

PACIFICORP/PORTLAND GENERAL ELECTRIC

PNW AC Intertie FOIA Request

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Customer	Contract No.
PACIFICORP	29224
	92299
	94278
	94285
	94332
	94333
	94600
	94628
PORTLAND GENERAL	29225
	56747
	63627
	92277
	92340
PGE/PAC/USBR	59840

11-23-65

TRUST AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF THE INTERIOR

acting by and through the

BONNEVILLE POWER ADMINISTRATOR

and

PORTLAND GENERAL ELECTRIC COMPANY

providing for design, construction and test of the

Company's portion of the Grizzly Substation

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This TRUST AGREEMENT, executed January 3,
196⁶, by the UNITED STATES OF AMERICA (hereinafter called "the
Government"), Department of the Interior, acting by and through
the BONNEVILLE POWER ADMINISTRATOR (hereinafter called "the
Administrator"), and PORTLAND GENERAL ELECTRIC COMPANY (herein-
after called "the Company"), a corporation organized and existing
under the laws of the State of Oregon,

W I T N E S S E T H:

WHEREAS the Government plans to construct two 500 kv a-c
circuits from its John Day substation to the proposed Grizzly
substation and one 500 kv a-c circuit from said Grizzly substation
to the proposed Malin substation and the Company plans to construct
a 500 kv a-c circuit from its Round Butte substation to said Grizzly
substation and a 500 kv a-c circuit from said Grizzly substation
to said Malin substation; and

WHEREAS the Administrator plans to construct the proposed
Grizzly substation to provide terminal facilities for the Company's
Round Butte-Grizzly and Grizzly-Malin 500 kv transmission lines
(hereinafter called the "Round Butte terminal" and the "Malin No. 2
terminal", respectively) as well as terminal facilities for the
Government's Grizzly-Malin and two John Day-Grizzly 500 kv trans-
mission lines (hereinafter called the "Malin No. 1 terminal" and
"John Day No. 1 and No. 2 terminals", respectively); and

WHEREAS the 500 kv a-c circuits and the proposed Grizzly
substation are a part of the Pacific Northwest-Pacific Southwest
Intertie program as recommended to Congress by the Secretary of

the Interior and approved by Congress by making appropriations for the construction of the Government's portion thereof; and

WHEREAS the Company desires that the Administrator design, furnish certain labor and material to construct, and test the Company's portion of the Grizzly substation in conjunction with the design, construction, and test of the Government's portion of such substation; and

WHEREAS the Company has agreed to pay forty percent (40%) of the total cost to the Government for design, construction and test of the Grizzly substation as the Company's pro rata share of the cost of said substation exclusive of the cost of certain equipment and labor which will be supplied individually by the parties hereto; and

WHEREAS the Company will furnish certain equipment for use in the Round Butte and Malin No. 2 terminal positions at Grizzly substation and will install some of such equipment in the said terminal positions and the Administrator will install the remainder of the material and equipment required at the substation; and

WHEREAS it will be beneficial to the Government if the work necessary to provide terminal positions were done by the Administrator; and

WHEREAS the Company has agreed to advance the necessary funds pursuant to this agreement; and

WHEREAS the Administrator is authorized to dispose of electric energy generated at various federal hydroelectric projects in the Northwest in accordance with the Bonneville Project Act, approved August 20, 1937, as amended, and pursuant to the following orders

of the Secretary of the Interior: No. 2563 dated May 2, 1950, and No. 2860 dated January 19, 1962, as amended; and

WHEREAS the Administrator is authorized by said Order No. 2860, as amended, to enter into such contracts, agreements, and arrangements upon such terms and conditions and in such manner as he may deem necessary, as provided in said Bonneville Project Act, as amended;

NOW, THEREFORE, the parties hereto mutually agree that the trust herein referred to was created upon and subject to the terms, provisions, and covenants, as follows:

1. Term of Agreement. Each of the provisions of this agreement will be effective on the date of execution and, except as it is otherwise hereinafter provided, shall continue in effect until all acts required hereunder have been fully performed.

