such resolution shall be final; Company and Consultant shall work together to resolve any such errors or omissions to their mutual satisfaction. Anything mentioned in the Specifications and not shown on the drawings, or shown on the drawings and not mentioned in the Specifications, shall be considered as if shown or mentioned in both.

ARTICLE 42. CLAIM NOTICE AND RESOLUTION PROCEDURE

In the event Consultant has a claim or request for a time extension, additional compensation, any other adjustment of the Contract terms, or any dispute arising under the Contract (hereinafter "Claim"), Consultant shall provide Company with

Notice of such Claim within ten (10) business days following the occurrence of the event giving rise to the Claim. Consultant's failure to give Notice as required will constitute a waiver of all of Consultant's rights with respect to the Claim.

As soon as practicable after Claim notification, Consultant shall submit the Claim to Company with all supporting information and documentation. Consultant shall also respond promptly to all Company inquiries about the Claim and its basis.

Any Claim that is not disposed of by mutual agreement between the Parties shall be decided by Company, which shall provide a written decision to Consultant. Such decision shall be final unless Consultant, within thirty (30) days after such receipt of Company's decision, provides to Company a written protest, stating clearly and in detail the basis thereof. Consultant's failure to protest Company's decision within that time period shall constitute a waiver by Consultant of its right to dispute the decision. Even if a Claim arises, Consultant shall continue its performance of this Contract.

ARTICLE 43. SUSPENSION OF WORK

Company may, by written Notice, direct Consultant to suspend performance of any or all of the Work for a specified period of time. Upon receipt of such Notice to suspend, Consultant shall: (i) discontinue Work; (ii) place no further orders or subcontracts; (iii) suspend all orders and subcontracts; (iv) protect and maintain the Work; and (v) otherwise mitigate Company's costs and liabilities for those areas of Work suspended. Company shall pay Consultant an equitable amount for incremental costs incurred by Consultant as a result of the suspension; provided, however, that if the suspension is due to Consultant's failure to comply with the Contract, no such payment shall be made.

ARTICLE 44. TERMINATION FOR CONVENIENCE

Company may terminate this Contract in whole or in part at any time without cause prior to its completion by sending to Consultant written Notice of such termination. Upon such termination, Company shall pay to Consultant, in full satisfaction and discharge of all liabilities and obligations owed Consultant, an equitable amount for all Work satisfactorily performed by Consultant as of the date of termination, plus an equitable termination fee to address Subcontractor termination charges and other out-of-pocket costs incurred by Consultant as the result of the termination provided that such costs cannot be reasonably mitigated. Company shall not be liable for anticipated profits based upon Work not yet performed.

ARTICLE 45. TERMINATION FOR CAUSE

1. For purposes of this Contract, a default by Consultant shall be the occurrence of any of the following:

   a. A breach by Consultant of any of its material obligations under this Contract, if such breach continues uncured for a period of ten (10) calendar days after receipt of written Notice from Company, unless such breach cannot by its nature be remedied within such period in which event Consultant shall provide evidence reasonably satisfactory to Company within ten (10) calendar days after receipt of such Notice that the cure of such breach has commenced and Consultant thereafter makes reasonable and continuous progress to that end. For purposes of this Contract, a default by Consultant shall be deemed to include, without limitation, Consultant's refusal or neglect to supply sufficient and properly skilled workmen, materials of the proper quality or quantity, or equipment necessary to perform the Work described in this Contract properly, or Consultant's failure in any respect to prosecute the Work described in this Contract or any part thereof with promptness, diligence, and in accordance with all of the material provisions hereof;

   b. A determination that any representation, statement or warranty made by Consultant in this Contract or any other statement, report or document which Consultant is required to furnish to Company, was false or misleading in any material respect;

   c. The occurrence of any of the following: (i) the filing by or against Consultant of a proceeding under any bankruptcy or similar law, unless such proceeding is dismissed within thirty (30) calendar days from the date of filing; (ii) the making by Consultant of any assignment for the benefit of creditors; (iii) the filing by or against Consultant for a proceeding for dissolution or liquidation, unless such proceeding is dismissed within thirty (30) calendar days from the date of filing; (iv) the appointment of or the application for the appointment of a receiver, trustee, or custodian for any material part of Consultant's assets unless such appointment is revoked or dismissed within thirty (30) calendar days from the date thereof; (v) the attempt by Consultant to make any adjustment, settlement, or extension of its debts with its creditors generally; (vi) the insolvency of Consultant or; (vii) the filing or recording of a notice of lien or the issuance or the obtaining of a levy of execution upon or against a material portion of Consultant's assets, unless such lien or levy of execution is dissolved within thirty (30) calendar days from the date thereof; or

   d. A Material Adverse Change has occurred with respect to Consultant and Consultant fails to provide such performance assurances as are reasonably requested by Company.

