



**SERVICES AGREEMENT**

**No.** \_\_\_\_\_

This Services Agreement (“Agreement”), dated as of \_\_\_\_\_, is entered into by and between **Puget Sound Energy, Inc.** (“PSE”) and \_\_\_\_\_ (“Consultant”). PSE and Consultant are collectively referred to as the “Parties”.

The Parties agree as follows:

*Section 1. The Services*

- 1.1** Consultant shall perform the services described in the scope of work attached hereto as Schedule A (the “Scope of Work” or “SOW”). All such services and other items furnished or required to be furnished, together with all other obligations performed or required to be performed, by Consultant under this Agreement are collectively referred to in this Agreement as the “Services”.
- 1.2** Except as otherwise specifically provided by PSE, Consultant shall be responsible for providing for itself, at its own expense, all goods and services necessary for Consultant to complete the Services, including but not limited to all labor, equipment, software, data, and other materials.
- 1.3** The Parties acknowledge that it is not always possible to list every task that must be performed as part of the Services. Unless specifically excluded, tasks that are reasonably necessary to complete the Services, but which might not be specifically listed in the SOW, shall be performed by Consultant as part of the Services without any increase in the compensation otherwise payable under this Agreement.
- 1.4** The SOW related to this Agreement is incorporated herein by reference and made a part hereof. In the event of any conflict between the terms of this Agreement and the SOW, this Agreement shall control. Notwithstanding the foregoing sentence, if the SOW by its terms expressly provides that certain provisions therein shall control over certain specified provisions in this Agreement, then to the extent such provisions in the SOW conflict with the specified provisions in this Agreement, the SOW shall control.



**Section 2. Schedule**

- 2.1** If a schedule for performance of any Services is specified, Consultant shall commence, perform and complete such Services in accordance with such schedule.
- 2.2** If a schedule for performance of any Services is not specified, Consultant shall commence such Services upon notice to proceed from PSE and shall thereafter diligently perform such Services to completion.

**Section 3. Compensation**

- 3.1** Subject to the terms and conditions of this Agreement, PSE shall pay Consultant the compensation described in the SOW as full compensation for the satisfactory performance of the Services.
- 3.2** Unless otherwise provided for in the SOW, Consultant shall submit to PSE, within thirty (30) days after the end of each calendar month, Consultant's invoice for the compensation payable under this Agreement for the Services performed during such month. Each of Consultant's invoices shall set forth a detailed description of the Services performed during the applicable month, the number of hours spent performing such Services, the dates on which such Services were performed, and a detailed itemization of any reimbursable costs and expenses incurred in connection with such Services. Consultant shall provide such receipts, documents, compensation segregations, time sheets, information and other items as PSE may reasonably request to verify the invoice.
- 3.3** Consultant shall place the number of this Agreement on all of its invoices. Consultant shall submit such invoices by mailing to PSE at its address for notices under this Agreement or such other address as PSE may specify in writing. PSE may change such address for invoices by giving Consultant written notice of the change.
- 3.4** Any sales, service, use, consumption or other similar taxes imposed upon the Services shall be separately disclosed and added to the amount of each invoice unless PSE provides Consultant with appropriate evidence of a tax exemption claimed for the relevant jurisdiction(s). In no event shall PSE be obligated to pay or reimburse Consultant for any taxes based on Consultant's net income, gross receipts or property, or for withholding and payroll taxes with respect to any wages or other compensation payable to Support (as defined below in Section 4.1).
- 3.5** PSE shall pay each of Consultant's invoices within thirty (30) days after PSE's receipt and verification thereof; provided, however, that if PSE disputes in good faith any portion of a valid invoice it may withhold



payment in respect of such disputed amount, provided it pays the undisputed portion of the valid invoice within 30 days. PSE shall be entitled to set-off any amount due and payable to it from and against amounts held to the credit of Consultant on any account, whether under this Agreement or otherwise. This is without prejudice to any other rights or remedies available to PSE under this Agreement or otherwise.

- 3.6** No payment by PSE shall constitute acceptance of, or a waiver of PSE's rights with respect to, any Services not in accordance with the terms of this Agreement or a SOW.

