



**COLORADO
ELECTRIC
TRANSMISSION
AUTHORITY**

Request for Proposals

Electric Transmission Capacity Expansion Study for Colorado

Issue Date: October 18, 2023

Proposals Due: November 15, 2023

Bids must be submitted to:

mgalbraith_CETA@outlook.com

REQUEST FOR PROPOSALS

1. Background.

The Colorado Electric Transmission Authority (“CETA”) is seeking proposals from consulting firms specializing in the energy sector to conduct a Transmission Planning Study (“Study”) that analyzes the need for expanded transmission capacity in Colorado in order to (i) meet the State’s forecasted demand for electricity, (ii) achieve the State’s emission reduction goals, (iii) improve the flow of electricity on the transmission system and (iv) improve reliability of the electric grid.

The Study will consider the use of advanced transmission technologies and electricity storage to meet the need for expanded transmission capacity in Colorado from years 2024 - 2044. The Study will also consider an option for limiting land impacts associated with expanded transmission capacity, such as using existing rights-of-way, reconductoring existing transmission lines, and establishing new transmission corridors.

The expected budget is \$400,000 – \$500,000. More background details are included in the attached Statement of Work.

2. Scope of Services.

The selected consultant will complete the following Project Tasks, in accordance with Section 3.2 of the Statement of Work.

- A. Participate in Stakeholder Engagement Meetings on Model Input Assumptions and Scenario Analysis;
- B. Prepare a Transmission Planning Study for the State of Colorado;
- C. Review, compile and summarize the utility and independent developer transmission plans within the State of Colorado; and
- D. Conduct a Gap Analysis that compares transmission projects included in utilities and independent developer plans to the projects identified in the Study.

The above-stated Project Tasks will be incorporated into the following deliverables, in accordance with Section 4.1 of the Statement of Work:

- A. A detailed schedule for completion of the Study including key tasks, major milestones and dates for delivery of specific deliverables. The schedule shall be submitted within thirty (30) days of the contract award;
- B. A draft initial report for review and comment by the CETA Board of Directors, staff and stakeholders;
- C. An initial report and a brochure style executive summary for presentation to the

Colorado Public Utilities Commission;

- D. A final report and a brochure style executive summary for presentation to the Joint Committee of the House of Representatives Energy and Environment Committee and the Senate Transportation and Energy Committee; and
- E. A presentation slide deck summarizing the Study methodology, specific findings and key recommendations that can be tailored for presentation to the Colorado Public Utilities Commission, the Joint Committee of the House of Representatives Energy and Environment Committee and the Senate Transportation and Energy Committee.

3. Tentative Schedule.

The following is the tentative schedule for the RFP. CETA reserves the right to adjust this schedule.

October 18, 2023	RFP Release Date
October 25, 2023	Pre-proposal conference
November 3, 2023	Deadline to submit questions via email.
November 10, 2023	Responses to questions will be posted on CETA’s website.
November 15, 2023	Proposals due no later than 4:00 PM local time.
November 27, 2023	Week of Interviews/Firm Presentations – if applicable.
December 6, 2023	Expected date by which a recommendation will be made to CETA Board on award of the proposal.
January 1, 2024	Tentative Contract Start Date
August 2024	Presentation of the Initial Report to the Colorado Public Utilities Commission.
January 2025	Presentation of the Final Report to the Joint Committee of the House of Representatives Energy and Environment Committee and the Senate Transportation and Energy Committee.

4. Submittal Requirements.

To enable CETA to fairly evaluate each proposal, each respondent shall use the following proposal format:

- A. Cover Sheet including the name of the firm, address, telephone number, website

- URL, and contact person's name and email address;
- B. Cover Letter, including a clear, concise statement of the firm's understanding of the required services and a summary of the partnership the firm envisions with CETA;
 - C. Table of Contents;
 - D. Executive Summary;
 - E. Point-by-Point RFP Response, detailing the plan to deliver the necessary consulting services;
 - F. Schedule (date of commencement of services and estimated completion date, if applicable).
 - G. Detailed Schedule of Fees, which allocates costs between Fiscal Year 2023 and Fiscal Year 2024 of the State of Colorado
 - H. Statement of qualifications that includes:
 - i. Company information:
 - a) Organization – general.
 - b) Time in business.
 - c) Number of employees.
 - d) Annual volume of business (number of projects and dollar total).
 - e) Volume of business in Colorado during the past 5 years (number of projects and dollar total).
 - f) A description of what differentiates the firm's service from that of its competitors.
 - g) Any pending legal actions against the firm.
 - ii. Similar project experience:
 - a) Similar scope of work within the past 5 years.
 - b) Projects for other public entities.
 - iii. Project-specific information:
 - a) Proposed scope of services.

b) Proposed project team.

