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July 22, 2009

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re: *PacifiCorp*
Docket No. ER09-~~144~~4000

FILED
SECRETARY OF THE
COMMISSION
2009 JUL 22 P 4: 53
FEDERAL ENERGY REGULATORY COMMISSION

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d (2000), and Part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. Part 35 (2008), PacifiCorp hereby tenders for filing an original and six (6) copies of the following jurisdictional agreement:

1. Engineering and Procurement Agreement ("E&P Agreement") dated July 8, 2009 between PacifiCorp and Tri-State Generation and Transmission Association ("Tri-State"), to be designated as Service Agreement No. 581 under PacifiCorp's Seventh Revised Volume No. 11 Open Access Transmission Tariff ("OATT").

1. Background and Reason for Filing

Tri-State is seeking to interconnect its proposed load customer with PacifiCorp's transmission system in the vicinity of Arlington, Wyoming. In order for Tri-State to obtain interconnection service for the load customer, it will be necessary to construct certain interconnection facilities. Construction of such interconnection facilities will be governed by an interconnection agreement ("IA"), which Tri-State and PacifiCorp anticipate executing at a later date. During the period prior to the execution of the IA and consistent with Section 44 of PacifiCorp's OATT, Tri-State and PacifiCorp have entered into the E&P Agreement. This agreement provides the terms and conditions under which PacifiCorp will begin to design, engineer and procure items associated with the interconnection of the load customer. PacifiCorp respectfully requests the Commission accept the E&P Agreement, attached as Exhibit 1 hereto, for filing.

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2. Effective Date

PacifiCorp respectfully requests waiver of the Commission's prior notice and filing requirements so as to permit a July 8, 2009 effective date for the E&P Agreement.¹ The Commission has determined that waiver of the notice requirements will be granted for agreements as long as the agreements are filed within 30 days after service commences.² The E&P Agreement is being filed within 30 days of service commencing. Accordingly, PacifiCorp requests that the Commission establish an effective date of July 8, 2009 for the E&P Agreement.

3. Designation

PacifiCorp respectfully requests that the E&P Agreement be designated as Service Agreement No. 581 under PacifiCorp's Seventh Revised Volume No. 11 OATT.

4. Exhibits

The following exhibits are attached hereto:

Exhibit 1 E&P Agreement between PacifiCorp and Tri-State designated as Service Agreement No. 581 under PacifiCorp's Seventh Revised Volume No. 11 OATT.

5. Waiver of Filing Requirements

To the extent that any filing requirement in Part 35 of the Commission's regulations is not satisfied by this filing and the materials enclosed herewith, PacifiCorp respectfully requests waiver of such requirements.

¹ See *Prior Notice Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139 (1993).

² See, e.g., *Elkem Metals Company – Alloy, L.P.*, 114 FERC ¶ 61,181 at n.7 (2006), citing *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 65 FERC ¶ 61,081 at 61,984 (1993) (finding that waiver of the 60-day prior notice will be granted if service agreements are filed within 30 days after service commences).

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6. Communications

All communications and correspondence regarding this filing should be forwarded to the following persons:

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825 N.E. Multnomah, Suite 1800
Portland, Oregon 97232
(503) 813-6840
(503) 813-7252 (facsimile)
sarah.edmonds@pacificorp.com

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(202) 654-5605 (facsimile)
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If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

Sincerely,



Amie V. Colby
Rebecca R. Blitstein

Attorneys for PacifiCorp

Exhibit

EXHIBIT 1

**ENGINEERING & PROCUREMENT AGREEMENT
 BETWEEN
 PACIFICORP
 AND
 TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION**

This ENGINEERING & PROCUREMENT AGREEMENT ("Agreement"), entered into on this 8th day of JULY, 2009, is by and between PacifiCorp, an Oregon corporation, ("Transmission Provider"), and Tri-State Generation and Transmission Association, a Colorado cooperative corporation, ("Interconnection Customer"), for work to be performed in relation to Interconnection Customer's proposed 16.5 MW load customer (the "Load Customer") located in Arlington, Wyoming. Transmission Provider and Interconnection Customer are each sometimes referred to herein as "Party" or collectively as "Parties."