**Section 4. Performance by Consultant**

- 4.1** Consultant shall not (by contract, operation of law or otherwise) delegate or subcontract performance of any Services to any third party not specifically identified in the SOW without the prior written consent of PSE. Any such delegation or subcontracting without PSE's prior written consent shall constitute a material default of this Agreement. No delegation or subcontracting of performance of any of the Services, with or without PSE's prior written consent, shall relieve Consultant of its responsibility to perform the Services in accordance with this Agreement. Consultant shall be fully responsible for the performance, acts and omissions of Consultant's employees and subcontractors and any other person who performs Services on Consultant's behalf (collectively, the "Support").
- 4.2** Consultant shall at all times be an independent contractor and not an agent or representative of PSE with regard to performance of the Services. Consultant shall not represent that it is, nor hold itself out as, an agent or representative of PSE. In no event shall Consultant be authorized to enter into any agreement or undertaking for or on behalf of PSE.
- 4.3** Consultant shall perform the Services in a timely manner and in accordance with the SOW and the standards of Consultant's profession. At the time of performance, Consultant shall be properly licensed, equipped, organized and financed to perform the Services in accordance with this Agreement. Subject to compliance with the requirements of this Agreement, Consultant shall perform the Services in accordance with its own methods.
- 4.4** Consultant shall fully cooperate with PSE and coordinate the Services with related work performed by PSE and others. If any Services depend upon the results of work performed by PSE or others, Consultant shall, prior to commencing such Services, notify PSE of any actual or apparent deficiencies or defects in such other work that render such other work unsuitable for performance of the Services.



- 4.5** Consultant shall not hire any employee of PSE to perform any of the Services. Consultant shall employ persons to perform the Services who are fully experienced and properly qualified. Consultant shall, if so requested by PSE, remove from performance of the Services any person PSE determines to be incompetent, careless or otherwise objectionable. Without limitation of the foregoing, Consultant shall assign to perform the Services the personnel specifically listed in the SOW and shall not (for so long as they remain in Consultant's employ) reassign or remove any of them without the prior written consent of PSE. If any such personnel leave Consultant's employ or are reassigned or removed by Consultant, Consultant shall replace them with personnel approved by PSE.
- 4.6** Consultant shall promptly pay, and secure the discharge of any liens asserted by, all Support. Consultant shall furnish to PSE such releases of claims and other documents as may be requested by PSE to evidence such payment and discharge.
- 4.7** Consultant shall take all reasonable precautions to protect against any bodily injury (including death) or property damage that may occur in connection with the Services. Without limiting the generality of the foregoing, Consultant shall provide all required safety equipment, safe tools and a safe work place for all Support.
- 4.8** Acceptance of each of the Services ("Acceptance") shall be determined in accordance with the procedure set forth in this Agreement and the SOW. If no acceptance procedure is set forth therein, then Acceptance shall be deemed to have occurred ten (10) business days after Completion of the applicable Services if PSE has not otherwise notified Consultant that the Services are not approved. PSE shall not unreasonably withhold its Acceptance. If any Services are not Accepted, Consultant shall promptly re-perform the applicable Services and allow PSE another ten (10) business days to review. In order for "Completion" of the applicable Services to have occurred, Consultant must provide to PSE an acceptance form that conforms with the template PSE provides, and which will clearly identify the Services by name, the date of Completion (which shall be no earlier than the date the form is delivered to PSE), and include a space for comments and PSE's Acceptance signature. As full compensation for satisfactory performance of the applicable Services, where "satisfactory" means the Services have received Acceptance, PSE shall pay Consultant the applicable compensation described in the SOW, including adjustment, if any, in accordance with this Agreement. The making of (or failure or delay in making) such Approval shall not relieve Consultant of responsibility for performance of the Services in accordance with this Agreement.



