

**Service Level Agreement between  
PJM Interconnection, L.L.C.  
-and-  
Monitoring Analytics, LLC**

**THIS SERVICE LEVEL AGREEMENT** is made and entered into as of this 18th day of December, 2007 (the “Effective Date”), by and between PJM Interconnection, L.L.C., with offices at 2750 Monroe Blvd., Audubon, PA 19403 (“PJM”) and Monitoring Analytics, LLC, with offices at 2621 Van Buren Avenue, Eagleville, PA 19403 (“MMU”). Each of PJM and MMU may also be referred to individually hereinafter as a “Party”, and collectively as “the Parties.”

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## **1. Purpose**

The purpose of this Service Level Agreement (“SLA”) is to support the exchange of information between PJM and the MMU, and the access by MMU to PJM’s production, development and test environments during the term of the Market Monitoring Services Agreement dated December 18, 2007 entered into by and between PJM and MMU, as it may be amended from time to time (“MMSA”).

## 2. Scope of Services

PJM shall provide the following to MMU:

- a. The information that it is obligated to provide under the MMSA, the PJM Open Access Transmission Tariff (“Tariff”) and applicable laws and regulations.
- b. Real-time access to PJM’s production systems for real-time data monitoring (read-only) via Virtual Private Network (“VPN”) over a dedicated fiber optic connection to MMU’s offices located at 2621 Van Buren Avenue, Eagleville, PA.
- c. Regular and emergency support as outlined herein.
- d. Additional information, as and when requested by MMU, pursuant to the express terms, conditions and limitations of this SLA.

MMU shall provide the following to PJM:

- a. The information that it is obligated to provide under the MMSA.
- b. Regular and emergency support as outlined herein.
- c. Additional data, as and when requested by PJM, to the extent required in MMSA, section 8.2.
- d. Market Participant data stored in MIRA that PJM and Monitoring Analytics mutually agree is necessary to PJM’s performance of its responsibilities as specified in the Tariff, Amended and Restated Operating Agreement of PJM Interconnection, L.L.C. (“Operating Agreement”), Reliability Assurance Agreement Among Load Serving Entities in the PJM Region, and PJM Manuals. Such data shall be confined to data submitted by Market Participants and shall exclude, for example, MMU analyses, MMU manipulated data, MMU communications and any work product created by MMU.

### **3. Service Period**

This SLA shall commence as of the Commencement Date defined in the MMSA, and shall continue and be coterminous with the MMSA.

#### **4. SLA Review and Amendment**

This SLA will be reviewed at the request of either MMU or PJM, in accordance with SLA, section 23, to determine whether changes are required or the levels of support provided and the associated hardware and software need to be increased to meet agreed to levels of performance.

No amendment, modification, termination or attempted waiver of any provision of this SLA shall be valid unless it is in writing and signed by an authorized representative of both PJM and MMU. Any disagreements between the Parties with regard to the amendment, modification, termination or waiver of a provision of this SLA shall be determined pursuant to the terms of the dispute resolution provisions of the MMSA.

## **5. Responsibilities of PJM**

PJM will ensure that MMU has access to the information, data and systems, as required by Tariff, Attachment M and Tariff, Attachment M – Appendix (“Attachment M”), that MMU needs in order to carry out its functions, duties and responsibilities under the Tariff, and that the data is delivered according to the timeline and methods set forth in this SLA. PJM is not responsible for MMU’s use, calculations or applications of the information and data.

## **6. Responsibilities of MMU**

MMU will ensure the appropriate security and protection of any market sensitive, Critical Energy Infrastructure Information (“CEII”) and confidential data as described in SLA, section 28. MMU’s ability to provide such data or any compilation or summary of such data shall be subject to Tariff, Attachment M. MMU is responsible for any applications and/or uses of the data that reside at MMU’s office location and that of its consultants, contractors and other agents. MMU shall ensure that its consultants, contractors or other agents abide by PJM’s confidentiality and security requirements.

If NERC or a Regional Entity determines that MMU or any of its systems is subject to one or more of the NERC Critical Infrastructure Protection Standards, subject to appeal to the Federal Energy Regulatory Commission, MMU must comply with said standards.

## **7. Technical and Maintenance Support**

PJM will provide technical and maintenance support to MMU related to MMU's use of the Data Exchange System set forth in SLA, section 20 ("Data Exchange System") and access to PJM's systems as set forth in this SLA. A manager level (or above) employee of PJM's IT Department will be identified as the business owner of the Data Exchange System. All support inquiries should be directed to the PJM Support Center at 610-666-4500.

MMU will provide technical support to PJM related to MMU's transfer of data in the event that MMU's feed to the Data Exchange System does not function properly. All support inquiries should be directed to MMU Chief Information Officer.

PJM will provide break-fix technical support, pursuant to SLA, section 16 and SLA, section 17, and maintenance support at a threshold level of two thousand (2,000) hours per year, not to exceed 500 hours per calendar quarter, at no cost to MMU.

The cost of providing ad hoc data will be borne by MMU up to 250 person hours after which MMU may charge PJM at rates agreed to by the Parties.

PJM and MMU will meet at the request of the other, consistent with the timing of PJM's and MMU's planning cycles, to review whether the number of hours needs to be increased to support the existing services provided to MMU or PJM. To the extent necessary to meet their obligations to provide support for the existing services to MMU or PJM, PJM and MMU will increase the total number of hours of technical support that each provides under this SLA at no cost to ensure that each is able to perform its obligations. If MMU or PJM requires additional support within a planning year or requires new services not previously agreed to, PJM may charge the MMU or MMU may charge PJM at PJM's current internal project labor rates used in its own project and support accounting or at rates agreed to by the Parties.

Maintenance support shall be defined as processing MMU change requests, testing MMU code, modifying user access, or any other support required to keep the data exchange system functioning as a result of an MMU change. PJM will be responsible, and will not charge MMU, for maintaining the data exchange technical environment including software upgrades and patches. Any break-fix technical support provided to MMU by PJM that is driven by PJM's changing business needs or that is the result of a failure of PJM's systems shall not be billed to MMU.

## **8. Support Hours**

PJM will provide technical support to MMU during PJM's core business hours from 8:00 a.m. to 5:00 p.m., Monday through Friday. After PJM's core business hours, on weekends and holidays, technical support shall be provided through PJM's IT Operations Center only on an on-call basis. MMU will provide technical support to PJM during the working hours of the relevant MMU staff.

Should MMU know in advance that it will require technical support outside of PJM's core business hours for more than one hour, MMU shall make a special request to PJM, giving at least 24 hours' notice thereof. In such case, PJM will extend the technical support hours to meet specific needs of MMU.

## **9. Availability**

The Data Exchange System shall operate on a 24x7 schedule, except for a sixteen (16) hour period of time during which quarterly maintenance is expected to be performed on the system. The Data Exchange System will be available for 95 percent of the total hours in a year, minus the downtime for scheduled maintenance as described in SLA, section 10.

(365 days per year x 24 hours per day = 8760 hours – 16 hours for quarterly maintenance = 8744 hours per year; 8744 hours per year x 0.05 = 437 hours of possible downtime per year.)

