

**SOUTHERN CALIFORNIA  
PUBLIC POWER AUTHORITY**



**REQUEST FOR PROPOSAL  
FOR  
RENEWABLE AND  
CONVENTIONAL ENERGY  
TRANSACTIONAL COUNSEL**

**March 8, 2021**

***Response Deadline: March 30, 2021, at 4:00 p.m. PDT***



## **SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY REQUEST FOR PROPOSALS FOR RENEWABLE AND CONVENTIONAL ENERGY TRANSACTION**

### **I. INTRODUCTION**

The Southern California Public Power Authority ("SCPPA" or "the Authority") is soliciting competitive proposals from qualified law firms interested in serving SCPPA and its Members in the development, drafting and negotiation of energy contracts and other related agreements relating to the procurement of renewable and conventional energy resources, transmission rights and services, energy storage resources, real property rights and entitlements, and asset acquisition along with providing counsel and transactional services related to existing or future SCPPA projects. SCPPA is seeking counsel possessing extensive background and experience representing municipalities and other public agencies in large projects, with established expertise in related disciplines including municipal law, joint powers authority, contracts, real property, land use, electricity law and renewable energy finance.

This proposal process is designed to select the most suitable firm or firms to assist SCPPA in meeting the transactional requirements of its Members and in building and maintaining the most appropriate procurement processes, acquisition structures and operational measures to facilitate future as well as existing SCPPA energy projects. The proposed services will also involve assistance and advice to SCPPA and its Members, as well as to staff, committees and boards with respect to those actions which may be appropriate in addressing the Authority's energy procurement objectives.

The proposed legal services may be provided by one firm or a combination of firms possessing substantial background and experience in the legal specialties associated with providing the above-described energy transactional services to municipal or other publicly owned electric utilities. It is possible that SCPPA may offer a contract to more than one firm depending upon capability to handle specified tasks. Responding firms are encouraged to set forth the complete array of services which they are capable of providing with respect to all of the subjects addressed in this request for proposal process, as well as all other relevant experience or expertise. SCPPA intends to enter into a legal services agreement with the selected firm or firms for an initial term of three years with the option to extend the term by mutual agreement for up to three additional years. The agreement will be subject to termination without cause by either party upon thirty days' written notice.



## **II. ABOUT SCPPA**

SCPPA is a joint powers authority formed in 1980 under the Joint Exercise of Powers Act (California Government Code § 6500 et seq.) comprised of 11 cities and one irrigation district ("Members"). SCPPA's Members are the Cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside and Vernon, and the Imperial Irrigation District. Each Member owns and operates an electric utility to serve customers within its territorial boundaries. Collectively, the Members serve more than two million residential, commercial, industrial, and agricultural customers in an area totaling approximately 7,000 square miles with a population in excess of five million. SCPPA was formed by its Members as an independent public entity to provide a means for them to jointly plan, finance, construct, operate and manage projects for the generation and transmission of electricity. More recently, SCPPA has expanded the services it offers to assist Members in meeting state and federal mandates for conservation, energy storage, energy efficiency, reduction of greenhouse gas emissions, training, and procurement of renewable generation resources.

SCPPA anticipates over the next few years that it will continue to focus on procurement of generation and transmission resources to assist Members in meeting state-mandated renewable energy objectives. In addition, SCPPA will continue to administer ongoing developed projects. Additional information about SCPPA, its Members and the major SCPPA projects can be found on the SCPPA web site at [www.scppa.org](http://www.scppa.org).

Responses to this RFP should set forth the firm's background and qualifications which the responding firm believes make it suitable for this particular engagement. The information provided by the firm should identify with specificity the different areas of expertise sought in this RFP for which the firm is uniquely qualified. At SCPPA's discretion, SCPPA may request further information and schedule firm interviews.

