



United States  
Department of Energy

WESTERN AREA  
POWER ADMINISTRATION

Phoenix Area

# CONTRACT

CONTRACT NO. 94-PA0-10602

BETWEEN

UNITED STATES  
DEPARTMENT OF ENERGY  
WESTERN AREA POWER ADMINISTRATION  
PHOENIX AREA  
Parker-Davis Project  
Central Arizona Project

AND

CENTRAL ARIZONA WATER CONSERVATION DISTRICT

FOR

CONSOLIDATED FACILITY ARRANGEMENTS

1 CONTRACT NO. 94-PAO-10602

2 BETWEEN

3 UNITED STATES  
4 DEPARTMENT OF ENERGY  
5 WESTERN AREA POWER ADMINISTRATION  
6 PHOENIX AREA  
7 Parker-Davis Project  
8 Central Arizona Project

9 AND

10 CENTRAL ARIZONA WATER CONSERVATION DISTRICT

11 FOR

12 CONSOLIDATED FACILITY ARRANGEMENTS

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3 UNITED STATES  
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10 CENTRAL ARIZONA WATER CONSERVATION DISTRICT

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13 1. PREAMBLE: This Contract is made this \_\_\_\_ day of \_\_\_\_\_, 1995,  
14 pursuant to the Acts of Congress approved June 17, 1902 (32 Stat. 388);  
15 September 30, 1968 (82 Stat. 885); August 4, 1977 (91 Stat. 565); and  
16 Acts amendatory or supplementary to the foregoing Acts, between the  
17 UNITED STATES OF AMERICA, acting by and through the Administrator,  
18 Western Area Power Administration, Department of Energy, hereinafter  
19 called Western, represented by the officer executing this Contract or a  
20 duly appointed successor, hereinafter called the Contracting Officer;  
21 and the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, a multi-county  
22 water conservation district duly organized and existing under and by  
23 virtue of the laws of the State of Arizona, hereinafter called CAWCD or  
24 the Contractor, its successors and assigns; each sometimes hereinafter  
25 individually called Party, and both sometimes hereinafter collectively  
26 called the Parties.

27 2. EXPLANATORY RECITALS:

28 2.1 Western is the power marketing administration of the  
Department of Energy which owns, operates, and maintains the Parker-

1 Davis Project, Pacific Northwest-Pacific Southwest Intertie, and  
2 Colorado River Storage Project transmission system, hereinafter  
3 collectively called the Western Transmission System, under authority of  
4 the Department of Energy Organization Act (91 Stat 565) dated August 4,  
5 1977.

6 2.2 CAWCD is a multi-county water conservation district  
7 organized pursuant to the Arizona Revised Statutes, Sections 48-3701  
8 et. seq.; for the purposes, among others, of providing assistance in  
9 financing and repaying portions of the construction costs of the Central  
10 Arizona Project (CAP), and is the organization with the contractual  
11 responsibility to operate and maintain the CAP in the most economic and  
12 efficient manner.

13 2.3 The Bureau of Reclamation (Reclamation) is the agency of the  
14 Department of Interior responsible for constructing the authorized  
15 features of the CAP, as authorized and directed by the Colorado River  
16 Basin Project Act of 1968 (82 Stat. 885) as amended or supplemented.

17 2.4 Reclamation constructed and owns certain facilities for  
18 transmission of pumping power to CAP loads. Such facilities are  
19 connected to the Western Transmission System. Portions of these  
20 facilities used to deliver power to Western customers, as well as to CAP  
21 loads, are hereinafter called the PAO Transmission System, and are  
22 identified on Exhibits A and B, attached hereto. Other portions of such  
23 facilities which are used to deliver power solely to CAP loads are  
24 hereinafter called the CAP Transmission System and are also shown on  
25 Exhibits A and B. If used by Western to deliver power to its other  
26 customers and/or mutually agreed by the Parties, portions of the CAP  
27 Transmission System shall become part of the PAO Transmission System,

1 and Exhibits A and B shall be modified to reflect the changes to the  
2 operation, maintenance and financial responsibility of the facilities.

3 2.5 On September 23, 1993, Reclamation issued a Notice of  
4 Completion, effective October 1, 1993, declaring certain features of the  
5 CAP, including the PAO Transmission System and the CAP Transmission  
6 System, to be complete and turning those facilities over to CAWCD for  
7 operation, maintenance, and replacement, but Reclamation retained  
8 ownership of the facilities.