## **Section 5. Compliance with Laws**

- 5.1** Consultant and Support shall comply with all applicable laws, ordinances, rules, regulations, orders, licenses, permits and other requirements, now or hereafter in effect, of any governmental authority (including, but not limited to, such requirements as may be imposed upon PSE and applicable to the Services). Consultant shall furnish such documents as may be required to effect or evidence such compliance. All laws, ordinances, rules, orders required to be incorporated in agreements of this character are incorporated in this Agreement by this reference.
- 5.2** Except as may be restricted by federal, state or local laws or regulations, PSE will grant Consultant access to PSE's premises or IT systems as necessary to perform the Services. Consultant acknowledges that certain portions of PSE's premises may have restricted access and require prior authorization or a PSE designated escort to allow Consultant access. If notified by PSE that access is restricted, Consultant shall comply with federal, state or local laws or regulations requiring background checks and drug and alcohol testing of employees prior to performing work at the project site. No work can begin until these requirements have been met.
- 5.3** PSE has entered into this agreement with Consultant based upon PSE's reasonable belief that Consultant, like PSE, adheres to the strictest of ethical standards. In connection therewith, Consultant has reviewed PSE's Corporate Ethics and Compliance Code, available at <http://www.pse.com/aboutpse/CorporateInfo/Pages/Our-Ethics.aspx>. Consultant warrants that it and its Support will not, directly or indirectly, offer, promise, authorize or give anything of value to a government official, a political party, a candidate for political office or any other person connected to a government in any way, or authorize the giving of anything of value to a government official, a candidate for political office, or any other person connected to a government in any way, for the purposes of: (a) influencing an act or decision of that government official (including a decision not to act) in connection with PSE's business or in connection with Consultant's business with PSE; or (b) inducing such a person to use his or her influence to affect any government act or decision in connection with PSE's business or in connection with Consultant's business with PSE. Consultant further warrants that neither it nor any of its Support have offered or given, or will offer or give, any gifts or gratuities to PSE employees, agents or representatives for the purpose of securing this agreement or securing favorable treatment under this agreement. In addition, Consultant will notify PSE immediately if any of its employees, officers or principals are officials or representatives of any government or are candidates for such government positions. Any breach of this provision by Consultant shall constitute a material breach of the Contract and shall immediately entitle PSE to terminate the Contract for cause.



## **Section 6. Inspection; Examination of Records**

- 6.1 The Services shall at all times be subject to inspection by and with the approval of PSE, but the making of (or failure or delay in making) such inspection or approval shall not relieve Consultant of responsibility for performance of the Services in accordance with this Agreement, notwithstanding PSE's knowledge of defective or noncomplying performance, its substantiality, or the ease of its discovery. Consultant shall provide PSE sufficient, safe and proper facilities and equipment for such inspection and free access to such facilities.
- 6.2 Consultant shall promptly furnish PSE with such information related to the Services as may be requested by PSE. Until the expiration of three (3) years after final payment of the compensation payable under this Agreement, Consultant shall provide PSE access to (and PSE shall have the right to examine, audit and copy) all of Consultant's books, documents, papers and records that are related to the Services or this Agreement

## **Section 7. Property and Confidential Information**

- 7.1 PSE shall own all software, writings, information, and other property, whether tangible or intangible, created, made, developed, first reduced to practice or acquired by Consultant or any Support in connection with the Services (including, but not limited to, inventions, processes, methods, concepts, documents, drawings, specifications, calculations, maps, sketches, notes, reports, data, estimates, models, samples, completed Services and Services in progress) whether or not delivered to PSE. Consultant assigns to PSE, and shall require all Support to assign to PSE, any and all patent, copyright, trade secret and other intellectual property rights that Consultant or any Support may have in and to such items. Consultant has rights in such items pursuant to paragraph 7.3. Consultant shall take such action (including, but not limited to, the execution, acknowledgment and delivery of documents) as may be requested by PSE to effect, perfect or evidence PSE's ownership of such property. Consultant shall deliver such property (together with any property furnished by PSE or the cost of which is included in the compensation payable under this Agreement) to PSE upon request and in any event upon the completion, termination or cancellation of this Agreement.
- 7.2 If Consultant or any Support uses, provides, or incorporates into any deliverables any pre-existing items or other tangible or intangible materials of any nature that are not covered by paragraph 7.1, then PSE is hereby granted a worldwide, non-exclusive, perpetual, irrevocable,



royalty free, fully paid up, sublicensable right: (a) to make, use, copy, modify, and create derivative works of such items, and (b) to publicly perform or display, import, broadcast, transmit, distribute, license, or lend copies of such items (and derivative works thereof).