1. Include resumes/bios describing applicable experience.

iv. Include evidence of any necessary licensure, registrations, and credentials, including information on any revocation or suspension.

v. References (minimum of 3).

I. Comments to the proposed form of Services Agreement circulated in connection with this RFP, including without limitation the insurance requirements. Post-award comments to the Services Agreement not included with the proposal shall not be considered.

J. The proposal must be signed manually or electronically by an officer or person qualified to bind the firm.

5. Proposal Submission.

A. Proposals must be submitted via email, clearly identified with the RFP title and the word “Submittal” or “Proposal” in the email subject line, with all attachments, no later than the date and time indicated in the Schedule above, to:

Maury Galbraith

Executive Director

Colorado Electric Transmission Authority

Email: mgalbraith_ceta@outlook.com

B. All proposals must be submitted in Microsoft Word or .pdf format using the proposal format while addressing, point-by-point, each of the items outlined within Section 2 of this RFP.

C. Submittals without the proper subject line identification may be considered routine emails and may not be considered.

D. Proposals received after the deadline indicated above will not be considered and will be rejected for lateness.

6. Pre-Proposal Conference.

A. A pre-proposal conference will be held virtually or in person on the date and time indicated in the Schedule above. Attendance at the pre-proposal conference is not mandatory. Please register by e-mailing mgalbraith_ceta@outlook.com if you plan to participate.

B. At the pre-proposal conference, CETA staff will provide an overview of the RFP, its

contents, the schedule, and address additional topics as deemed necessary. Following the presentation, firms can ask questions related to the RFP or the overall process. CETA will attempt to answer all questions at that time, but answers provided at the pre-proposal conference shall not be binding.

7. Questions.

- A. Questions regarding this RFP must be emailed to Maury Galbraith at mgalbraith_ceta@outlook.com no later than the date and time indicated in the Schedule above.
- B. All questions must include the RFP title and the word “Question” in the email subject line. Questions without this subject identification may be considered routine emails and may not be considered.
- C. Questions communicated by telephone or in person will not be accepted.
- D. All questions will be responded to on CETA’s website: <https://www.cotransmissionauthority.com/> no later than the date indicated in the Schedule above. Any responses by CETA that change the terms, conditions, and/or specifications of this RFP will be posted on the website as an addendum. No other communications of any kind may be considered a change to the terms, conditions, and/or specifications of this RFP.

8. Withdrawal of Proposal.

Proposals shall be binding on the firm and may not be withdrawn for a period of 60 days following the submission deadline. A firm may withdraw its own proposal at any time prior to the submission deadline.

9. Evaluation of Proposals.

CETA will evaluate all proposals that conform in all material respects to the requirements contained in the RFP. CETA will use a numerical valuation system to weigh the following evaluation criteria and rank the proposals. The evaluation criteria, with the relative weights, are:

- A. The proposed cost of the Study and any proposed revisions to the Services Agreement circulated in connection with this RFP. This criterion will have a numerical weight of 40 percent.
- B. The demonstrated understanding of the Scope of Work and the overall strength of the proposed methodology for completing the Project Tasks within the specified timeframe. This criterion will have a numerical weight of 40 percent.
- C. The overall strength of the firm, its professional reputation, technical expertise,

resources, and experience to complete the scope of services. This criterion will have a numerical weight of 20 percent.

10. Procedure for Selecting Proposal.

- A. The proposals are expected to be evaluated by CETA's Transmission Planning Committee, which will make a recommendation to the Board of Directors of CETA. As part of its evaluation process, CETA may request clarifications and additional information, conduct customer reference checks, require a subset of finalist firms to make a presentation to CETA's selection team, hold multiple rounds of review with a limited group of proposers, and take any other action necessary to perform a thorough and objective evaluation of each proposal.
- B. In the event CETA elects to accept a proposal, it shall accept in writing the proposal that, in its estimation, will best serve the interests of CETA.
- C. Subsequent to the proposal due date, CETA reserves the right to negotiate (i) terms and conditions of the Services Agreement with a firm(s), and (ii) modifications to a proposal with a single firm without obligation to negotiate similar modifications with other firms.
- D. CETA reserves the right to reject any and all proposals, waive any and all formalities and to negotiate contract terms with the successful firm, disregard all nonconforming, non-responsive or conditional proposals, act in the best interest of CETA, and terminate, modify or suspend the RFP process. This RFP does not commit CETA to award a contract.