9 2.6 Pursuant to CAWCD's request that Western perform the  
10 maintenance on the CAP facilities transferred by Reclamation, Western  
11 and CAWCD entered into Letter Agreements No. 95-PAO-10611 dated  
12 October 18, 1994, and No. 94-PAO-10605 dated November 3, 1994, which  
13 provided for advances of funds to permit Western to perform maintenance  
14 of the CAP facilities until this Contract is executed.

15 2.7 The Parties desire to continue to operate the CAP facilities  
16 in an efficient manner and agree to set forth more specifically in this  
17 Contract the operation, maintenance, replacement, ownership, and  
18 financial responsibilities of the Parties for the PAO Transmission  
19 System and the CAP Transmission System.

20 3. AGREEMENT: The Parties agree to the terms and conditions set forth  
21 herein.

22 4. TERMINATION OF PRIOR AGREEMENTS: Letter Agreements No. 95-PAO-10611  
23 dated October 18, 1994, and No. 94-PAO-10605 dated November 3, 1994,  
24 shall terminate upon execution of this Contract and its initial  
25 Exhibits.

26 5. TERM OF CONTRACT: This Contract shall become effective on January 1,  
27 1995, and subject to prior termination as otherwise provided herein,  
28

1 shall remain in effect until midnight September 30, 2017; Provided, That  
2 in the event either Party chooses to change, modify, or discontinue a  
3 service, one (1) year advance written notice shall be given to the other  
4 Party.

5 6. LICENSE:

6 6.1 The Contractor, under the terms and conditions specified  
7 herein, grants to Western, its employees, agents, and contractors, a  
8 license to enter the Contractor's easements and rights-of-way to  
9 accomplish the work provided for in this Contract, providing proper  
10 advance arrangements are made with the Contractor.

11 6.2 Each Party grants to the other Party a license for the  
12 facility connections set forth in the attached Exhibits.

13 7. OWNERSHIP: Ownership of the facilities to be operated, maintained,  
14 replaced, or removed pursuant to this Contract shall be vested in the  
15 Parties as listed in the attached Exhibits.

16 8. OPERATION OF FACILITIES:

17 8.1 The Parties shall agree on operating procedures to govern  
18 the control and operation of facilities referenced in this Contract.

19 8.2 Inasmuch as the responsibilities for operations of  
20 facilities may be different for each facility and may change during the  
21 term of this Contract, they are listed in the Exhibits which are  
22 attached hereto.

23 8.3 The Parties agree that the operation, maintenance, and  
24 replacement of the CAP facilities shall be the responsibility of the  
25 Parties as listed in Exhibit B, attached hereto.

26 8.4 In recognition of the fact that the operating philosophy and  
27 guidelines of both Parties are compatible, the Parties agree that they

1 will follow the policies and procedures of the Party owning the  
2 facilities when operating such facility. The Contractor recognizes the  
3 dispatch authority of Western as system dispatcher and agrees to operate  
4 facilities in accordance with Western's instructions when such operation  
5 is necessary for the efficient and secure operation of the  
6 interconnected system.

7 8.5 If during emergency operations, maintenance, or replacements  
8 of transmission facilities by either Party for the other Party,  
9 operation of the facilities of the other Party is required and a  
10 representative of such other Party cannot be made readily available for  
11 such operation, or fails to perform such operation, the Party performing  
12 emergency operations, maintenance, or replacements may, upon notice to  
13 such other Party, operate the facilities; Provided, That if upon  
14 operation or attempted operation of the transmission facilities by the  
15 Party performing emergency operations, maintenance, or replacements, an  
16 operation mechanism fails or malfunctions and the Party owning the  
17 mechanism fails to repair it within a reasonable time, the Party  
18 performing emergency operations, maintenance, or replacements, in order  
19 to maintain the integrity of its system, shall have the right to make  
20 the necessary repairs or replacements at the expense of the Party owning  
21 the failed mechanism.

22 9. MAINTENANCE AND REPLACEMENT OF FACILITIES:

23 9.1 Maintenance and replacement of the CAP facilities shall be  
24 the responsibility of the Parties as listed in Exhibit B, attached  
25 hereto.

26 9.2 Representatives of the Parties shall meet on the first  
27 Monday in October of each year or at such other times as may be mutually  
28

1 | agreed upon to coordinate maintenance schedules affecting CAP  
2 | operations. Each Party shall provide the other Party with written  
3 | advanced notice of maintenance schedules.

