

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN

LOS ANGELES HARBOR DEPARTMENT (LAHD)

AND

LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP)

FOR

ZERO-EMISSION PORT ELECTRIFICATION AND OPERATIONS PROJECT (ZEPEO)

AT

PORT OF LOS ANGELES (POLA)

Table of Contents

RECITALS3

ARTICLE 1. DEFINITIONS7

ARTICLE 2. MOU OBJECTIVE SUMMARY8

ARTICLE 3. RECEIVING STATION-C (RS-C), RECEIVING STATION-Q (RS-Q), SWITCHING STATIONS AND DISTRIBUTION PATHWAYS.....9

ARTICLE 4. RESPONSIBILITIES11

ARTICLE 5. FINANCIAL PROVISIONS16

ARTICLE 6. DEADLINES AND DELAYS18

ARTICLE 7. MAINTENANCE AND OPERATION19

ARTICLE 8. RESOLUTION OF DISPUTES.....19

ARTICLE 9. THIRD PARTY CLAIMS AND INDEMNIFICATION19

ARTICLE 10. EFFECTIVE DATE AND TERM OF MOU.....20

ARTICLE 11. TERMINATION OF AGREEMENT20

ARTICLE 12. SCHEDULE20

ARTICLE 13. ADMINISTRATION22

ARTICLE 14. BILLING PROCEDURES23

ARTICLE 15. MISCELLANEOUS PROVISIONS.....23

EXHIBIT "A" - ZEPEO PROJECT MAP28

EXHIBIT "B" – POLA ELECTRIFICATION PROJECT – FINANCIAL ALLOCATION SUMMARY.....29

EXHIBIT "C" DISPUTE RESOLUTION LADDER.....30

EXHIBIT "D" - 34.5 KV DISTRIBUTION PATHWAY AND PROJECT PHASING.....31

MEMORANDUM OF UNDERSTANDING

FOR ZERO-EMISSION PORT ELECTRIFICATION AND OPERATIONS PROJECT (ZEPEO) AT POLA

This Memorandum of Understanding (“MOU” or “Agreement”) is made and entered into the _____ day of _____ by and between City of Los Angeles Harbor Department (“HARBOR DEPARTMENT” or “LAHD”) - acting by and through its Board of Harbor Commissioners, and the LOSANGELES DEPARTMENT OF WATER AND POWER (“LADWP”) – acting by and through its Board of Commissioners. Both LAHD and LADWP are organized and existing under the Charter of the City of Los Angeles (each a “Party” or collectively referred to as “Parties”). This MOU establishes the Parties’ roles and responsibilities for supplying Medium Voltage Power at 34.5kV to Port of Los Angeles (POLA) for POLA’s Zero-Emission Port Electrification and Operations Project (ZEPEO).

RECITALS

This MOU is made with reference to the following facts, among others:

- A. WHEREAS, LAHD has adopted the San Pedro Bay Clean Air Action Plan (CAAP) goal of deploying 100% Zero Emission (ZE) Cargo-Handling Equipment (CHE) by 2030, partnered with LADWP and Electric Power Research Institute (EPRI) to conduct an electrical grid study in 2023 to identify energy demand required to convert existing CHE to ZE CHE, and developed the Zero Emission Port Electrification and Operations Project (ZEPEO) where LADWP agrees to provide 213 MVA of power to POLA and POLA Marine Terminal Operators (MTO) identified by POLA as part of the 2030 CAAP ZE CHE goal, including 114 MVA for Terminal Island, and 99 MVA for West Basin, subject to the terms of this MOU.
- B. WHEREAS, LADWP agrees to provide POLA and POLA MTO with a total of 306 MVA by 2035, including 146 MVA for Terminal Island and 160 MVA for Outer Harbor, subject to the terms of this MOU.
- C. WHEREAS LADWP and LAHD acknowledge that power demand for Terminal Island exceeding 160 MVA may require LADWP to convert the proposed Reeves Switching Station into a Receiving Station which is not included in this MOU and is beyond the scope for ZEPEO. A separate MOU between LADWP and LAHD shall be required to authorize conversion of Reeves Switching Station to a Receiving Station. LADWP may require additional land and LAHD shall be responsible for the cost of converting Reeves Switching Station into a Receiving Station and associated transmission and sub transmission work.
- D. WHEREAS, LAHD and a majority of Marine Terminal Operators (MTO) were awarded an Environmental Protection Agency (EPA) Clean Ports Program (CPP) grant of almost

\$412 million to fund the deployment of Zero-Emission equipment and related infrastructure at the following five marine terminals: A.P. Moller-Maersk Terminals (APMT), Everport Terminal Services (Everport), TraPac, Inc. (TraPac), Fenix Marine Services (FMS), and Yusen Terminals, Inc. (YTI) CPP grant requires all CPP equipment be operational by December 31, 2028.

- E. WHEREAS LAHD and/or MTOs have provided the required electric service documentation to LADWP for the purpose of planning and designing the power infrastructure relevant to this MOU. Any subsequent application will adhere to a new process and timeline and shall not be considered within the scope of this MOU.
- F. WHEREAS, POLA is the nation's premier gateway for international commerce and the busiest seaport in the Western Hemisphere and encompasses 7,500 acres of land and water along 43 miles of waterfront.
- G. WHEREAS, POLA features both passenger and cargo terminals, including cruise, container, automobile, breakbulk, dry and liquid bulk, and warehouse facilities that manage billions of dollars' worth of cargo each year.
- H. WHEREAS, POLA is one of the world's busiest seaports and leading gateway for international trade in North America and has ranked as the number one container port in the United States each year since 2000. In 2024, the Port moved 10.3 million Twenty-Foot Equivalent Units, sustaining its top rank among U.S. ports.
- I. WHEREAS, LAHD is a significant commercial service customer of LADWP based on an annual electrical consumption valued at approximately \$30 million and is projected to double and potentially triple in the coming years.
- J. WHEREAS, power disruptions and outages have potential to cause national and global commerce and business impacts, and power reliability is of critical and utmost importance for LAHD.
- K. WHEREAS, LAHD partnered with LADWP and Electric Power Research Institute (EPRI) to conduct a Power Quality & Reliability study in 2025/2026 to identify what, if any initiatives could be deployed to improve Power Quality & Reliability for LADWP's electric service by evaluating LADWP system, LADWP Industrial Stations/LAHD Switchgear, and MTO equipment. LADWP and LAHD anticipate EPRI will publish study recommendations in 2026.
- L. WHEREAS, LAHD acknowledges that LADWP cannot offer or guarantee 100 percent continuous electric service at any point within the power system. LAHD emphasizes that each and every power system disturbance, both momentary anomalies and sustained outages have the potential to affect and places at risk the operations of