- 7.3** Except to the extent they contain PSE Confidential Information or PSE Information (as defined in Section 7.4 and 7.5 below), Consultant reserves a permanent, nonassignable, nonexclusive royalty-free license to use in its performance of services for others any items assigned to PSE in paragraph 7.1.
- 7.4** As used in this Agreement, “Confidential Information” means all information previously or subsequently received by Consultant in connection with this Agreement that is identified as being proprietary and/or confidential, or that, by the nature of the circumstances surrounding the disclosure, reasonably ought to be treated as proprietary and confidential. Confidential Information does not include information Consultant can prove (i) was or becomes generally available through no breach of an obligation of confidentiality; (ii) was already in the possession of Consultant at the time received in connection with this Agreement without any prior obligation of confidentiality; (iii) was lawfully obtained by Consultant from a third party without breach of an obligation of confidentiality; or (iv) was required to be disclosed by applicable law. Consultant shall not disclose or use Confidential Information except as necessary to perform the Services.
- 7.5** PSE exclusively owns all PSE Information. “PSE Information” is any information about persons or entities that Consultant obtains in any manner from any source under this Agreement, which concerns prospective and existing customers or employees of PSE, or any third party PSE has a business relationship with. PSE Information includes, without limitation, names, addresses, telephone numbers, e-mail addresses, social security numbers, credit card numbers, call-detail information, purchase information, product and service usage information, account information, credit information and demographic information. Consultant (a) may collect, access, use, maintain and disclose PSE Information only for the specific purpose for which such PSE Information is collected, stored or processed by Consultant in order to perform the Services, and (b) shall not otherwise use or disclose PSE Information, whether or not it is publicly available.
- 7.6** Consultant shall immediately notify PSE of any actual, probable or reasonably suspected breach of security of Consultant’s systems and of any other actual, probable or reasonably suspected unauthorized access to or acquisition, use, loss, destruction, compromise or disclosure of any Confidential Information of PSE, including without limitation any PSE



Information (each, a “Security Breach”). In any notification to PSE required under this paragraph, Consultant shall designate a single individual employed by Consultant who must be continuously available to PSE as a contact regarding Consultant’s obligations under this paragraph. Consultant shall, at its own expense (a) assist PSE in investigating, remedying and taking any other action PSE deems necessary regarding any Security Breach and any dispute, inquiry or claim that concerns the Security Breach; and (b) shall provide PSE with assurance satisfactory to PSE that such Security Breach or potential Security Breach will not recur. Unless prohibited by an applicable statute or court order, Consultant shall also notify PSE of any third-party legal process relating to any Security Breach, including, but not limited to, any legal process initiated by any governmental entity (foreign or domestic).

- 7.7 Upon termination of this Agreement, or upon the request of PSE, Consultant shall return, or at PSE’s option destroy, any and all Confidential Information. Consultant shall certify in writing the completion of such return or destruction. The obligations of this paragraph shall survive termination of this Agreement.
- 7.8 Except as may be required by law, neither party to this Agreement shall, without the prior written consent of the other, make any news release or public announcement or place any advertisement stating that PSE and Consultant have contracted for the products or services specified in this Agreement or have entered into any business relationship. Use of any PSE name, trademark or service mark in any promotional materials of Consultant requires PSE’s prior written approval, which is subject to the sole discretion of PSE to grant or withhold. In the event that PSE approves the use of its name, trademark, or service mark in any announcement, news release or promotional materials of Consultant, all of the contents shall be submitted to PSE’s Corporate Communications Department for review prior to any publication by Consultant.

**Section 8. Release, Indemnity and Hold Harmless**

- 8.1 Consultant releases and shall defend, indemnify and hold harmless PSE, its subsidiaries and affiliates, and each of their respective shareholders, directors, officers, employees, representatives and agents from and against any and all claims, costs, losses, liabilities, damages, fines, and expenses of any nature (including, without limitation, reasonable attorneys’ fees and costs) that arise out of or relate to, directly or indirectly, any actual or alleged:
  - (a) fault, negligence, professional error or omission, strict liability or product liability of Consultant or any Support in connection with this Agreement;





- (b) lien asserted by any Support or any supplier or vendor of Consultant upon any property of PSE in connection with this Agreement;
  - (c) infringement or misappropriation of any patent, copyright, trade secret, trademark or other intellectual property right by any deliverables or Services;
  - (d) act, error or omission of any Support that, if done by Consultant, would be a breach or default under this Agreement; or
  - (e) breach or default under this Agreement by Consultant.
- 8.2** In connection with any action to enforce Consultant's obligations under this Section 8, Consultant waives any immunity, defense or protection under any workers' compensation, industrial insurance or similar laws (including, but not limited to, the Washington Industrial Insurance Act, Title 51, of the Revised Code of Washington).
- 8.3** Consultant acknowledges that the foregoing provisions regarding indemnification and waiver are an important part of the consideration for PSE to enter into this Agreement, and that the foregoing waiver provision has been mutually negotiated.

