

PROFESSIONAL SERVICES AGREEMENT

Avista Contract No. R- [REDACTED]

This Professional Services Agreement (“Agreement”) is entered into between Avista Corporation (“Avista”), a Washington corporation, and [REDACTED] (“Consultant”), a [REDACTED], (sometimes, individually, a “Party” and collectively, the “Parties”).

Background and Purpose: Avista desires to retain the services of the Consultant to complete an objective, independent evaluation of Avista’s electric and natural gas decoupling (“Decoupling”) mechanisms (“Mechanisms”) approved by the Washington Utilities and Transportation Commission (“WUTC” or “Commission”), and the Consultant desires to provide the required Services in return for equitable compensation, subject to the terms of this Agreement. **Therefore, the Parties agree as follows:**

Section 1 Statement of Services and Scope of Services

- 1.1 Consultant shall furnish the labor and materials necessary to provide the Services in accordance with the conditions of this Agreement and the attached Statement of Work (“SOW”) incorporated into this Agreement as “Exhibit A”.
- 1.2 Consultant shall perform revisions to the Services in accordance with written Change Orders, mutually agreed to by the Parties. Change Orders will be incorporated into this Agreement by this reference upon execution by both Parties.

Section 2 Term of Agreement

This Agreement will become effective as of the last date of execution set forth below and remain in effect until [REDACTED], unless terminated at an earlier date in accordance with the terms of this Agreement or extended by mutual written Agreement between the Parties.

Section 3 Compensation

- 3.1 In return for the satisfactory performance of the Work, Avista will pay the Consultant in the amount of \$_____ (plus tax); payable in accordance with the attached Pricing Proposal incorporated into this Agreement as “Exhibit B” .
- 3.2 State, and local sales and use taxes (if any) that are Avista’s responsibility must be shown on invoices as a separate line item; provided, however, that the Consultant shall be responsible for transmitting such sales tax payments to the appropriate taxing authority.
- 3.3 Invoices.
 - 3.3.1 Consultant’s invoices must include a detailed description of the Services performed, the number of labor-hours spent performing such Services, the dates on which such Services were performed, and any approved expenses. Further, invoices must be supported by such receipts, documents, compensation segregation, information, and other items requested by Avista.
 - 3.3.2 Consultant shall submit invoices to Accounts Payable at accountspayable@avistacorp.com. **Please Note:** References to **Org Code** [REDACTED] and **Contract No. R-**[REDACTED] must be placed on all invoices; failure to include these references and submitting invoices as set forth in this paragraph **will delay payment**. Unless otherwise agreed to by the Parties, payment for undisputed invoices will be due 30 days after receipt.
 - 3.3.3 Consultant shall: (i) keep detailed accounting records in support of all costs billed to Avista in accordance with generally recognized accounting principles and practices, and (ii) allow Avista (or its authorized audit representative), at any reasonable time or times, to examine, audit, and/or reproduce the records, vouchers, and their source documents, which serve as the basis for compensation, for a period of three (3) years after Consultant has completed, and Avista has accepted the Work.
- 3.4 Without limiting any other rights or remedies, Avista may withhold from payments owed to Consultant under this Agreement, the reasonable value of any claim against Avista which Consultant has failed to settle

pursuant to its obligations set forth thereunder, including but not limited to, sufficient funds to discharge any of Consultant's delinquent accounts for which liens on Avista's property have been or can be filed.

Section 4 Party Representatives

- 4.1 Avista's Representative, Joel Anderson, will be the point of contact for Avista in all matters requiring Avista's approval, acceptance, authorization, and/or notice, in connection with the Consultant's performance under this Agreement.
- 4.2 Consultant's Representative, [REDACTED], will be the point of contact for the Consultant in all matters in connection with Consultant's performance under this Agreement, including supervision of the Services furnished.