2. Trust Fund. The Company hereby agrees to pay the Administrator the amount of five hundred sixty-eight thousand six hundred fifty dollars (\$568,650)(hereinafter called "the trust fund"), to be held by him in trust to defray forty percent (40%) of the estimated expense and cost of performing the duties imposed on him by sections 3(a)(1) and 3(a)(2) hereof. Payment to the Administrator from the Company in the amount of one hundred fifty thousand dollars (\$150,000) is hereby acknowledged. Unless otherwise agreed to by the parties hereto, the Company agrees to make further payments to the Administrator of one hundred ~~fifty~~ thousand dollars (\$150,000) on or before January 1, 1966, one hundred fifty thousand dollars (\$150,000) on or before April 1, 1966, and one hundred eighteen thousand six hundred and fifty dollars (\$118,650) on or before July 1, 1966.

If at any time hereafter the Administrator estimates that such amounts are insufficient to pay the Company's proportionate share (forty percent) of the expense and cost of completing performance of such duties, the Company will advance to the Administrator, when requested by the Administrator and in such installments as may be specified by him, such additional moneys as he estimates will be required for such completion.

The moneys so received by the Administrator, as aforesaid, together with all moneys, if any, advanced to him in trust under any other provisions of this agreement, will be placed in a trust account in the United States Treasury subject to withdrawal as provided in 31 U. S. C., sections 725r and 725s, for payment of the expenses and cost of performing the duties imposed on the Government by this agreement.

3. Duties of the Administrator.

(a) The Administrator shall design, furnish all material and labor except that furnished by the Company pursuant to section 4 hereof, construct, and test the following:

(1) five 500 kv line terminals complete with associated pedestal mounted 500 kv bus and necessary supports, bus insulators, conduit and manholes, and painting;

(2) control house, fence, and related substation site developments and improvements;

(3) provide, at his sole expense, for installation under subsection (a)(1) of this section three sets of 300 kv 120/69 volt-120/69 volt potential transformers and six 500 kv 3,000 ampere disconnect switches; and,

(4) provide and install, at his sole expense, three 500 kv, 2,400 ampere, 35,000 mva power circuit breakers, each with 12 associated current transformers on foundations installed pursuant to said subsection (a)(1) of this section.

(b) All work done at the Company's expense under this section will be performed by the Administrator in whole or in part by force account, by contract, or by both, in the same manner and subject to the same limitations as if all funds being expended therefor were Government funds.

4. Duties of the Company. The Company, at its sole expense shall:

(a) provide, for installation by the Administrator under section 3(a)(1) hereunder, two sets of 300 kv 120/69 volt-120/69 volt potential transformers and four 500 kv 3,000 ampere disconnect switches;

(b) provide and install two 500 kv 2,400 ampere 35,000 mva power circuit breakers, each with 12 associated current transformers, on foundations provided by the Administrator under said section 3(a)(1).

5. Ownership of Facilities.

(a) Title to and ownership of an undivided forty percent (40%) interest in the facilities constructed or installed pursuant to sections 3(a)(1) and 3(a)(2) hereunder shall be and remain in the Company at all times. Title to and ownership of an undivided sixty percent (60%) interest in the facilities constructed or installed pursuant to sections 3(a)(1) and 3(a)(2) hereunder shall be and remain in the Government. Title to and ownership of the

equipment furnished by the Company pursuant to section 4 and by the Administrator pursuant to sections 3(a)(3) and 3(a)(4) shall be and remain in the Company and the Government, respectively, at all times.

(b) Each party shall identify all equipment which is owned by it, as provided in subsection (a) of this section, by permanently affixing thereto suitable tags, stencils, stamps, or other markers plainly stating that the property so identified is owned by such party.

6. Accounting.

(a) Within a reasonable time after completion of the work for which a deposit in trust has been made under the terms hereof, the Administrator will make a full accounting to the Company showing the receipts credited to, and the costs and expenses charged against, said trust fund. The Administrator will remit to the Company any unexpended balance of said trust fund within a reasonable time after accounting is made as herein provided.

(b) If at any time the Administrator requests the Company to advance additional moneys pursuant to section 2 hereof, the Administrator will, within a reasonable time after the Company so requests, make a full accounting to the Company showing the receipts credited to, and the costs and expenses charged against, said trust fund. The Administrator will, at the same time, submit a statement to the Company showing in detail his estimate of the additional moneys required to pay the expense and cost of completing performance of his responsibilities as specified in section 3(a)(1) and 3(a)(2) of this agreement.