2. Upon the occurrence of any such default, following the applicable process described in this Article, Company shall be entitled upon written Notice to Consultant and without Notice to Consultant's sureties and without limiting any of Company's other rights or remedies, to terminate this Contract or to terminate Consultant's right to proceed with that portion of the Work affected by any such default and collect the Net Replacement Costs incurred to complete the Work.
3. Upon the occurrence of any such default, following the applicable process described in this Article, Company shall be entitled to seek performance by any guarantor of Consultant's obligations hereunder.
4. Upon receipt of any such written Notice of termination of the entire Contract or of any right to proceed with any portion of the Work following the applicable process described in this Article, Consultant shall, at its expense, for that portion of the Work affected by any such termination:
   a. Assist Company in making an inventory of all Equipment in storage at Consultant's facility, en route to Consultant's facility, in storage or manufacture elsewhere, en route to Company and on order from the suppliers;
   b. Assess the status of any Deliverables still due and preserve any Work performed; and
   c. To the extent that they are assignable, assign to Company any and all subcontracts and equipment rental agreements as designated in writing by Company.
5. In the event of such termination, Company may, for the purpose of completing the Work or enforcing these provisions, take possession of all Equipment, tools, appliances, documentation, software source media, flow charts, documents and other Deliverables at the Company's Work Site belonging to or under the control of Consultant, and may use them or may finish the Work by whatever method it may deem expedient including: (i) Company may hire a replacement contractor or contractors to complete the remaining Work that Consultant was otherwise obligated to complete under the Contract using such form of agreement as Company may deem advisable; or (ii) Company may itself provide any labor or materials to complete the Work. Consultant shall cooperate with and assist Company in attempting to acquire from Consultant's Subcontractors the right to take possession of and use any and all proprietary materials in the event of such termination. All proprietary materials of Consultant or Subcontractors shall remain subject to the provisions herein, and Company shall not have any broader rights to use or disclose such proprietary materials as a result of such termination. Any software embodying any of Consultant's proprietary materials shall also be subject to the provisions herein. In the event of such a termination, Consultant shall not be entitled to receive any further payment until the Work is completed, and such amounts may be offset against Company's Net Replacement Costs.
6. All rights and remedies provided in this Article are cumulative, and are not exclusive of any other rights or remedies that may be available, whether provided by law, equity, statute, in any other agreement between the Parties or otherwise. Upon the occurrence of any such default, following the applicable process described in this Article, Company shall be entitled to pursue any and all other rights and remedies, including without limitation damages, that Company may have against Consultant under this Contract or at law or in equity.

ARTICLE 46. DELAYS

Force Majeure. Neither Party shall be liable for delays caused by a Force Majeure Event; provided, however, that both Parties agree to seek to mitigate the potential impact of any such delay. Any delay attributable to a Force Majeure Event shall not be the basis for a request for additional compensation. In the event of any such delay, the required completion date may be extended for a reasonable period not exceeding the time actually lost by reason of the Force Majeure Event.

Company-Caused Delay. If Consultant is actually delayed in its performance of the Work by the actions or omissions of the Company (excluding Company's good faith exercise of rights and remedies provided under the Contract), or by changes ordered with respect to the Work, and if Consultant is able to prove that it has used all reasonable means to avoid or minimize the effects of the delay, then Consultant's guaranteed completion dates shall be equitably adjusted to reflect the impacts of such Company-caused delays. Company may, at its discretion, in lieu of granting an extension of time, require Consultant to regain the schedule whereby Company shall compensate Consultant for all additional costs reasonably incurred thereby. No adjustment under this Article shall be made for any delay to the extent that it is caused or contributed to by Consultant or performance would have otherwise been delayed by any other cause, including the fault or negligence of Consultant.

Consultant Caused Delays. In the event the Work is not delivered in accordance with and within the time specified in the Contract, and the failure to timely perform is in no way related to either a Force Majeure Event or Company-caused delay.

Request For Time Extension. Any request for time extension or additional compensation shall be made in accordance with ARTICLE 42, CLAIM NOTICE AND RESOLUTION PROCEDURE.

If, at any time, Company determines the progress of the Work is unsatisfactory, Consultant shall work overtime, increase its workforce, work additional shifts, add supervision or take other corrective actions to ensure the timely and orderly prosecution of the Work, at no additional cost to Company.