## **III. SCOPE OF WORK**

During the term of the legal services agreement, a selected firm may be called upon to assist SCPPA and its Members in the drafting, negotiation, examination, and analysis of agreements associated with the purchase, sale, procurement or acquisition of renewable and conventional energy resources, transmission services and assets, and energy storage resources. Services may include negotiation of power purchase agreements, power sales agreements, purchase and sale agreements, transmission



services agreements, energy storage agreements, land/lease agreements, operation & maintenance agreements, agency agreements and similar procurement agreements with differing counterparties, as well as various agreements and arrangements between and among SCPPA and its Members associated with these type projects. The services may also include the creation of potential joint ownership structures through which SCPPA and its Members may procure generation, transmission, and energy storage facilities with non-member utilities and other third parties, both public and private.

SCPPA is interested in firms possessing transactional experience in innovative and complex legal structures and contractual devices associated with the generation and transmission of renewable energy, including pre-pay arrangements, purchase options and energy exchange agreements.

Proposing counsel ideally should be familiar with a variety of contractual and real property related instruments that may be involved in energy acquisition, especially leases and leasing structures which might be associated with the production of renewable energy. The Authority also desires counsel that can analyze proposed transactions posing complex or unconventional financing devices and structures and advise SCPPA and its Members with respect to these matters.

The duties of selected counsel may entail assisting SCPPA and its Members in a variety of areas related to energy transactions, including but not limited to interconnection and facilities agreements, easements, ground leases, transmission arrangements and transmission related contract provisions, scheduling procedures and protocols, local, state and federal permitting, CEQA and NEPA requirements and other local, state and federal environmental compliance matters, the utilization of Renewable Energy Certificates (RECs) in connection with applicable Renewable Portfolio Standards, and other potential issues and subjects which may arise in energy acquisition transactions.

The associated generation or transmission facilities may be currently existing facilities or may be planned and, as yet, undeveloped facilities. Engagements may include advice and services to SCPPA and its Members through which SCPPA would develop, construct, operate and maintain energy generation, transmission or storage and related facilities. Transactions for which the selected counsel may be engaged may include any combination of transactions either through SCPPA or directly with selected SCPPA participants for the acquisition of any form of energy resource which may help satisfy a particular participant's renewable energy policies or its renewable portfolio standard. Any selected counsel may be called upon to work on these matters either individually or in conjunction with another firm.



## **DESIRED KNOWLEDGE AND EXPERIENCE**

The retention by SCPPA of any firm submitting a proposal will be based upon the following general criteria:

- a. Broad experience and expertise in representing municipal entities or public agencies in negotiating and drafting renewable and conventional energy contracts.
- b. The firm's capabilities and experience reflected in its responses to the questions set forth in the Renewable and Conventional Energy Transactional Counsel Questionnaire set forth in Appendix "A" attached hereto.
- c. Familiarity and experience with the legislative and regulatory environment currently faced by publicly owned utilities in California, including without limitation the Renewable Portfolio Standard, the Emissions Performance Standard and other legislation and regulation designed to reduce greenhouse gas emissions in the electric utility industry.
- d. Background and experience in varying electric utility transactions, renewable and alternative energy acquisition and power purchase structures, and innovative financing and pricing structures and mechanisms.
- e. Ability to develop, execute and oversee a due diligence plan in connection with the procurement of generation and transmission resources.
- f. Familiarity with milestones and penalty provisions with respect to power purchase agreements for planned energy projects which have the purpose of encouraging timely completion.
- g. Familiarity with alternative power purchase contract provisions for allocating responsibility for transmission and scheduling and for handling the risks related to loss of transmission.
- h. Familiarity with performance security and credit issues arising in connection with renewable and conventional energy agreements and alternative contract mechanisms by which to address these matters.
- i. Familiarity with lender practices and requirements in the financing of renewable and conventional generation projects.
- j. Experience in tax/equity or sale/leaseback structuring of renewable and conventional energy generation projects, and with factors SCPPA ought to consider when a developer seeks consent to change the ownership structure of a project.
- k. Ability to provide such services without actual and potential conflicts.
1. Ability to provide such services on a continuing and uninterrupted basis and ability to provide other legal services as requested by SCPPA.

## **IV. CONTENT OF RESPONSE**

### **a. BACKGROUND AND EXPERIENCE**

Responses to this RFP should include a cover letter with a general description of the firm and its background and qualifications for this engagement. The information provided by the firm should identify with specificity the different areas of expertise addressed in this RFP for which the firm is uniquely suited. The selection process is anticipated to consist



of submission of the requested written information and any other information helpful to the selection process.