- POLA, including cargo terminal operations. As such, LAHD and LADWP will continue to collaborate to address power quality, and reliability issues and will strive to achieve the highest possible electrical reliability both in front and behind the meter.
- M. WHEREAS, LAHD and LADWP desire to reduce the uncertainty and risk associated with their respective enterprises.
- N. WHEREAS, LAHD and LADWP have collaborated in conducting 3rd party studies and analysis for LAHD's electrification efforts to determine cost-effective electrification opportunities; identify improvements required to meet the new electrification loads; and develop a roadmap for Zero Emission port operations and expansion.
- O. WHEREAS, LAHD intends to align its plans for electrification with the San Pedro Bay Clean Air Action Plan (CAAP), their Zero Emissions Port Electrification and Operations Project (ZEPEO), and the Environmental Protection Agency's (EPA) Clean Ports Program (CPP).
- P. WHEREAS, LAHD acknowledges that its delay in submitting a complete interconnection application as well as any subsequent changes in customer requirements will impact on the schedule of distribution upgrades and reconfiguration required to provide timely support of electrification infrastructure.
- Q. WHEREAS, LAHD and LADWP have evaluated several alternatives for modifying existing and/or providing new power distribution infrastructure and LADWP has recommended the Zero Emissions Port Electrification and Operations (ZEPEO) project include the following: expand Receiving Station-C (RS-C) and Receiving Station-Q (RS-Q), add 3 Switching Stations and construct corresponding 34.5 kV Distribution Pathways for providing additional 34.5 kV electric power to LADWP's Customers to meet their projected electrical load of 213 MVA by 2030, and 306 MVA by 2035.
- R. WHEREAS, LAHD must complete all required site remediation, including core and shell, and grant LADWP an easement to the three (3) Switching Stations (Reeves – APN 7440-022-909, Basin – APN 7440-007-904, Cabrillo– APN 7440-034-901) no later than December 2035. LADWP shall also be granted all necessary rights of entry to the project site to perform its work, including access to the Switching Stations and associated facilities, at times reasonably required to meet the Project schedule. Any delay in LAHD's delivery of land rights entitles LADWP to an equitable adjustment to the project timeline proportional to the delay's impact. The impact shall be memorialized by mutual written change and subject to required approvals and available appropriations.
- S. WHEREAS, LAHD must complete all required site remediation by March 2027, and transfer clean title of APN 7440-006-036 and APN 7440-006-959 to LADWP by

December 2027. Any delay in land acquisition shall entitle LADWP to a proportional adjustment in project timeline, subject to mutual agreement and any necessary approvals.

- T. WHEREAS, LAHD and LADWP desire to document their understanding in an MOU regarding the terms, conditions, and responsibilities of their respective Parties.
- U. WHEREAS, the Parties have determined that LAHD and LADWP will mutually benefit from this MOU.
- V. WHEREAS, LAHD acknowledges that LADWP retains the exclusive right to continue to operate and electrically switch the power system, including the equipment and facilities covered under this MOU, based upon LADWP system needs and requirements. The equipment and facilities covered under this MOU are not dedicated solely to service LAHD. While LADWP will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to LAHD, and to avoid any shortage or interruption of delivery, LADWP cannot, and does not, 1) guarantee a continuous or sufficient power supply or 2) freedom from interruption to the power supply.
- W. WHEREAS, LADWP and POLA will discuss opportunities for rates/incentives at a future date subject to board/council approval.
- X. WHEREAS, LAHD acknowledges that during a power outage, LADWP access to Reeves Field Switching Station and related above- and below-ground infrastructure may be restricted by railroad operations, which may create operational delays and increase the risk of prolonged outage durations.

ARTICLE 1. DEFINITIONS

- 1.1 Activation – The commencement of full operation of the expansion of Receiving Station-C (RS-C) and Receiving Station-Q (RS-Q), construction of three (3) new Switching Stations, and construction of corresponding Distribution Pathways to LAHD and LADWP’s Customers following successful commissioning.
- 1.2 Commissioning – A demonstration that all systems are fully functional and maintainable.
- 1.3 Day – Whether capitalized or not, unless otherwise specifically provided, means calendar day, including weekends and legal holidays. In case of the plural ‘days’, those days will be consecutive.
- 1.4 Distribution – The movement of electricity from the source through distribution lines and cables to the customer’s service points.
- 1.5 Emergency – An emergency declared by the Mayor of the City of Los Angeles, which may include business disruptions and natural disasters, or an operational condition identified by LADWP’s Energy Control Center (ECC) requiring unusual action to prevent wide-spread outages.
- 1.6 Harbor District - As defined in Section 651(a) of City’s Charter or in any successor provision of City’s Charter
- 1.7 High voltage – For the purposes of this Agreement High Voltage is 115 kV to 230 kV.
- 1.8 Terminal Island – Area within Harbor District that includes APMT, Everport, FMS, and YTI MTOs. See Exhibit D.
- 1.9 Low Voltage – For the purposes of this Agreement Low Voltage is 0 to 600 V.
- 1.10 M day – M Day is the day this MOU is approved by both Los Angeles Board of Water and Power Commissioners and Los Angeles Board of Harbor Commissioners.
- 1.11 Medium Voltage – For the purposes of this Agreement Medium Voltage is 601 V to 34.5 kV.
- 1.12 Outer Harbor – Area within Harbor District that includes Alta Sea and Outer Harbor Cruise Terminal. See Exhibit D.
- 1.13 POLA – Port of Los Angeles or Los Angeles Harbor Department (LAHD)

- 1.14 LAHD – Los Angeles Harbor Department or Port of Los Angeles (POLA)
- 1.15 Switching Station – Reeves Field, Basin, and Cabrillo
- 1.16 West Basin – Area within Harbor District that includes China Shipping, LATiL, and TraPac MTOs. See Exhibit D.
- 1.17 Zero-Emission Port Electrification and Operations (ZEPEO) Project – Design and Construct the following: Expansion of Receiving Station-C (RS-C) and Receiving Station-Q (RS-Q), corresponding 34.5kV distribution pathways, and 3 Switching Stations at Reeves, Basin, and Cabrillo for the purpose of supplying main electrical power to POLA due to the increased load demand to deploy Zero-Emission (ZE) Container Handling Equipment (CHE) by 2030, and Outer Harbor Cruise Terminal by 2035.
- 1.18 Rearrangement – The work of removal, replacement, restoration, alteration, reconstruction, support, or relocation of a conflicting facility or portion thereof, whether permanent or temporary, which LAHD and LADWP have determined to be rearranged to design, build, and/or operate this Project.
- 1.19 Receiving Station-C - Wilmington (RS-C) and Receiving Station-Q – Harbor (RS-Q) - Electrical substations which receive high voltage energy from multiple LADWP 138 kV lines and transform energy to 34.5 kV for distribution.
- 1.20 34.5 kV Distribution Pathways – All underground and above ground infrastructure that are necessary to connect the Receiving Station -C (RS-C), Receiving Station - Q (RS-Q), and 3 Switching Stations to the 34.5 kV distribution grid feeding LADWP’s Customers.

ARTICLE 2. MOU OBJECTIVE SUMMARY

In consideration of the terms and conditions contained herein, the Parties mutually agree to allocate responsibilities between themselves as set forth below to develop POLA’s ZEPEO Project to meet San Pedro Bay CAAP Goal of deploying ZE CHE by 2030:

- 2.1 Zero-Emission Port Electrification and Operations Project (ZEPEO), and EPRI Power Quality and Reliability Study for Electrified CHE at POLA:
 - 2.1.1 LAHD is collaborating with LADWP to perform a power quality audit for the electrical infrastructure and critical CHE equipment deployed by MTOs at POLA by engaging in third (3rd) party studies and analysis to improve and mitigate exposure to power anomalies.
 - 2.1.2 LADWP has engaged in a 3rd party study to perform a power quality audit

on their distribution infrastructure serving the general region in and around POLA with the intent of identifying opportunities for distribution system and infrastructure modifications to improve the quality and reliability of power delivered to POLA and the surrounding region.