ARTICLE 47. SITE INVESTIGATION

Consultant represents it has satisfied itself as to the nature and location of the Work, the general, local, physical and other conditions of the Work, particularly those bearing upon transportation, access, disposal, handling and storage of materials, availability and quality of labor, water, electric power, roads, uncertainties of weather, including flash floods or similar physical conditions at the Work Site, the character of conditions on the ground, the character, quality and quantity of surface and subsurface material to be encountered; the character of equipment and facilities needed preliminary to and during the prosecution of the Work, and all other matters which could in any way affect the Work or the cost thereof under this Contract. The failure of Consultant to adequately investigate and acquaint itself with the available information concerning these conditions and all other matters which could in any way affect the Work or the cost thereof under this Contract shall not relieve Consultant from its responsibility for properly estimating the difficulties and costs of successfully performing the Work and completing this Contract, and shall not be grounds for adjusting either the price or the schedule. Company assumes no responsibility for any understanding or representation made by any of its officers or agents during or prior to the negotiations and execution of this Contract.

ARTICLE 48. CHANGED CONDITIONS

To the extent applicable under a particular Scope of Work, Consultant shall immediately and before such physical conditions are disturbed, provide Notice to Company of: (i) subsurface or latent physical conditions at the Work Site differing materially from those indicated in this Contract and which could not have been discovered pursuant to the site investigations for which Consultant is responsible under ARTICLE 47, SITE INVESTIGATION; or (ii) unknown physical conditions at the Work Site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in Work of the character provided for in this Contract and which could not have been discovered pursuant to the site investigations for which Consultant is responsible under ARTICLE 47, SITE INVESTIGATION. Company will promptly investigate the conditions, and if it finds that such conditions do materially differ and cause an increase or decrease in the cost of, or the time required for performance of this Contract, an equitable adjustment shall be made and this Contract modified in writing accordingly. Any claim by Consultant for adjustment hereunder shall be made pursuant to ARTICLE 42, CLAIM NOTICE AND RESOLUTION PROCEDURE.

ARTICLE 49. COMPLIANCE WITH LAWS

Consultant shall at all times comply with all applicable laws, statutes, regulations, rules, ordinances, codes, and standards, including without limitation those governing wages, hours, desegregation, employment discrimination, employment of minors, health and safety. Consultant shall comply with equal opportunity laws and regulations to the extent that they are applicable. Consultant confirms that its employees and the employees of all Subcontractors employed under the Contract may legally work in the United States.

Consultant shall indemnify, defend and hold harmless Company, its directors, officers, employees and agents from all losses, costs and damages by reason of any violation thereof and from any liability, including without limitation fines, penalties and other costs arising out of Consultant's failure to so comply.

ARTICLE 50. INDEPENDENT CONTRACTOR

Consultant is an independent contractor and all persons employed by Consultant in connection herewith shall be employees of Consultant and not employees of Company in any respect. Consultant shall maintain complete control over Consultant's employees and Subcontractors.

ARTICLE 51. RELEASE OF INFORMATION – ADVERTISING AND PROMOTION

Consultant shall not publish, release, disclose, or announce to any member of the public, press, official body, or any other third party any information concerning this Contract and/or the Work, or any part thereof, without the express prior written consent of Company, except as required by law. Neither the names of Company, nor the Work Site shall be used in any advertising or other promotional context by Consultant without the express prior written consent of Company.

ARTICLE 52. CONFIDENTIAL INFORMATION; NONDISCLOSURE

Definition of Confidential Information. The term "Confidential Information" means: (i) proprietary information of Company; (ii) information marked or designated by Company as confidential; (iii) Critical Infrastructure Information of Company; (iv) information, whether or not in written form and whether or not designated as confidential, which is known to Consultant as being treated by Company as confidential; (v) information provided to Company by third parties which Company is obligated to keep confidential (including but not limited to credit or financial information and information relating to an identified or identifiable natural person, whether or not such information is publicly available); and (vi) information developed by Consultant in connection with the performance of this Contract.

Nondisclosure. Consultant agrees that it will not disclose Confidential Information, directly or indirectly, under any circumstances or by any means, to any third person without the express written consent of Company.

Nonuse. Consultant further agrees that it will not use Confidential Information except as may be necessary to perform the Work called for by this Contract.

Protection. Confidential Information will be made available by Consultant to its employees only on a "need to know" basis and only after notifying such employees of the confidential nature of the information and after having obligated them to the nonuse and nondisclosure obligations of this Contract. Consultant agrees to take all reasonable precautions to protect the confidentiality of Confidential Information and, upon request by Company, to return to Company any documents which contain or reflect such Confidential Information.

