



**INTERAGENCY/INTER-LOCAL AGREEMENT NUMBER X-40579
BETWEEN
ENERGY NORTHWEST AND UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
TO PROVIDE SERVICES AS REQUESTED**

As provided under RCW Title 39, Chapter 39.34, this Agreement for Services (the "Agreement") is by and between Utah Associated Municipal Power Systems a political subdivision of the State of Utah with offices at 155 North 400 West, Suite 480, Salt Lake City, Utah 84103 (hereinafter "UAMPS") and Energy Northwest, a municipal corporation and joint operating agency of the State of Washington and doing business by and through its Business Development Fund, with its principal office at P.O. Box 968 Richland, WA 99352 (hereinafter "Energy Northwest").

WHEREAS, UAMPS finds that Energy Northwest is willing to perform certain Services ("Services") hereinafter described in accordance with the provisions of this Agreement; and

WHEREAS, UAMPS finds that Energy Northwest is qualified to perform the Services, all relevant factors considered, and that such performance will be in furtherance of UAMPS' business; and

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and intending to be legally bound, the parties hereto agree as follows:

1. SERVICES

Energy Northwest shall utilize its resources to provide Services, as may be required and requested by UAMPS for the duration of this Agreement.

Services shall be requested by the responsible UAMPS representative by Work Release Authorizations to Energy Northwest as shown in paragraph 6.5. Work Release Authorizations will be issued using the form provided in Exhibit A to this Agreement.

The exact Statement of Work, Period of Performance, and Labor Rates will be established prior to completion of the Work Release Authorization and agreed upon between the parties, once Services have been requested by UAMPS. These Work Order Release Authorizations shall be incorporated as attachments to this Agreement when finalized, as provided in Exhibit A, as an attachment to this Agreement.

The period of performance for Services under this Agreement shall be defined in each Work Release Authorization, Exhibit A.

2. PAYMENT AND INVOICING TERMS

2.1 Payment for Services UAMPS shall pay Energy Northwest as defined by each Work Release Authorization.

2.2 Reimbursable Costs UAMPS shall reimburse Energy Northwest all costs incurred in connection with the Services rendered, including, but not limited to, travel costs, subcontractors, materials (subcontract and materials costs include the supplier's invoiced cost to Energy Northwest plus Energy Services & Development Overhead charge), computer costs, telephone, copies, delivery that are attributable to a project or Service (the "Reimbursable Costs"). Energy Northwest shall provide to UAMPS substantiation of Reimbursable Costs incurred.

2.3 Invoicing Invoices will be submitted monthly by Energy Northwest for payment by UAMPS. Payment is due upon receipt and is past due thirty (30) days from receipt of invoice. If UAMPS has any valid reason for disputing any portion of an invoice, UAMPS will so notify Energy Northwest within seven (7) calendar days of receipt of invoice by UAMPS and if no such notification is given, the invoice will be deemed valid. The portion of an invoice which is not in dispute shall be paid in accordance with the procedures set forth herein. That portion of the invoice in dispute shall be resolved in accordance with Section 6.7 of this Agreement within thirty (30) days of the receipt by Energy Northwest of the notice from UAMPS as provided in this section.

Any attorney fees, court costs, or other costs incurred by the parties in collection of delinquent accounts in the resolution of disputed accounts shall be paid by the prevailing party.

Each invoice shall be sent to the attention of the UAMPS at the following address:

By email: marshall@uamps.com

Or

Utah Associated Municipal Power Systems
Chief Operating Manager: Marshall Empey
155 North 400 West, Suite 480
Salt Lake City, Utah 84103

2.4 Taxes UAMPS shall pay all state, local sales and use taxes applicable to goods and Services provided under this Agreement. Energy Northwest shall include sales tax charges, separately identified, in the Energy Northwest invoices to UAMPS.

3. CHANGES

UAMPS may request in writing to change, the general scope of any Services that has been agreed to in a Work Release Authorization. Such changes (the "Change Order") may be for additional work or for a change in the direction of the work covered by the Work Release Authorization but no Change Order will be allowed unless agreed to by Energy Northwest in writing.

4. STANDARD OF CARE

Energy Northwest warrants that the Services shall be performed by personnel possessing competency consistent with applicable industry standards. No other representation, express or implied, and no warranty or guarantee are included or intended in this Agreement, or in any report, opinion, deliverable, work product, document or otherwise. Furthermore, no guarantee is made as to the efficacy or value of any services performed. THIS SECTION SETS FORTH THE ONLY WARRANTIES PROVIDED BY ENERGY NORTHWEST CONCERNING THE SERVICES AND RELATED WORK PRODUCT. THIS WARRANTY IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR OTHERWISE.