4 |         9.3 Western shall submit a draft of an annual work schedule to  
5 | CAWCD by the first Monday in August of each year. The annual work  
6 | schedule will cover the period of the succeeding calendar year. Western  
7 | and CAWCD shall provide each other with all necessary assistance to  
8 | finalize the work schedule by the aforementioned October meeting. The  
9 | line items in the work schedule will correspond with the line items in  
10 | the monthly accounting document referenced in Subsection 10.2 of this  
11 | Contract. Western shall notify CAWCD prior to making any significant  
12 | changes to the work schedule. Western shall make all reasonable  
13 | attempts to schedule work so that it does not interfere with CAWCD's  
14 | pumping schedule. Western shall be under no obligation to perform any  
15 | work not included in the annual work schedule.

16 |         9.4 Should an emergency occur, Western reserves the right to  
17 | make major repairs upon notice to CAWCD. Costs of major maintenance,  
18 | improvements, repairs, replacements, or modifications are defined as  
19 | costs of installation, labor, component parts, and allocable expenses in  
20 | excess of the annual cost for routine maintenance and replacements  
21 | specified in the Exhibits. Should an emergency occur, necessary actions  
22 | will be taken by Western pursuant to Section 8 of this Contract.

23 | 10. COMPENSATION:

24 |         10.1 Within twenty-four (24) hours after execution of this  
25 | Contract, CAWCD shall advance to Western the sum of two hundred thousand  
26 | dollars (\$200,000) for the routine operation, maintenance, and  
27 | replacements of the facilities listed in the exhibits for the initial

1 period. By the fifteenth day of each month thereafter, Western will  
2 issue a Bill for Collection for the estimated costs for the upcoming  
3 month. Prior to the first business day of the next month, the  
4 Contractor shall advance to Western the amount billed by Western.

5 10.2 Should an emergency occur, or should Western require  
6 additional funds, Western shall notify CAWCD in accordance with  
7 Section 9.4 of this Contract.

8 10.3 Western shall provide CAWCD with monthly accounting  
9 documents supporting expenditures for operation, maintenance, and  
10 associated project costs for CAP facilities, including replacement costs  
11 and labor and employee-related expenses. CAWCD's and Western's Phoenix  
12 Area finance offices will coordinate the type of documentation required.  
13 Any funds remaining at the end of the fiscal year shall be applied to  
14 the costs of work performed in the succeeding year.

15 10.4 Western shall be under no obligation to perform any work if  
16 funds are not available in the United States Treasury.

17 11. ENVIRONMENTAL RESPONSIBILITY: When either Party owns equipment in the  
18 other Party's substation, switchyard, or right-of-way, the equipment  
19 owner shall be financially responsible for all activities related to  
20 hazardous materials that are necessary to meet the requirements of the  
21 National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321 et seq.),  
22 the Toxic Substances Control Act of 1976 (15 U.S.C. §§ 2601 et seq.),  
23 the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.),  
24 the Comprehensive Environmental Response, Compensation, and Liability  
25 Act of 1980 (42 U.S.C. §§ 9601 et seq.), and the regulations implementing  
26 these laws, as they may be amended; and any other existing or subsequent  
27 applicable Federal or state laws and regulations. Equipment will be

1 labeled in accordance with the appropriate regulations. If the Party  
2 owning the equipment does not perform work required under this section  
3 within a reasonable time, the other Party may, after notice, perform or  
4 cause to be performed the required work at the sole expense of the Party  
5 owning the equipment.

6 12. CAPACITY RESERVATION: If either Party replaces facilities in which the  
7 other Party has capacity rights, the Party that has capacity rights in  
8 the replaced equipment shall retain, at a minimum, an equivalent amount  
9 of capacity in the new facilities at no additional cost. Such capacity  
10 reserved for the exclusive use of either Party shall be set forth in the  
11 appropriate Exhibit.

12 13. SPECIAL PROVISIONS: As part of the negotiations for the construction,  
13 operation, maintenance, and replacement of a new facility, the Parties  
14 may agree upon additional special provisions associated with such  
15 facility. Such unique provisions may include future upgrades,  
16 enlargements, betterments, or additional facility construction, exchange  
17 of equipment, use of rights-of-way or facilities of either Party, and  
18 similar unique terms and conditions. These special provisions shall be  
19 included in the appropriate Exhibit, attached hereto, detailing the  
20 responsibility of the Parties for operations, maintenance, and  
21 replacement of the facilities associated with the special provisions.

22 14. CONTROL AND POSSESSION OF SYSTEMS: Except as noted in Section 8 of this  
23 Contract, each Party shall remain in exclusive control and possession of  
24 its system, and this Contract shall not be construed to grant either  
25 Party any rights of ownership, control, or possession of the other  
26 Party's system.