It is anticipated that proposals will be evaluated by an ad-hoc evaluation committee comprised of representatives from SCPPA and its Members. SCPPA may conduct interviews of selected respondents to further assist in the evaluation process. Any recommendations for the award of legal services contracts under this process may be premised, among other factors, on the basis of the best value and the lowest ultimate cost to SCPPA. Any contract awarded must be approved by the SCPPA Board of Directors.

**b. COMPLETION OF QUESTIONNAIRE (APPENDIX A)**

A copy of SCPPA's Renewable and Conventional Energy Transactional Counsel Questionnaire is attached as Appendix A. SCPPA requests that responses to this questionnaire be completed by each firm interested in being retained. Please complete the questionnaire as accurately and

as fully as possible and include all information which you deem relevant or which you believe would be helpful to the evaluation process.

**c. PRO FORMA LEGAL SERVICES AGREEMENT (APPENDIX B)**

Respondents should review SCPPA's Pro Forma Legal Services Agreement attached as Appendix B and note any exceptions taken to it in its proposal.

**d. RIGHT TO REJECT PROPOSALS**

SCPPA reserves the right to reject any or all proposals and to amend, modify or terminate the RFP process at any time.

**e. INCURRED COSTS**

SCPPA shall not be liable for any costs incurred by any respondent in preparing information in connection with this RFP process or in any manner in responding to this RFP. Any such costs shall remain the sole responsibility of the responding firm.

**VII. DISPOSITION OF PROPOSALS AND OWNERSHIP OF DATA**

All proposals submitted in response to this RFP shall become the property of SCPPA. The proposal must identify all copyrighted material, trade secrets or other proprietary information which the respondent contends to be exempt from disclosure under the Public Records Act (California Government Code §6250 et seq.). In the event such an exemption is claimed, the respondent must state in its proposal that it will defend any action that seeks to compel disclosure of such information at its own cost and expense.



## VIII. SUBMISSION REQUIREMENTS

Only written proposals will be considered. Proposals should be responsive to the attached Questionnaire and other matters addressed in this RFP. All materials which are submitted may be deemed to be part of the responding proposal and may be incorporated in any subsequent contract between SCPPA and any selected respondent.

The maximum length of a proposal, excluding exhibits, resumes and bios, and reference contacts, should not exceed twenty-five (25) pages. One (1) electronic copy of your proposal must be submitted in searchable pdf format to [legal@scppa.org](mailto:legal@scppa.org). The subject line must read as follows: "Response to RFP for Renewable and Conventional Energy Transactional Counsel Services." Submissions must be received no later than March 30, 2021 at 4:00 p.m. PDT.

Questions regarding this RFP should be directed to Mary Beth Martin, General Counsel ([legal@scppa.org](mailto:legal@scppa.org)). Only written questions will receive a response.

**Respondents should not contact SCPPA board members or staff with respect to this RFP or this RFP process, other than as indicated above.**

## IX. SIGNATURES AND DECLARATIONS

Each proposal must be signed on behalf of the respondent by an officer authorized to bind the respondent, and should include the following statement:

***"This proposal is genuine, and not a sham or collusive. The respondent has not improperly attempted to induce any other firm to refrain from submitting a proposal and the respondent has not in any manner sought by collusion to secure for itself an advantage over any other respondent. The respondent will not attempt to obtain any unfair advantage or improperly influence the selection process contemplated herein by any unauthorized contact with any SCPPA board member or selection committee member with respect to this selection process."***

## X. RFP PROCESSES, SELECTIONS, NEGOTIATIONS AND FEES

This RFP constitutes only an invitation to provide the requested information and is not a request for a competitive bid for any services described herein. SCPPA reserves the right to reject any or all proposals or to terminate this RFP process or any element of the process at any time and for any



reason. SCPPA, in its sole discretion, reserves the right to enter into negotiations with any responding party or with any combination of responding parties who, in SCPPA's sole judgment, appear to be best qualified to represent SCPPA's interests and to provide the best value to best satisfy the needs of SCPPA and SCPPA Members as set forth in this RFP process. If SCPPA receives information from one or more respondents in the course of this RFP process which, in its sole discretion, it deems worthy of further consideration, SCPPA may request additional information from the respondent and may engage in any additional negotiations with any such respondent which SCPPA deems to be in its best interests.