11. General Terms and Conditions.

- A. Interested Parties: All interested firms are invited to submit a proposal in accordance with the terms, conditions, and specifications contained herein.
- B. Tax Exemption: CETA, as a political subdivision of the State, is exempt from sales and use taxes. Firms shall inform all prospective subcontractors and suppliers from whom they expect to obtain services or supplies of the tax-exempt status of CETA. Following the award of proposal, a tax exemption certificate will be furnished by CETA upon request by the successful firm.
- C. Pre-Contractual Expenses: CETA assumes no liability for payment of any pre-contractual expenses incurred by prospective firms, including but not limited to costs incurred in the preparation or submission of proposals.
- D. Non-Discrimination: The firm, by submitting a proposal, agrees to not unlawfully discriminate against any employee, or applicant for employment, of the firm or CETA or any member of the public on the basis of disability, race, sex, age, national origin, religion, sexual orientation, gender identity or expression, marital or military status,

pregnancy, political affiliation or any other status protected by federal or state law.

- E. Governing Law: The laws of the State of Colorado shall govern this RFP. Venue for any dispute arising out of or relating to this RFP shall be in the State of Colorado District Court for the City and County of Denver.
- F. Public Record: All proposals submitted will become property of CETA and may be subject to public disclosure pursuant to the Colorado Open Records Act, § 24-72-200.1, et seq., C.R.S.

12. Additional Terms and Conditions.

- A. All firms must submit written disclosure of any known potential conflicts of interest that may result during the course of performance of the services listed herein.
- B. CETA may require the top firms to interview/present their responses prior to the award of the contract.
- C. The firm awarded the contract for consulting services will not be eligible to perform the annual financial audit for CETA.
- D. This RFP does not obligate CETA or the selected firm to provide any services or make any payments unless and until a contract is signed and approved by both parties. This RFP requires a separate written contract to be prepared in substantially the same form as the attached form of Services Agreement.
- E. In the case of any conflict between the Statement of Work and this RFP, the terms of this RFP shall control.

STATEMENT OF WORK

1.0 PURPOSE AND OVERVIEW

This project will analyze the need for expanded transmission capacity in Colorado to meet the state's forecasted demand for electricity, to achieve the state's emission reduction goals, to improve the flow of electricity on the transmission system, and to improve reliability of the electric grid. This transmission capacity study will take a long-run, holistic approach to identifying the need for expanded transmission capacity in Colorado. The study will evaluate expanding capacity through the construction of new transmission lines, through improvements to existing transmission lines, and through connections to organized wholesale electricity markets.

The project is not simply focused on the interconnection of new renewable resources. It is also focused on interregional transmission opportunities and connections to significant load, resource, and transmission nodes that may be part of future organized wholesale markets or regional transmission organizations. The study will include scenario analysis to examine the need for transmission in both central cases and edge cases. CETA will host several stakeholder engagement meetings to receive input on the different assumption sets for central cases and edge cases.

The study will consider the use of advanced transmission technologies and electricity storage to meet the need for expanded transmission capacity in Colorado. The study will also consider options for limiting land impacts associated with expanded transmission capacity, such as using existing rights-of-way, reconductoring existing transmission lines, and establishing new transmission corridors.

CETA will seek input and advice from Tri-State, Black Hills, and Xcel Energy, as well as West Connect and the Colorado Coordinated Planning Group. The project will include a review and compilation of Colorado transmission utilities plans to identify transmission projects that are being planned and developed. CETA will also issue a request for information to independent transmission developers to identify planned lines and upgrades in and around Colorado that have not yet been publicly announced.

Finally, the study will include a "gap analysis" that compares the transmission projects included in utility and independent developer plans to the projects identified in the holistic study for the state. The "gap analysis" will allow the Colorado Electric Transmission Authority to avoid duplication of utility and independent developer efforts and to identify and prioritize projects that are not currently being planned or developed.

2.0 BACKGROUND AND OBJECTIVES

In 2021, the State of Colorado established the Colorado Electric Transmission Authority (CETA) to facilitate the expansion of electric transmission facilities to enable Colorado to meet its clean energy goals. CETA is an independent public body and political subdivision of the state that performs an essential public function. CETA's enabling legislation gives it the power to engage

in transmission planning activities that would increase grid reliability, help Colorado meet its clean energy goals, and aid in economic development. Other specific powers include the authority to:

- Identify and establish corridors for the transmission of electricity within the state.
- Coordinate, investigate, plan, prioritize, and negotiate with entities within and outside Colorado for the establishment of interstate transmission corridors.
- Consider options and alternatives, including through studies contracted with independent expert analysts, to increase the efficient use of the transmission system. Options and alternatives may include storage and advanced transmission technologies.
- Make determinations about the efficient use of existing rights-of-way it proposes to develop as a precondition to pioneering new rights-of-way.
- Conduct a transparent and competitive process to select a qualified transmission operator to carry out all required financing, planning, acquisition, maintenance, and operation of electric transmission facilities and supporting infrastructure.