1 15. DISPUTE RESOLUTION: If a dispute arises between the Parties which is  
2 not resolved through discussions of the authorized representatives, the  
3 Parties may submit the dispute to arbitration. Arbitration shall be  
4 subject to the Department of Energy's ability to consent to arbitration.  
5 If the Contractor requests but Western does not consent to arbitration,  
6 the Contractor may bring the dispute to a Federal court of competent  
7 jurisdiction.

8 16. AMENDMENT: Except as provided herein, neither this Contract nor any  
9 term, covenant, or condition hereof, may be terminated, amended,  
10 supplemented, waived, or modified except by an instrument in writing  
11 executed by each Party.

12 17. OTHER AGREEMENTS: Nothing in this Contract shall be interpreted as an  
13 amendment, supplement, or modification of Western Contract  
14 Nos. 89-BCA-10287 and 91-PAO-10404 or Western Agreement No. 90-BCA-10307  
15 or to limit, modify, or restrict the rights or obligations of the  
16 parties thereunder, including without limitation, the right to  
17 enforcement of all remedies thereunder in the event of a breach or  
18 default thereunder. In the event of a conflict between the provisions  
19 of this Contract and Western Contract Nos. 89-BCA-10287 or 91-PAO-10404  
20 or Western Agreement No. 90-BCA-10307, the provisions of Western  
21 Contract Nos. 89-BCA-10287 and 91-PAO-10404 and Western Agreement  
22 No. 90-BCA-10307 shall control.

23 18. RECORDS AND AUDITS: Each Party shall maintain appropriate records and  
24 supporting documentation applicable to the provisions of this Contract.  
25 Such records and supporting documentation shall be retained for at least  
26 three (3) years after the close of the calendar year. Upon written  
27 request and reasonable notice, each Party agrees to provide the other or

1 its audit representatives access to such records and supporting  
2 documentation for review and inspection. The records and supporting  
3 documentation may be inspected and copied, at the requesting Party's  
4 expense, any time during regular office hours. Any exceptions noted in  
5 any audit process will be forwarded to the audited Party for review and  
6 response. The audited Party agrees to respond within sixty (60) days  
7 after receipt of any such exception. Any adjustments to records and  
8 supporting documentation as a result of an agreed audit exception shall  
9 be made for the period to which such exception applies.

10 19. SUCCESSORS AND ASSIGNS: This Contract shall inure to the benefit of and  
11 be binding upon the respective successors and assigns of the Parties to  
12 this Contract; Provided, however, That this Contract or any interest in  
13 this Contract may be assigned or transferred by any Party only with the  
14 prior written consent of the other Party, which consent shall not be  
15 unreasonably withheld.

16 20. GOVERNING LAW: This Contract shall be interpreted, governed by, and  
17 construed under the laws of the State of Arizona. Notwithstanding the  
18 foregoing, insofar as the rights or obligations of Western are  
19 concerned, applicable Federal law shall be controlling.

20 21. AUTHORITY: Each person executing this Contract on behalf of a Party is  
21 duly authorized to enter into this Contract on behalf of and to bind the  
22 Party represented.

23 22. EXHIBITS: Inasmuch as certain provisions of this Contract may change  
24 during the term of this Contract, they will be set forth in Exhibits as  
25 formulated and modified from time to time as agreed upon by the Parties.  
26 The initial Exhibits A and B are attached hereto, made a part hereof,  
27 and shall be in full force and effect in accordance with their

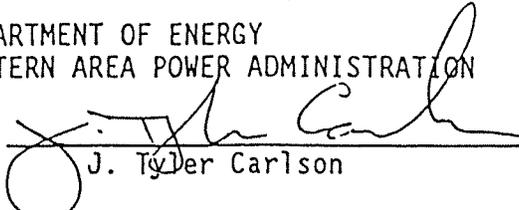
1        respective terms until superseded by a subsequent Exhibit; Provided,  
2        That each Exhibit will be reviewed as specified in the Exhibit. Changes  
3        to the facilities or new construction will be reflected in new or  
4        revised Exhibits.

5        23. GENERAL POWER CONTRACT PROVISIONS: The General Power Contract  
6        Provisions dated January 3, 1989, attached hereto, are hereby made a  
7        part of this Contract the same as if they had been expressly set forth  
8        herein; Provided, That Articles 2 through 12 and 15 through 18 shall not  
9        be applicable hereunder.