Critical Infrastructure Information. Confidential Information of Company labeled as CII shall be protected consistent with the following requirements: (a) CII shall be protected at all times, either by appropriate storage or having it under the personal observation and control of a person authorized to receive it; (b) each person who works with protected CII is personally responsible for taking proper precautions to ensure that unauthorized persons do not gain access to it; (c) reasonable steps shall be taken to minimize the risks of access to CII by unauthorized personnel (when not in use, CII shall be secured in a secure container, such as a locked desk, file cabinet or facility where security is provided); (d) documents or material containing CII may be reproduced to the minimum extent necessary, consistent with the need to carry out the Work, provided that the reproduced material is marked and protected in the same manner as the original material; (e) material containing CII should be disposed of through secured shredding receptacles or other secured document destruction methods; (f) CII shall be transmitted only by the following means: (i) hand delivery; (ii) United States first class, express, certified or registered mail, bonded courier, or through secure electronic means; (iii) e-mail with encrypted file (such as, WinZip with password) (the password should not be included in e-mail, but should be delivered by phone or in an unrelated e-mail not mentioning the document name; password-protected Microsoft Office documents do not meet the encryption requirements); and (g) documents or material containing CII shall be returned to Company or certified destroyed upon completion of the Work.

Unless waived by Company, Consultant shall require its employees and Subcontractors of any tier to adhere to these confidential information and nondisclosure terms.

ARTICLE 53. OWNERSHIP OF DESIGNS, DRAWINGS, AND WORK PRODUCT

All materials prepared or developed hereunder by Consultant or its employees, or Subcontractors or their employees or agents, including documents, calculations, maps, sketches, designs, tracings, notes, reports, data, computer programs, models, and samples shall become the property of Company upon Consultant's receipt of payment in full for such materials or when prepared if such payments are disputed in good faith, whether delivered to Company or not, and shall, together with any materials furnished Consultant and its employees by Company hereunder, be delivered to Company upon request, and, in any event, upon termination or final acceptance of the Work. Consultant agrees that all Work prepared by it, or its employees, agents or Subcontractors of any tier, or their employees, under this Contract which is subject to protection under copyright laws constitutes "work made for hire," all copyrights to which belong to Company. In any event, Consultant assigns to Company all intellectual property rights in such Work whether by way of copyright, trade secret or otherwise, and whether or not subject to protection by copyright laws. For the purpose of this ARTICLE 53, Work shall not include, and the transfer of any rights hereunder shall not apply to, Background Technology (as hereinafter defined) or any software, materials or other technology which is owned or controlled by a third party ("Third Party Technology"). "Background Technology" means all processes, tools, works of authorship, programs, data, utilities or other intellectual property, in whatever form, that Consultant prepared or had prepared outside the scope of the Work provided hereunder and are included in, or necessary to, the Work and/or the Deliverables. Consultant Background Technology shall belong exclusively to Consultant, including to the extent included in the Work and/or Deliverables; provided that such Consultant Background Technology and Third Party Technology are hereby licensed to Company, through a fully paid perpetual license, for Company's own use for the Work that is the subject of this

Contract to the fullest extent necessary to accomplish the purposes of this Contract any future use, maintenance or repair of the Work.

ARTICLE 54. PATENT AND COPYRIGHT INDEMNITY

Consultant shall indemnify, defend, and hold harmless Company, its directors, officers, employees, and agents against and from all claims, losses, costs, suits, judgments, damages, and expenses, including attorneys' fees, of any kind or nature whatsoever on account of infringement of any patent, copyrighted or uncopyrighted work, including claims thereof pertaining to or arising from Consultant's performance under this Contract. If notified promptly in writing and given authority, information, and assistance, and contingent upon Company not taking any position adverse to Consultant in connection with such claim, Consultant shall defend, or may settle at its expense, any suit or proceeding against Company so far as based on a claimed infringement which would result in a breach of this warranty and Consultant shall pay all damages and costs awarded therein against Company due to such breach.

In case any Service or Equipment, or any combination thereof, is in such suit held to constitute such an infringement and the use of said Service or Equipment is enjoined, Consultant shall, at its expense and through mutual agreement between the Company and Consultant, either procure for Company the right to continue using said Service or Equipment, replace same with a non-infringing Service or Equipment, or modify same so it becomes non-infringing.

ARTICLE 55. ASSIGNMENT

Except in the event of a merger or the sale/transfer of all (or substantially all) the assets or ownership interest of the assigning party, this Contract shall not be assigned or otherwise transferred (whether by assignment, merger or otherwise) by either Party without the prior written consent of the other Party, which will not be unreasonably withheld. In the event of an assignment, the assuming party shall assume all rights and obligations of the assigning party under this Contract and shall evidence such assumption by entering into an assumption agreement with the non-assigning party.

ARTICLE 56. SUBCONTRACTS

Consultant shall not subcontract any or all of the Work without prior written consent of Company which shall not be unreasonably withheld. Consultant shall be fully responsible for the acts or omissions of any Subcontractors of any tier and of all persons employed by them, shall maintain complete control over all such Subcontractors, and neither the consent by Company, nor anything contained herein, shall be deemed to create any contractual relation between the Subcontractors of any tier and Company.