SCPPA may award a contract solely on the basis of proposals submitted or may conduct interviews. SCPPA may submit additional clarifying questions to some or all respondents that SCPPA, in the exercise of its sole discretion, determines will be helpful to the selection process. SCPPA may negotiate with one or more respondents to achieve the lowest and most reasonable competitive fee structure. Proposals should be submitted on the basis of the respondent's most favorable public entity fee discounts. While not the sole factor, the fee structure of the firm is a particularly important factor. In selection decisions revolving around finalist firms having comparable credentials, fee considerations become important defining criteria in selection decisions. Also, respondents are requested to keep in mind that SCPPA may also desire to consider various alternative types of fee arrangements.



## APPENDIX "A"

### RENEWABLE AND CONVENTIONAL ENERGY TRANSACTIONAL QUESTIONNAIRE

#### GENERAL INFORMATION QUESTIONS FOR ALL RESPONDENTS

1. List all attorneys or other professional personnel who will provide services to SCPPA pursuant to this engagement together with his or her background and experience, position in the firm, specialty areas, and jurisdictions where admitted to practice. Identify which attorney would serve as lead counsel with responsibility for managing the engagement.
2. If your firm does not have a Southern California office please describe the arrangements your firm will make to provide the services described in this RFP on a continuous and uninterrupted basis. Indicate whether you are expecting to be separately reimbursed for transportation expenses in traveling to and from Southern California.
3. State whether your firm intends to associate-in co-counsel or other firms to perform services pursuant to the contract. Should the use of associated counsel or firms be contemplated, the proposing firm shall provide the same assurances of the competence of such co-counsel or firm as it does with respect to itself.
4. Indicate whether your firm, within the last five years, has provided legal services to any SCPPA Member in matters related to the Member's electric utility enterprise or another electric utility located in the state of California, either as a primary contracting law firm or as a subcontracting firm, either under your firm's current business organization or under any other name or business organization. If so, please identify the Member or other utility, the nature of the work, and the dates of your engagement.
5. Are you aware of any conflict of interest that would preclude or limit the services your firm would be able to provide to SCPPA? If so, please state in detail the nature of the matter which might give rise to any such conflict and the steps that will need to be taken to waive or resolve it.
6. Does your firm currently represent, or has your firm at any time during the past five (5) years represented, any party in any litigation or transactional matter adverse to SCPPA or any SCPPA Member? If so, please identify and describe the matter and the parties involved. Please indicate whether the litigation or transaction has now concluded and, if concluded, please indicate how the matter was concluded.
7. Please describe your firm's proposed schedule of fees and charges. Please specify the hourly rates of each of the attorneys or other professional staff or specialists which you may use in connection with this matter. Please indicate whether your firm is willing to consider alternatives to hourly rate billing for particular transactions (e.g., a flat fee arrangement).



8. Do your hourly rates include all administrative and overhead costs such as word processing, telephone expenses, faxing, and document duplication? Please indicate which charges or costs are not included in the above hourly rates or transaction fees. Please identify those charges or costs for which your firm expects separate reimbursement. If the reimbursement basis is other than cost-based, please indicate the amounts or the formula for calculating such charges or costs.
9. It is entirely possible that the handling of the legal services described in this RFP may be undertaken through an approach involving two or more law firms working together on a common project, task, or transaction. Accordingly, please describe any experience your firm has had working as co-counsel in significant transactional matters.
10. Has your firm published any special articles, newsletters or law firm bulletins addressing any of the matters set forth in this RFP? If so, please provide a reference to any such materials you feel may be relevant to your qualifications in your response.
11. Please describe all relevant renewable and conventional energy transactions and contract experience, including specific transactions, their nature, date, size, structure, location, counterparties, over the last five (5) years. Please identify and describe what you believe may have been relatively complex transactions, involving for example, complex tax structures, complex environmental requirements, or methodologies for addressing firming, balancing or scheduling protocols given the timing or intermittent character of certain forms of renewable electric energy generation.
12. Do you have any specialists in your firm who possess a background in the real estate structures and contractual mechanisms used in the development of renewable and conventional electric generation projects? If so, please describe the details and nature of any such work your firm has done and describe your firm's experience and qualifications to do this work.
13. Do you have any specialists in your firm who have drafted and negotiated energy storage, solar, wind, geothermal, biofuel or hydro power contracts? If so, please describe the details and nature of any such work your firm has done and describe your firm's experience and qualifications to do this work.
14. Have any of the transactions referred to in Question 12 or 13 entailed renewable energy power purchase contracts drafted or negotiated on behalf of any municipal or governmentally owned utility? If your answer is yes, please identify the municipal or governmentally owned utility and describe the transaction.
15. Has your firm been involved with any public entity financing issues associated with the procurement or acquisition of renewable or conventional electric generation resources? If so, please describe the details and nature of any such work and describe your firm's experience and qualifications to do this work.
16. Has your firm represented any entity with respect to issues involving land use permits, clearances or approvals, development, construction, or operation associated with renewable or