### **Section 9. Workers' Compensation and Insurance**

- 9.1** With respect to all persons performing the Services, Consultant or its Support shall secure and maintain in effect at all times during performance of the Services coverage of insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance (including, but not limited to, the Washington Industrial Insurance Act and the laws of the jurisdiction in which any such person was hired), regardless of whether such coverage or insurance is mandatory or merely elective under the law. Consultant shall furnish to PSE such assurance and evidence of such coverage or insurance (such as copies of insurance policies and Certificates of Compliance issued by the Washington State Department of Labor and Industries) as PSE may request.
- 9.2** Consultant shall secure and maintain insurance with provisions, coverages and limits as specified in the attached certificate of insurance, endorsement and/or schedule of insurance requirements or, if none is attached, with such provisions, coverages and limits as PSE may from time to time specify to protect PSE, its successors and assigns, and the respective directors, officers, employees, and agents of PSE and its successors and assigns (collectively, the "Additional Insureds") from any



claims, losses, harm, costs, liabilities, damages and expenses (including, but not limited to, reasonable attorneys' fees) that may arise out of any property damage, bodily injury (including death) or professional liability related to the Services. Upon PSE's request, Consultant shall furnish PSE with such additional assurance and evidence of such insurance (such as a certificate of insurance or copies of all insurance policies) as PSE may request. Within thirty (30) days after any renewal or any notice of termination, cancellation, expiration or alteration in any policy of insurance required under this Agreement, Consultant shall deliver to PSE a certificate of insurance acceptable to PSE with respect to any replacement policy.

- 9.3** All policies of insurance required under this Agreement shall:
- (a) be placed with such insurers and under such forms of policies as may be acceptable to PSE;
  - (b) with the exception of workers' compensation, employer's liability and professional liability insurance, be endorsed to name the Additional Insureds as additional insureds;
  - (c) be primary insurance with respect to the interests of the Additional Insureds;
  - (d) any insurance or self-insurance maintained by any of Additional Insureds shall be excess and non-contributory insurance with respect to the insurance required hereunder;
  - (e) with the exception of workers' compensation, employer's liability and professional liability insurance, apply severally and not collectively to each insured against whom any claim is made or suit is brought, except that the inclusion of more than one insured shall not operate to increase the insurance company's limits of liability as set forth in the insurance policy; and
  - (f) provide that the policies shall not be canceled or their limits or coverage reduced or restricted without giving at least 30 days prior written notice to the Purchasing Department of Puget Sound Energy, Inc., PO Box 97034, (EST-07E) Bellevue, WA 98009-9734
- 9.4** Consultant shall ensure that any policy of insurance that Consultant or any Support carry as insurance against property damage or against liability for property damage or bodily injury (including death) shall include a provision providing a waiver of the insurer's right to subrogation against each of the Additional Insureds. To the extent permitted by its policies of



insurance, Consultant hereby waives all rights of subrogation against each of the Additional Insureds.

- 9.5** The requirements of this Agreement as to insurance and acceptability to PSE of insurers and insurance to be maintained by Consultant are not intended to and shall not in any way limit or qualify any other obligation of Consultant under this Agreement.
- 9.6** Consultant must report to PSE any OSHA recordable injuries that occur while performing work on behalf of PSE. A recordable injury includes any injury that results in treatment beyond first aid, restricted workdays, and/or lost workdays. Consultant will report its OSHA recordable injuries for the previous month by the 5th day of each month (e.g. all October OSHA recordable injuries are reported by November 5th). The first report will be due the 5th day of the month following commencement of the Services. Consultant shall use the form included with this Agreement when reporting the injuries. When completed, the form shall be sent to [Consultantsafety@pse.com](mailto:Consultantsafety@pse.com).