## **10. Scheduled Maintenance**

PJM expects that the Data Exchange System will need four (4) hours of downtime per quarter for system upgrades and maintenance. Such downtime will typically be scheduled for Saturdays, and MMU will receive prior notification thereof. PJM shall use reasonable efforts to plan any such outages to minimize the impact on MMU.

If system maintenance is expected to take longer than the four hour window per quarter or takes the system below the 95 percent availability threshold, PJM shall contact MMU to so advise at least two (2) business days in advance for non-emergency maintenance. In such case, the Parties shall make an effort to come to mutual agreement as to the outage time, in advance, and in writing. The representatives of both parties for the purpose of resolving issues of the duration of system maintenance are:

Contact List:

MMU – Chief Information Officer

PJM – Vice President – Chief Information Officer

## **11. Production System Access and Access Termination**

MMU will be granted production access (read only) via VPN over a dedicated fiber optic connection. PJM and MMU will cooperate not to cause negative performance impacts on PJM's production systems resulting from MMU's access to or use of these systems, and to prevent access to such systems by non-MMU employees. In the event that MMU's access or use of these systems cause levels of performance degradation that are unacceptable to PJM, PJM will contact MMU to attempt to resolve the issue. PJM reserves the right to terminate any session that results in a negative impact on the performance of a production system. When possible, PJM will communicate with MMU before terminating sessions and will work with MMU to schedule a time to re-establish sessions. Notwithstanding the foregoing, PJM reserves the right to terminate any session without notice to MMU in an emergency situation or for security reasons. In such a case, PJM will explain in writing to MMU why the session was terminated within one (1) business day from the date the session was terminated.

## **12. Development and Test System Access and Access Termination**

Access by MMU to PJM's development and test systems shall be continued, granted or revoked on a need basis. Due to PJM's active use of development and test environments PJM reserves the right to create a specific MMU development or test environment if the need arises, in its sole discretion. If PJM determines that there is a need for such a MMU specific development and/or test environment, PJM will take reasonable efforts to create an environment that is the functional equivalent of PJM's development and test environment. MMU's read and write access to these MMU specific development and test systems shall be via VPN over a dedicated fiber optic connection. In addition, PJM shall provide MMU with dedicated test and development environments as part of the Data Exchange System, for purposes of developing and testing code used to populate the Data Exchange System.

PJM and MMU will cooperate not to cause any negative performance impacts on PJM's development and test systems resulting from MMU's access to or use of these systems, and to prevent access to such systems by non-MMU employees. In the event that MMU's access or use of these systems cause levels of performance degradation that are unacceptable to PJM, PJM will contact MMU to attempt to resolve the issue. PJM reserves the right to terminate any session that results in a performance impact on the performance of a test or development system. When possible, PJM will communicate with MMU before terminating sessions and will work with MMU to schedule a time to re-establish sessions. Notwithstanding the foregoing, PJM reserves the right to terminate any session without notice to MMU in an emergency situation or for security reasons. In such a case, PJM will explain in writing to MMU why the session was terminated within one (1) business day from the date the session was terminated.

### **13. Incident Management**

If a physical or cyber security issue occurs the Parties agree to comply with the security provisions set forth in MMSA, section 22.

#### **14. Problem Management**

All tickets, regardless of severity, will be documented and tracked through resolution by PJM's Support Center.

## 15. Change Management; Enhancements and Upgrades

If MMU determines that it has the need for additional data, additional access or a change to the systems from what is delineated in this SLA, MMU will provide detailed requirements to the PJM Liaison defined in Attachment M or such other representative appointed by PJM (both to be referred to herein as “PJM Liaison”), for the new data or system information that is now needed as part of the data exchange. The MMU will be responsible for providing Statistical Analysis Software (“SAS”) code and Oracle Data Definition Language (“DDL”) that will extract the needed data and load it into the Data Exchange System. PJM will be responsible for implementing changes to the Data Exchange System and placing the MMU code into production pursuant to the change management process set forth in SLA, Appendix A. PJM will act as the tester and release coordinator for any change. PJM will be responsible for keeping MMU fully informed of the changes required in order to ensure full access after the implementation of any PJM system changes. MMU shall be responsible for designing and implementing extract, transform and load (“ETL”) processes.

In the event that the MMU is unable to provide the code to extract and load the data to the Data Exchange System PJM will be available to provide this service. Any such request for the extraction and loading of additional data must be approved by PJM and MMU in writing and be signed by a PJM and MMU representative having authority to approve the request, and must include MMU’s agreement to pay for the associated costs at PJM’s internal project labor rate used in its own project and support accounting as agreed to by the Parties.

For any such approved data ETLs, Table 1 provides the timelines for coordination.

**Table 1 - Timelines for Coordination**

| DATA EFFORT  | PROVIDE ACKNOWLEDGEMENT TO MMU/PJM | STATUS UPDATES                                     | COMPLETION TIMEFRAME  |
|--|------------------------------------|--|---|
| Data easily retrieved or available in PJM’s or MMU’s systems | Within 7 business days             | Status updates provided daily at close of business | Completion timeframes will be mutually agreed upon by PJM and MMU |
| Data has to be transformed or does not exist                 | Within 7 business days             | Status updates provided weekly                     | Completion timeframes will be mutually agreed upon by PJM and MMU |

If PJM requests additional data from what is delineated in the Information Exchange Catalog defined in SLA, section 21, PJM will provide a detailed description of the data requested. Any request for additional data must be approved by PJM and MMU in writing and be signed by a PJM representative and an MMU representative having authority to approve the request, and must include PJM’s agreement to pay for any costs associated therewith. Except for information that the MMU determines it is required to provide under the MMSA, the MMU may remove information from the list included in the Information Exchange Catalog upon notification to PJM.

If MMU requests an upgrade or enhancement to be made to the Data Exchange System, it shall submit any such request in writing to the PJM Liaison. Within 7 days of receipt of

any such request, PJM shall provide MMU with an estimate of the cost to put the requested upgrade or enhancement into operation. After receipt of the estimate, MMU shall advise PJM in writing whether it wants to implement the enhancement or upgrade. Any such upgrades or enhancements shall be at MMU's expense unless PJM otherwise agrees to bear the expense.

If PJM desires to implement an upgrade or enhancement to the Data Exchange System or to its computer systems that was not requested by MMU, or if PJM's business drives the need for a change to the Data Exchange System, or if such enhancements or upgrades are required in order to provide the level of support required under this agreement, the making of the upgrades or enhancements shall be at PJM's expense.

When revisions of PJM's computer systems are necessary as part of PJM's normal business (for example the addition of the loss component of LMP), PJM will use reasonable efforts to provide MMU notice of a planned system revision at least thirty (30) days prior to any revision to the data exchange format(s). There may be times when PJM determines, in its sole discretion, that a data exchange format needs to be modified in an emergency situation. In such case, PJM will provide notice immediately to MMU and will follow its change management process as set forth in SLA, Appendix A.