- 2.1.3 Receiving Station-C (RS-C): LADWP will design, construct, equip, and commission (Article 4.2).
- 2.1.4 Receiving Station-Q (RS-Q): LADWP will design, construct, equip and commission (Article 4.2).
- 2.1.5 LAHD will design and construct Core & Shell for Switching Stations (Reeves, Basin, and Cabrillo); LAHD will construct Control House Core & Shell (Article 4.1.8).
- 2.1.6 LADWP will electrically equip Switching Stations at Reeves, Basin, and Cabrillo. (Article 4.2)
- 2.1.7 LADWP will design 34.5 kV Distribution Pathways, including installation of conductor and splices. LADWP will obtain Utility Permits (U-Permit) from City of Los Angeles for all 34.5kV Distribution Pathways as Owner. LAHD shall be responsible for all civil construction of conduit and vault installation per LADWP's design for RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor 34.5 kV Distribution Pathways. LAHD will construct conduit of approximately 7.9 miles of 34.5 kV distribution pathway for Terminal Island and 6.5 miles of 34.5 kV distribution pathway for Outer Harbor (Article 4.1, Exhibit D).
- 2.1.8 LAHD and LADWP shall use their best efforts to utilize Port of Los Angeles property to the maximum extent feasible for the routing and installation of the 34.5 kV Distribution Pathways.
- 2.1.9 LADWP will issue separate invoices and LAHD will issue separate corresponding IDOs to pay for the following ZEPEO project elements: Cabrillo Switching Station (Article 3.2); 34.5kV Distribution Pathway from RS-Q to Outer Harbor (Cabrillo) (Article 3.3).

ARTICLE 3. RECEIVING STATION-C (RS-C), RECEIVING STATION-Q (RS-Q), SWITCHING STATIONS AND DISTRIBUTION PATHWAYS

Major modifications to LADWP's electrical system will be required to support POLA's electrification goals, create the capacity needed, and improve reliability in the Harbor,

Wilmington, and Terminal Island areas. The following are the requirements:

3.1 RECEIVING STATION-C (RS-C)

The Receiving Station-C (RS-C) Modifications will consist of:

Expansion of one (1) existing 34.5 kV rack (Rack C) with the required electrical equipment to provide 34.5 kV sub-transmission circuits. Equip new 34.5kV circuit positions. (Article 4.2)

3.2 RECEIVING STATION-Q (RS-Q)

The Receiving Station Q (RS-Q) Modifications will consist of:

Equipping and reconfiguring existing Rack A. Installation of one (1) new 34.5 kV rack (Rack D) with the required electrical equipment to provide 34.5 kV sub-transmission circuits. Equip new 34.5kV circuit positions. (Article 4.2)

3.3 SWITCHING STATIONS

The Switching Stations will consist of:

Construction of a new Switching Station with a control house (core and shell and required electrical equipment) at Reeves, Basin, and Cabrillo (Article 4.1.8).

3.4 34.5 kV DISTRIBUTION PATHWAY FROM RS-C TO RS-Q

3.4.1 New 34.5 kV Distribution Pathways (Approximately 1.5miles) from RS-C to RS-Q (See Exhibit D).

3.5 34.5 kV DISTRIBUTION PATHWAY FROM RS-Q TO OUTER HARBOR (CABRILLO)

3.5.1 New 34.5 kV Distribution Pathways (Approximately 2.5 miles) from RS-Q to Outer Harbor areas, including Cabrillo Switching Station. Channel crossing via horizontal drilling, if necessary (See Exhibit D).

3.6 34.5 kV DISTRIBUTION PATHWAY FROM RS-Q TO WEST BASIN (BASIN)

3.6.1 New 34.5 kV Distribution Pathways (Approximately 2.0miles) from RS-Q to West Basin areas, including Basin Switching Station. Channel crossing via horizontal drilling, if necessary (See Exhibit D).

3.7 34.5 kV DISTRIBUTION PATHWAY FROM RS-Q TO TERMINAL ISLAND (REEVES)

3.7.1 New 34.5 kV Distribution Pathways (approximately 9.0 miles) from RS-Q to Terminal Island, including channel crossing via horizontal drilling if necessary, and terminating at Reeves Switching Station (See Exhibit D).

ARTICLE 4. RESPONSIBILITIES

4.1 LAHD will perform the following:

- 4.1.1 Timely completion of all land requirements, any site remediation and facilitate oil pipeline removal for "Y" parcel (APN 7440-006-959 & APN 7440-006-036) adjacent to RS-Q by March 2027.

Switching Stations

- 4.1.2 Conduct all stakeholder outreach and engagement with the public and local businesses for LAHD's portion of their work for this Project for Switching Stations. LADWP shall provide reasonable assistance to LAHD in support of LAHD's outreach activities.
- 4.1.3 Provide the final geotechnical report and subsurface investigations; including methane testing and as required by LADWP to verify what type of methane zones exist within the three (3) Switching Station sites.
- 4.1.4 Grant LADWP easements to operate Switching Stations at Reeves – APN 7440-022-909, Basin – APN 7440-07-904, Cabrillo – APN 7440-034-901 and conduct environmental site testing and perform any recommended environmental site remediation by March 2027.
- 4.1.5 LAHD shall be responsible for furnishing a temporary staging area suitable for the storage of materials, equipment, and other construction-related needs at Reeves – APN 7440-022-909, Basin – APN 7440-007-904, Cabrillo – APN 7440-034-901.
- 4.1.6 At all times during the station's construction and operation, LADWP and LAHD shall provide and maintain safe, continuous, and adequate means of ingress and egress for personnel, vehicles, and equipment for Reeves – APN 7440-022-909, Basin – APN 7440-007-904, and Cabrillo – APN 7440-034-901 Switching Stations.
- 4.1.7 Furnish all labor, materials, equipment, and services necessary to perform and complete all civil engineering construction work required for the proposed Switching Stations at Reeves, Basin, and Cabrillo. This includes, but is not limited to, geotechnical investigations, site preparation, earthworks, grading, drainage systems, roadworks, retaining structures, utility installations, fencing enclosure, landscaping, oil containment,

conduit and grounding systems, equipment pads including foundations/anchorage, structural steel and monopole foundations/anchorage, control house core and shell, electrical systems, mechanical systems, water, sewer, plumbing, HVAC and the fire protection, related underground infrastructure (duct bank) and any other civil works for proposed Switching Stations at Reeves, Basin, and Cabrillo.

- 4.1.8 Maintain a set of as-built/as-constructed plans for the construction of Switching Stations at Reeves, Basin, and Cabrillo.
- 4.1.9 LAHD shall provide LADWP with a project schedule for core and shell activities at the three proposed switching stations - Reeves, Basin and Cabrillo.
- 4.1.10 LAHD shall be responsible for securing all necessary building permits from the Los Angeles Department of Building and Safety (LADBS) and for ensuring full compliance with all applicable LADBS requirements governing core and shell construction activities.

34.5 kV Distribution Pathways

- 4.1.11 Construct the 34.5 kV Distribution Pathways from RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor in accordance with LADWP designs, including, but not limited to, standard drawings, specifications, and construction drawings provided by LADWP and agreed to by LAHD.
- 4.1.12 For any project activities requiring a U-Permit, LAHD shall, where applicable, provide LADWP with all supplemental documentation necessary for the U-Permit application, including but not limited to, LADOT approved Traffic Control Plans and BOE approved shoring plans, etc. LADWP, as the Owner, will be responsible for obtaining the U-Permit.
- 4.1.13 Where applicable, develop worksite traffic control plans that provide, among other things, for the handling of vehicular and pedestrian and mobility impaired traffic on streets adjacent to project construction based on construction-staging plans showing street closures, detours, warning devices, temporary traffic signals, and other pertinent information. Such plans shall incorporate actions to maintain access to businesses adjacent to the construction areas and actions to ensure safe access and circulation for pedestrians and vehicular traffic. Where applicable, such plans will be submitted to the Los Angeles Department of Transportation for review

and approval prior to the start of construction of distribution pathways from RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor.

4.1.14 Where applicable, develop shoring plans for trenches with a depth greater than 10 feet for distribution pathways from RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor. Such plans shall be submitted to the City of Los Angeles Bureau of Engineering, for approval.

4.1.15 Develop dewatering plans, as required.

4.1.16 Coordinate inspections by LADWP and other agencies for the 34.5kV Distribution Pathways work: RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor (on POLA property and in public streets) in accordance with quality assurance and acceptance requirements provided by LADWP.