In 2023, the State of Colorado directed CETA to study the need for expanded transmission capacity in the state. The study is to address whether and how the expanded capacity will support the forecasted demand for electricity in the state, support the state's emission reduction goals, improve electricity flows on the transmission system, and improve electric grid reliability. The study is to consider the ability to expand transmission capacity through the construction of new transmission lines, through improvements to existing transmission lines, and through connections to organized wholesale electricity markets. The initial report of the study is to be presented to the Colorado Public Utilities Commission on or before September 1, 2024. The final report of the study is to be presented to the Joint Committee of the House of Representatives Energy and Environment Committee and the Senate Transportation and Energy Committee on or before January 31, 2025.

3.0 STATEMENT OF WORK

3.1 Guiding Principles

1. The geographic scope of the project is Colorado with transmission lines that extend to neighboring states to access geographically diverse electric generating resources. The identification of needs for transmission goes beyond the interconnection of generating units and includes interregional opportunities and connections to significant load, resource, and transmission nodes that may be part of future organized wholesale markets or regional transmission organizations.
2. The study period is 20 years, 2024 to 2044, with a focus on achieving Colorado's goals of using 100 percent renewable electricity and reducing economy-wide carbon emissions to

90 percent below 2005 levels by 2040. The results of the study should be presented in terms of near-term and long-term needs and priorities.

3. The study should assume strong labor standards for the construction of transmission facilities with good paying union jobs for workers and domestically manufactured components for transmission facilities.
4. This study will utilize one or more modeling tools depending upon the tools and strategy used by the contractor and could also iterate between the models to co-optimize the collective results. Below are potential modeling tools that could be applicable for this project.
 - A. A capacity expansion model could be used in this project to help identify cost-effective generation additions in Colorado. This tool would be used to specify future generation additions needed to meet Colorado's clean energy goals.
 - B. A production cost model could be used to model the dispatch of Colorado's future electric generating units under a base case and different scenarios. The production cost model would help characterize the output of generation and transmission flows across the major paths in Colorado and the Western Interconnection. Important insights would be on the level of curtailment of renewable generation and the potential flow of electricity on the transmission system.
 - C. A power flow model to evaluate essential reliability services such as frequency response, dynamic stability, and voltage stability. The consultant will engage with Colorado utilities, independent transmission developers, and stakeholder to define the specific types reliability analysis to be performed.
 - D. A probabilistic model that would allow the project to evaluate a wider spectrum of events than deterministic models. This can be useful to better understand potential tail events that occur with low frequency but may have large consequences.
5. Transparency of data and analysis is a very important principle and transparency is essential for this project for stakeholder vetting. Contractors should consider the use of WECC's publicly available anchor dataset for production cost and power flow modeling. Potential contractors that intend to use confidential data or non-transparent modeling tools will be expected to explain why such an approach is justified.
6. Active stakeholder engagement is a very important principle for this project. The consultant should plan to solicit input from stakeholders on model input assumptions and the definition of central and edge case scenarios. The consultant should also plan to engage with Colorado utilities, the Colorado Coordinated Planning Group, and West Connect to obtain assistance in verifying the accuracy of data inputs and in defining specific reliability analysis.

3.2 Project Tasks

Task 1: Stakeholder Engagement Meetings on Model Input Assumptions and Scenario Analysis. The consultant will coordinate with CETA to schedule at least two stakeholder engagement meetings to solicit advice on model input assumptions and scenario analysis. The role of the consultant in these meetings is to help a group of interested people work together to better understand the consultant's approach to modelling, the relationship between model inputs and outputs, and how to provide meaningful advice. The discussion should focus on different assumption sets for central cases and edge cases. The discussion should consider how different futures will impact the need for transmission and how transmission enables different futures. Topics for discussion include:

- The projected demand for electricity in Colorado and neighboring states, including assumptions regarding transportation and rural electrification.
- The projected cost of new electricity generating and storage technologies, including modular nuclear units and hydrogen-fueled units.
- The projected growth of distributed energy resources in Colorado and neighboring states.
- The projected growth of renewable energy resources and how it varies assuming different business models.
- The projected cost of greenfield transmission development.
- The projected cost of grid enhancing and advanced transmission technologies, including carbon-core conductors and advanced power control devices.
- The increased frequency and severity of extreme weather events and its impact on the demand for electricity and the supply from renewable energy resources.
- The potential footprints of organized wholesale markets and regional transmission organizations in the Western Interconnection.