When revisions of MMU computer systems are necessary as part of the MMU's normal business, MMU will use reasonable efforts to provide PJM notice of a planned system revision that affects the transfer of data to PJM at least (30) days prior to any revision to the data exchange format(s). There may be times when MMU determines, in its sole discretion, that a data exchange format needs to be modified in an emergency situation or on an expedited basis. In such case, MMU will follow its change management process as set forth in SLA, Appendix A.

## 16. Service Levels

All issues reported to PJM by MMU will be ticketed and assigned the appropriate severity level as described below. Such assignment will be as delineated in SLA, section 17.

SEV1 - System or critical function down and not available and no work around.

- Multiple reports of a production system not available without a work around.

SEV2 - System available, non-critical function unavailable and no work around.

- Multiple reports of a non-critical function unavailable with no work around.
- A problem that is degrading the performance and reliability of the system but functions are still operational.
- If the problem is not addressed it could escalate to a SEV1.

SEV3 - System available, some functionality unavailable with a work around.

- A problem reported impacts one or more users but does not result in a stoppage of work.

SEV4 – Inquiry, access request, or other support request.

All issues regarding data transfers from MMU to PJM, reported by PJM to MMU, will be addressed by the MMU as soon as reasonably practical.

### 17. Target Time to Respond, Repair, Resolve (“TTR”)

At the time MMU makes a repair request to PJM, PJM shall determine the severity level of any such repair as set forth in SLA, section 16. If MMU disagrees with the assigned level of severity, MMU shall have the option to request that PJM elevate a repair request to a higher level of severity.

**Table 1 - Target Time to Respond, Repair, Resolve by Severity Level**

| SEVERITY LEVEL | PROVIDE ACKNOWLEDGEMENT TO MMU/PJM   | STATUS UPDATES  | RESOLUTION   |
|----------------|--|---|--|
| Level 1        | Within 30 minutes of reported issue to the PJM Support Center/Chief Information Officer, IT during normal support hours or by 9:00 a.m. the next day.  | Every 2 hours while the problem exists, during all hours if reasonably practical. When it spans a day, no later than 9:00 a.m. each morning the problem exists. | Appropriate PJM, MMU and vendor resources committed to meet the critical deadline. Commitment is until problem resolution unless the Parties mutually agree to another timeframe.                          |
| Level 2        | Within 30 minutes of reported issue to the PJM Support Center/Chief Information Officer, IT during normal support hours or by 9:00 a.m. the next day.  | Every 4 hours during normal business hours. When it spans a day, no later than 9:00 a.m. each morning the problem exists.                                       | Appropriate PJM, MMU, and Vendor resources are committed until problem is resolved within defined support hours unless the Parties mutually agree to another timeframe. Target a 24 hour turnaround time.  |
| Level 3        | Within 2 hours of the reported issue to the PJM Support Center/Chief Information Officer, IT during normal support hours or by 9:00 a.m. the next day. | Every 4 hours during normal business hours. When it spans a day, no later than 9:00 a.m. each morning the problem exists.                                       | Appropriate PJM, MMU, and Vendor resources are committed until problem is resolved within defined support hours unless the Parties mutually agree to another timeframe. Target a 48 hour turn around time. |
| Level 4        | Within 8 hours of the reported issue to the PJM Support Center/Chief Information Officer, IT during normal support hours or by 9:00 a.m. the next day. | First report will be delivered within 2 working days. Subsequent reports based on timeframe negotiated during first report, but no less than once a week.       | Resources assigned as available with a goal of problem resolution within 5 working days.   |

## 18. Resolution Escalation

The TTR will be in accordance with the severity levels. If for some reason PJM cannot meet the severity level turnaround time, then MMU will be notified and the escalation procedure in Table 11 will be utilized:

**Table 1 - Escalation Notification**

| Elapsed Time | Sev1  | Sev2  | Sev3  | Sev4  |
|--------------|---|---|---|---|
| Immediate    | PJM VP, Chief Information Officer;<br>PJM Liaison;<br>MMU Chief Information Officer | PJM VP, Chief Information Officer;<br>PJM Liaison;<br>MMU Chief Information Officer | PJM IT Staff;<br>PJM Liaison;<br>MMU Chief Information Officer                      | PJM IT Staff;<br>PJM Liaison;<br>MMU Chief Information Officer                      |
| 2 hours      | PJM GM IT Integration;<br>PJM Liaison;<br>MMU Chief Information Officer             | PJM GM IT Integration;<br>PJM Liaison;<br>MMU Chief Information Officer             | PJM VP, Chief Information Officer;<br>PJM Liaison;<br>MMU Chief Information Officer | PJM VP, Chief Information Officer;<br>PJM Liaison;<br>MMU Chief Information Officer |
| 4 hours      | PJM Executive Director of IT;<br>PJM Liaison;<br>MMU Chief Information Officer      | PJM GM IT Integration;<br>PJM Liaison;<br>MMU Chief Information Officer             | PJM VP, Chief Information Officer;<br>PJM Liaison;<br>MMU Chief Information Officer | PJM VP, Chief Information Officer;<br>PJM Liaison;<br>MMU Chief Information Officer |
| 8 hours      | PJM Executive Director of IT;<br>PJM Liaison;<br>MMU Chief Information Officer      | PJM Executive Director of IT;<br>PJM Liaison;<br>MMU Chief Information Officer      | PJM GM IT Integration;<br>PJM Liaison;<br>MMU Chief Information Officer             | PJM GM IT Integration;<br>PJM Liaison;<br>MMU Chief Information Officer             |
| 24 hours     | PJM Vice President;<br>PJM Liaison;<br>MMU Chief Information Officer                | PJM Executive Director of IT;<br>PJM Liaison;<br>MMU Chief Information Officer      | PJM Executive Director of IT;<br>PJM Liaison;<br>MMU Chief Information Officer      | PJM Executive Director of IT;<br>PJM Liaison;<br>MMU Chief Information Officer      |

## **19. Performance**

The performance of the Data Exchange System is reliant on the speed of the link between PJM and MMU. A dedicated fiber optic connection and a dedicated back-up fiber optic connection will be provided to MMU, each having a speed of 1 Giga-bit per second. The performance of the dedicated fiber optic connection and dedicated back-up fiber optic connection will be reviewed on an annual basis to ensure that each is adequate for MMU to perform its obligations under Attachment M. PJM and MMU will meet at least annually, consistent with the timing of PJM's planning cycle, to review whether additional bandwidth is necessary in order to continue MMU data access at the performance levels specified in this SLA. PJM will provide increases in bandwidth, consistent with this planning process, at no cost to MMU, to continue performance at the levels specified in this SLA. If MMU desires improved performance or additional transfer capability, MMU will pay all costs for increasing the bandwidth, unless PJM otherwise agrees to bear the cost.

## **20. Data Transfer and Access**

The data exchange contemplated under this SLA will allow for the unattended transfer of any electronic data format between MMU and PJM. PJM maintains processes to exchange files and data with MMU over a dedicated fiber optic connection. These files and data are either transformed and delivered or simply delivered to MMU, depending on the type of data. The data that will be transferred to MMU is documented in the Information Exchange Catalog defined in SLA, section 21. MMU shall also maintain processes to transfer data to PJM over the same dedicated fiber optic connection.