4.1.17 Comply with all applicable federal, state, and local environmental laws and regulations for the Project including, without limitation, the California Environmental Quality Act (CEQA), Coastal Commission Development Permits, and Construction Stormwater General Permits.

4.1.18 Conduct all stakeholder outreach and engagement with the public and local businesses for LAHD's portion of their work for this Project from RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor. LADWP shall provide reasonable assistance to LAHD in support of LAHD's outreach activities.

4.1.19 LAHD shall provide construction schedule approved by both parties for the distribution pathway from RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor.

4.1.20 LAHD to transmit the as-built/as-constructed plans to LADWP at the completion of construction. The drawings shall conform to LADWP's drawing design standards.

4.2 LADWP will perform the following:

RS-C, RS-Q, and Switching Stations

4.2.1 Work cooperatively and timely with LAHD to facilitate the design and

construction activities at Receiving Station-C (RS-C) Receiving Station-Q (RS-Q), and electrically equip Switching Stations (Reeves, Basin, and Cabrillo), and commit staff and resources, accordingly.

- 4.2.2 Design, procure, and install all equipment, controls, and cabling related to Receiving Station-C (RS-C) Receiving Station-Q (RS-Q), and Switching Stations (Reeves, Basin, and Cabrillo).
- 4.2.3 Responsible for design, design criteria for anchorage, procurement, fabrication, delivery, and installation of structural steel related to and associated with racks, monopoles, A-frames, and H-frames for Receiving Station C (RS-C) Receiving Station Q (RS-Q) and Switching Stations (Reeves, Basin, and Cabrillo).
- 4.2.4 Provide LAHD with design requirements, standard drawings, specifications, alignment, and schematic plans for the Switching Stations (Reeves, Basin, and Cabrillo).
- 4.2.5 Maintain a set of as-built/as-constructed plans for the construction of the Receiving Station-C (RS-C), Receiving Station-Q (RS-Q), and Switching Stations (Reeves, Basin, and Cabrillo).
- 4.2.6 Prepare the necessary California Environmental Quality Act (CEQA) document and analysis for the ZEPEO project.
- 4.2.7 Conduct all stakeholder outreach needed for Receiving Station-C (RS-C), Receiving Station-Q (RS-Q), and ZEPEO project. LAHD shall provide reasonable assistance to LADWP in support of LADWP's outreach activities.
- 4.2.8 LADWP will provide LAHD with a project schedule for Receiving Station C (RS-C), Receiving Station Q (RS-Q), and for all work undertaken by LADWP as part of the ZEPEO Project, including the electrical equipping of the three proposed switching stations—Reeves, Basin, and Cabrillo—as well as all 34.5 kV cable pulling required for the Distribution Pathways.
- 4.2.9 Detailed review of LAHD's contractual documents and specifications, including project delivery package(s), equipment, conduit, enclosure, access and customer requirements of the Switching Stations (Reeves, Basin, and Cabrillo).
- 4.2.10 Within 90 days of the execution of this MOU, LAHD and LADWP shall

finalize a process for detailed planning, design, engineering and environmental reviews, and coordination, including, but not limited to: plan check, submittals and review comments resolution, request for information, changes in approved plans, construction, permits, as-builts/as-constructed plans, and inspection. Both entities will work as a team to provide and exchange necessary information in a timely manner to meet project design and construction schedule.

- 4.2.11 LADWP and LAHD shall work cooperatively toward transfer of clear title for RS-Q "Y" Parcel APN 7440-006-036 and APN 7440-006-959 by December 2027, subject to required approvals.

34.5 kV Distribution Pathways

- 4.2.12 Design the 34.5 kV Distribution Pathways in accordance with LADWP designs, including, but not limited to, standard drawings, specifications, and construction drawings prepared by LADWP (Exhibit B & Exhibit D).
- 4.2.13 Construct 34.5kV Distribution Pathways from RS-C to RS-Q in accordance with LADWP designs, including, but not limited to, standard drawings, specifications, and construction drawings prepared by LADWP.
- 4.2.14 Prior to commencement of any project construction, LADWP will submit the appropriate application(s) and pay for any permits required to be obtained from any required agency for any scope of work being constructed by LADWP.
- 4.2.15 Develop worksite traffic control plans that provide, among other things, for the handling of vehicular and pedestrian and mobility impaired traffic on streets adjacent to project construction based on construction-staging plans showing street closures, detours, warning devices, temporary traffic signals, and other pertinent information. Such plans shall incorporate actions to maintain access to businesses adjacent to the construction areas and actions to ensure safe access and circulation for pedestrians and vehicular traffic. Such plans will be submitted to the Los Angeles Department of Transportation for review and approval prior to the start of construction of the distribution pathway.
- 4.2.16 Develop dewatering plans, as required.
- 4.2.17 Secure all necessary environmental clearances for this Project for the distribution pathways including compliance with the CEQA. Such clearances, including permit applications and CEQA documents, will be provided by LADWP for review prior to final submittal.

- 4.2.18 Conduct all stakeholder outreach needed for ZEPEO Project, including distribution pathway, from RS-Q to Terminal Island, and from RS-Q to Outer Harbor. LAHD shall provide reasonable assistance to LADWP in support of LADWP's outreach activities.
- 4.2.19 Install all 34.5 kV Distribution Pathway conduit intercepts. Conduit intercepts are the conduit duct banks that approach an existing energized LADWP substructure or duct bank. The exact point where the new conduit duct bank ends and LADWP's conduit intercept begins will be determined and incorporated into the design. The timing to install intercepts will be coordinated between LAHD and LADWP.
- 4.2.20 Install 34.5 kV cable and splices from RS-C to RS-Q, RS-Q to Terminal Island, RS-Q to West Basin, and RS-Q to Outer Harbor in accordance with LADWP designs, including, but not limited to, standard drawings, specifications, and construction drawings prepared by LADWP.

ARTICLE 5. FINANCIAL PROVISIONS

- 5.1 LAHD shall cover the costs associated with the following:
 - 5.1.1 Program management, design, inspection, temporary service, security, permitting, and construction and installation of cable and splices for the 34.5 kV Distribution Pathways and Switching Stations for POLA (Terminal Island, West Basin, and Outer Harbor per Article 3.2, 3.3, 3.4, and 3.5) in an amount not-to-exceed [\$X]. See Exhibit B.
 - 5.1.2 In the event costs exceed amounts set forth in Exhibit B, the Parties shall consider such excess costs in accordance with Section 5.6 herein.
- 5.2 LAHD shall be financially responsible for:
 - 5.2.1 34.5 kV Distribution Pathways from RS-Q to Terminal Island, RS-Q to West Basin, and from RS-Q to Outer Harbor. See Exhibit B
 - 5.2.2 Switching Stations (Reeves, Basin, and Cabrillo) See Exhibit B
 - 5.2.3 LAHD shall maintain active IDOs throughout the duration of the project. New IDOs shall be issued by LAHD two months prior to the beginning of each fiscal year to ensure timely billing for the project.
 - 5.2.4 All work shall be suspended when IDO funds are exhausted and shall only recommence upon confirmation of renewed funding.

- 5.3 LADWP shall be financially responsible for:
 - 5.3.1 RS-C Rack C Expansion. See Exhibit B.
 - 5.3.2 RS-Q Rack D Expansion. See Exhibit B.
 - 5.3.3 34.5kV Distribution Pathways from RS-C to RS-Q, including 34.5kV cables, splices, and intercepts. See Exhibit B.

5.4 Future additions and modifications of Receiving Station Q (RS-Q), and Switching Stations, including the distribution pathway from Switching Stations shall be done at LADWP's expense.