Task 2: Holistic Transmission Capacity Study for Colorado. The study will initially develop a holistic transmission capacity study for Colorado. The study will include a forecast of electricity demand in Colorado over the 20-year study period. It will include a forecast of future electric generating unit additions needed to achieve Colorado clean energy and carbon emission reduction goals. The study will evaluate the need for expanded transmission capacity in Colorado to meet these goals and to improve the flow of electricity on the transmission system, and to improve reliability of the electric grid. The study will evaluate expanding capacity through the construction of new transmission lines, through improvements to existing transmission lines, and through connections to organized wholesale electricity markets. The study will focus both on interconnection of new renewable resources and on interregional transmission opportunities and connections to significant load, resource, and transmission nodes that may be part of future

organized wholesale markets or regional transmission organizations. Examples of potential interregional lines include interconnection with the Gateway South line through northwest Colorado and potential upgrades of the DC interties to the Eastern Interconnection. The study will also consider the use of advanced transmission technologies and electricity storage to meet the need for expanded transmission capacity in Colorado. The study will also consider options for limiting land impacts associated with expanded transmission capacity, such as using existing rights-of-way, reconductoring existing transmission lines, and establishing new transmission corridors.

Task 3: Compilation of Utility and Independent Developer Transmission Plans. The study will include a review and compilation of Colorado utilities’ plans to identify transmission projects that are currently being planned and developed. The consultant will review the Tri-State, Black Hills, and Xcel Energy biennial reports submitted to the Colorado PUC pursuant to Rule 3627 on February 1, 2024. This compilation will also include transmission projects being planned and developed by WestConnect and Colorado Coordinated Planning Group. The consultant will also include the projects identified by CETA through a request for information issued to independent transmission developers.

Task 4: Gap Analysis. The study will include a “gap analysis” that compares the transmission projects included in utilities and independent developer plans to the projects identified in the holistic study for the state. The “gap analysis” will allow the Colorado Electric Transmission Authority to avoid duplication of local utility efforts and to identify and prioritize projects that are not currently being planned or developed. A likely follow-on project will be for CETA to seek stakeholder input on ranking criteria for capacity expansion projects. The study results should include evaluation metrics, that with appropriately assigned weights, can be used by CETA to rank potential transmission projects.

4.0 DELIVERABLES

The contractor will deliver the following work products:

1. A detailed schedule for completion of the study including key tasks, major milestones, and dates for delivery of specific deliverables (submitted within 30 days of being awarded the contract).
2. A draft initial report for review and comment by the CETA Board of Directors, the CETA staff, and CETA stakeholders.
3. An initial report and a brochure style executive summary for presentation to the Colorado Public Utilities Commission.
4. A final report and a brochure style executive summary for presentation to the to the Joint Committee of the House of Representatives Energy and Environment Committee and the Senate Transportation and Energy Committee.

5. A presentation slide deck summarizing the study methodology, specific findings, and key recommendations that can be tailored for presentations to the Colorado Public Utilities Commission, the Colorado Legislature, and other audiences.

The contractor will be expected to participate in presentations to the Colorado Public Utilities Commission and to the Joint Committee of the House of Representatives Energy and Environment Committee and the Senate Transportation and Energy Committee.

SERVICES AGREEMENT

BETWEEN

COLORADO ELECTRIC TRANSMISSION AUTHORITY

and

[NAME OF CONSULTANT]

THIS SERVICES AGREEMENT (“Agreement”) is made and entered into the most recent day and year set forth below by and between **COLORADO ELECTRIC TRANSMISSION AUTHORITY**, an independent public body politic and corporate, public instrumentality and political subdivision of the State of Colorado (“CETA”), whose mailing address is c/o Collins Cole Flynn Winn & Ulmer, PLLC, 165 S. Union Boulevard, Suite 785, Lakewood, CO 80228, and **[NAME OF CONSULTANT]** (“Consultant”), whose mailing address is [Consultant Mailing Address]. CETA and the Consultant are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

WITNESSETH:

In consideration of the mutual covenants and obligations herein expressed, it is agreed by and between the Parties as follows:

1. Scope of Services. The Consultant agrees to provide a Transmission Planning Study and related energy sector consultant services, as further described in **Exhibit A**, attached hereto and incorporated herein by this reference (“Scope of Services”). All provisions of **Exhibit A**, including without limitation any terms and conditions included therein, shall be subject to the provisions of this Agreement. In the event of a conflict or inconsistency between a provision in the body of this Agreement and a provision in **Exhibit A** or any other exhibit or schedule attached hereto, the provision in the body of this Agreement shall control.

2. Time of Commencement and Completion of Services. The services to be performed pursuant to this Agreement shall be initiated no later than [Commencement Date] and completed no later than [Completion Date]. Any modifications to such deadlines must be agreed upon in writing by the Parties prior to the applicable deadline.

3. Early Termination by CETA. Notwithstanding the time periods contained herein, CETA may terminate this Agreement at any time without cause by providing written notice of termination to the Consultant. Such notice shall be delivered at least three (3) days prior to the termination date contained in said notice unless otherwise agreed in writing by the Parties. In the event of any such early termination by CETA, the Consultant shall be paid for services rendered prior to the date of termination, subject only to the satisfactory performance of the Consultant’s obligations under this Agreement. Consultant understands and agrees that such payment shall be the Consultant’s sole right and remedy for such termination.