RECITALS

WHEREAS, Transmission Provider provides Interconnection Service under its Transmission Provider FERC Electric Tariff Seventh Revised Volume No. 11 Pro Forma Open Access Transmission Tariff (the "OATT"); and

WHEREAS, Interconnection Customer, by letter dated January 27, 2009 submitted an Application for interconnection of its proposed Load Customer with Transmission Provider's transmission system in the vicinity of Arlington, Wyoming; and

WHEREAS, in order for Interconnection Customer to obtain Interconnection Service for the Load Customer it will be necessary for the Parties to construct certain Interconnection Facilities, and the Parties' general obligations with respect to construction of such Interconnection Facilities will be governed by a Interconnection Agreement ("IA") consistent with Transmission Provider's OATT, which the Parties anticipate executing at a later date; and

WHEREAS, during the period prior to the execution of the IA and consistent with Section 44 of Transmission Provider's OATT, the Parties are entering into this Agreement with the intention that Transmission Provider will begin to design, engineer and procure certain long lead-time items associated with the interconnection of the Load Customer and detailed in Appendix A to this Agreement, and that Interconnection Customer ensure Transmission Provider's recovery of costs incurred in this endeavor, up to the amount specified herein, in order to advance the implementation of interconnection of the Load Customer;

NOW, THEREFORE, the Parties hereto agree as follows:

SECTION 1: DEFINITIONS

The following terms, when used herein with initial capitalization, whether in the singular or in the plural, shall have the meanings specified in this Article 1; capitalized terms not defined in this Section 1 shall have the meaning provided elsewhere herein, if any, or the meaning defined in the OATT, if any:

"FERC" means the Federal Energy Regulatory Commission.

"Project Costs" means all reasonable external or internal costs, charges, and expenses incurred by Transmission Provider in design and engineering work for the facilities necessary to provide Interconnection Service to the Load Customer, and procurement of any related materials, including all of Transmission Provider's reasonable external or internal costs, overheads, expenses, and cost of supplies, and any other amounts owed to Transmission Provider under the terms of this Agreement, including without limitation, all reasonable costs incurred by Transmission Provider in performing the activities described in the Scope of Work, Appendix A. The Project Costs shall include any costs for cancellation of equipment under reasonable terms as detailed in Section 44 of Transmission Provider's OATT.

SECTION 2: PURPOSE; COMPLETION; TERM

2.1 Preparatory Activities. This Agreement provides for preparatory activities. Upon execution of this Agreement Transmission Provider shall begin detailed engineering and design work for the Interconnection Facilities necessary to provide Interconnection Service to the Load Customer. Transmission Provider shall not be obligated to perform construction work, nor acquire any easements from land owners along the construction route, nor provide Interconnection Service to the Load Customer, until Interconnection Customer has executed an IA governing those obligations. Additionally, Transmission Provider shall not be obligated to provide Interconnection Service to the Load Customer until such time as Interconnection Customer has executed an IA, and complied with all applicable provisions of the OATT and this Agreement, including without limitation, all obligations to pay amounts due Transmission Provider.

The preparatory activities provided for herein shall include but are not limited to those activities generally described in Appendix A, Scope of Work, attached hereto and made a part hereof; Transmission Provider, in its reasonable discretion, may at any time alter the Scope of Work to reflect the engineering requirements of the project.

2.2 Term of Agreement. This Agreement shall become effective upon the later of the date of this Agreement or the date established by FERC upon acceptance of this Agreement for filing, and shall remain in effect until:

- (a) Sixty (60) days following issuance of a stop-work order by Interconnection Customer pursuant to Section 3.3;
- (b) Execution by the Parties of a subsequent agreement that specifically provides for termination of this Agreement;

(c) If pursuant to Section 3.1, Transmission Provider notifies Interconnection Customer that the Project Costs may exceed the previously authorized amount, Interconnection Customer will have thirty (30) days to approve such additional amounts in writing. If the Interconnection Customer fails to approve such additional amounts in writing, the Transmission Provider may terminate the Agreement; or

(d) If pursuant to Section 3.2, Interconnection Customer provides written approval to Transmission Provider to proceed with additional work and Interconnection Customer fails to tender payment for the additional work within fifteen (15) days of providing written approval of the additional work, Transmission Provider may terminate the Agreement.

Notwithstanding the foregoing, the provisions of this Agreement necessary to ensure payment of amounts due hereunder by one Party to the other Party shall continue in effect until each Party has satisfied its payment obligations to the other, if any.

2.3 Regulatory Filing. This Agreement is subject to its acceptance for filing by the FERC. Transmission Provider shall submit this Agreement for filing with FERC upon receipt of the executed Agreement. The terms and conditions of this agreement shall not be subject to change through application to the FERC by the Parties pursuant to the provisions of Sections 205 or 206 of the Federal Power Act absent a material change in operation or benefit to any of the Parties. If any provision of this Agreement is held to be void, voidable, contrary to public policy, or unenforceable, this Agreement may be terminated upon mutual agreement. Interconnection Customer and Transmission Provider agree that neither will be deemed the drafter of any term that may subsequently be found to be ambiguous or vague.