Communications connectivity and security are provided for in the data exchange process. PJM supports and maintains secured servers and a database for providing files and data to MMU. The Parties shall perform the transfer of files and data in accordance with specifications set forth herein and as otherwise agreed upon by the Parties and in writing signed by a PJM and MMU representative having authority to approve and agree to an amendment to this SLA.

MMU will provide SAS ETL processes that will run in the PJM environment to transfer the data to the Data Exchange System. MMU will monitor and control the process execution through a control structure in the Data Exchange System. PJM will provide Golden Gate trail files to the Data Exchange System. MMU will be responsible for purging the trail files after ten days of retention.

Each Party must provide application and database servers required to complete the data exchange at their office locations. Each Party shall provide its own application support necessary to complete the data exchange. Each Party shall also be responsible for detecting delivery deficiencies that it encounters during the transfer of data from the other Party's computer systems and for taking appropriate action, including notifying the other Party.

Upon notification of any problems with file or data transfer, each Party will take steps to resolve any problems with its systems as outlined in this SLA. The Parties are not responsible for the availability and reliability of the systems that will ultimately receive the files. However, each Party will work with the other Party and/or the other Party's consultants, contractors and other agents to resolve file transfer problems. Each Party will maintain records of the file transfers, including the file name, size, date and time of the transfer, and status of the transfer.

The Data Exchange System is independent of the production system access which is described in the next section. The dedicated fiber optic connection between MMU and PJM is used for both types of access.

## **21. Information Exchange**

PJM and MMU shall maintain an “Information Exchange Catalog” which shall list the information that each party provides to the other. The Information Exchange Catalog shall not itself create any obligation to provide information, nor shall it define, alter, create or remove obligations to provide information including but not limited to obligations arising under the MMSA and the Tariff. Each Party shall be responsible to obtain its own subscriptions for external data, each at its own expense.

Either Party may make ad hoc requests for data from the other Party as defined in the MMSA. Each Party will use its best efforts to provide such data within five business days of the request. If, despite its best efforts, PJM or MMU, as applicable, is unable to provide the requested data within five business days, it shall provide an explanation of the reason it cannot provide the data and inform the other Party when it, using its best efforts, will be able to provide the data. The cost of providing such data will be borne by the Party providing the data up to 250 person hours after which it may charge the requesting party at rates agreed to by the Parties. The Data Exchange System will be utilized to enable the transfer of the requested data between the Parties.

## **22. Capacity Management**

The Data Exchange System will be sized to maintain one year's worth of PJM Markets data on a rolling daily basis. Golden Gate trail files will be maintained by MMU with a retention of ten days. If MMU requests that PJM Markets data older than the one year be provided to MMU, PJM will review the request, the data requirements, determine if the data exists in PJM's system, and within seven (7) days will advise MMU of the number of person hours required to provide the data to MMU and any cost associated with such requests.

### **23. Contacts and Notice**

Each Party will provide to the other Party contact lists containing relevant personnel to whom inquiries or problems relating to this SLA should be addressed.

Notice to any Party hereto shall be in writing and shall be deemed to be delivered on the earlier of: (a) the date of personal delivery, (b) if deposited in a United States Postal Service depository, postage prepaid, registered or certified mail, return receipt requested, the date of receipt or (c) if sent by email, on the date such email is received.

## **24. Service Measurement Reporting**

PJM will provide a monthly report to MMU of the open issues regarding the Data Exchange System, PJM's data requests to MMU, reported problems on MMU's system or MMU's access to PJM's production, test or development systems, the severity level and the TTR. This monthly report will also detail the performance of the dedicated fiber optic connection that provides MMU's direct access to PJM's systems. This report also will include the number of hours of technical and maintenance support set forth in SLA, section 7 provided by PJM to MMU.

## **25. Configuration Management**

PJM will provide notice as required herein when outages are required to change, modify or upgrade the Data Exchange System.

## **26. Crisis Management**

In the event of an emergency such as a computer system failure, a potential breach of system security, a computer virus outbreak or another event that might force the services to be shutdown, each Party will notify the other Party as soon as possible. Within 24 hours of the service becoming unavailable due to such an event, the Party having the computer system problem will provide to the other Party an estimated time for service restoration and additional information, if available, regarding the cause of the event. The Party having the computer system problem will, in consultation with the other Party, develop a plan to provide any data that was not provided due to the system failure.

## **27. Service Continuity and Security**

In order to ensure the protection of PJM's and its members' and market participants' market sensitive information, proprietary information, trade secrets and/or other confidential data, PJM requires that MMU implement and retain specific, detailed security controls. MMU must employ these security controls to ensure the physical and cyber security of such information and to restrict access to any such information only to individuals who have been specifically authorized by MMU and/or PJM to have access to such information. MMU shall be required to create and have in place, at a minimum, security policies and measures in place that address:

- Physical security access requirements, policies and procedures that are to be followed by all persons accessing MMU's facilities, including a requirement that visitors be escorted by badged personnel at all times while on MMU's premises.
- Requirement for physical security access control card key and video surveillance systems to control and produce data used to monitor access on MMU's premises.
- Issuance of card key access badges to individuals based on their job responsibility, specifically restricting access to MMU's computer room.
- Requirement that card key access badges must be displayed on all individuals, at all times, while on MMU's premises.
- Badge access to MMU's facilities only being made available on a time sensitive basis depending upon job responsibility.
- Deactivation of all MMU and PJM access badges immediately upon notification that the individual to whom the badge was issued no longer requires access to MMU's and/or PJM's facilities.
- Requirement that system "access denied" attempts, unauthorized access, and attempts to hack into or breach MMU's installed security features, must be recorded by MMU, shall be reviewed by MMU and investigated if deemed suspicious, and if deemed suspicious shall be reported to PJM immediately upon their discovery.

In addition, MMU and its employees, vendors, consultants and agents will be required to comply with PJM's Vendor Review Policy, Vendor Review Process – Vendor Compliance Standard, Cloud Security Policy, the consultant screening process contained in PJM's Employment Screening Policy and Employment Screening Procedure to receive physical or electronic access to PJM information, and the PJM Physical Security – Site Access Procedure when requiring access to the PJM campus. Such policy, procedure and standard may be amended from time to time and PJM will provide notice and description

of such changes, including electronic and paper copies of such initial documents and any modified documents. PJM shall give MMU prior notice of any proposed change to any of the above-referenced security policies, standards and procedures, and shall meet with MMU to discuss how the proposed change will affect MMU should MMU request such a meeting.

MMU will provide access to its offices for any security audits that PJM desires to perform, which security audits shall be conducted to ensure that PJM's security requirements are met. MMU shall cooperate with PJM to assist PJM or its designee in obtaining access to the offices of any of MMU's consultants, contractors or other agents for the purpose of conducting a security audit to ensure that PJM's security requirements are being met. PJM shall provide at least twenty four (24) hours prior notice to MMU of any such security audit. PJM may also require additional security audits to be conducted from time to time to ensure compliance with its minimum security requirements, including but not limited to a situation in which MMU relocates its offices.

PJM is responsible for maintaining data file security only while such files are under PJM's direct control. PJM shall notify MMU of any security issues related to the Data Exchange System or are otherwise relevant to MMU/PJM security issues.