4. Suspension. Without terminating this Agreement or breaching its obligations hereunder, CETA may, at its convenience, suspend the services of the Consultant by giving the Consultant written notice one (1) day in advance of the suspension date. Upon receipt of such notice, the Consultant shall cease its work in as efficient a manner as possible so as to keep its total charges

to CETA for services under this Agreement to the minimum, but in no circumstance later than three (3) business days after receipt of the notice of suspension. No work shall be performed during such suspension except with prior written authorization by the CETA Representative (as defined below). If a suspension is still in effect thirty (30) calendar days after the Consultant's receipt of the notice of suspension, the Consultant may terminate this Agreement by providing CETA with written notice of termination. Upon CETA's receipt of such notice of termination from Consultant, this Agreement will be deemed terminated.

5. Compensation. In consideration of the services to be performed pursuant to this Agreement, CETA agrees to pay the Consultant the amounts set forth in the Payment Schedule, attached hereto as **Exhibit B** and incorporated herein by this reference. The Payment Schedule shall allocate the projected costs between Fiscal Year 2023 and Fiscal Year 2024 of the State of Colorado. CETA shall provide no benefits to the Consultant other than the compensation stated above. The Consultant shall bill its charges to CETA periodically, but no more frequently than once a month.

6. Qualifications on Obligations to Pay. No partial payment made by CETA shall be considered final acceptance or approval of that part of the Scope of Services paid for or shall relieve the Consultant of any of its obligations under this Agreement. Notwithstanding any other terms of this Agreement, CETA may withhold any payment (whether a progress payment or final payment) to the Consultant if any one or more of the following conditions exists:

(a) The Consultant is in default of any of its obligations under this Agreement, including without limitation the obligation to maintain insurance and provide Certificates of Insurance to CETA in accordance with Section 13 (Insurance).

(b) Any part of such payment is attributable to services that are not performed in accordance with the terms of this Agreement and its associated exhibit(s). CETA will pay for any portion of the services performed in conformance with this Agreement and its associated exhibit(s).

(c) The Consultant has failed to make payments promptly to any third-party used to perform any portion of the services hereunder, subject to Paragraph 9, for which CETA has made payments to the Consultant.

7. CETA Representative. CETA hereby designates its Executive Director, Maury Galbraith, as its project representative (the "CETA Representative"). The CETA Representative shall make, within the scope of his authority, all necessary and proper decisions with reference to the Scope of Services. All requests for contract interpretations, change orders, and other clarification or instruction shall be directed to CETA Representative.

8. Independent Consultant. The Consultant agrees that the services to be performed by the Consultant are those of an independent contractor and not of an employee of CETA. **The Consultant is obligated to pay federal and state income tax on any moneys earned pursuant to this Agreement. Neither the Consultant nor its employees, if any, are entitled to workers' compensation benefits from CETA for the performance of the services described in this Agreement.**

9. Assignment. The Consultant shall neither assign any responsibilities nor delegate any duties arising under this Agreement to a third party without the prior written consent of CETA, which may be granted or denied in CETA's sole discretion.

10. Standard of Care. The Consultant shall perform the services hereunder at or above the standard of care of those in its profession or industry providing similar services in CETA's local area; provided, however, that in the event the standard of care is higher in the local area where the Consultant's office primarily responsible for providing the services is located, then the standard of care applicable to the local area where the Consultant's office is located shall be applicable to such services.

11. Accuracy of Work. The Consultant represents, covenants, and agrees that its work will be accurate and free from any material errors. The Consultant shall correct any errors or deficiencies in the Consultant's services of which it becomes aware promptly and without additional compensation unless such corrective action is directly attributable to errors or deficiencies in information furnished by CETA. CETA's approval of the Consultant's services shall not diminish or release the Consultant's duties or obligations hereunder, since CETA is ultimately relying upon the Consultant's skill and knowledge to perform the Scope of Services. The obligations contained in this Section 11 shall survive for a period of two (2) years following termination or expiration of this Agreement.

12. Duty to Warn. The Consultant agrees to call to CETA's attention errors in any drawings, plans, sketches, instructions, information, requirements, procedures, and other data supplied to the Consultant by CETA or a third-party that it becomes aware of and believes may be unsuitable, improper, or inaccurate in a material way. However, the Consultant shall not independently verify the validity, completeness, or accuracy of such information unless otherwise expressly engaged to do so by CETA. Nothing shall detract from this obligation unless the Consultant advises CETA in writing that such data may be unsuitable, improper, or inaccurate and CETA nevertheless confirms in writing that it wishes the Consultant to proceed according to such data as originally given.