SECTION 3: COST OF SERVICES

3.1 Project Costs. Interconnection Customer shall pay Transmission Provider for all Project Costs incurred, subject to the terms of this Agreement. Interconnection Customer hereby authorizes Transmission Provider to incur Project Costs up to the amount of Four Hundred Ninety Thousand Dollars (\$490,000). In the event that Transmission Provider determines Project Costs may exceed such amount, Transmission Provider shall request written approval from Interconnection Customer prior to proceeding with additional work and Interconnection Customer shall be responsible for the cost of additional work performed. If Interconnection Customer fails to provide such additional authorization within thirty (30) days of receipt of notice from Transmission Provider, Transmission Provider's obligations hereunder shall terminate and Interconnection Customer's Application for Interconnection Service for the Load Customer shall be deemed withdrawn.

A non-binding estimate of the total cost of constructing the Interconnection Facilities necessary to provide Interconnection Service to the Load Customer will be

provided to Interconnection Customer in the Interconnection Facilities Study Report. Interconnection Customer's authorization of Project Cost incurrence under this Section 3.1 in no way alters that construction cost estimate; the authorized amount of Four Hundred Ninety Thousand Dollars (\$490,000) is not an estimate, binding or otherwise, of total Project Costs, or any other charges.

3.2 Credit Support. Upon acceptance of this Agreement by the FERC, Interconnection Customer shall tender to Transmission Provider prepayment of Project Costs in the amount of Four Hundred Ninety Thousand Dollars (\$490,000). Transmission Provider's obligation to proceed with the activities described in Appendix A, Scope of Work, shall be contingent upon receipt of such prepayment. Consistent with Section 3.1, in the event that Transmission Provider determines Project Costs may exceed such amount, if Transmission Provider receives written approval from Interconnection Customer to proceed with additional work, Interconnection Customer will have fifteen (15) days from the date of Interconnection Customer's written authorization to proceed with additional work to tender payment. Transmission Provider's obligations to proceed with such additional work shall be contingent upon receipt of such prepayment.

3.3 Right to Stop Work. Interconnection Customer reserves the right, upon seven (7) days advance written notice to Transmission Provider, to require Transmission Provider at any time to stop all work by Transmission Provider pursuant to this Agreement, provided that such stop-work order is the result of suspension or termination of construction of the Load Customer. Issuance of any such stop-work order shall terminate this Agreement, subject to the provisions of Section 2.2. Upon issuance of any such stop-work order, Interconnection Customer's Application for Interconnection Service for the Load Customer shall be deemed withdrawn and terminated. Upon issuance of any such stop-work order and consistent with Section 44 of Transmission Provider's OATT, Interconnection Customer shall pay upon demand, without deduction, offset, or allowance, the Project Costs Transmission Provider (a) has incurred prior to the stoppage of work, and (b) reasonably incurs in winding up work, including, without limitation, the costs incurred in connection with the cancellation of third-party contracts.

3.4 Billing. Transmission Provider shall provide Interconnection Customer with an invoice listing services performed and amounts due hereunder, showing credit for any prepayment of Project Costs made by Interconnection Customer. Interconnection Customer shall pay amounts due within thirty (30) days of the invoice date. Any refund due from Transmission Provider shall be paid within thirty (30) days of the invoice date. If Interconnection Customer disputes the amount due, Interconnection Customer shall pay the total bill and shall designate the disputed portion. Transmission Provider shall decide the dispute within sixty (60) days after Interconnection Customer's notice of dispute. Payment of the disputed portion shall be without prejudice to Interconnection Customer's legal rights.

SECTION 4: REMEDIES; WAIVER; WARRANTY

Either Party may exercise any or all of its rights and remedies under this Agreement and under any applicable laws, rules and regulations. Transmission Provider's liability for any action arising out of its activities relating to this Agreement shall be limited to the refund of amounts received hereunder. UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE FOR ANY ECONOMIC LOSSES, COSTS OR DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES. No provision of this Agreement shall be deemed to have been waived unless such waiver is in writing signed by the waiving Party. No failure by any Party to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach of such provision or of any other provision. No waiver of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement or a waiver of such provision with respect to any subsequent breach, unless expressly provided in writing. Transmission Provider warrants that the work it performs hereunder shall be consistent with good utility practice. TRANSMISSION PROVIDER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, AND ALL SIMILAR WARRANTIES.

SECTION 5: FORCE MAJEURE

Neither Party shall be subject to any liability or damages for failure to perform their respective obligations hereunder to the extent that such failure shall be due to causes beyond the control of the Party claiming force majeure protection, including but not limited to the following: (a) the operation and effect of any rules, regulations and orders promulgated by any commission, municipality, or governmental agency of the United States, or subdivision thereof; (b) restraining order, injunction or similar decree of any court; (c) war; (d) flood; (e) earthquake; (f) act of God; (g) sabotage; or (h) strikes or boycotts. The Party claiming force majeure protection under this provision shall make every reasonable attempt to remedy the cause thereof as diligently and expeditiously as possible.