5. LIABILITY

5.1 Limitation Energy Northwest's liability, including but not limited to UAMPS's claims of contributions and indemnification related to third party claims arising out of services rendered by Energy Northwest, and for any losses, injury or damages to persons or properties or work performed under the Agreement, shall be limited to the amount of payment received by Energy Northwest from UAMPS for the particular service that gave rise to the claim. Under no circumstances, shall Energy Northwest be liable for any special, indirect, consequential, lost profits, or punitive damages. UAMPS agrees to limit Energy Northwest's liability to UAMPS and any other third party for any damage on account of any error, omission or negligence to the amount indicated above and UAMPS shall indemnify and hold Energy Northwest harmless for any amount in excess of the above agreed to limit. The limitation of liability set forth herein is for any and all matters for which Energy Northwest may otherwise have liability arising out of or in connection with this Agreement, whether the claim arises in contract, tort (negligence of whatever degree), strict liability or otherwise.

Energy Northwest's cumulative liability to UAMPS under this Agreement is limited to the assets of the Business Development Fund of Energy Northwest. Obligations of the Energy Northwest Business Development Fund are not, nor shall they be construed as, general obligations of Energy Northwest or other Energy Northwest projects or funds.

5.2 Remedy UAMPS exclusive remedy for any claim relating to this Agreement will

be for Energy Northwest, upon receipt of written notice, either (i) to use commercially reasonable efforts to cure, at its sole and non-reimbursable expense, the matter that gave rise to the claim for which Energy Northwest is at fault, or (ii) return to UAMPS the fees paid by UAMPS to Energy Northwest for the particular service provided that gave rise to the claim, subject to the limitation contained in Section 5.1. UAMPS agrees and hereby acknowledges that this remedy is adequate and serves its essential purpose.

5.3 Survival Articles 4 and 5 shall survive the expiration or termination of this Agreement for any reason.

6. MISCELLANEOUS

6.1 Severability Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of any remaining provisions, which remaining provisions shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including any such part, parts, or portions which may, for any reason, be hereafter declared invalid. Any provision shall nevertheless remain in full force and effect in all other circumstances.

6.2 Waiver Waiver of breach of this Agreement by either party shall not be considered a waiver of any other subsequent breach

6.3 Independent Contractor Energy Northwest is an independent contractor to UAMPS.

6.4 Notices All notices or other communications hereunder shall be in writing and shall be deemed given when delivered to the address specified below or such other address as may be specified in a written notice in accordance with this Section.

If to Energy Northwest:
Attn: Sherri Schwartz or Richard Shaff, Procurement, M/D PE10
P. O. Box 968
Richland, WA 99352-0968
Telephone: (509) 372-5072
Fax: (509) 377-4357
Email: slschwartz@energy-northwest.com

If to Utah Associated Municipal Power Systems (UAMPS)
Chief Operations Manager: Marshall Empey
Address: 155 North 400 West, Suite 480
Salt Lake City, Utah 84103
Office Phone: 801/214-6401
Email: marshall@uamps.com

Any party may, by notice given in accordance with this Section to the other party, designate another address or person or entity for receipt of notices hereunder.

6.5 Assignment This Agreement is not assignable or transferable by either party without the written consent of the other party, which consent shall not be unreasonably withheld or delayed.

6.6 Disputes Energy Northwest and UAMPS recognize that disputes arising under this Agreement are best resolved at the working level by the parties directly involved. Such efforts shall include the referral of any remaining issues in dispute to higher authority within each participating party's organization for resolution. Failing resolution of conflicts at the organizational level, then the parties may take other appropriate action subject to the other terms of this Agreement.

6.7 Section Headings Title and headings of sections of this Agreement are for convenience of reference only and shall not affect the construction of any provision of this Agreement.

6.8 Representations; Counterparts Each person executing this Agreement and any Work Release Authorization hereunder on behalf of a party hereto represents and warrants that such person is duly and validly authorized to do so on behalf of such party, with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations hereunder.

6.9 Intellectual Property UAMPS shall retain ownership of all Foreground Intellectual Property created by Energy Northwest pursuant to this Agreement. UAMPS shall have no right of ownership to Background Intellectual Property used by Energy Northwest to perform Services under this Agreement. If Background Intellectual Property owned by Energy Northwest is incorporated into the Services performed, Energy Northwest grants to UAMPS the right to use, practice, perform, make, copy, create derivative works of, import and otherwise use by irrevocable, non-exclusive, perpetual, royalty free, license (with no right to sublicense) the Background Intellectual Property for the limited purposes stated in this Agreement.