## **28. Confidentiality**

The data provided to MMU by PJM as delineated in this SLA includes market sensitive, CEII, and confidential information. MMU and its employees and contractors shall comply with the confidentiality provisions set forth in Tariff, Attachment M – Appendix, section I.

Prior to receiving any data considered by PJM to be CEII, the MMU, its employees and contractors having access to such data shall execute PJM's form of CEII Non-Disclosure Agreement.

The data provided to PJM by MMU as delineated in this SLA may be market sensitive and confidential. Upon request, PJM employees obtaining such data will be required to sign both data confidentiality and non-disclosure agreements, provided by MMU to PJM, acknowledging the confidential nature of said information and agreeing to maintain the confidentiality of that information. PJM and its employees and contractors shall comply with the confidentiality provisions set forth in the PJM Operating Agreement.

Geographic Information System latitude/longitude data on generation stations by pnode ("GIS Information") has been identified by PJM transmission owners as CEII. Prior to receiving the GIS Information MMU will execute the PJM CEII Non-Disclosure Agreement.

Individual users from MMU shall be granted access to retrieve PJM's stored GIS Information for temporary use upon approval from the PJM access management process. Each instance of data retrieval must be cleared from the MMU network within 48 hours of retrieval. Audit information including such data deletions from the MMU network will be made available via an automated process. GIS Information may only be used by MMU for purposes consistent with Tariff, Attachment M. PJM reserves the right to suspend the provision of GIS Information should MMU violate the terms of this section.

## **29. Access Rights and Changes**

MMU shall provide a list of valid users and their contact information to PJM. PJM will follow its internal access authorization process to create accounts for the employees of MMU. MMU is responsible for notifying PJM of any required account changes as outlined in the Technical Support section of this SLA. In the case of account terminations, PJM will act as quickly as possible to terminate user access to its systems after having received notice from MMU.

Changes in MMU employees shall not be considered to be a change in data access under this SLA.

MMU shall also provide to PJM a list of its employees, consultants and contractors who shall need to have access to PJM's campus. PJM shall issue security badges to said employees, consultants and contractors, and shall provide physical access to PJM's campus between 0600 and 1800 hours. If MMU employees need physical access to PJM's campus during other hours, PJM will provide such access on a case by case basis.

### **30. Disaster Situations**

In the event of a significant event affecting the operations of the PJM Control Center (“BCP event”), PJM’s primary focus is to maintain reliability of the electric power system. PJM will restore systems according to the priority assigned in PJM’s Business Continuity Plan(s) (“BCP”). Such BCP may be amended from time to time and PJM will provide notice and description of such changes, including electronic and paper copies of such initial documents and any modified documents. PJM will use reasonable efforts to restore the functionality of the Data Exchange System within sixty (60) days of the BCP event. Should this restoration process be expected to take longer than sixty (60) days, PJM shall give MMU notice thereof, which notice must include an expected timeframe for the completion of the restoration of the Data Exchange System. PJM shall provide MMU with VPN read only access to PJM’s production systems until such time as PJM has restored the Data Exchange System.

### **31. Cost for Provision of Data**

To the extent that MMU is responsible for the payment of PJM's costs and expenses associated with the provision of access to PJM's data, information and systems to MMU, the costs and expenses shall be charged to MMU at PJM's actual cost, which for consultants and contractors shall be as invoiced and for work performed by PJM employees shall be per PJM's internal project labor rates or at rates agreed to by the Parties.

To the extent that PJM is responsible for the payment of MMU's costs and expenses associated with the provision of MMU's data and information to PJM, the costs and expenses shall be charged to PJM at MMU's actual cost, which for consultants and contractors shall be as invoiced and for work performed by MMU employees shall be per PJM's internal project labor rates or at rates agreed to by the Parties.

### **32. Access for Independent Auditors**

MMU shall provide PJM's independent auditor(s) with access to MMU's employees, consultants, contractors and agents, as well as to MMU's relevant data and information pertaining to any work product that MMU provides to PJM in connection with the settlement and billing of PJM Members, for the purpose of the auditor's review and examination of PJM's billing processes for PJM's SAS 70 Type 2 audit, such as the revenue requirement calculation in the black start market and the development of Cost of New Entry (CONE) and the Energy & Ancillary Services Revenue Offset (E&AS) as it relates to the RPM market. MMU shall cooperate with PJM to provide any additional access to PJM's independent auditors should there be a change in the name, number or type of billing processes for which MMU's data and information is needed.

### **33. Disputes**

Any and all disputes under this SLA shall be determined as set forth in the dispute resolution provisions of the MMSA.

**34. [Reserved]**

### 35. Entire Agreement

This SLA constitutes the entire agreement of the Parties with regard to the subject matter hereof, and replaces and supersedes all other agreements or understandings, whether written or oral. Notwithstanding the foregoing, it is the express understanding of the Parties that nothing in this SLA is intended to change or amend any terms or conditions of the MMSA. Notwithstanding the foregoing, in the event the Parties mutually agree, or there is a judicial or regulatory finding, that there is a conflict between any provision of this SLA and the terms of the MMSA, the MMSA shall be controlling.

**IN WITNESS WHEREOF**, the parties have caused this SLA to be executed by their respective authorized officials, as of the Effective Date, first set forth above.

#### **PJM Interconnection, L.L.C.**

By: /s/Thomas F. O'Brien      Vice President & CIO      8/1/2018  
Name                                      Title                                      Date

Printed name of signer: Thomas F. O'Brien

#### **Monitoring Analytics, LLC**

By: /s/Joseph E. Bowring      President      8/1/2018  
Name                                      Title                                      Date

Printed name of signer: Joseph E. Bowring

## **Appendix A: Change Management Process**

### PJM Change Management Process

PJM shall utilize its Non-EMS Change Management Procedure, a copy of which shall be provided to MMU, to ensure that changes to its production systems are applied in a controlled and consistent manner and do not compromise the stability and/or security of any component of its information technology environment. Changes to PJM's production systems must be initiated by MMU by submitting a formal request via PJM's change control system, which request must be authorized by PJM management and implemented following the change management procedures. If the change management procedures are revised, PJM shall provide MMU notice of such revisions along with both a hard and electronic copy of the revised change management procedures.

As part of its change management procedures PJM has established a Change Control Review Board (CCRB) that meets on a weekly basis to review, coordinate and approve system changes. PJM shall provide advance notice of such meetings and afford a representative of MMU the opportunity to attend and participate in CCRB meetings. PJM will communicate the determinations of the CCRB to the MMU on a weekly basis to inform the MMU of pending changes. In addition to regularly scheduled changes, PJM may also make emergency changes to its systems if at least one of the following is at issue: (a) a significant financial impact to PJM; (b) failure of a mission-critical application; (c) inaccurate or incorrect reporting to a regulatory agency; and (d) the inability to meet a critical financial deadline.

In emergency change situations PJM staff will complete emergency change paperwork as soon as feasible after the change. The CCRB will notify MMU of changes that will impact the PJM systems that MMU accesses.