ARTICLE 57. NON-EXCLUSIVE RIGHTS

Nothing in this Contract is to be construed as granting to Consultant an exclusive right to provide any or all of the Work anticipated herein. The use of Consultant's Services is completely discretionary with Company. This Contract shall not be construed in any way to impose a duty upon Company to use Consultant.

ARTICLE 58. NONWAIVER

The failure of Company to insist upon or enforce strict performance by Consultant of any of the terms of this Contract or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of Company's right to enforce such terms or rights on any future occasion.

ARTICLE 59. SEVERABILITY

Any provision of this Contract prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Contract.

ARTICLE 60. APPLICABLE LAW AND VENUE

This Contract shall be interpreted in accordance with the substantive and procedural laws of the state in which the project Work Site is located. Any litigation between the Parties arising out of or relating to this Contract will be conducted exclusively in appropriate federal or state courts of such state, and Consultant consents to jurisdiction by such courts. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

ARTICLE 61. ENTIRE CONTRACT; DOCUMENTS INCORPORATED BY REFERENCE

This Contract and any referenced exhibits and attachments constitute the complete agreement between the Parties. All understandings, representations, warranties, agreements and any referenced attachments, if any, existing between the Parties regarding the subject matter hereof are merged into and superseded by this Contract, which fully and completely expresses the agreement of the Parties with respect to the subject matter hereof. Any Scope of Work, Specifications, drawings, schedules or other documents listed in this Contract are incorporated by reference into this Contract. In the event of a conflict between (i) any Scope of Work, Specifications, drawings, schedules or other attachment or exhibit to this Contract and (ii) the above terms and conditions of this Contract, the above terms and conditions of this Contract shall take precedence and control.

Company assumes no responsibility for any understanding or representation made by any of its employees, officers or agents during or prior to the negotiations and execution of this Contract, unless such understanding or representation is expressly stated in the Contract.

ARTICLE 62. EXECUTION AND EFFECTIVE DATE

This Contract has been executed by duly authorized representatives of the Parties and shall be effective as of date of execution by Company.

CONSULTANT:	COMPANY:
Sirius Computer Solutions, Inc.	**PacifiCorp**
By: _____	**By:** _____
(Signature)	**(Signature)**
Name: _____	**Name:** _____
(Type or Print)	**(Type or Print)**
Title: _____	**Title:** _____
_____	_____
(Date Executed)	**(Date Executed)**

Exhibit A
Specifications for Equipment; Scope of Work

I. Equipment Supply

Consultant will cause IBM to supply the following Equipment:

Manufacturer:	IBM
Model:	2818 – Q03
MIPS/MSU:	640 / 80
Storage:	32Gb
Engines:	1 – ICF
	1 – zIIP
FICON:	14 FICON SX 8 gbit ports
OSA:	6 OSA3 copper ports
ESCON:	28 ESCON ports
Server Time Protocol (STP):	Yes

II. Installation Services

Consultant is committed to a successful System z installation at Company. To ensure a seamless installation, Consultant will perform the following tasks:

- Prepare Technical Delivery Assurance (TDA) documentation for the mainframe.
- Perform a Technical Delivery Assurance meeting. Consultant technical personnel along with IBM CE's will review the physical requirements of the processor and your facilities. With input from your technical staff, IBM and Consultant will assure that the processor can be installed with minimal disruption to your operation.
- Provide physical planning information and assistance as necessary to prepare environment for the installation of the mainframe.
- CONSULTANT will work with your technical staff to ensure you are migrated to the latest generally available version / release of your System z operating system. This must be accomplished within 12 months of install for a new version or 18 months for a new release. Services to perform this migration are available if desired.
- Consultant will work with your technical staff to generate, install and test an IOCP for your specific environment, as required.
- Provide CHPID/PCHID cross reference information to facilitate channel cable connection to the mainframe.
- Create a logical system diagram of the new mainframe.
- Provide at a minimum one day of on-site engineering assistance during the implementation of the mainframe.
- Provide for de-installation, de-installation and testing of mainframe by engaging and coordinating with IBM Company Engineering.
- Configure and customize Hardware Management Console (HMC) for Company's environment.
- Identify with you the OEM software that is serial number dependent and ensure serial number sensitive changes are applied.
- Ensure hardware toleration maintenance software fixes are applied and tested.
- Provide education and support for system programmers on new features as required.
- Provide ongoing technical non-defect support for IBM hardware and software.
- Coordinate project by maintaining action items list and facilitating weekly status meetings.
- Assist with configuring OSA-3 cards for QDIO and ICC usages, as required.
- Assist with mainframe cabling prior to and during new mainframe production cut-over.
- Obtain and assist with installation of ESCON to Parallel converter(s)

RESPONSIBILITIES

Consultant Responsibilities

1. Document each task necessary to complete the Services and send a final report to Company when such tasks are completed.
2. Staff this effort with appropriately skilled individuals to perform the Services.
3. Promptly notify Company of any unsafe condition about which Consultant has knowledge.