1 IN WITNESS WHEREOF, the Parties have caused this Contract  
2  
3 No. 94-PAO-10602 to be executed the date first written above.

4 DEPARTMENT OF ENERGY  
5 WESTERN AREA POWER ADMINISTRATION

6 Attest: \_\_\_\_\_

By   
7 J. Tyler Carlson

8 Title: \_\_\_\_\_

Title Area Manager

9 Address Western Area Power Administration

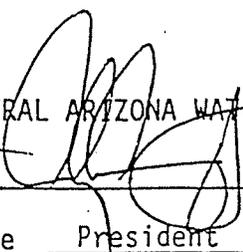
Phoenix Area

P.O. Box 6457

Phoenix, AZ 85005-6457

11  
12  
13 CENTRAL ARIZONA WATER CONSERVATION DISTRICT

14 Attest:  \_\_\_\_\_

By  \_\_\_\_\_

Title: Secretary

Title President

16 Address 23636 N. 7th St.

Phoenix, AZ 85024

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ALPHABETICAL INDEX OF THE CONTIGUOUS  
 WESTERN, PHOENIX AREA, AND CAP TRANSMISSION SYSTEMS AND  
 CAP SYSTEM SUBSTATIONS, SWITCHYARDS, AND TAPS AS LISTED IN EXHIBIT B

1. This EXHIBIT A, made this \_\_\_\_\_ day of \_\_\_\_\_, 1995, to be effective under and as a part of Contract No. 94-PAO-10602, dated \_\_\_\_\_, 1995, hereinafter called Contract, shall become effective January 1, 1995, and shall remain in effect until superseded by another Exhibit A; Provided, That this Exhibit A or any superseding Exhibit A shall be terminated by the expiration of the Contract.

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Exhibit A  
 Contract No. 94-PAO-10602  
 CENTRAL ARIZONA WATER  
 CONSERVATION DISTRICT

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LISTING OF CAP FACILITIES OWNED BY RECLAMATION  
 AND OPERATED AND MAINTAINED BY CAWCD

- Bouse Hills Pumping Plant 115-kV Switchyard
- Brady Pumping Plant 115-kV Switchyard
- Brawley Pumping Plant 115-kV Switchyard
- Little Harquahala Pumping Plant
- Picacho Pumping Plant 115-kV Switchyard
- Red Rock Pumping Plant 115-kV Switchyard
- Salt Gila Pumping Plant 69-kV Switchyard
- San Xavier Pumping Plant 115-kV Switchyard
- Sandario Pumping Plant 115-kV Switchyard
- Snyder Hill-Black Mountain Pumping Plant  
   115-kV Switchyard
- Twin Peaks Pumping Plant 115-kV Switchyard
- Waddell 230-kV Switchyard

OPERATION, MAINTENANCE, REPLACEMENT, AND OWNERSHIP OF  
THE PHOENIX AREA AND CAP TRANSMISSION SYSTEMS, SUBSTATIONS, AND SWITCHYARDS

1. This EXHIBIT B, made this \_\_\_\_\_ day of \_\_\_\_\_, 1995, to be effective under and as a part of Contract No. 94-PAO-10602, dated \_\_\_\_\_, 1995, hereinafter called Contract, shall become effective on January 1, 1995, and shall remain in effect until superseded by another Exhibit B; Provided, That this Exhibit B or any superseding Exhibit B shall be terminated by the expiration of the Contract.
2. Miscellaneous Equipment: The Parties recognize that there is miscellaneous equipment associated with the major equipment listed herein and therefore this miscellaneous equipment is not listed as separate items.
3. Ownership, Operation, Maintenance, Replacement of Facilities, and Financial Responsibility: By virtue of the approval granted by the execution of the Agreement, the ownership, operation, maintenance, replacement of facilities, and financial responsibilities specified under the Agreement shall be as follows:

**PHOENIX AREA TRANSMISSION SYSTEM**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Davis-McCullough 230-kV Transmission Line	Western	Western	Reclamation	CAWCD
Davis-Parker No. 2 230-kV Transmission Line <u>2/</u>				
Liberty-Parker No. 1 230-kV Transmission Line <u>1/</u> <u>2/</u>	Western	Western	Reclamation	Western

1/ See next page for more detailed operation, maintenance, replacement, and ownership responsibilities.

2/ Includes Insulated Overhead Ground Wire Communications Equipment.