**Section 10. Changes**

- 10.1** PSE may at any time, by written notice thereof to Consultant, make changes in the Services within the general scope of this Agreement (including, but not limited to, additions to or deletions from any Services, suspension of performance and changes in the schedule and location of performance). If applicable, PSE and Consultant will follow the change process set forth in the SOW.
- 10.2** If any change under paragraph 10.1 causes an increase or decrease in the cost of or the time required for performance of the Services, an equitable adjustment in the compensation and schedule under this Agreement shall be made to reflect such increase or decrease, and this Agreement shall be modified in writing accordingly. Such equitable adjustment shall constitute full compensation to Consultant for such change. If any change under paragraph 10.1 results in a decrease in the Services to be performed, Consultant shall not be entitled to anticipated profit on Services not performed, and the loss of anticipated profit shall not affect the reduction in Consultant's total compensation resulting from such decrease. Further, Consultant shall not be entitled to any reallocation of cost, profit or overhead.
- 10.3** Notwithstanding any dispute or delay in arriving at a mutually acceptable equitable adjustment under paragraph 10.2, Consultant shall immediately proceed with performance of the Services as changed pursuant to paragraph 10.1 or pursuant to the SOW. If Consultant intends to assert a claim for equitable adjustment under paragraph 10.2, Consultant must,



within fifteen (15) days after Consultant's receipt of any notice under paragraph 10.1 that does not set forth an acceptable adjustment, submit to PSE a written statement of the basis and nature of the adjustment claimed. Consultant shall not be entitled to any adjustment unless such written statement is submitted by Consultant to PSE within the applicable fifteen (15) day period.

### **Section 11. Correction of Noncompliances**

- 11.1 Consultant shall, at its expense, promptly and satisfactorily correct any Services found to be defective or not in compliance with the requirements of this Agreement.
- 11.2 If PSE directs Consultant to correct defective or noncomplying Services or to otherwise achieve compliance with this Agreement and Consultant thereafter fails to comply or indicates its inability or unwillingness to comply, then PSE may, upon ten (10) days' advance written notice to Consultant of PSE's intention to do so, correct (or cause to be corrected) the defect or noncompliance or otherwise achieve compliance by the most expeditious means available to it (by contract or otherwise) and charge to or otherwise recover (e.g., by offset against compensation payable under this Agreement) from Consultant the cost thereof.
- 11.3 PSE's right to make corrections and otherwise achieve compliance and recover from Consultant the cost thereof is in addition to all other rights and remedies available to PSE under this Agreement or otherwise by law and shall in no event be construed or interpreted as obligating PSE to make any correction of defective or noncomplying Services or to otherwise achieve compliance with this Agreement. Consultant's obligation to correct defective or noncomplying Services shall not in any way limit or qualify any other obligation of Consultant under this Agreement. Further, Consultant's obligations shall not be limited or qualified in any way because of any rights PSE has, or exercises, under this Section 11.

### **Section 12. Termination**

- 12.1 PSE may at any time, by written notice thereof to Consultant, terminate this Agreement as to all or any portion of the Services not then performed, whether or not Consultant is then in breach or default. Upon receipt of any such notice of termination, Consultant shall, except as otherwise directed by PSE, immediately stop performance of the Services to the extent specified in such notice and deliver to PSE any work in process or deliverables, regardless of their level of completion.



- 12.2** In the event of termination pursuant to paragraph 12.1, an equitable adjustment shall be made in the compensation payable to Consultant under this Agreement, provided that such compensation as so adjusted shall in no event exceed a percentage of the total compensation otherwise payable under this Agreement equal to the percentage of the Services satisfactorily completed at the time of termination. Further, Consultant shall not be entitled to any reallocation of cost, profit or overhead. Consultant shall not in any event be entitled to anticipated profit on Services not performed on account of such termination. Consultant shall use its best efforts to minimize the compensation payable under this Agreement in the event of such termination.