Company Responsibilities

1. Back-up all data, software, operating systems, software configurations and networking configurations in preparation for and during the performance of the Services. Consultant shall not be liable for any lost, damaged or corrupted data.
2. Have any additional software and hardware required to support the installation of the mainframe available at the beginning of the project and ensure that the necessary hardware environment (operating system, network, ports) is configured appropriately and is stable.
3. Provide Consultant with access to Company's facilities and appropriate resources as reasonably necessary for Consultant to fulfill its obligations hereunder, including but not limited to: an adequate work area, network access, telephones, terminal, access to PC-based printer, remote access to systems (if applicable), and access to an outside telephone line that can be used for internet access.
4. Promptly notify Consultant of any unsafe condition about which Company has knowledge and to which Consultant resources could be exposed.
5. Promptly notify Consultant of any accidents or injuries involving Consultant employees or Subcontractors assigned to Company.
6. Promptly inspect and accept Services and/or Deliverables upon completion by Consultant.

Joint Responsibilities

1. Consultant and Company will work together to establish acceptance criteria.

DELIVERABLES

This SCOPE OF WORK will produce the following specific deliverables and/or objectives ("Deliverables"). Costs contained in this SCOPE OF WORK were created based on these Deliverables and objectives only. Tasks, deliverables and responsibilities not explicitly addressed within this SCOPE OF WORK are beyond its scope and can only be provided pursuant to the change process described herein or pursuant to a separate SCOPE OF WORK as mutually agreed to by both parties. Except as explicitly set forth in this SCOPE OF WORK, Consultant shall have no obligation to provide maintenance or support services for Deliverables or to modify or remediate Deliverables in any manner following Company's acceptance thereof.

1. Completion report
    a. Technical Delivery Assurance (TDA) documentation.
    b. z114 Systems Assurance Product Review Guide (SAPR)
    c. z114 Installation Manual for Physical Planning (IMPP)
    d. Logical System diagram
    e. PCHID / CHPID cross reference document
    f. Labels for cables that will be connected to the mainframe, if required
    g. Channel cables for up to the number of enabled ports
    h. ESCON to Parallel converter(s)
2. Knowledge transfer
    a. Consultant will provide knowledge transfer for all aspects related to this project.
3. De-installation and Removal of the existing z9 processor
    a. Perform any required de-installation activities
    b. Arrange for removal from the datacenter and shipping to final destination
    c. Final disposal

ASSUMPTIONS

Consultant has created this SCOPE OF WORK under the following assumptions. If one or more of these assumptions proves to be invalid, costs and other project factors may be impacted.

1. It is also expected that Company staff will participate throughout the implementation.

SCHEDULE

Consultant and Company will determine a schedule for work to be performed once execution of this SCOPE OF WORK occurs. The implementation schedule shall reflect a completion date that is 90 calendar days after contract execution. The schedule will include expected response times for Company to review and complete tasks.

SERVICES COORDINATION

Company designates the following authorized representative assigned to serve as the primary point of contact for communication, issue escalation, contract administration, project scope change administration, and acceptance of Deliverables and/or Services as set forth herein.

Company's Authorized Representative	Email Address
Clay Miller	CWMiller@midamerican.com

SITE OF PERFORMANCE

Performance of the Services will be at the following Company location(s):

Services Location(s):
PacifiCorp Lloyd Center Tower 825 NE Multnomah St Portland, OR 97256

ACCEPTANCE

Upon completion of the Services, Consultant will submit a Completion Document in a form set forth at Exhibit G. Company will return the Completion Document in accordance with its instructions within five (5) business days from the date of receipt thereof. If Company reasonably believes that Consultant failed to complete the Services in accordance with this SCOPE OF WORK, Company will notify Consultant in writing of its reasons for rejection of the Services or any portion thereof within five (5) business days from Company's receipt of the Completion Document. If Consultant does not receive the signed Completion Document or written notification of the reasons for rejection within five (5) business days of Company's receipt thereof, the absence of Company's response will constitute Company's acceptance of the Services and a waiver of any right of rejection.

III. Hardware/Software Support Services (including Optional Services)

Consultant will supply IBM support services as provided on the pricing exhibit. IBM support services purchased through Consultant shall be provided as a pass through in accordance with the applicable manufacturer's service program.

Note: All software products are subject to the license agreement of the applicable manufacturer, as provided with the software packaging or in the software at the time of shipment.