MMU will inform PJM of changes in MIRA for fuel cost policy and COA issues related to data structures and data exchanged through the data exchange server, through the PJM Change Management Process.

### MMU Change Management Process

MMU shall provide PJM with a copy of its change management procedures.

**AGREEMENT  
FOR RELIABILITY SERVICES PROVIDED BY  
PJM INTERCONNECTION, L.L.C. TO  
THE UNITED STATES DEPARTMENT OF  
ENERGY  
PORTSMOUTH-PADUCAH PROJECT OFFICE**

This Reliability Services Agreement (“Agreement”) is dated September 14, 2018, and is entered into, by and between PJM Interconnection, L.L.C. (“PJM”) and the United States Department of Energy, Portsmouth-Paducah Project Office (“DOE”), (PJM and the DOE are collectively referred to herein as the “Parties” and individually as a “Party”).

**RECITALS**

WHEREAS, the DOE owns and operates transmission facilities that consist of a 345 kV switchyard (“X530 Switchyard”) that serves approximately 45 megawatts of load to its Portsmouth Gaseous Diffusion Plant near Piketon, Ohio (collectively, the “Portsmouth Project”); and

WHEREAS, the X530 Switchyard consists of Bulk Electric System (“BES”) facilities, as defined by the North American Electric Reliability Corporation (“NERC”), and therefore subject to the NERC reliability standards; and

WHEREAS, NERC standards require that all transmission facilities that qualify as BES be assigned to a balancing authority and to a reliability coordinator and be included in the metered boundaries of a reliability coordinator area and a balancing authority area; and

WHEREAS, the DOE is registered with NERC as both the transmission operator and transmission owner of the X530 Switchyard; and

WHEREAS, the Ohio Valley Electric Corporation (“OVEC”) serves the DOE load at the Portsmouth Project and is the balancing authority for both the X530 Switchyard and DOE load at the Portsmouth Project ; and

WHEREAS, the Midcontinent Independent System Operator, Inc. (“MISO”) is the reliability coordinator for both the BES facilities and the load within the X530 Switchyard; and

WHEREAS, OVEC will on December 1, 2018, as accepted by the Federal Energy Regulatory Commission (the “Commission or “FERC”) in FERC Orders 162 FERC ¶61,098, *Order Accepting Proposed Tariff Revisions* (February 13, 2018) and 164 FERC ¶61,004, *Order Granting Motion to Delay Effective Date and Request for Limited Waiver*, (July 2, 2018), integrate OVEC’s generation assets, transmission assets, and load into PJM, on which date: (1) PJM shall become, among others, the NERC-registered transmission operator,

balancing authority, and reliability coordinator for OVEC transmission assets, generation, and load; (2) OVEC shall no longer be a balancing authority nor shall it be the balancing authority for the X530 Switchyard but will continue to serve the DOE load at the Portsmouth Project; and (3) MISO shall no longer be the reliability coordinator for the X530 Switchyard.

WHEREAS, the DOE's X530 Switchyard will not be integrating into PJM with OVEC, and DOE will continue to be the transmission operator for the X530 Switchyard; and

WHEREAS, the DOE requested that PJM act as the NERC-registered reliability coordinator and balancing authority for the X530 Switchyard and include the X530 Switchyard in the metered boundaries of the PJM reliability coordinator area and balancing authority area;

THEREFORE, in consideration of the promises and mutual covenants contained herein, and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties enter into the following agreement:

**1. Start Date of Reliability Services**

Each Party's performance under this Agreement shall begin on the FERC-accepted effective date of OVEC's integration into PJM ("Start Date"), established as December 1, 2018. Prior to the Start Date, this Agreement must be filed and accepted by FERC with an effective date contemporaneous with the Start Date; the DOE must provide PJM with all required information, data, and models necessary to provide the services described herein; and PJM must revise its systems and enter into the PJM systems and this agreement.

**2. Termination Date**

This agreement shall terminate on the earlier of: (1) December 31, 2024; or (2) a date mutually agreed upon in writing by Parties that is earlier than December 31, 2024 ("Termination Date"). This agreement may extend past the Termination Date for good cause (*e.g.*, construction schedule delays or scheduled outage delays), upon reasonable notice, and as mutually agreed upon in writing by Parties.

**3. PJM Services Provided**

*Service Provided by PJM:* Beginning on the Start Date and ending on the Termination Date, PJM shall provide NERC reliability coordinator, balancing authority, transmission service provider, transmission planner, planning coordinator, and transmission operator services on behalf of the DOE in support of the X530 Switchyard in accordance with the:

- a) *PJM Consolidated Transmission Owners Agreement, PJM Open Access Transmission Tariff, the Amended and Restated Operating Agreement of PJM Interconnection, L.L.C., Reliability Assurance Agreement Among Load Serving Entities in the PJM Region, PJM Transmission Owner/Transmission*

*Operator Matrix of Shared or Assigned Tasks*, except as provided for under section 4(b) of this agreement, PJM Manuals as PJM Manuals is defined in the *PJM Open Access Transmission Tariff* (collectively, “PJM Governing Agreements and Manuals”), each as amended; and

- b) NERC rules and reliability standards, each as amended, for the term of this Agreement.

#### **4. DOE Obligations**

- a) *NERC Registered Transmission Operator and Transmission Owner*: The DOE shall continue to be the registered transmission operator and transmission owner on the NERC compliance registry for the X530 Switchyard and will remain so for the term of this agreement. As the registered transmission operator and transmission owner on the NERC compliance registry, the DOE shall be responsible for compliance with all NERC standards, except the following, which shall be assigned to PJM:

- (1) Reliability Standard BAL-005-0.2b, Requirement R1.2;
- (2) Reliability Standard EOP-005-2, Requirements R6, R6.1, R6.2, and R6.3;
- (3) Reliability Standard EOP-010-1, Requirements R1, R1.2, R3, R3.1, R3.2, and R3.3;
- (4) Reliability Standard MOD-001-1a, Requirements R1 and R6;
- (5) Reliability Standard MOD-008-1, Requirements R1.1, R1.2, R1.3.1, R1.3.2, R1.3.3, R2, R3, R4, and R5;
- (6) Reliability Standard MOD-030-3, Requirements R2.1, R2.1.1, R2.1.1.1, R2.1.1.2, R2.1.1.3, R2.1.2, R2.1.2.1, R2.1.2.2, R2.1.2.3, R2.1.3, R2.1.4.1, R2.1.4.2, R2.2, R2.3, R2.4, R2.5, R2.5.1, R2.6, R3.1, R3.2, R3.3, R3.4, and R3.5;
- (7) Reliability Standard MOD-033-1, Requirement R2;
- (8) Reliability Standard TOP-001-3, Requirements R10.2, R12, R13, R14, R15, R16, and R18;
- (9) Reliability Standard TOP-002-4, Requirements R1, R2, R3, and R6;
- (10) Reliability Standard TOP-003-3, Requirements R1.1, R1.2, R1.3, R1.4, and R3; and
- (11) Reliability Standard TOP-010-1(i), Requirements R1, R1.1, R1.2, R1.3, R3.1, R3.2, and R3.3.