5.5 Scope Changes

In the event scope changes are identified by either LAHD or LADWP during the term of this MOU:

5.5.1 Notification

The agency identifying the potential scope change shall promptly notify the other agency in writing within three 3 calendar days. and provide a detailed description of the proposed change and its potential impact on the approved scope of work and budget 14 calendar days after written notice.

5.5.2 Impact Assessment

Within 30 calendar days of notification of potential scope change, both LAHD and LADWP shall jointly assess the impact of the proposed change on project schedule, costs, and resource allocation. This assessment shall include any additional funding requirements or adjustments to deliverables.

5.5.3 Approval Process

No scope change to the work described under this MOU shall be implemented without prior written approval from both LAHD and LADWP.

5.6 Cost Escalation and Budget Adjustments

If necessary, LAHD and LADWP shall seek appropriate budgetary approvals before implementing the scope change. If at any time the cumulative value of approved or proposed changes to the Work increases or decreases the "LAHD Costs (\$)"

costs due to LADWP (shown in Exhibit B) by more than ten percent (10%), the Parties shall enter into good-faith negotiations to revise Exhibit B, MOU Scope, MOU Costs, MOU Term, and any other affected terms. No further Work associated with such changes shall proceed until a written amendment to the MOU is fully executed by both parties.

- 5.7 No later than ninety (90) days after approval of this agreement by the LAHD Board of Harbor Commissioners and the LADWP Board of Water & Power Commissioners, LADWP shall deliver to LAHD a cost summary for the first quarter of the project, an initial cash flow projection for the Term of this MOU to support budget allocation, and thereafter provide cash flow updates on a monthly basis.
- 5.8 LADWP shall prepare and submit to both parties a Monthly Burn-Rate Report on work under LADWP's responsibilities no later than five (5) business days after the end of each calendar month. The report shall include: (a) actual costs incurred during the reporting period; (b) cumulative costs to date; (c) comparison of actual expenditures to the approved Project Budget and Schedule of Values; (d) forecasted costs to complete; and (e) an explanation of any variances exceeding two percent (2%) of the monthly or cumulative budget.

Within 10 business days following the close of each fiscal quarter, the Parties shall participate in a Quarterly Cost Review Meeting. The purpose of the meeting is to review the projects cost performance, discuss any variances or emerging risks, evaluate the adequacy of the remaining budget, and identify any corrective actions required to maintain alignment with the Project Budget and Schedule.

LAHD and LADWP shall ensure that all personnel with authority over project cost management and forecasting attend the Monthly Cost Review Meeting.

ARTICLE 6. DEADLINES AND DELAYS

- 6.1 LAHD and LADWP shall use good faith efforts to perform their work under this MOU in accordance with the deadlines and schedules established in this MOU. Both parties acknowledge that delays incurred by one party will likely result in corresponding delays for the other party. LAHD or LADWP shall notify the other within 2 business days upon becoming aware that a deadline or schedule requirement established in this MOU is likely to be missed, and the parties shall meet and confer to address the reasons for such delay and establish a recovery schedule and implement any necessary modifications and mitigations to the project scope and staffing resources to ensure the project's completion schedule is maintained.
- 6.2 For all other delays or accelerations, the Parties shall establish responsibility

through a mutually agreed equitable adjustment limited solely to schedule and time.

ARTICLE 7. MAINTENANCE AND OPERATION

- 7.1 All work shall comply with the Los Angeles Department of Water and Power's Rules Governing Water and Electric Service, specifically Rule No. 16 – Service Connections and Customer's Facilities, which outlines the responsibilities related to ownership, maintenance, and replacement of service equipment and infrastructure.

See link, <https://www.ladwp.com/rules-governing-water-and-electric-services>

ARTICLE 8. RESOLUTION OF DISPUTES

- 8.1 In the event of any claim, dispute, default, or breach arising out of or relating to this Agreement, the parties shall in the first instance attempt to resolve the dispute through good faith negotiation, in accordance with the Dispute Resolution Ladder (Exhibit "C"). Negotiation may be initiated by any party's submission of a written "invitation to negotiate" to the LAHD Representative and the LADWP Representative.
- 8.2 If the matter is not resolved to the satisfaction of the parties to the claim, dispute, default, or breach by negotiation within 5 business days after the delivery of the invitation to negotiate, any party may elevate the dispute to the next Level in the Dispute Resolution Ladder (Exhibit "C").
- 8.3 Once the Dispute Resolution Ladder process has been initiated, no step of the ladder can be by-passed unless agreed by both parties.
- 8.4 If the claim, dispute, default, or breach is not resolved by Level A of the Dispute Resolution Ladder (Exhibit "C"), the matter shall be elevated to the mayor of the City (or designee) for decision. Subject to the requirements of the Charter, the decision of the mayor shall be final.
- 8.5 In no event shall work be stopped in the event of a claim or dispute, except for reasons of public health or safety or where it is absolutely necessary to first resolve the dispute in order to be able to continue work or where the parties have mutually agreed to terminate the work.

ARTICLE 9. THIRD PARTY CLAIMS AND INDEMNIFICATION

- 9.1 THIRD PARTY CLAIMS

LAHD and LADWP acknowledge that certain claims and disputes may arise with third parties, including Contractors, with respect to matters arising under or related to this MOU that will not be resolved through the process in Article 8. Each Party shall promptly notify the other if it becomes aware of circumstances presenting the likelihood of a third-party claim. LAHD and LADWP shall cooperate and provide any necessary support requested by the other in connection with any such matter.

9.2 INDEMNIFICATION

The Parties agree, except for the negligence or willful misconduct of the other Party, to financially indemnify and hold harmless each other and any and all of each Party's boards, officers, agents and employees from and against any claims, charges, damages, costs, expenses, judgments, civil fines and penalties, liabilities or losses which may be sustained or suffered by or secured against the indemnified Party, its boards, officers, agents or employees by reason of any damage to property, injury to persons, or any action that may arise out of the performance of responsibilities or services rendered pursuant to this MOU that is caused by any act, omission or negligence of the indemnifying Party, its boards, officers, agents, employees, or contractors. Each party shall retain sole liability for its own contractors, or the contractor's officers, agents, employees, or subcontractors of any tier.

ARTICLE 10. EFFECTIVE DATE AND TERM OF MOU

- 10.1 This MOU shall commence on the date of the last execution by all parties and shall remain in full force and effect until one year after final completion of all work described in Article 4.

ARTICLE 11. TERMINATION OF AGREEMENT

- 11.1 The Parties shall have the right to terminate this MOU upon mutual written agreement or with a one year written notice by the Executive Director of LAHD or General Manager for LADWP.

ARTICLE 12. SCHEDULE

The timelines mentioned below are for planning purposes only. Both parties recognize that these are approximate timelines that may change based upon unknown variables beyond each other's control.