LIBERTY-PARKER NO. 1 230-kV TRANSMISSION LINE

The Liberty-Parker No. 1 230-kV Transmission Line right-of-way is owned by Reclamation. The 230-kV transmission line was constructed, for the most part, on the Parker-Phoenix No. 1 161-kV Transmission Line right-of-way; the updated 230-kV transmission line was put in service in March 1983. This transmission line is 118.9 miles long.

The first 5.9 miles of transmission line out of Liberty Substation is double-circuited with APS under Western's Contract No. 7-07-30-P0008 which terminates September 30, 2011. Reclamation has ownership of the double-circuit steel tower structures and the north 230-kV circuit; APS has title to, easement for, and operation, maintenance, and replacement responsibility for the south 230-kV circuit. Operation, maintenance, and replacement of the steel structures are the responsibility of Western; APS is responsible for 50 percent of the operation, maintenance, and replacement costs, plus administrative and general expense not to exceed 15 percent.

The remainder of the Liberty-Parker No. 1 230-kV Transmission Line (113.0 miles) and structures are owned by Reclamation. Western, for the United States, operates and performs routine maintenance of the 118.9 mile Liberty-Parker No. 1 230-kV Transmission Line as a Parker-Davis expense and is entitled to 165 MW of capacity in the line.

CAP TRANSMISSION SYSTEM

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Parker-Havasut Pumping Plant 230-kV Transmission Line	Western	Western	Reclamation	CAWCD
Hassayampa Tap-Hassayampa Pumping Plant 230-kV Transmission Line				
Harcuvar-Bouse Hills Pumping Plant 115-kV Transmission Line				
Harcuvar-Little Harquahala Pumping Plant 115-kV Transmission Line				
Waddell-Westwing 230-kV Transmission Line				
ED-2-Saguaro No. 2 115-kV Transmission Line				
Spook Hill-Salt Gila Pumping Plant 69-kV Transmission Line				
Rattlesnake-Del Bac 115-kV Transmission Line				

DAVIS 230-kV SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Davis-McCullough 230-kV Transmission Line Bay:</b>				
Circuit Breaker No. 682 Disconnect Switch Nos. 681, 683, and 685 Ground Switch No. 680 Carrier Relaying Equipment Coupling Capacitor Potential Device Wave Trap Controls and Protective Equipment Insulated Overhead Ground Wire	Western	Western	Reclamation	CAWCD
<b>Davis-Parker No. 2 230-kV Transmission Line Bay:</b>				
Circuit Breaker No. 1082 Disconnect Switch Nos. 1081, 1083, and 1085 Ground Switch No. 1080 Carrier Relaying Equipment Coupling Capacitor Potential Device Wave Trap Controls and Protective Equipment Insulated Overhead Ground Wire	Western	Western	Reclamation	CAWCD

**DEL BAC 115-kV SWITCHING STATION**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Tucson-Apache 115-kV Transmission Line Bay:</b>				
Remote Terminal Unit	Western	Western	Western	CAWCD
Circuit Breaker No. 1462				
Disconnect Switch Nos. 1461 and 1463				
Associated Structures				
Buswork				
Controls and Protective Equipment				
<b>CAP Facilities:</b>				
Revenue Meter	Western	Western	Western	CAWCD
Circuit Breaker Nos. 1562 and 1662	Western	Western	Reclamation	CAWCD
Disconnect Switch Nos. 1561, 1565, 1661, and 1663				
Metering Current Transformers and Potential Devices				
Associated Miscellaneous Switchyard Equipment, Including: Controls and Protective Equipment Buildings, Batteries, Battery Chargers, Roads, and Grounds				

**ED-2 115-kV SUBSTATION**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>ED-2-Saguaro No. 2 115-kV Transmission Line Bay:</b>				
Revenue Metering Equipment	Western	Western	Western	CAWCD
Circuit Breaker No. 1462	Western	Western	Reclamation	CAWCD
Disconnect Switch Nos. 1461, 1463, and 1465				
Carrier Relaying Equipment				
Coupling Capacitor Potential Devices				
Controls and Protective Equipment				
Metering Current Transformers				

**HARCUVAR 230/115-kV SUBSTATION**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Remote Terminal Unit	Western	Western	Western	CAWCD
Carrier Relaying Transmitter				
230-kV Revenue Metering Equipment Including Current and Potential Transformers				
Associated Controls and Protective Equipment	Western	Western	Reclamation	CAWCD
230-kV Motor-Operated Interrupter Switch Nos. 181 and 281				
230-kV Ground Switch Nos. 180 and 280				
Surge Arresters				
115-kV Circuit Breaker Nos. 1062 and 1162				
230-kV Disconnect Switch Nos. 381, 383, 389, 481, and 581				
115-kV Disconnect Switch Nos. 1061, 1063, 1161, and 1163				
115-kV Disconnect Switch Nos. 421 and 521				
115-kV Motor-Operated Interrupter Switch Nos. 463 and 563				
115-kV Motor-Operated Disconnect Switch No. 1065				
115-kV Ground Switch Nos. 1060 and 1160				