SECTION 6: ASSIGNMENT

Neither Party shall assign its rights or delegate its duties under this Agreement to any other entity without the written consent of the other Party, such consent not to be unreasonably withheld. If assigned with consent, this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Party making the assignment.

SECTION 7: NOTICE

Any notice required to be given hereunder shall be deemed to have been given when it is sent, with postage prepaid, by registered or certified mail, return receipt

requested, or upon delivery if delivered by prepaid commercial courier service, to either of the Parties hereto at their respective addresses as follows:

To Interconnection Customer:

Tri-State Generation and Transmission Association, Inc.
Attn: Executive Vice President and General Manager
1100 W. 116th Avenue
Denver, CO 80234-2814
Telephone Number: (303) 452-6111
Facsimile Number: (303) 254-6007

To Transmission Provider:

PacifiCorp
Attn: Director, Transmission Services
825 NE Multnomah Street
Suite No. 1600
Portland, Oregon 97232
Telephone Number: (503) 813-6079
Facsimile Number: (503) 813-6893

SECTION 8: MISCELLANEOUS

8.1 Governing Law. Except to the extent preempted by federal law, this Agreement shall in all respects be interpreted, and enforced in accordance with the laws of the State of Oregon without reference to rules governing conflicts of laws.

8.2 Relationship of Parties; No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to create an agency relationship, association, joint venture, trust, or partnership, or impose a trust or partnership covenant, obligation, or liability on or with regard to either of the Parties. Each Party shall be individually responsible for its own covenants, obligations, and liabilities under this Agreement. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability or inference of liability to any third party.

8.3 Severability. If any provision of this Agreement is held invalid or unenforceable for any reason by a court or governmental agency of competent jurisdiction, then the objectionable portions of the provision shall be stricken, and all other provisions of this Agreement shall remain unaffected and in force. The Parties shall be relieved of their obligations only to the extent necessary to eliminate the objectionable portions unless a court or governmental agency of competent jurisdiction holds that the invalidated provision is not separable from the remainder of this Agreement.

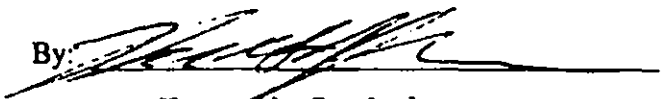
8.4 Appendix Incorporated. The Appendix A to this Agreement, attached hereto, is incorporated and made part of this Agreement.

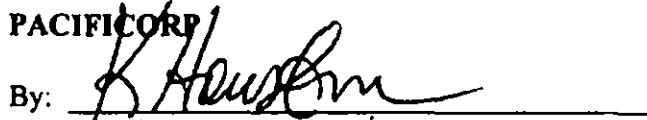
8.5 Recitals, Headings. The recitals, headings, and subtitles in this Agreement are for the convenience of the Parties and are not to be used for its construction or interpretation.

8.6 Complete Agreement; Amendment. This Agreement sets forth the entire agreement between the Parties on the subject matter of this Agreement, and supersedes all prior agreements of the Parties with respect to its subject matter. No amendment of any provision of this Agreement shall be effective unless set forth in a written document signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first herein written.

**TRI-STATE GENERATION AND
TRANSMISSION ASSOCIATION**

By: 
Name: Kenneth J. Anderson
Title: Executive VP/General Manager

PACIFICORP
By: 
Name: Kenneth Houston
Title: Dir., Transmission

APPENDIX A

SCOPE OF WORK

Subject to the expenditure authorizations granted hereunder and all the other terms and conditions of this Agreement, Transmission Provider shall perform such detailed engineering and design services as Transmission Provider deems necessary in preparation for construction of the Interconnection Facilities identified generally in the concurrently underway Interconnection System Impact Study and discussed in the March 30, 2009, Interconnection Facilities Study Scoping Workshop. Generally, the scope of these design activities will include: substation, transmission, communication, protection & control, and metering.

Subject to the expenditure authorizations granted hereunder and all the other terms and conditions of this Agreement, Transmission Provider shall enter into third-party agreements for the provision of such materials as Transmission Provider deems necessary in preparation for construction of the Interconnection Facilities identified generally in the concurrently underway Interconnection System Impact Study and discussed in the March 30, 2009, Interconnection Facilities Study Scoping Workshop. Generally, the scope of the procurement activities will include procuring long lead time equipment associated with the scope under the design activities. The long lead time equipment already identified includes two circuit breakers and combination CT/PT metering units.