Exhibit B
Pricing Schedule

Hardware		**Cost**
Manufacturer:	IBM	
Model:	2818 - z114	
MIPS/MSU:	640 / 80	
Storage:	32Gb	
Engines:	1 – ICF	
	1 – zIIP	
FICON:	14 FICON SX 8 gbit ports	
OSA:	6 OSA3 copper ports	
ESCON:	28 ESCON ports	
Server Time Protocol (STP):	Yes	
	Total	$[redacted]

The license for the OS on the existing IBM z9BC model 2096-Q04 will be transferred to the new system without charge. Freight (delivery to Company's computer center) and the installation related services described in the Scope of Work, Exhibit A, are included in the foregoing price.

Z114 Support		**Cost**
Hardware Maintenance - Assumes install in October, production start on 11/1/2012, agreement end date of 10/31/2015	3 years prepaid support, (one year of warranty and two years of post warranty support) on new 2818-Q03 with one zIIP, one ICF	$[redacted]
SoftwareXcel Multi-site for 1 location for one machine. Coverage for **one year** from 11/1/2012 through 10/31/2013	SoftwareXcel Enterprise for zSeries	$[redacted]
Early termination of Hardware Maintenance or SoftwareXcel caused by taking the machine out of productive use will result in a refund pro-rated by IBM and returned to Company by Consultant. Prepaid Maintenance or SoftwareXcel cancelled for other reasons will not result in a refund.		

The foregoing amounts may be invoiced to Company upon successful installation and acceptance by Company.

OPTIONAL ITEMS		
OPTIONAL: Hardware Maintenance - starts 1/15/2014, end date 9/30/15	Prepaid support on 2096-S07 at capacity setting R01 from end of current agreement through 9/30/15	$[redacted]
OPTIONAL : Hardware Maintenance - starts 1/29/2013, end date 9/30/15	Prepaid support on 2098-E10 at capacity setting O03 from end of current agreement through 9/30/15	$[redacted]
Company may elect optional items by providing Notice to Consultant during the term of the Contract. Amounts due will be prorated for the period of coverage elected by Company.		

Exhibit D

Contractor / Vendor Information Form (CIF)

Updated 10/24/11

New/Rehire Set-up ☐ Recertification ☐

Contractor / Vendor Name: _____

(Last, First, Middle initial)

Company Name: _____

Address: _____

Phone: _____ Fax: _____

(1) Successfully Passed Employer's Background Check?
Yes ☐ No ☐ (if no, please complete grey box below) Date Completed: _____
(MM/DD/YYYY)

(2) Successfully Passed Employer's Drug and Alcohol Exam?
Yes ☐ No ☐ (if no, please complete grey box below) Date Completed: _____
(MM/DD/YYYY)

(3) Completed PacifiCorp's Pre-Hire Compliance Training? Date Completed: _____
(includes Security and CIPS overview) *(MM/DD/YYYY)*

I hereby certify that the information provided regarding the Contractor / Vendor is accurate and documentation to support this information will be retained by Contractor / Vendor employer and provided upon Company's request

Required Signatures

_____ _____
Signature of Manager from Contractor / Vendor Company *Date*

_____
Printed Name

If Contractor / Vendor did not pass the Background Check or Drug and Alcohol Exam, please contact Colt Norrish at "colt.norrish@pacificorp.com" or 503-813-5545 to discuss.

_____ _____
Accepted by *PacifiCorp Chief Compliance Officer* *Date*

Guidelines

- Contractors / Vendors will not be permitted PacifiCorp unescorted access without the completion of a drug/alcohol screening, background check and required training.
- Contractor / Vendor Companies are required to submit this completed form to the PacifiCorp hiring/sponsoring manager.

- The hiring/sponsoring manager will use the information on this form to complete a Personnel Action Input Form (PAIF), and will submit this form along with the PAIF to the HR Service Center.
- For recertification's, this form is to be submitted to the HR Service Center.

Overview of Background Check and Drug Screen Requirements

Background Check Requirements

- Background checks shall be updated no less frequently than every seven (7) years or upon request by Company, and shall, at a minimum, consist of a social security number verification and seven-year criminal background check, including all convictions for a crime punishable by imprisonment for a term exceeding one year.

Drug and Alcohol Screening Requirements

- Drug test shall, at a minimum, be a five (5) Panel Drug Test, which should be recognizable at testing labs as a "SamHSA5 panel at 50NG – THC cut-off".

Your contract with PacifiCorp requires compliance with the following:

- Ensure that Unescorted Personnel and Sensitive Personnel have passed the background checks outlined above and consistent with the Company's Background Check Criteria set forth in your contract prior to requesting unescorted physical access and/or cyber access to Company's Facilities and/or CIPS Covered Assets, as applicable.

- Ensure that Unescorted Personnel and Sensitive Personnel complete Company provided or approved initial CIPS compliance training prior to requesting unescorted physical access and/or cyber access to Company's Facilities and/or CIPS Covered Assets, as applicable.