HARCUVAR 230/115-kV SUBSTATION (CONT'D)

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
115-kV Coupling Capacitor Potential Devices	Western	Western	Reclamation	CAWCD
230-kV Circuit Breaker No. 382				
230-kV Coupling Capacitor Potential Device				
230-kV Wave Trap				
Unit Substation DZ1A including:				
Transformers	Western	Western	Reclamation	CAWCD
Fuses				
Disconnect Switches				
Automatic Transfer Switches				
230/115/13.8-kV Transformers				
Building, Structures, Batteries, Battery Chargers, Roads, and Land				
15-kV Buried Cable				

HASSAYAMPA PUMPING PLANT 230-kV SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Remote Terminal Unit	Western	Western	Western	CAWCD
Revenue Metering Equipment				
Carrier Relaying Equipment				

HASSAYAMPA TAP 230-kV SUBSTATION

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Remote Terminal Unit	Western	Western	Western	CAWCD
Controls and Relaying	Western	Western	Reclamation	CAWCD
230-kV Motor-Operated Interrupter Switch Nos. 181 and 281				
138,000-253/126.5 Volts Station Service Transformer and Fuses				
230-kV Ground Switch Nos. 189 and 280				
Motor-Operated Disconnect Switch No. 381				
Ground Switch No. 380				
Building, Structures, Batteries, Battery Chargers, Roads, and Land				

HAVASU PUMPING PLANT 230/69-kV SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Revenue Meter on 480-V side of 69-kV Transformer	Western	Western	Western	CAWCD
Parker-Havasu 230-kV Line Bay Transfer Trip Relaying Equipment	Western	Western	Reclamation	CAWCD
Remote Terminal Unit				
Controls and protective Equipment				

HAVASU TAP 69-kV SUBSTATION

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Tap Jumpers	Western	Western	Western	CAWCD
Disconnect Switch No. 541	Western	Western	Reclamation	CAWCD
Fused Disconnect Switch No. 543				
Surge Arresters				
Land and Structures				

LIBERTY 230-kV SUBSTATION

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Liberty-Parker No. 1 230-kV Transmission Line Bay:</b>				
Circuit Breaker No. 2382	Western	Western	Reclamation	CAWCD
Disconnect Switch Nos. 2381, 2383, and 2385				
Ground Switch No. 2380				
Carrier Relaying Equipment				
Coupling Capacitor Potential Devices				
Wave Traps				
Controls and Protective Equipment				

MCCULLOUGH 230-kV SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Remote Terminal Unit	Western	Western	Western	CAWCD
Circuit Breaker Nos. G12 and G22	Reclamation 1/	Reclamation 1/	Reclamation	CAWCD
Bank I Associated Disconnect Switches				
Revenue Metering Equipment				
Metering Current Transformers				
Potential Transformers				
Carrier Relaying Receiving and Transmitting Equipment				

1/ Los Angeles Department of Water and Power is the agent for Reclamation under LADWP Contract No. 10594

PARKER 230-kV SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Davis-Parker No. 2 230-kV Transmission Line Bay:</b>				
Circuit Breaker No. 882	Western	Western	Reclamation	CAWCD
Disconnect Switch Nos. 881, 883, and 885				
Ground Switch No. 880				
Carrier Relaying Equipment				
Coupling Capacitor Potential Device				
Wave Trap				
Controls and Protective Equipment				
<b>Liberty-Parker No. 1 230-kV Transmission Line Bay:</b>				
Circuit Breaker No. 182	Western	Western	Reclamation	CAWCD
Disconnect Switch Nos. 181, 183, and 185				
Ground Switch No. 180				
Carrier Relaying Equipment				
Coupling Capacitor Potential Device				
Wave Trap				
Controls and Protective Equipment				

PARKER 230-kV SWITCHYARD (CONT'D)

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Parker-Havasu 230-kV Transmission Line Bay:</b>				
Revenue Metering Equipment	Western	Western	Western	CAWCD
Circuit Breaker No. 282	Western	Western	Reclamation	CAWCD
Disconnecting Switch Nos. 281, 283, and 285				
Ground Switch No. 280				
Carrier Relaying Equipment				
Coupling Capacitor Potential Devices				
Wave Trap				
Controls and Protective Equipment				
Metering Current Transformers				