Section 5 Notices to the Parties

- 5.1 All notices, demands, requests, and other communications under this Agreement must be in writing and sent by mail (postage prepaid), or delivered to the other Party either electronically or by a recognized commercial courier, addressed as set forth below. Such notices, demands, requests and other communications will be deemed given as of the date delivered, or if sent electronically or by mail, upon receipt.
- 5.2 Notices to Avista:
 - Project/Technical Communications: Attention Joel Anderson, MSC-27
 - Invoices: In accordance with Subsection 3.3.2 above
 - Insurantee Notices: As set forth in Section 6 below
 - Legal/Contractual: Attention Supply Chain Management, MSC-33

At the following address:

Avista Corporation
1411 E. Mission Ave
PO Box 3727
Spokane, WA 99220-3727
Ref.: Avista Contract R-[REDACTED]

- 5.3 Notices to Consultant:

[REDACTED]
[REDACTED]
[REDACTED]

Attention: [REDACTED]

- 5.4 Either Party may change its address, designated Representative, or other point-of-contact or delegate by providing written notice to the other Party as set forth above.

Section 6 Insurance Requirements

Consultant shall secure, and, for the duration of this Agreement, continuously carry with insurance carriers licensed to conduct business in the state in which the Services are to be performed, the minimum level of insurance coverage identified below. Such carriers must have an A.M. Best rating of A-, Class VIII or better.

- 6.1 Workers Compensation/Employer's Liability: insurance coverage with respect to all persons performing the Services in accordance with the applicable laws of the state in which the Services are to be performed.
- 6.2 Commercial General Liability: insurance coverage, on an occurrence basis, with a minimum single limit of \$2,000,000 per claim. The coverage must include: (i) Bodily Injury and Property Damage Liability, (ii) Contractual Liability specifically related to the indemnity provisions of this Agreement, and (iii) Products and Completed Operations Liability to extend for a minimum of three (3) years past acceptance or termination of the Services.
- 6.3 Business Automobile Liability: insurance coverage with a minimum single limit of \$2,000,000 per claim for bodily injury and property damage with respect to Consultant's vehicles whether owned, hired or non-owned, assigned to, or used in the performance of the Services.

- 6.4 Professional Liability (Errors and Omissions): insurance coverage in a form acceptable to Avista, with a minimum single limit of \$2,000,000 per claim to cover claims arising out of Consultant's professional services under this Agreement. This policy must be maintained for five (5) years after Avista's acceptance of Consultant's Services.
- 6.5 Other Insurance Policy and Endorsement Requirements
- 6.5.1 The insurance coverages set forth above may be met by a combination of the dollar limit of the specified insurance type and an excess or umbrella insurance policy ("Umbrella Policy"), provided that the Umbrella Policy includes coverage for each specific insurance type to achieve the appropriate minimum coverage.
- 6.5.2 With the exception of Workers Compensation/Employer's Liability insurance coverage, the insurance policies set forth above must include (i) provisions or endorsements naming Avista, including its directors, officers, and employees, as additional insureds, and (ii) a provision that states that such insurance is primary insurance with respect to Avista's interests and that any other insurance maintained by Avista is excess and not contributory with the required insurance. Consultant shall notify Avista within 30 days of any cancellation or change in limits of liability of any required insurance coverage.
- 6.5.3 Unless specifically waived by Avista, in writing, a certificate of insurance and its respective endorsement(s) certifying to the issuance of the insurance coverages and endorsements required above, must be: (i) furnished to Avista at InsuranceCerts@avistacorp.com and (ii) accepted by Avista, prior to the start of any Services under this Agreement. The acceptance of the certificate of insurance by Avista is not intended to and will not reduce, limit, affect, or modify the primary obligations and liabilities of Consultant under the provisions of this Agreement. Noncompliance with the insurance requirements set forth in this Section 6 may be deemed a material breach of this Agreement, at Avista's sole option.
- 6.5.4 Consultant shall ensure that any insurance policy that Consultant or any subcontractor carries as insurance against property damage or against liability for property damage or bodily injury (including death) includes a provision that waives the insurer's right to subrogation against Avista as the additional insured. To the extent permitted by the policies of insurance, Consultant hereby waives all rights of subrogation against Avista as the additional insured.
- 6.5.5 Consultant shall require all subcontractors performing Services under this Agreement to secure and, for the duration of this Agreement, continuously carry with insurance carriers licensed to conduct business in the state in which the Services are to be performed, insurance policies in the levels set forth above. Nothing in this Subsection shall relieve Consultant of its obligations under this Agreement and its responsibility for all subcontractors performing Services under this Agreement.