- b) *DOE Obligations under PJM Governing Agreements:* The DOE shall comply with and satisfy the operational and reliability-related obligations and requirements required of transmission owners in the PJM Governing Agreements and Manuals except as listed herein:
- (1) DOE shall have no obligation to pay a NERC-imposed penalty as provided for in Schedule 11 of the PJM Operating Agreement or as may be provided in any other PJM governing document;
  - (2) DOE shall have no obligation to build or construct transmission expansions as provided for in Section 4.2.1 of the PJM Transmission Owners Agreement or as may be provided for in any other PJM governing document;
  - (3) DOE shall not be subject to any default allocation as provided for in Section 15.2.2 of PJM's Operating Agreement or as may be provided for in any other PJM governing document;
  - (4) This Agreement does not confer PJM membership upon DOE and DOE is not subject to PJM membership obligations or requirements;
  - (5) DOE shall not be subject to any penalties contained in PJM's governing documents that PJM may impose on PJM members; and
  - (6) DOE shall not be subject to the following provisions of the PJM Transmission Owners Agreement and Manuals:
    - a. Section 3.1
    - b. Section 4.1
    - c. Section 4.1.3
    - d. Section 4.1.5
    - e. Section 4.2.1
    - f. Section 4.8.2
    - g. Manual 27 – Open Access Transmission Tariff Accounting – Section 1.1.2
    - h. Manual 29
    - i. Manual 40 – Training & Certification Requirements – Section 3.2.1
- c) *Information Provided by the DOE to PJM:* The DOE agrees to supply PJM with any information required by NERC standards, PJM Governing Agreements and Manuals, and such other information, data, and specifications reasonably necessary, in accordance with Good Utility Practice, to permit PJM to provide the services identified above in Section 3, "PJM Services Provided". Such information shall be provided to PJM in a manner consistent with metering, communication, and other requirements in the PJM Governing Agreements and Manuals. All parties agree both that the currently installed OVEC meters are acceptable for metering the DOE load

and that the currently installed OVEC-owned RTU, located in X-530 and the associated communications link will be acceptable for providing DOE's reliability data to PJM during the period of this agreement and any extensions thereunder.

- d) *Operations:* The DOE agrees to perform the following obligations and to take any actions necessary, in accordance with Good Utility Practice and NERC standards, to permit PJM to provide the requested service:
- (1) comply with all PJM directives in accordance with PJM Governing Agreements and Manuals and NERC standards;
  - (2) comply with any other Governing Agreements and Manuals provisions necessary for PJM and DOE to comply with NERC standards;
  - (3) comply with all NERC standards.
- e) *Physical Operation of X530 Switchyard and Portsmouth Project:* While PJM will direct the DOE to operate its transmission facilities in the X530 Switchyard to ensure reliable operation of the BES, the DOE shall continue to direct the physical operation and maintenance of its X530 Switchyard transmission facilities and will physically operate and maintain all transmission assets and facilities it owns. Physical control over the DOE's X530 Switchyard shall remain with the DOE as the transmission owner and transmission operator for such transmission assets. The DOE shall retain the rights and obligations to adopt and implement procedures it deems necessary to protect its electric facilities from physical damage or to prevent injury or damage to persons or property. While PJM agrees to perform planning and scheduling functions, among other reliability functions, to ensure compliance with reliability standards, the DOE shall be and remains responsible for physically performing the maintenance, ensuring safety, and adopting and implementing procedures the DOE deems necessary to protect its transmission assets and electric facilities from physical damage or to prevent injury or damage to persons or property.

## 5. Notice

Any notice required or authorized by this Agreement (“Notice”) or request made by a Party regarding this Agreement shall be in writing. Notice shall be personally delivered, transmitted by facsimile (with receipt verbally or electronically confirmed), emailed, delivered by overnight courier or mailed, postage prepaid, to the other Party at the address designated below:

|          | <u>PJM</u>  | <u>DOE</u>   |
|----------|---|--|
| Title:   | General Counsel   | <u>Contracting Officer</u>   |
| Address: | 2750 Monroe Blvd.<br>Audubon, PA 46032<br>Fax: (610) 666-8211 | <u>250 E. 5<sup>th</sup> Street,</u><br><u>Suite 500</u><br><u>Cincinnati, OH 45202</u><br><u>Fax: (513) 246-0529</u><br><u>Matthew.Carpenter@e</u><br><u>mbc.doe.gov</u><br><u>Fax:</u> |

## 6. Description of BES Facilities

Exhibit A contains a description of the DOE X530 Switchyard transmission facilities that are within the NERC definition of Bulk Electric System and that will be monitored by PJM in accordance with this Agreement.

## 7. Representations and Warranties.

Each Party represents and warrants to the other that, as of the date it executes this Agreement:

- a) The Party is duly organized, validly existing and in good standing under the laws of the jurisdiction where organized;
- b) The execution and delivery by the Party of this Agreement and the performance of its obligations hereunder have been duly and validly authorized by all requisite action on the part of the Party and do not conflict, based on present knowledge and information, with any applicable law or with any other agreement binding upon the Party; this Agreement has been duly executed and delivered by the Party, and, upon receipt of any necessary regulatory approvals, this Agreement constitutes the legal, valid and binding obligation of the Party enforceable against it in accordance with its terms except insofar as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws affecting the enforcement of creditor’s rights generally and by general principles of equity regardless of whether such principles are considered in a proceeding at law or in equity;

- c) There are no actions at law, suits in equity, proceedings or claims pending or, to the knowledge of the Party, threatened against the Party before or by any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the performance by the Party of its obligations hereunder; and
- d) It is in compliance with all NERC and Regional Entity standards applicable to its operations and facilities. The DOE shall provide PJM with any information and documentation that PJM requests to verify the DOE is in compliance with all NERC and Regional Entity standards applicable to its operations and facilities.

## **8. Indemnification.**

To the extent permissible by law,<sup>1</sup> the DOE agrees to indemnify and hold harmless PJM, its members of its Board of Managers, officers, employees, agents, and representatives, from and against any and all damages, losses, claims, demands, suits, costs and expenses, arising from bodily injury or death of any person, or damage to property, including any damages suffered by any third party, (the "Losses"):

- a) to the extent caused by reason of, arising out of, or resulting from the DOE's negligence, recklessness or intentional misconduct in the performance of, or failure to perform, any of DOE's obligations under this Agreement;
- b) related to claims by any of DOE's employees for injuries or damages covered by workers' compensation or similar statutes applicable to DOE that provide for employee recovery of losses due to job-related personal injury;
- c) to the extent caused by incorrect information or data provided by the DOE; or
- d) caused by reason of, arising out of, or resulting from PJM's performance of, or failure to perform, any of PJM's obligations under this Agreement but only to the extent that (a) the Losses are not due to gross negligence or intentional misconduct of PJM or its Board of Managers, officers, employees, agents or representatives, and (b) the Losses are due to power outages, voltage reductions, or damage to any facilities or equipment that are a part of, or are used in the operation or control of, an electric power system.

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<sup>1</sup> *E.g.*, 31 U.S.C. § 1341(a).