- Ensure that Unescorted Personnel and Sensitive Personnel have passed Consultant's drug and alcohol exam and are in compliance with Consultant's substance abuse/drug and alcohol policy as outlined your contract.

- Keep accurate and detailed documentation to confirm completion dates for background checks, all CIPS compliance training (initial and annual training, to the extent applicable), and drug tests, and certify to Company such documentation by completing this Contractor/Vendor Information Form.

- Company has the right to audit Consultant's records supporting each Contractor/Vendor Information Form submitted to Company, including background check results, and to verify that the requisite background checks and drug tests were performed consistent with Company's Background Check Criteria. Consultant shall provide Company with all requested records supporting Contractor/Vendor Information Forms within a reasonable time after receiving such request, and in the form requested by Company, but not longer than three (3) business days following the date of such request.

Exhibit E
Background Check Criteria

The Company has a policy, "Badge and Access Standards," which outlines Company standards, procedures, compliance policies and workforce responsibilities regarding badges and access to all PacifiCorp controlled areas. Access to Company's Facilities is subject to this policy and requires access to be granted on an as-needed basis after completion of the required background check and training requirements.

In addition, the Company is required to comply with the mandatory Critical Infrastructure Protection Standards (CIPS) issued by the North American Electric Reliability Corporation (NERC) and approved by the Federal Energy Regulatory Commission on January 17, 2008. The CIPS were adopted to ensure that electric utilities, as part of the nation's critical infrastructure, are able to sustain and secure against vulnerabilities that may threaten the electric system and the utilities that operate it. Specifically, Standards CIP-001 through CIP-009 provide a cyber security framework for the identification and protection of assets critical to the reliable operation of the bulk electric system (*i.e.,* CIPS Covered Assets).

In order to ensure compliance with CIPS and the Company's access policy, Company requires that all personnel who will have authorized unescorted physical access to Company's Facilities (*i.e.*, Unescorted Personnel) and/or authorized unescorted physical access or authorized cyber access to CIPS Covered Assets (including control centers, substations, generation plants, critical cyber assets, etc.) (*i.e.*, Sensitive Personnel) have the appropriate security clearance and security training. A background check of Consultant's Unescorted or Sensitive Personnel will be considered valid pursuant to these Criteria if it was completed within two (2) years prior to the date the Consultant signed a Contractor/Vendor Information Form for each such person.

Individuals who are considered "restricted persons" may not have unescorted access to Company's Facilities or CIPS Covered Assets. An individual will be considered a "restricted person" if the person meets any of the following criteria:

- Is currently under indictment for a crime punishable by imprisonment for a term exceeding one year;
- Has been convicted (within the past seven years) in any court of a crime punishable by imprisonment for a term exceeding one year;
- Is currently a fugitive from justice; or
- Is an alien illegally or unlawfully in the United States.

If an individual's background check indicates that he/she meets any of the above criteria, the individual will be considered a "restricted person" and unescorted access to Company's Facilities or CIPS Covered Assets will not be authorized.

Exhibit F
Company Code of Business Conduct

[To be provided]

Exhibit G
Completion Document

Completion Document	
Customer	Date
Project Name	***SOW #*** ***Project #***
Customer's Authorized Representative	***Sirius Project Manager or Technical Consultant***
Services Location(s)	***Sirius Phone and Email:*** **(xxx) xxx-xxxx** **xxxxx@siriuscomputer.com**

Activities/Tasks	**Status**
	Completed
	Completed
	Completed

Deliverables Provided

Customer will return this Completion Document in accordance with its instructions on the original SOW from the date of receipt hereof. If Customer reasonably believes that Sirius failed to complete the services in accordance with the referenced SOW, Customer will notify Sirius in writing of its reasons for rejection of the services or any portion thereof within the time frame set forth in the SOW. If Sirius does not receive the signed Completion Document or written notification of the reasons for rejection within the time frame note on original SOW of Customer's receipt hereof, the absence of Customer's response will constitute Customer's acceptance of the services and a waiver of any right of rejection.

Authorization: Services described above have been rendered to Customer's satisfaction and will be charged against the referenced Statement of Work.

CUSTOMER NAME

Signature _____ **Date** _____

Name (Print) _____ **Title** _____

INTERESTED IN BECOMING A SIRIUS CUSTOMER REFERENCE? ☐ **Yes** ☐ **No**

Thank you for considering becoming a Sirius reference for the solution we have provided.

Contact Name _____ **Phone** _____

SAMPLE

RETURN INSTRUCTIONS: Please return to the Sirius Services Operations Team via email at **services@siriuscom.com** or via fax to: **(866) 206-2816.** If you have any questions or concerns, please contact us at the email address noted above or by phone at the number listed above.