Section 7 Background Check

- 7.1 Unless specifically waived by Avista, in writing, Consultant, Consultant's employees, and/or Consultant's subcontractors (singularly, an "Individual" and in the plural, "Individuals") assigned to perform the Work who: (i) require unescorted, physical access to an Avista facility; (ii) require network access to any Avista infrastructure; or (iii) are otherwise required by Avista (in its sole discretion) to obtain a background check before initiating the Work including, but not limited to, entering an Avista customer's home (each instance defined as "Access"), must clear a background check compiled either by ACRANET or another third-party service provider qualified to perform the background check that must include personal identity verification and confirmation that the applicable Individual has not been convicted of a felony within seven (7) years of the date of such background check ("Background Check").
- 7.2 Each Background Check must have been performed less than six (6) months prior to an Individual being granted Access, except in the case where an Individual is reassigned to a non-Avista project but remains employed by the Consultant company, in which case, a new Background Check will not be required if such Individual returns to Avista to provide services within one (1) year of such Individual's departure.

- 7.3 If an Individual has any severance of employment with the Consultant company (including suspension), such Individual's Access will be terminated and a new Background Check will be required prior to such Individual being granted Access.
- 7.4 Additionally, in the event Consultant's Agreement with Avista is terminated, each Individual's Access will be terminated and all Individuals will require new Background Checks prior to being granted Access.
- 7.5 Individuals will not be allowed Access to Avista facilities nor shall such Individuals initiate performance of the Work until Avista's Human Resource Department has received and approved the attached background check verification form ("Verification Form") incorporated into this Agreement as "Exhibit [redacted]".
- 7.6 Consultant must notify Avista within three (3) business days of learning that an Individual providing services to Avista under this Agreement has been convicted of a felony. Avista may, at its sole discretion, revoke such Individual's Access, immediately.
- 7.7 Upon request from Avista, Consultant shall provide backup documentation such as an invoice or other information requested by Avista directly from the background check provider that provides evidence that a Background Check was performed on an Individual. Such documentation must be redacted so that no Personally Identifiable Information regarding the Individual is visible and shall not include any actual results of the Background Check other than the required Pass/Fail information for verification of identity and felonies. Consultant is responsible for obtaining any required authorizations in order to produce such documentation to Avista and in no way is Avista responsible for any breaches of confidentiality by Consultant.
- 7.8 Avista retains the right to require updated Background Checks for Individuals when it has reasonable grounds to do so (e.g., a workplace violence incident or newly discovered information) to comply with this Section; state or federal laws, rules and regulations; or upon a change of assignment.
- 7.9 Background Checks must be kept current and must be repeated at least every seven (7) years.
- 7.10 Prior to accessing any Avista facility or if required for the field services identified under subsection 7.1 (iii) above, any Individual that requires a Background Check must obtain an identification badge ("Badge") from Avista's Security Operations Department, and must display such Badge at all times. Consultant must return all Badges to Avista after completing the Work, or Avista, at its sole discretion, may withhold payment from Consultant's most recent invoice until Consultant returns all Badges issued pursuant to this Section. In order to expedite the Badge process, Consultant may provide a color "headshot" photograph (without concealing items such as hats, bandanas or sunglasses) with the Verification Form.
- 7.11 Notwithstanding the conditions set forth above, Avista may require Individuals to be escorted at all times when accessing certain Avista-designated areas.

Section 8 Other Provisions

- 8.1 Consultant shall comply with Avista's Data & System Security Requirements, attached to this Agreement as Exhibit C, while performing Services under this Agreement.
- 8.2 This Agreement consists of the following documents which are: (i) incorporated into this Agreement, (ii) listed in descending order of precedence, and (iii) attached or referenced:
 - Amendments, if applicable
 - Professional Services Agreement
 - General Conditions for Services Agreements Rev 5-19
 - Exhibits
 - Executed Change Orders (including all applicable attachments).
- 8.3 Any representation, promise, modification, or amendment to this Agreement will not be binding upon either Party unless reduced to writing and signed by each Party. This Agreement, Amendments, and/or Change Orders may be signed in any number of counterparts, each of which when signed will be an original, but all such counterparts will constitute one and the same instrument. The term "counterparts" includes full copies of such signed instruments delivered electronically.

This Agreement has been signed by each Party's authorized representative on the date(s) set forth below.

Avista Corporation



(Signature)

(Signature)

(Printed Name)

(Printed Name)

(Title)

(Title)

(Date Signed)

(Date Signed)