(c) Forty percent (40%) of the costs and expenses of performing the work and furnishing the materials mentioned in sections 3(a)(1) and 3(a)(2) hereof shall be proper charges against said trust fund, and shall be determined by charging the cost elements exclusive of interest in the same manner as if Government funds were being expended, including among other things, labor, annual and sick leave obligations, contributions - employee benefits, equipment use, tool and stores expense, expense of transportation of any materials or equipment which is not included as stores expense, expense and cost incurred to make the accounts provided for in this section, and overheads reasonably allocable thereto.

7. Provisions Required by Statute. The provisions which are required to be inserted by applicable law are attached hereto as Exhibit A and are hereby made a part of this agreement. The Company shall be "the Contractor" mentioned in said Exhibit A.

8. Interest of Member of Congress. No Member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this agreement if made with a corporation for its general benefit.

IN WITNESS WHEREOF, the parties hereto have executed this agreement in several counterparts.

UNITED STATES OF AMERICA
Department of the Interior

(SEAL)

By Charles F. Luce
Bonneville Power Administrator

PORTLAND GENERAL ELECTRIC COMPANY

(SEAL)

By Frank M. Hansen

ATTEST:

Clarence Phillips

approved as to form
H. H. Phillips

PROVISIONS REQUIRED BY STATUTEContract Work Hours Standards Act - Overtime Compensation.

This contract, to the extent that it is of a character specified in the Contract Work Hours Standards Act (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Contract Work Hours Standards Act.

(a) No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic in any workweek in which he is employed on such work, to work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in such workweek, whichever is the greater number of overtime hours.

(b) In the event of any violation of the provisions of subsection (a), the Contractor and any subcontractor responsible for such violation shall be liable to any affected employee for his unpaid wages. In addition, such Contractor or subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the provisions of subsection (a), in the sum of \$10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of forty hours in a workweek without payment of the required overtime wages.

(c) The Administrator may withhold, or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor, the full amount of wages required by this contract and such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for liquidated damages as provided in subsection (b).

(d) The Contractor shall require the foregoing subsections (a), (b), (c) and this subsection (d) to be inserted in all subcontracts.

(e) The Contractor shall keep and maintain for a period of three (3) years from the completion of this contract the information required by 29 CFR § 516.2(a). Such material shall be made available for inspection by authorized representatives of the Government, upon their request, at reasonable times during the normal work day.

Convict Labor. The Contractor shall not employ any person undergoing sentence of imprisonment at hard labor.

Nondiscrimination. During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Administrator setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Administrator, advising the labor union or worker's representative of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Administrator and the Secretary of Labor for purposes of investigations to ascertain compliance with such rules, regulations and orders.

(6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246

of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Administrator may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Administrator, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

8-1-67

AMENDATORY AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF THE INTERIOR

acting by and through the

BONNEVILLE POWER ADMINISTRATOR

and

PORTLAND GENERAL ELECTRIC COMPANY

This AMENDATORY AGREEMENT, executed October 13,
1967, by the UNITED STATES OF AMERICA (hereinafter called "the
Government"), Department of the Interior, acting by and through
the BONNEVILLE POWER ADMINISTRATOR (hereinafter called "the
Administrator"), and PORTLAND GENERAL ELECTRIC COMPANY (herein-
after called "the Company"), a corporation organized and existing
under the laws of the State of Oregon,

W I T N E S S E T H:

WHEREAS the parties hereto, on January 3, 1966, executed
a trust agreement (designated as Contract No. 14-03-56747) which
provides for the design, construction and test by the Admin-
istrator of the Company's portion of the Grizzly substation; and

WHEREAS each party is constructing similar capacitor facil-
ities at Fort Rock, Sand Spring and Sycan capacitor stations; and

WHEREAS the parties hereto desire to amend said Contract
No. 14-03-56747 to provide for installation under said trust

agreement of certain control facilities within Grizzly substation by the Administrator, and for his installation of supervisory control equipment for each parties capacitor facilities at Fort Rock, Sand Spring and Sycan capacitor stations; and

WHEREAS the Administrator is authorized to dispose of electric energy generated at various federal hydroelectric projects in the Northwest and to enter into related agreements in accordance with the Bonneville Project Act, approved August 20, 1937, as amended, and pursuant to the following orders of the Secretary of the Interior: No. 2563 dated May 2, 1950, and No. 2860 dated January 19, 1962, as amended;

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Effective Date of Agreement. This amendatory agreement shall take effect at 12 p.m. on the date of execution.