conventional electric generation and transmission resources? If so, please describe the details and nature of any such work and describe your firm's qualifications to do this work.

17. Please set forth your firm's background and experience with respect to the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) including any CEQA, NEPA or CERCLA litigation in which your firm has been involved, as related to the development, construction and operation of electric generation and transmission facilities.
18. Please provide any additional information you may deem appropriate that would help SCPPA evaluate your proposal.

**APPENDIX "B"**  
**Pro Forma Legal Services Agreement**  
**[See next page]**



**LEGAL SERVICES AGREEMENT BETWEEN  
THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
AND  
[Law Firm]**

This Legal Services Agreement (“Agreement”) is made and entered into the 1st day of June \_\_, 2021, by and between the Southern California Public Power Authority, a public entity and joint powers agency formed and organized pursuant to the California Joint Exercise of Powers Act (California Government section 6500 et seq.) (“SCPPA”), and [Law Firm], with reference to the following:

1. SCPPA was created pursuant to provisions contained in the Joint Exercise of Powers Act (California Government Code § 6500 et seq.) by its members, which are municipalities and an irrigation district that supply electrical energy in the State of California, for the purpose of jointly and cooperatively undertaking the planning, financing, development, acquisition, construction, improvement, betterment, operation, and maintenance of projects for the generation or transmission of electric energy, including the development and implementation of systems and frameworks for the acquisition and delivery of secure, long-term reliable supplies of renewable electric energy.
2. SCPPA has need from time to time for legal services related to \_\_\_\_\_, and in particular has a need for such services in connection with \_\_\_\_\_; and
3. [Law Firm] is capable and willing to provide such services.

NOW, THEREFORE, in mutual consideration of the promises, covenants, terms, and conditions contained herein, the parties hereby covenant, agree, and represent as follows:

**SECTION I**

**SERVICES TO BE PERFORMED BY [Law Firm]**

**A. Scope of Representation.**

1. [Law Firm] is hereby retained for the purposes described in the recitals to this Agreement and the Scope of Services attached hereto as Exhibit A and incorporated herein by this reference as though set forth in full.



*SCPPA Pro Forma*

2. [Law Firm] recognizes and acknowledges that attorney services under this Agreement will be paid with ratepayer and/or taxpayer dollars from the customers of public entities and that, given this fact, a high duty of care and sensitivity exists with respect to [Law Firm]'s billing practices. [Law Firm] agrees that it shall scrupulously adhere to principles of moderation and cost consciousness in carrying out its performance obligations under this Agreement. [Law Firm] further pledges to observe a duty of reasonableness and cost-effective representation in all aspects of its legal services performed pursuant to this Agreement.

**B. Ownership of Documents, Reports and Data Files.**

Any and all documents, reports and/or data files originated and prepared by [Law Firm] pursuant to this Agreement shall be and become the property of SCPPA and/or the Members of SCPPA to which such materials are pertinent for use in any manner that SCPPA and/or such Members deem appropriate.