- 12.1 This Project will commence on M Day . M Day is based on MOU approval by both Los Angeles Board of Water and Power Commissioners and Los Angeles Board of Harbor Commissioners (Article 1.10).
- 12.2 Phase I – This work is to meet the 2028 EPA CPP grant to POLA and MTOs. LADWP will design and install cables and splices for the 34.5 kV Distribution Pathways from RS-Q to Terminal Island. LADWP will electrically equip and reconfigure existing RS-Q Rack A (Article 4.2). LAHD will construct 34.5 kV Distribution Pathways and all substructures from RS-Q to Terminal Island (Article 4.1, Exhibit D).
- 12.3 Phase II – This work is to meet the San Pedro Bay CAAP Goal of converting all CHE to Zero Emission by 2030 and provide 213 MVA of power to Terminal Island and West Basin areas of Harbor District. LAHD will construct 34.5 kV Distribution Pathway from RS-Q to Terminal Island and RS-Q to West Basin (Article 4.1, Exhibit D). Additionally, LAHD will design and construct Switching Stations at Reeves Field and Basin (Article 4.1). LADWP will electrically equip Switching Stations at Reeves and Basin (Article 4.2). LADWP will construct 34.5 kV distribution pathway from RS-C to RS-Q. LADWP will install cables and splices for the 34.5 kV Distribution Pathways from RS-C to RS-Q, RS-Q to Terminal Island and RS-Q to West Basin (Article 4.2). LADWP will design, construct, and equip Rack D at RS-Q (Article 4.2). LADWP will design and modify existing RS-C Rack C for four (4) new circuit positions.
- 12.4 Phase III – This work is to provide 60 MVA of power to Outer Harbor area of Harbor District and complete the development of the entire project. LAHD will construct 34.5 kV Distribution Pathway from RS-Q to Outer Harbor (Article 4.1, Exhibit D). Additionally, LAHD will design and construct Switching Station at Cabrillo (Article 4.1). LADWP will electrically equip Switching Station at Cabrillo (Article 4.2). LADWP will install cables and splices for the 34.5 kV Distribution Pathway from RS-Q to Outer Harbor (Article 4.2).
- 12.5 LADWP shall secure all environmental clearances, including all approvals and permits required from applicable regulatory agencies to the extent such clearance fall within LADWP’s scope of work. LADWP shall submit to LAHD an Application for Port Permit (APP) for a the ZEPEO project.
- 12.6 LADWP and LAHD shall use reasonable efforts to ensure completion of all design requirements. Design requirements for Reeves Field Switching Station will be submitted by September 2026, for the Basin Switching Station will be submitted by December 2026, and for the Cabrillo Switching Station will be submitted by December 2030.

- 12.7 LAHD shall use reasonable efforts to ensure that the site work for the core and shell of Reeves Switching Station is constructed and turned over to LADWP no later than May 15, 2028.
- 12.8 LAHD shall use reasonable efforts to ensure that the site work for the core and shell of Basin Switching Station is constructed and turned over to LADWP no later than December 2028.
- 12.9 LAHD shall use reasonable efforts to ensure that the site work for the core and shell of Cabrillo Switching Station is constructed and turned over to LADWP no later than June 2034.
- 12.10 LADWP and LAHD shall use reasonable efforts to ensure that all Phase II construction be completed for Reeves and Basin Switching Stations and Distribution Pathways for Reeves and Basin Switching Stations no later than December 6, 2030.
- 12.11 LADWP shall use reasonable efforts to ensure that Phase I and all related systems are commissioned, in-service and ready to begin no later than December 31, 2028.
- 12.12 LADWP shall use reasonable efforts to ensure that Phase II and all related systems are commissioned, in-service, and ready to begin cut overs no later than December 6, 2030.
- 12.13 LADWP shall use reasonable efforts to ensure that Phase III and all related systems are commissioned, in-service, and ready to begin cut overs no later than December 6, 2035.
- 12.14 Notwithstanding the above referenced timelines, LADWP shall use reasonable efforts to ensure with LAHD cooperation that power from RS-Q be provided in a timely manner to Switching Stations (Reeves, Basin, and Cabrillo) facilities for their construction, facility testing, and for service.

ARTICLE 13. ADMINISTRATION

- 13.1 Within thirty (30) calendar days after the effective date of this MOU, LADWP's CEO and Chief Engineer and LAHD's Executive Director shall each designate by written notice to the other a representative who is authorized to act on each party's behalf with respect to those matters contained in this MOU.

- 13.2 The Authorized Representative shall provide liaison between the Parties and shall provide means of securing effective cooperation and interchange of information on a prompt and orderly basis between the Parties.

ARTICLE 14. BILLING PROCEDURES

- 14.1 LADWP shall bill LAHD costs associated with this MOU on at least a quarterly basis for design and construction. Billings shall begin as soon as practicable following the commencement of work under this MOU, and shall follow LADWP's standard billing procedures. Charges for LADWP staff shall be on an hourly basis and at the actual cost for the staff providing services to LAHD, including indirect costs. Invoices, and other data to document costs incurred, shall be provided to LAHD with each invoice. Each billing shall include a certification by a duly authorized officer of the LADWP that the charges identified in such billing were appropriate and necessary to performance of the work, and have not previously been billed or paid. LADWP and LAHD may mutually agree to alternative invoicing processes based upon milestone payments for completed tasks or other mutually agreed intervals for payment. Such alternative methods will be documented.

14.2 PAYMENT OF BILLINGS

Payment of approved amounts of each bill properly submitted pursuant to Article 14.1 shall be due within 30 Days of receipt thereof; provided, however, that all such payments shall be conditional, subject to post-audit adjustments.

14.3 RECORDS

LADWP and LAHD shall maintain complete and accurate books of account and records for all funds expended under this MOU, including records which will permit a speedy and effective audit, and which will fully disclose the amount and the disposition by LADWP and LAHD of funds administered by such department, and shall make such records available to one another for such purposes upon request. LADWP and LAHD shall maintain records as required in conformance with applicable Federal, State and local regulations.

ARTICLE 15. MISCELLANEOUS PROVISIONS

15.1 NOTICES

Any written notice under this MOU shall be deemed properly given if delivered in person or sent by a recognized overnight carrier, registered, or certified mail, to the persons specified below unless otherwise provided for in this MOU.

LAHD Contact:

Name: James C. Brown
Position: Chief Harbor Engineer
Address: 425 S. Palos Verdes, San Pedro, CA 90731
Phone Number: (310) 732-3666
Email Address: CBrown@portla.org

LADWP Contact:

Name: Chesley Kelly
Position: Director of Power Design and Construction
Address: 111 N. Hope St., Los Angeles, CA 90012
Phone Number: (213) 367-7290
Email Address: Chesley.kelly@ladwp.com

15.2 RELATIONSHIP OF PARTIES

The Parties are and shall remain at all times as to each other, wholly independent entities. No Party to this MOU shall have power to incur any debt, obligation, or liability on behalf of another Party unless expressly provided to the contrary by this MOU. No employee, agent, or officer of a Party shall be deemed for any purpose whatsoever to be an agent, employee or officer of another Party. There are no third-party beneficiaries to this MOU, whether incidental or intended.

15.3 AMENDMENTS

The terms and provisions of this MOU shall not be amended, modified, or waived, except by written consent of both Parties.

15.4 EXECUTION OF COUNTERPARTS

This MOU may be executed in counterparts, each of which shall be deemed an original, but together, shall constitute but one and the same instrument.

15.5 WAIVER

Waiver by any Party to this MOU of any term, condition, or covenant of this MOU shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party to any breach of the provisions of this MOU shall not constitute a waiver of any other provision, or a waiver of any subsequent breach or violation of any provision of this MOU.

15.6 INCORPORATION OF EXHIBITS

Every Exhibit to which reference is made in this MOU is hereby incorporated in this MOU by this reference. In the event of any irreconcilable conflict, ambiguity or inconsistency between or among any of the provisions of the body of this MOU and any Exhibit hereto, the terms and conditions of the body of this MOU shall control over the provisions of the Exhibits.

15.7 FORCE MAJEURE

Neither party shall be held liable for any loss or damage due to delay or failure in performance of any part of this MOU from any cause beyond its control and without its fault or negligence: such causes may include acts of God, acts of civil or military authority, government regulations (except those promulgated by the Party seeking the benefit of this section), embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accident, floods, strikes, power blackouts, volcanic action, other major environmental disturbances, or unusually severe weather conditions; provided, however, the lack of funds or funding shall not be considered to be the cause beyond a Party's control and without its fault or negligence. The foregoing events do not constitute force majeure events where they are reasonably foreseeable consequences of construction. In the event of an "Emergency", LADWP reserves the right to redistribute forces to address such "Emergency".

