



**Department of Energy**  
Western Area Power Administration  
Sierra Nevada Region  
114 Parkshore Drive  
Folsom, CA 95630-4710

Sent Via E-Mail

Letter of Agreement 20-SNR-02416

Ms. Michelle Bertolino  
Electric Utility Director  
Electric Department  
City of Roseville  
2090 Hilltop Circle  
Roseville, CA 95747

Dear Ms. Bertolino:

On December 23, 2004, Western Area Power Administration (WAPA), and City of Roseville, Electric Department (Roseville), individually known as "Party" or collectively as "Parties", entered into Interconnection Contract 04-SNR-00850 (Contract), which specifies the ownership, operation, and maintenance responsibilities of facilities at the Fiddymment Substation<sup>1</sup>. In addition, the Contract specifies that WAPA is responsible for all operation and maintenance, at Roseville's cost, for the 230-kilovolt (kV) portion of the Fiddymment Substation facilities up to the high side bushing of the 230/60/12-kV transformers, including, but not limited to, the equipment listed in Section 16.5 of the Contract.

On July 27, 2018, the Parties executed Letter of Agreement 18-SNR-02164 (LOA 02164). LOA 02164 delineated responsibilities under the Contract related to specific Reliability Standards that have been developed by and are subject to the compliance monitoring and enforcement activities of the North American Electric Reliability Corporation (NERC) and the Western Electricity Coordinating Council (WECC). Both NERC and WECC conduct relevant activities pursuant to the authority granted them by the Federal Energy Regulatory Commission (FERC), which is responsible for the oversight of such activities.

The Parties are entering into this Letter of Agreement, 20-SNR-02416 (LOA) to carry forth the terms and conditions of LOA 02164 and memorialize new responsibilities as of April 1, 2021, to reflect the current list of NERC Reliability Standards and applicable requirements.

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<sup>1</sup> "Fiddymment Substation" shall mean the substation located on Fiddymment Road, Roseville, California.

The Parties agree to the following:

1. Exhibit A, attached hereto, contains the NERC Reliability Standards compliance-related tasks WAPA will perform. Roseville expects this LOA and Exhibit A will serve as part of the overall documentation that may be provided or referenced when Roseville, the Responsible Entity, is audited by WECC, NERC, or FERC. The Parties agree to negotiate in good faith to modify Exhibit A to this LOA, as necessary, to reflect future Reliability Standards.

2. In addition to meeting the Reliability Standards and the requirements mandated by FERC, WAPA collects and retains documentation of adherence to compliance delegated to WAPA under this LOA. Depending upon the documentation classification (refer to Section 3), WAPA agrees to provide Roseville electronic or hard copy documents as requested by Roseville, WECC, or NERC to demonstrate adherence to the compliance standards and requirements. Documentation must be clearly labeled regarding the requirements of the Reliability Standards with which they demonstrate compliance. Electronic copies of documents may be transferred to Roseville via a secured application agreed to by both parties. Roseville may use such documentation to confirm compliance with applicable requirements and to provide evidence of compliance to WECC or other authorities.

3. Information Protection: In some cases, WAPA system or procedural documentation content may be designated as sensitive information and must follow current WAPA departmental procedures regarding the protection and dissemination of such information. In cases where documentation can be provided, WAPA may utilize a secured file transfer portal to provide such documentation to Roseville. In cases where documentation cannot be provided, WAPA may show adherence to the NERC compliance standards and requirements listed in Exhibit A by establishing an electronic review of documentation via a secured session (WebEx for example). The review may include transmission system and support process documentation in electronic or hard copy format as requested by Roseville, WECC, or NERC. Documentation must be clearly labeled regarding the requirements of the Reliability Standards with which they demonstrate compliance and any questions regarding such documentation should be made through WAPA's representatives.

4. At any time WAPA believes it is non-compliant with any requirements of any applicable mandatory Reliability Standards that Roseville has delegated to WAPA according to this LOA and Exhibit A, WAPA shall immediately notify Roseville, and provide documentation to Roseville. If requested by Roseville, WAPA shall provide Roseville with assistance and information necessary to properly prepare Compliance Violation Self-Reporting Forms and Mitigation Plans that Roseville may submit to WECC.

5. Payment to WAPA:

5.1 Upon execution of this LOA, WAPA will send Roseville a bill for collection for the annual cost to perform the activities set forth in this LOA.

5.2 Roseville shall remit payment to WAPA following the instructions on the bill for collection.

5.3 WAPA will establish a WAPA-managed, non-interest-bearing trust account, and have the funds advanced by Roseville collected into such account. Any funds in the trust account created for the initial LOA (LOA 02164) will be transferred to a new trust account created after this updated LOA is executed..

5.4 WAPA will charge its time associated with the work it provides pursuant to this LOA and Exhibit A to the work order number established for the trust account.

5.5 WAPA may update the annual cost estimate contained in Exhibit A to reflect future costs for performing the activities in this LOA. If WAPA updates the cost estimate in Exhibit A, WAPA shall provide a revised Exhibit A to Roseville.

5.6 WAPA will bill Roseville for the estimated costs set forth in Exhibit A on an annual basis to continue performing the activities identified in this LOA and Exhibit A for the upcoming year.

5.7 WAPA will continuously monitor the account balance during the term of this LOA. If, at any time, WAPA determines that the balance in the trust account is not sufficient to cover WAPA's estimated costs to perform the activities under this LOA and Exhibit A, WAPA shall notify Roseville and promptly invoice Roseville for additional funding as appropriate. Such additional funding shall be due within twenty (20) calendar days of the date of the invoice. Roseville's failure to advance the additional funding requested by WAPA shall result in a delay or cessation of all work by WAPA under this LOA and Exhibit A.

5.8 Upon termination of this LOA, and after all financial obligations have been met, WAPA shall return the unobligated balance of the trust account funds, without interest, to Roseville within ninety (90) days.

6. This LOA shall become effective upon execution by Roseville and shall remain in effect concurrent with the term of the Contract. Either party may terminate this LOA with twelve (12) months advance written notice to the other Party. This LOA may be superseded or amended upon mutual agreement of Roseville and WAPA. Upon execution, this LOA shall supersede and terminate LOA 02164.

7. Execution by Counterparts: This LOA may be executed in any number of counterparts and, upon execution and delivery by each Party, the executed and delivered counterparts together shall have the same force and effect as an original instrument as if all Parties had signed the same instrument. Any signature page of this LOA may be detached by any counterpart of this LOA without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this LOA identical in form hereto, by having attached to it one or more signature pages.

8. Electronic Signatures: The Parties agree that this LOA may be executed by handwritten signature or digitally signed using Adobe Sign or Adobe E-Signature. An electronic or digital signature is the same as a handwritten signature and shall be considered valid and acceptable.

If you agree with the terms and conditions of this LOA, please have the appropriate official sign, date, have the signatures attested, and return to Mr. Joshua Blake at [jblake@wapa.gov](mailto:jblake@wapa.gov).

Sincerely,

Sonja A. Anderson  
Senior Vice President and  
Sierra Nevada Regional Manager

City of Roseville

By: \_\_\_\_\_  
Name: Michelle Bertolino  
Title: Electric Utility Director  
Address: 2090 Hilltop Drive  
Roseville, CA 95747  
Date: \_\_\_\_\_

Attest  
Name: \_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_