**RATTLESNAKE TAP 115-kV SWITCHING STATION**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Rattlesnake-Del Bac 115-kV Transmission Line:</b>				
Revenue Metering Equipment	Western	Western	Western	CAWCD
<b>Saguaro-Tucson 115-kV Transmission Line:</b>				
Remote Terminal Unit	Western	Western	Western	CAWCD
Circuit Switch Nos. 361 and 461				
Buswork				
Associated Structures				
Controls and Protective Equipment				
Station Service Equipment including: Transformer, Switchgear, Revenue Metering Equipment, Land, and Roads				
<b>Saguaro-Rattlesnake 115-kV Transmission Line Bay:</b>				
Circuit Breaker No. 162	Western	Western	Reclamation	CAWCD
Disconnect Switch Nos. 161, 163, and 169				
Buswork				
Associated Structures				
Controls and Protective Equipment				
Metering Current Transformers				
Metering Potential Transformers				
Coupling Capacitor Potential Device				

**SAGUARO 115-kV SWITCHYARD**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>ED-2-Saguaro 115-kV Transmission Line Bay:</b>				
Buswork and Supports	Western <u>1/</u>	Western <u>1/</u>	Reclamation	CAWCD
Circuit Breaker No. 512				
Disconnect Switch Nos. 511, 513, and 514				
Coupling Capacitor Potential Device				
Metering Current Transformers				
Metering Potential Transformers				
Lightning Arresters				
Revenue Metering Equipment				
Controls and Protective Equipment				

1/ Arizona Public Service Company is the agent for Western under Western Contract No. DE-ME65-83WP39302

**SPOOK HILL 230/69-kV SUBSTATION**

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Remote Terminal Unit	Western	Western	Western	CAWCD
230-kV Interrupter Switch Nos. 181 and 281				
Control and Protective Devices				
Four (4) 230-kV Coupling Capacitor Potential Devices				
230-kV Ground Switch Nos. 180 and 280				
Four (4) 230-kV Line Inductors				
Carrier Relaying Equipment in Rogers, Coolidge, and Spook Hill Substations				
230-kV Revenue Metering Equipment				
230-kV Motor-Operated Disconnect Switch Nos. 381, 383, 389, 481, and 581	Western	Western	Reclamation	CAWCD
69-kV Interrupter Switch Nos. 451 and 551				
230/69/13.8-kV Autotransformers				
Station Service Equipment				
69-kV Ground Switch No. 550				
230-kV Current Transformers				
230-kV Circuit Breaker No. 382				
230-kV Coupling Capacitor Potential Devices				

SPOOK HILL 230/69-kV SUBSTATION (CONT'D)

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
69-kV Control and Protective Equipment	Western	Western	Reclamation	CAWCD
Building, Batteries, Battery Chargers, Roads, and Land				

WESTWING 230-kV SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
<b>Waddell-Westwing 230-kV Transmission Line Bay:</b>				
Circuit Breaker No. 1622	1/	1/	Reclamation	CAWCD
Disconnecting Switch Nos. 1621 and 1623				
Associated Angle Structure				
Controls and Protective Equipment				
Revenue Metering Equipment				
Metering Current Transformers				
Metering Potential Devices				
Fiber Optic Cable and Relay Module				

1/ Arizona Public Service Company is the Operating Agent for the Westwing Substation (includes Westwing 230-kV Switchyard) under the Navajo Project Agreements.

SPREADER YARD AND 115-kV UNDERGROUND CABLES  
TO SNYDER HILL-BLACK MOUNTAIN PUMPING PLANT SWITCHYARD

EQUIPMENT	OPERATION	MAINTENANCE & REPLACEMENT	OWNERSHIP	OM&R FINANCIAL RESPONSIBILITY
Interrupter Switch Nos. 1061, 1161, and 1261	Western	Western	Reclamation	CAWCD
Underground Cables and Terminations	CAWCD	CAWCD	Reclamation	CAWCD

4. In accordance with Section 10 of the Contract, the estimated charge to CAWCD for routine operation, maintenance, and replacements of the CAP facilities listed herein is one million six hundred thousand dollars (\$1,600,000) annually, prorated for periods of less than one (1) year on the basis of one-twelfth of the total annual per month, or one hundred thirty-three thousand dollars (\$133,000) per month.
5. This Exhibit B may be modified as provided by Section 22 of the Contract.