15.8 INTEGRATION

This MOU contains the entire understanding and agreement between the Parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this MOU by reference shall be deemed in any way to exist or bind any of the Parties. Each Party acknowledges that it has not been induced to enter into the MOU and has not executed the MOU in reliance upon any promises, representations, warranties or statements not contained, referenced, and/or incorporated into the MOU. **THE PARTIES ACKNOWLEDGE THAT THIS MOU IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

15.9 STATE TIDELANDS

This MOU is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this MOU is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled, "An Act

Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 2, 1929 (Stats. 1929, Ch 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. The parties agree that any interpretation of this MOU and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

15.10 CONSTRUCTION OF MOU

This MOU shall not be construed against the Party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this MOU and it shall be deemed their joint work product; each and every provision of this MOU shall be construed as though all of the Parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one Party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting Party shall not be applicable.

15.11 TITLES AND CAPTIONS

The Parties have inserted the Article titles in this MOU only as a matter of convenience and for reference, and the Article titles in no way define, limit, extend or describe the scope of this MOU or the intent of the Parties in including any particular provision in this MOU.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above.

**LOS ANGELES DEPARTMENT OF
WATER AND POWER**

By: _____
David W. Hanson, Interim General Manager

Date: _____

APPROVED AS TO FORM

John Calvarho, City Attorney

By: _____
Deputy City Attorney

Date: _____


LOS ANGELES HARBOR DEPARTMENT

By: _____
Eugene D. Seroka, Executive Director

Date: _____

APPROVED AS TO FORM

Helen Sok, City Attorney

By:  _____
Deputy City Attorney

Date: 5/13/26

[The Remainder of This Page Intentionally Left Blank]

EXHIBIT "A" - ZEPEO PROJECT MAP

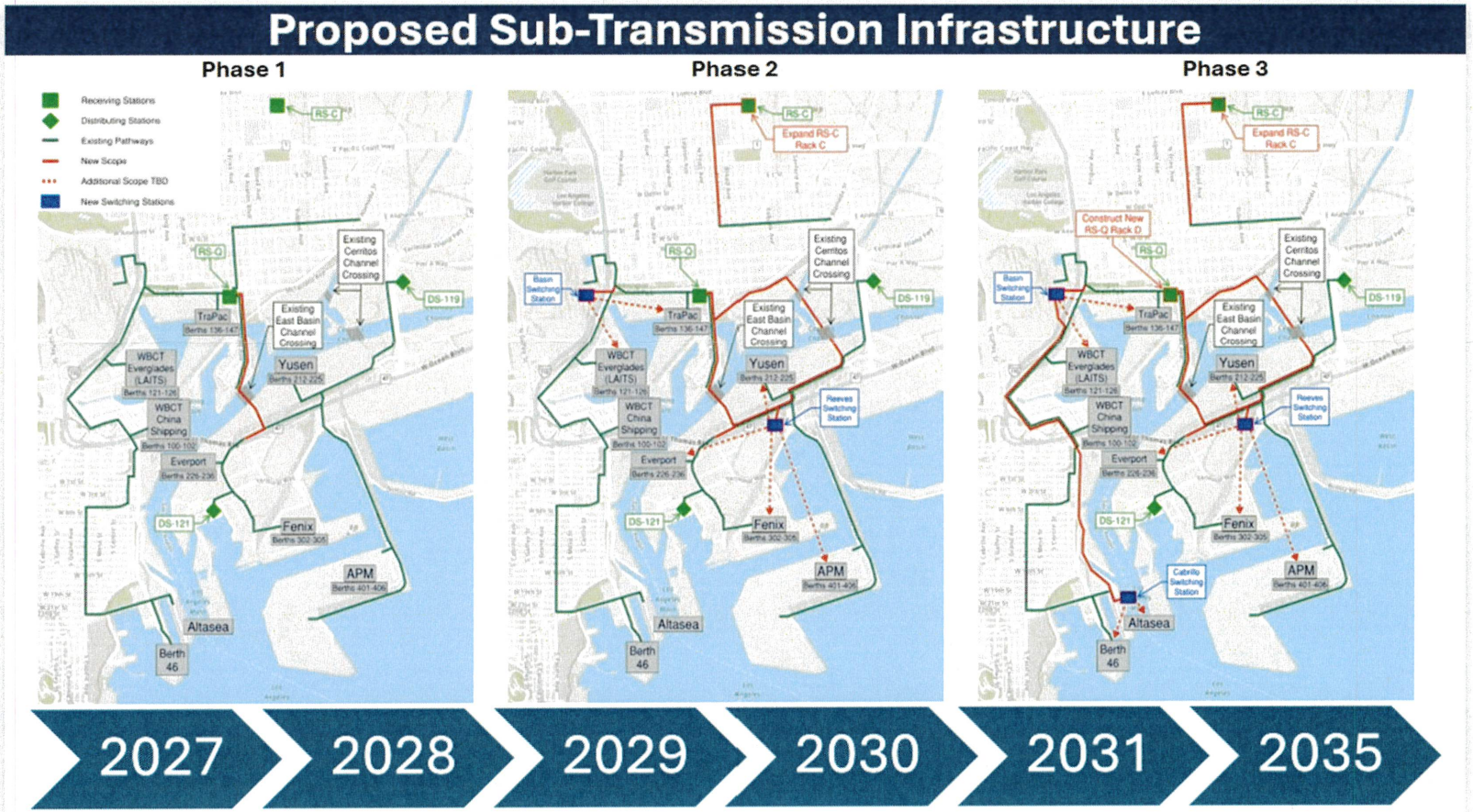
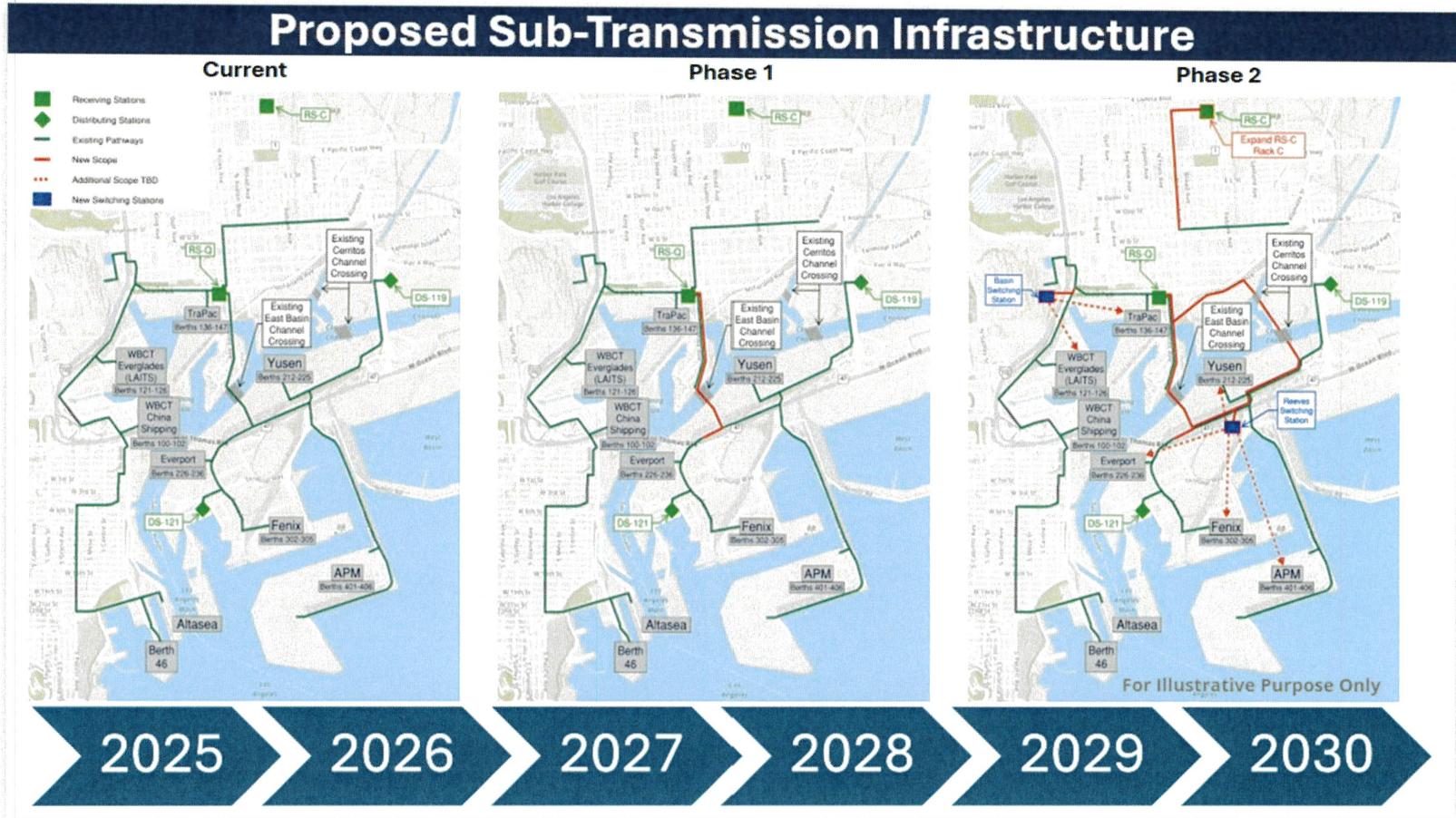