2. Amendment of Contract No. 14-03-56747. Said Contract No. 14-03-56747 is hereby amended as follows:

(a) Section 2 is hereby deleted and the following substituted therefor:

"2. Trust Fund. The Company hereby agrees to pay the Administrator an amount equal to forty percent (40%) of the expense and cost of performing the duties imposed upon him by sections 3(a)(1) and 3(a)(2) hereof, and fifty percent (50%) of the expense and cost of the duties imposed upon him by section 3(a)(5) hereof. Such amount (hereinafter called "the trust fund"), which is estimated to be six hundred sixty-seven thousand dollars (\$667,000), shall be held by the Administrator in trust for the foregoing purpose. Payment to the Administrator from the Company

in the amount of five hundred thirty thousand dollars (\$530,000), to be held in trust by the Administrator on account of such share of estimated cost, is hereby acknowledged. The Company will make further payments on account of such share of estimated cost quarterly in amounts requested by the Administrator and based on his latest estimate of need for additional funds for the ensuing calendar quarter. If at any time thereafter the Administrator estimates that such amounts are insufficient to pay during such quarter the Company's proportionate share of the expense and cost of completing performance of such duties, the Company will advance to the Administrator, when requested by the Administrator and in such installments as may be specified by him, such additional moneys as he estimates will be required for such completion.

The moneys so received by the Administrator, as aforesaid, together with all moneys, if any, advanced to him in trust under any other provisions of this agreement, will be placed in a trust account in the United States Treasury subject to withdrawal as provided in 31 U. S. C., sections 725r and 725s, for payment of the expenses and cost of performing the duties imposed on the Government by this agreement."

(b) Section 3 is hereby deleted and the following section substituted therefor:

"3. Duties of the Administrator.

"(a) The Administrator shall design, furnish all material and labor except that furnished by the Company

pursuant to section 4 hereof, construct and test the following:

(1) five 500 kv line terminals complete with associated pedestal mounted 500 kv bus and necessary supports, bus insulators, conduit and manholes, and painting; and

(2) control house, fence, related substation site developments and improvements, and control facilities including power line carrier, supervisory control, telemetering, fault locator, tone equipment and protective relaying; and

(3) provide, at his sole expense, for installation under subsection (a)(1) of this section three sets of 300 kv 120/69 volt potential transformers and six 500 kv 3,000 ampere disconnect switches; and

(4) provide and install, at his sole expense, three 500 kv, 2,400 ampere, 35,000 mva power circuit breakers, each with 12 associated current transformers on foundations installed pursuant to said subsection (a)(1) of this section; and

(5) supervisory control and tone equipment for (i) control, alarm, and indication at Fort Rock capacitor station, and (ii) alarm and indication at Sand Spring and Sycan capacitor stations.

"(b) All work done at the Company's expense under this section will be performed by the Administrator in whole or in part by force account, by contract, or by

both, in the same manner and subject to the same limitations as if all funds being expended therefor were Government funds."

(c) New subsection (c) is hereby added to section 5 as follows:

"(c) Title to and ownership of a 50% interest in the facilities constructed or installed pursuant to section 3(a)(5) hereunder shall be and remain in each party at all times."

IN WITNESS WHEREOF, the parties hereto have executed this amendatory agreement in several counterparts.

UNITED STATES OF AMERICA
Department of the Interior

(SEAL)

By J. N. O'Neal
ACTING Bonneville Power Administrator

PORTLAND GENERAL ELECTRIC COMPANY

(SEAL)

By E. L. Stachurski

VIC. 11-11-11

ATTEST:

H. H. Phillips

APPROVED AS TO FORM

H. H. Phillips