**Section 13. Miscellaneous**

- 13.1** Any notice, request, designation, direction, statement or other communication under this Agreement shall be (i) in writing (ii) delivered to the intended recipient at the address, to the attention of, and in the manner specified in the SOW and (iii) effective upon receipt. Either party may change its address specified in a SOW by giving the other party notice of such change in accordance with this paragraph.
- 13.2** Consultant shall not (by contract, operation of law or otherwise) assign this Agreement or any right or interest in this Agreement without the prior written consent of PSE. For the purposes of the foregoing, any transfer of a controlling interest in Consultant (e.g., by a transfer of securities or otherwise) shall be deemed an assignment of this Agreement. Any assignment without PSE's prior written consent shall be voidable at PSE's option. No such assignment, with or without PSE's prior written consent, shall relieve Consultant from its responsibility to perform the Services in accordance with this Agreement. Subject to the foregoing restriction on assignment by Consultant, this Agreement shall be fully binding upon, inure to the benefit of and be enforceable by the successors, assigns and legal representatives of the Parties.
- 13.3** PSE may engage an independent third party to conduct an information security audit of Consultant's systems from time to time, the costs and expenses of which shall be borne by PSE. If any such audit reveals a material vulnerability in Consultant's systems, PSE shall notify Consultant of such vulnerability and Consultant shall promptly correct each such vulnerability at its sole cost and expense. Consultant shall certify in writing to PSE that it has corrected all such vulnerabilities. If any audit performed under this paragraph reveals a material vulnerability in Consultant's systems, then Consultant shall bear (and if applicable, shall reimburse PSE for) all costs and expenses of such audit.



- 13.4** The failure of PSE to insist upon or enforce strict performance by Consultant of any of the provisions of this Agreement or to exercise any rights under this Agreement shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon any such provisions or rights in that or any other instance; rather, the same shall be and remain in full force and effect.
- 13.5** The obligations of Consultant under Sections 6, 7, 8, 11, 12 and 13, and all provisions of this Agreement that may reasonably be interpreted or construed as surviving the completion, termination or cancellation of this Agreement, shall survive the completion, termination or cancellation of this Agreement.
- 13.6** The rights and remedies of PSE set forth in any provision of this Agreement are in addition to and do not in any way limit any other rights or remedies afforded to PSE by any other provision of this Agreement or by law.
- 13.7** This Agreement sets forth the entire agreement of the Parties, and supersedes any and all prior agreements with respect to the Services. No amendment or modification of any provision of this Agreement (other than changes pursuant to Section 10) shall be valid unless set forth in a written amendment to this Agreement signed by both Parties.
- 13.8** The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted. The headings of sections of this Agreement are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections.
- 13.9** Consultant shall not commence or prosecute any suit, proceeding or claim to enforce the provisions of this Agreement, to recover damages for breach or default under this Agreement, or otherwise arising under or by reason of this Agreement, other than in the state and federal courts sitting in King County, Washington. Consultant hereby irrevocably consents to the jurisdiction of the courts of the State of Washington with venue laid in King County, and of the U.S. District Court for the Western Division District of Washington in Seattle, Washington.
- 13.10** This Agreement shall be interpreted, construed and enforced in all respects in accordance with the laws of the State of Washington without reference to any choice of law principles to the contrary.



**PSE** PUGET SOUND ENERGY

*2011 Demand Response RFP • Exhibit I*

- 13.11** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

*--Signature page follows—*



**PUGET SOUND ENERGY**

*2011 Demand Response RFP • Exhibit I*

Intending to be legally bound, PSE and Consultant have caused their duly authorized representatives to execute this Services Agreement in the space provided below.

**PSE:**

**Consultant:**

**Puget Sound Energy, Inc.**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_





**PSE** PUGET SOUND ENERGY

*2011 Demand Response RFP • Exhibit I*

**SCHEDULE A**

**STATEMENT OF WORK**



**SCHEDULE B**

**OSHA RECORDABLE INJURY REPORT**

<b>Consultant Injury/Illness</b>	
<b>Name of Consultant:</b>	
<b>Date of Incident:</b>	
<b>Where Incident Occurred:</b>	
<b>Severity of Incident: (*Recordable/**Lost Time)</b>	
<b>Short Description of Incident:</b>	

**\*Recordable Injury:** Work-related injury that involved medical treatment beyond first aid, restricted workdays, and/or lost workdays.

**\*\*Lost Time:** One or more days away from work due to injury (not including day of injury).