13. Insurance.

(a) During the term of this Agreement, the Consultant shall purchase and maintain, at its own cost and expense, the following:

(i) Workers' compensation insurance for its employees, if any, as required by Colorado law with limits of at least \$500,000 per injury or illness an employee suffers as a result of providing the services hereunder, with a \$500,000 aggregate per occurrence.

(ii) Employer's liability insurance with limits of at least \$500,000 per employee/accident and \$1,000,000 aggregate.

(iii) Commercial general liability insurance covering, without limitation, premises operations, products-completed operations, contractual liability insuring the obligations assumed by the Consultant under this Agreement, personal and advertising injury, and broad form property damage, with limits of at least \$2,000,000 per occurrence for bodily injury, death or damage to property; \$2,000,000 per occurrence for personal and advertising injury; \$2,000,000 products-completed operations; and \$2,000,000 general aggregate; and

(iv) Automobile liability insurance covering all owned, hired and non-owned vehicles used in the performance of the Consultant's services under this Agreement with a limit of at least \$1,000,000 combined per accident for bodily injury and property damage; and

(b) The insurance required herein may be satisfied through any combination of primary and excess/umbrella liability policies.

(c) The insurance required herein shall be written by an insurance company or companies that (i) have an A.M. Best Company rating of “A-VII” or better, and (ii) are authorized to issue insurance in the State of Colorado.

(d) CETA and its directors, officers, and employees shall be endorsed as “Additional Insureds” under the (i) commercial general liability insurance policy for both ongoing and completed services for a period of two (2) years; and (ii) automobile liability policy.

(e) The Consultant shall provide a waiver of subrogation endorsement, or its equivalent, under the (i) workers’ compensation; (ii) commercial general liability; and (iii) automobile liability insurance policies in favor of CETA, its directors, officers, agents, and employees.

(f) All liability insurance policies required herein shall provide that the coverage is primary and non-contributory to other insurance available to CETA and its directors, officers, agents, and employees. Any insurance maintained by CETA and its directors, officers, agents, and employees shall be excess of and shall not contribute with the Consultant’s insurance.

(g) Prior to commencement of performance, the Consultant shall provide certificates of insurance satisfactory to CETA that clearly evidence all insurance coverages required herein, including but not limited to endorsements (individually and collectively, “Certificates of Insurance”). The Consultant agrees that, until CETA is supplied with Certificates of Insurance, no payment under this Agreement will be made by CETA. The Consultant will provide CETA with updated Certificates of Insurance within ten (10) calendar days of the anniversary of the effective date of coverage should that date fall during the term of this Agreement. Failure of CETA to require Certificates of Insurance or to identify a deficiency in coverage shall not relieve the Consultant of its responsibility to provide the specific insurance coverages set forth herein.

(h) Subject to Section 9 (Assignment), the Consultant shall require each subcontractor and/or third-party performing work for the Consultant related to the Scope of Services to purchase and maintain insurance of the types and with policy limits no less than those required of Consultant under this Section 13. All general liability policies carried by a subcontractor and/or third-party shall be endorsed to include the Additional Insureds identified above. Each subcontractor and/or third-party shall be required to provide Consultant, upon request, with certificates of insurance evidencing such coverage prior to commencement of work by a subcontractor and/or third party.

(i) The insurance policies afforded hereunder shall not be cancelled or allowed to expire unless at least thirty (30) days’ prior written notice has been delivered to CETA, except in the event of cancellation due to non-payment of a premium, in which case notice shall be given to CETA no later than ten (10) days prior to cancellation of the policy. Upon receipt of any notice of cancellation or non-renewal, the Consultant shall, within five (5) days, procure other policies of insurance as necessary to comply with this Section 13 and provide Certificates of Insurance evidencing the same to CETA. Notwithstanding the provisions contained in Section 18 (Remedies), if the Consultant fails to procure the required insurance or provide CETA with Certificates of

Insurance within the timeframe provided, CETA may terminate or suspend this Agreement upon written notice to the Consultant.

14. Intentionally Deleted.

15. Compliance with Laws. The Consultant is obligated to familiarize itself and comply with all laws applicable to the performance of the Scope of Services, including without limitation all state and local licensing and registration requirements.

16. Acceptance Not Waiver. CETA's approval or acceptance of, or payment for, any of the services shall not be construed to operate as a waiver of any rights or benefits provided to CETA under this Agreement.

17. Default. Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either Party should fail or refuse to perform according to the terms of this Agreement, such Party may be declared in default.