EXHIBIT "B" – POLA ELECTRIFICATION PROJECT – FINANCIAL ALLOCATION SUMMARY

Scope of Work for 34.5 kV Distribution Pathways	Financial Responsibility		
	LADWP	LAHD	
		LADWP Scope	LAHD Scope*
Segment A (RS-C to RS-Q)	\$ 15,059,000.00		
Segment B (RS-C to RS-Q)	\$ 7,286,000.00		
Segment C (RS-C to RS-Q)	\$ 17,002,000.00		
Segment D (RS-Q to DS-3)		\$ 15,223,000.00	\$ 34,401,000.00
Segment E (DS-3 to Vincent Thomas Bridge)		\$ 9,424,000.00	\$ 21,296,000.00
Segment F (RS-Q to East Basin Channel)		\$ 11,171,000.00	\$ 26,591,000.00
Segment G (East Basin Channel to Yusen to APM)		\$ 21,450,000.00	\$ 47,124,000.00
Segment H (East Basin Channel Crossing)		\$ 1,788,000.00	\$-
Segment I (East Basin to Terminal Island)		\$ 7,864,000.00	\$ 17,279,000.00
Segment TIGS (Terminal Island Grade Separation)		\$ 7,692,000.00	\$ 16,601,000.00
Segment J (RS-Q to Cerritos Channel)		\$ 5,052,000.00	\$ 11,310,000.00
Segment K (Cerritos Channel)		\$ 2,145,000.00	\$ 4,712,000.00
Segment L (Cerritos Channel to Terminal Island)		\$ 10,725,000.00	\$ 23,562,000.00
Segment M (Vincent Thomas Bridge to Cabrillo SS)		\$ 10,461,000.00	\$ 23,416,000.00
Segment N (Everport and FMS)		\$ 4,361,000.00	\$ 9,582,000.00
Directional Drill (East Basin Channel)		\$-	\$ 15,000,000.00
SubTotal	\$ 39,347,000.00	\$ 107,356,000.00	\$ 250,874,000.00
Project Contingency 20%	\$ 7,869,400.00	\$ 21,471,200.00	\$ 50,174,800.00
TOTAL	\$ 47,216,400.00	\$ 128,827,200.00	\$ 301,048,800.00
		PROJECT TOTAL	\$ 477,092,400.00

Scope of Work Receiving Stations	Financial Responsibility		
	LADWP	LAHD	
		LADWP Scope**	LAHD Scope***
Receiving Station C (RS-C) Rack C Expansion			
RS C (Rack C Extension) System Modifications	\$ 12,500,000.00		
Receiving Station Q (RS-Q)			
Rack A, B, and C (New Future Circuits)	\$ 8,667,000.00		
A1 Reconfiguration and 2 New Postions	\$ 4,167,000.00		
New Rack D (10 Positions)	\$ 25,000,000.00		
Reeves Switching Station		\$ 65,000,000.00	\$ 19,500,000.00
Basin Switching Station		\$ 23,750,000.00	\$ 7,200,000.00
Cabrillo Switching Station		\$ 25,000,000.00	\$ 7,500,000.00
SubTotal	\$ 50,334,000.00	\$ 113,750,000.00	\$ 34,200,000.00
Project Contingency 20%	\$ 10,066,800.00	\$ 22,750,000.00	\$ 6,840,000.00
TOTAL	\$ 60,400,800.00	\$ 136,500,000.00	\$ 41,040,000.00
		PROJECT TOTAL	\$ 237,940,800.00

*LAHD Scope will have no cost for Segement H . Exisitng conduit infrastructure will be utilized . Cable installation will only be needed.

**These costs only include electrical equipping of the stations. Core and shell are shown in "LAHD Scope"

***Core and Shell costs are estimated at 30% of "LADWP Scope" (Cost to Electrically Equip Switching Stations).

TOTAL LADWP	\$ 107,617,200.00
TOTAL LAHD	\$ 607,416,000.00
ZEPEO TOTAL PROJECT COST	\$ 715,033,200.00

EXHIBIT "C" DISPUTE RESOLUTION LADDER

Mayor, City of Los Angeles

LADWP-POWER	LAHD						
General Manager	Chief Executive Officer Eugene D. Seroka						
Senior Assistant General Manager	Deputy Executive Director, Development Dina Aryan-Zahlan, P.E.						
Assistant General Manager	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center; padding: 5px;">Chief Harbor Engineer, Engineering James C. Brown, P.E.</td> <td style="width: 50%; text-align: center; padding: 5px;">Chief Harbor Engineer, Construction Shaun Shahrestani, P.E.</td> </tr> </table>	Chief Harbor Engineer, Engineering James C. Brown, P.E.	Chief Harbor Engineer, Construction Shaun Shahrestani, P.E.				
Chief Harbor Engineer, Engineering James C. Brown, P.E.	Chief Harbor Engineer, Construction Shaun Shahrestani, P.E.						
Director of Power Design & Construction Director of Power New Business and Electrification	Assistant Chief Harbor Engineer, Engineering Salvador S. Zambrano, P.E.						
Power Design & Construction Managers Power New Business and Electrification Manager							
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; padding: 5px;">Project Management Project Manager Samuel Alvarado (213) 367-5124</td> <td style="width: 33%; padding: 5px;">Conduit Design Civil Engineer</td> <td style="width: 33%; padding: 5px;">Substation Design Receiving Station Design Electrical Engineer</td> </tr> <tr> <td></td> <td></td> <td style="padding: 5px;">Large Customer Station Electrical Engineer</td> </tr> </table>	Project Management Project Manager Samuel Alvarado (213) 367-5124	Conduit Design Civil Engineer	Substation Design Receiving Station Design Electrical Engineer			Large Customer Station Electrical Engineer	
Project Management Project Manager Samuel Alvarado (213) 367-5124	Conduit Design Civil Engineer	Substation Design Receiving Station Design Electrical Engineer					
		Large Customer Station Electrical Engineer					