For the purposes of this Agreement, "Foreground Intellectual Property" shall mean any and all new drawings, designs, other works of authorship, data, methods, articles, compositions of matter, marks, plans, data, documentation, know-how, codes and methods, testing methods, tools, software, engineering analyses or other things expressly developed by Energy Northwest in the performance of a WRA issued under the terms of this Agreement that are potentially or actually the subject of Intellectual Property Rights. "Background Intellectual Property" shall mean any and all preexisting drawings, designs, other works of authorship, data, methods, articles, compositions of matter, marks, plans, data, documentation, know-how, codes and methods, testing methods, tools, software, engineering analyses or other things that are potentially or actually the subject of Intellectual Property Rights that

Energy Northwest owns or has license too as of date the parties execute this Agreement. "Intellectual Property Rights" means any and all proprietary rights, in any country, in products of human creativity including but not limited to patents, copyrights, trade secrets, trademarks, trade dress, and any and all rights in applications and registrations with respect thereto. The parties agree to commence good faith negotiations for the Energy Northwest's usage of Foreground Intellectual Property so long as such usage does not interfere with UAMPS ongoing affairs.

6.10 Nonsolicitation of Employees During and for one (1) year after the term of this Agreement, UAMPS will not solicit the employment of Energy Northwest's personnel without Energy Northwest's prior written consent. Similarly, Energy Northwest will not solicit the employment of UAMPS's personnel, without UAMPS's prior written consent.

6.11 Confidential Information Any and all information exchanged between the Parties subject to this Agreement shall be deemed Confidential Information subject to the provisions of the Mutual Non-Disclosure Agreement executed by the Parties and effective on May 27, 2014.

6.12 Cooperation UAMPS will cooperate with Energy Northwest in taking actions and executing documents, as appropriate, to achieve the objectives of this Agreement. UAMPS agrees that the Energy Northwest's performance is dependent on UAMPS timely and effective cooperation with Energy Northwest. Accordingly, UAMPS acknowledges that any delay by UAMPS may result in Energy Northwest being released from an obligation or scheduled deadline or in UAMPS having to pay extra fees for Energy Northwest's agreement to meet a specific obligation or deadline despite the delay.

6.13 Governing Law and Interpretation. This Agreement will be governed by and construed in accordance with the laws of Washington, without regard to the principles of conflicts of law. Each party agrees that any action arising out of or in connection with this Agreement shall be brought solely in a federal court of competent jurisdiction located in the State of Washington.

6.14 Entire Agreement; Survival This Agreement, including any Exhibits, states the entire Agreement between the parties and supersedes all previous contracts, proposals, oral or written, and all other communications between the parties respecting the subject matter hereof, and supersedes any and all prior understandings, representations, warranties, agreements or contracts (whether oral or written) between UAMPS and Energy Northwest respecting the subject matter hereof. Notwithstanding the foregoing, nothing herein shall constitute to restrict the parties from implementing the Teaming Agreement between the parties, dated as of June 19, 2013 and a subsequent Addendum to the Teaming Agreement dated as of April 18, 2014. This Agreement may only be amended by an agreement in writing executed by the parties hereto.

6.15 Force Majeure Energy Northwest shall not be responsible for delays or failures (including any delay by Energy Northwest to make progress in the prosecution of any Services) if such delay arises out of causes beyond its control. Such causes may include, but are not restricted to, acts of God or of the public enemy, fires, floods, epidemics, riots, quarantine restrictions, strikes, freight embargoes, earthquakes, electrical outages, computer or communications failures, and severe weather, and acts or omissions of subcontractors or third parties.

6.16 Use By Third Parties Work performed by Energy Northwest pursuant to this Agreement are only for the purpose intended and may be misleading if used in another context. UAMPS agrees not to use any documents produced under this Agreement for anything other than the intended purpose without Energy Northwest's written permission. This Agreement shall, therefore, not create any rights or benefits to parties other than to UAMPS and Energy Northwest.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year last below written:

ENERGY NORTHWEST	UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS
Name: Sherri Schwartz	Name: Doug Hunter
Title: Senior Contracting Officer	Title: General Manager
Date:	Date:

**EXHIBIT B
Compensation**

Compensation:

UAMPS shall pay Energy Northwest for Services in accordance with the following hourly rates:

Fixed hourly billing rates shall be in US Dollars and include all i) payroll, payroll taxes and fringe benefits; ii) all reproduction and printing costs including electronic media; iii) communications costs including all phones, faxes, internet, postage, shipping, delivery, couriers; iv) computer, software, printers, scanners, office machines and related costs of operations including consumables; v) insurance costs; vi) indirect and overhead burden; vii) handling service charges; and viii) profit.

Discipline/Title	Straight Time Rate
Energy Services & Development Manager	\$225.00/hour
Senior Licensing Engineer	\$120.00/hour