18. Remedies. Except as provided in Section 13(i) (Insurance), in the event a Party declares a default by the other Party, such defaulting Party shall be allowed a period of ten (10) days within which to cure said default. In the event the default remains uncorrected, the Party declaring default may elect to (a) terminate the Agreement and seek damages; (b) treat the Agreement as continuing and require specific performance; or (c) avail itself of any other remedy at law or equity. If the non-defaulting Party commences legal or equitable actions against the defaulting Party, the defaulting Party shall be liable to the non-defaulting Party for the non-defaulting Party's reasonable attorney fees and costs incurred because of the default.

19. Indemnification; No Waiver of Liability or Immunity. The Consultant agrees to indemnify, defend, and hold harmless CETA and its officers, directors, employees, agents, engineers/architects and attorneys from any and all damages and liabilities arising from the Consultant's performance of the Scope of Services. As part of this obligation, the Consultant shall compensate CETA for the time, if any, spent by its legal counsel in connection with such claims or actions. The Consultant's obligations under this Section 19 shall be to the fullest extent permitted by law and shall survive termination or expiration of this Agreement. **Notwithstanding any other provision contained in this Agreement, including but not limited to Exhibit A, CETA does not agree to defend, indemnify, or hold harmless the Consultant or waive or limit the Consultant's liability (either by type of liability or amount).** CETA is relying on and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, defenses, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to CETA or its officers or employees.

20. Binding Effect. This writing constitutes the entire agreement between the Parties and shall be binding upon the Parties, their officers, employees, agents and assigns and shall inure to the benefit of the Parties' respective survivors, heirs, personal representatives, successors and permitted assigns.

21. Amendment. No amendment or modification of this Agreement shall be binding upon the Parties unless the same is in writing and approved by a duly authorized representative of each Party.

22. Law; Venue. The laws of the State of Colorado shall govern the construction, interpretation, execution, and enforcement of this Agreement. Venue for any dispute between the Parties arising out of or relating to this Agreement shall be in the State of Colorado District Court for City and County of Denver.

23. Severability. In the event any term or condition of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

24. Annual Appropriation. CETA's obligations hereunder are subject to the annual appropriation of funds necessary for the performance thereof, which appropriations shall be made in the sole discretion of CETA's Board of Directors.

25. Ownership of Work Product. All documents such as reports, plans, drawings and contract specifications, information, and other materials prepared or furnished by the Consultant (or the Consultant's independent professional associates, permitted subcontractors, and consultants) and paid for pursuant to this Agreement are instruments of public information and property of CETA. All internal documents which support the public information such as field data, field notes, laboratory test data, calculations, estimates, and other documents prepared by the Consultant as instruments of service shall be provided to CETA. CETA understands such documents are not intended or represented to be suitable for reuse by CETA or others for purposes outside the specific scope and conditions of the Scope of Services. Any reuse without written verification or adaptation by the Consultant for the specific purpose intended will be at CETA's sole risk and without liability or legal exposure to the Consultant, or to the Consultant's independent professional associates, permitted subcontractors, or consultants.

26. Taxes. CETA is a governmental entity and is therefore exempt from state and local sales and use tax. CETA will not pay for or reimburse any sales or use tax that may not directly be imposed against CETA. The Consultant shall use CETA's sales tax exemption for the purchase of any and all products and equipment on behalf of CETA.

27. Time is of the Essence. All times stated in this Agreement are of the essence.

28. Notices. All notices which are required, or which may be given under this Agreement shall be effective when mailed via registered or certified mail, postage prepaid and sent to the address first set forth above.

29. Counterparts, Electronic Signatures and Electronic Records. This Agreement may be executed in multiple counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument. The Parties consent to the use of electronic signatures and agree that the transaction may be conducted electronically pursuant to the Uniform Electronic Transactions Act, § 24-71.3-101, *et seq.*, C.R.S.

30. No Third-Party Beneficiaries. The Parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity, other than the Parties to this Agreement, shall have any right, legal or equitable, to enforce any provision of this Agreement.

31. Section Headings. The section headings in this Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of any part of this

Agreement.

32. Not Construed Against Drafter. Each Party acknowledges that it has had an adequate opportunity to review each and every provision contained in this Agreement, including the opportunity to consult with legal counsel. Based on the foregoing, no provision of this Agreement shall be construed against either Party by reason of such Party being deemed to have drafted such provision.

[Signature Pages Follow]

CETA:

**COLORADO ELECTRIC TRANSMISSION
AUTHORITY**, a quasi-municipal corporation and
political subdivision of the State of Colorado

By: _____
Name: _____
Title: _____
Date: _____

CONSULTANT:

NAME OF CONSULTANT

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A

SCOPE OF SERVICES AND COMPENSATION

(Attach Consultant's proposal or other documentation if available and intended for incorporation into the Agreement)

EXHIBIT B

PAYMENT SCHEDULE

(Attach Consultant's proposal or other documentation if available and intended for incorporation into the Agreement)