**9. Limitation of Liability**

Except for the respective indemnity obligations of the Parties under this Agreement, no Party shall be liable to the other Party for the payment of any indirect, incidental, special or consequential damages, including, but not limited to, loss of profits or revenues, cost of capital of financing, or loss of goodwill arising from such Party's carrying out, or failing to carry out, any obligations contemplated by this Agreement.

Moreover, PJM shall not be liable, whether based on contract, indemnification, warranty, tort, strict liability or otherwise, to the DOE, any third party or other person for any damages whatsoever, including, without limitation, direct, incidental, consequential, punitive, special, exemplary, or indirect damages arising or resulting from any act or omission in any way associated with service provided under this Agreement or the PJM Governing Agreement and Manuals hereunder, including, but not limited to, any act or omission that results in an interruption, deficiency or imperfection of service, except to the extent that the damages are direct damages that arise or result from the gross negligence or intentional misconduct of PJM.

**10. Assignment**

Neither Party may assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except in the case of a merger, consolidation, sale, or spin-off of substantially all of a Party's assets.

**11. Payment**

Neither Party may assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except in the case of a merger, consolidation, sale, or spin-off of substantially all of a Party's assets.

## **12. Payment and Invoicing**

As full compensation and consideration for the services and other obligations of PJM set forth herein, the DOE will pay PJM the applicable fees set out in Exhibit B.

PJM shall submit invoices to the DOE for total costs to the following address:

- a. PJM shall use Standard Form 1034, Public Voucher for Purchases and Services Other than Personal, when requesting payment for work performed under the contract.
- b. PJM shall submit invoices electronically through the Oak Ridge Financial Service Center's ("ORFSC") Vendor Inquiry Payment Electronic Reporting System ("VIPERS"). VIPERS allows vendors to submit invoices, attach supporting documentation and check the payment status of any invoice submitted to the DOE. Instructions concerning contractor enrollment and use of VIPERS can be found at <https://vipers.doe.gov>.
- c. A paper copy of an invoice that has been submitted electronically will not be accepted.

The invoices for the services performed shall be due and payable by the DOE to PJM within thirty days of the date the invoice is received. Payment should be mailed to:

2750 Monroe Blvd.  
Audubon, PA 46032  
Fax: (610) 666-8211

If payment is not received within thirty days, the DOE shall be subject to a late fee of one and one half percent (1.5%) per month on the total amount of the past due balance.

## **13. Third Party Beneficiaries**

There are no intended third-party beneficiaries of this Agreement. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to, any person not a Party to this Agreement.

## **14. Entire Agreement**

This Agreement, which incorporates the PJM Governing Agreements and Manuals, constitutes the entire understanding and agreement of the Parties, and supersedes any and all previous communications, representations, understandings, and agreements (oral or written) between the Parties with respect to the subject matter hereof. The headings used in this Agreement are for purposes of convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

**15. No Joint Venture**

Nothing contained in this Agreement shall be construed to imply the existence of a joint venture, principal and agent relationship, or employment relationship between the Parties, and no Party shall have any right, power or authority to create any obligation, express or implied, on behalf of the other Party without the express written consent of the other.

**16. Governing Law**

This Agreement shall be governed by the applicable federal law and the laws of the state of Delaware.

**17. Confidentiality**

The confidentiality provisions in the PJM Governing Agreements and Manuals shall apply to this Agreement.

**18. No Waiver of Jurisdictional Immunity.**

If the DOE is not subject to the jurisdiction of the FERC as a "public utility" under the Federal Power Act, the DOE shall not be required to take any action or participate in any filing or appeal that would confer FERC jurisdiction over the DOE. This Agreement is subject to the jurisdiction of FERC.

**19. Federal Acquisition Regulations ("FAR") Clauses and DOE Provisions**

The following clauses and provisions are incorporated into this contract:

FAR 52.233-1 Disputes -- Alternate I (Dec 1991)

- (a) This contract is subject to 41 U.S.C. chapter 71, Contract Disputes.
- (b) Except as provided in 41 U.S.C. chapter 71, all disputes arising under or relating to this contract shall be resolved under this clause.
- (c) Claim, as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 is not a claim under 41 U.S.C. chapter 71 until certified. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under 41 U.S.C. chapter 71. The submission may be converted to a claim under 41 U.S.C. chapter 71, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d)(1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.

(d)(2)(i) The Contractor shall provide the certification specified in paragraph (d)(2)(iii) of this clause when submitting any claim exceeding \$100,000.

(ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

(iii) The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable; and that I am authorized to certify the claim on behalf of the Contractor."

(3) The certification may be executed by any person authorized to bind the Contractor with respect to the claim.

(e) For Contractor claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in 41 U.S.C. chapter 71.

(g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Contractor refuses an offer for ADR, the Contractor shall inform the Contracting Officer, in writing, of the Contractor's specific reasons for rejecting the offer.

(h) The Government shall pay interest on the amount found due and unpaid from (1) the date that the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in (FAR) 48 CFR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim

(i) The Contractor shall proceed diligently with performance of this contract, pending final

resolution of any request for relief, claim, appeal, or action arising under or relating to the contract, and comply with any decision of the Contracting Officer.

FAR 52.241-2 Order of Precedence -- Utilities (Feb 1995)

In the event of any inconsistency between the terms of this contract (including the specifications) and any rate schedule, rider, or exhibit incorporated in this contract by reference or otherwise, or any of the Contractor's rules and regulations, the terms of this contract shall control.

FAR 52.241-4 Change in Class of Service (Feb 1995)

- (a) In the event of a change in the class of service, such service shall be provided at the Contractor's lowest available rate schedule applicable to the class of service furnished.
- (b) Where the Contractor does not have on file with the regulatory body approved rate schedules applicable to services provided, no clause in this contract shall preclude the parties from negotiating a rate schedule applicable to the class of service furnished.

FAR 52.241-7 Change in Rates or Terms and Conditions of Service for Regulated Services (Feb 1995)

(a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. PJM agrees to give the Contracting Officer written notice of:

(1) the filing of an application for change in rates or terms and conditions of service that affect this contract concurrently with the filing of the application; and

(2) any changes pending with the regulatory body as of the date of contract award that affect this contract. Such notice shall fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, PJM shall forward to the Contracting Officer a copy of such changes within 15 days after the effective date thereof. PJM agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.

(b) PJM agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) shall not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.

(c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, PJM shall immediately provide a copy to the Contracting Officer. The Government shall not be bound to accept any new regulation

inconsistent with Federal laws or regulations.

(d) Any changes to rates or terms and conditions of service shall be made a part of this contract by the issuance of a contract modification unless otherwise specified in the contract. The effective date of the change shall be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials.

PJM INTERCONNECTION, L.L.C.

By: /s/ Michael E. Bryson

Name: Michael E. Bryson

Title: Vice President – Operations

Date: 9/27/18

U.S. DEPARTMENT OF ENERGY

By: /s/ Matthew Carpenter

Name: Matthew Carpenter

Title: Contracting Officer

Date: 9/27/18

# Exhibit A

CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION: DO NOT  
RELEASE

REDACTED PURSUANT TO

18 C.F.R. § 388.112