**SECTION II**

**PAYMENTS-BILLINGS**

**A. Payment for Services, Costs and Expenses.**

1. Services. Unless otherwise agreed between [Law Firm] and the Executive Director or his designee, fees for attorneys and other professional personnel shall be at the effective hourly rates set forth in the Fee Schedule attached hereto as Exhibit B and incorporated herein by this reference as though set forth in full. Specific tasks may be administered on a task management basis.
2. Travel Time: [Law Firm] shall not bill SCPPA on an hourly basis for travel time. Work performed during travel may be billed in the usual manner.
3. Attorneys Authorized to Perform Work Under this Agreement: SCPPA shall pay [Law Firm] only for services performed by the attorneys and other professional staff identified in the Proposal. [Law Firm] shall obtain written approval from the Executive Director or his designee prior to having any attorney not identified therein perform any work under this Agreement. Such a communication may be transmitted in an electronic format.
4. Costs and Expenses. SCPPA shall pay [Law Firm] for all costs and expenses reasonably incurred by [Law Firm] in performing its obligations hereunder. [Law Firm] understands and agrees that payments for such costs and expenses shall be made in accordance with the "SCPPA Requirements for Outside Counsel" attached hereto as Exhibit C and incorporated herein by reference.



**B. Billings.**

1. [Law Firm] shall submit monthly bills stating therein the services performed and all costs and expenses incurred during the previous month for which payment is requested, including documentation to support cost items. SCPPA will not reimburse [Law Firm] for costs for which no backup materials are provided. Bills submitted by [Law Firm] shall be in a form satisfactory to SCPPA and shall set forth sufficient detail to permit full scrutiny by SCPPA or any retained auditor of all charges. All bills shall be itemized and shall contain a certification by the authorized representative of [Law Firm] confirming that all services performed and expenses incurred were reasonable and necessary.
2. The itemized billing shall specifically set forth compensation and expenses by assigned task, the attorney or staff who performed the task, and the date on which the task was performed. In support of payment for such billing, [Law Firm] shall furnish records, bills, receipts, or other evidence of reimbursable expenses incurred. SCPPA reserves the right to require additional substantiation of any claimed expense. Any work product, memoranda, or other written material described in the billings shall be produced for SCPPA as requested.
3. Services under this Agreement shall not be billed in less than tenths of an hour and shall represent the devotion of a full tenth of an hour within such an increment before any such tenth of an hour increment is billed. All tasks set forth in [Law Firm]'s billing documentation shall be specific and highly detailed. Overly generalized listings of task descriptions such as "review contract" or "prepare for negotiations" are not acceptable. [Law Firm] shall provide a detailed description of each action, sufficient to provide a meaningful record to an independent auditor reviewing said task description.
4. [Law Firm] shall carefully examine all bills submitted for services rendered under this Agreement to assure that appropriate billing practices are employed in billing SCPPA hereunder. To that end, [Law Firm] agrees that:
  - a. [Law Firm] shall not bill for hours other than those hours expressly devoted to the tasks and matters identified in this Agreement, except as may be approved by the Executive Director;
  - b. [Law Firm] shall not use legal professionals for secretarial work;
  - c. [Law Firm] shall not bill for review of junior attorneys' work;
  - d. [Law Firm] shall not devote any resources not reasonably necessary for the performance of the required services; and
  - e. [Law Firm] shall utilize a billing format which sets forth sufficient detail to permit full scrutiny by SCPPA, or any retained auditors of all charges.



5. Invoices received by SCPPA on or before the 15th day of a given month and subsequently approved by the participating Member(s) on or before the 25th day of the same month, will be paid by SCPPA before the end of the following month. All other properly invoiced amounts shall be paid not more than sixty (60) days after delivery of an invoice, provided that the funds for the payment of such invoices have been transmitted to SCPPA by the participating Member(s). SCPPA will use best efforts to pay invoices within a sixty (60) day period.

### **SECTION III**

#### **ADHERENCE TO RULES OF PROFESSIONAL CONDUCT**

At all times during the term of this agreement, [Law Firm] shall adhere strictly to all provisions of the California Rules of Professional Conduct. [Law Firm] shall make a good faith effort to identify and shall apprise SCPPA of those possible or potential conflicts of interest which might arise as a result of the application of the California Rules of Professional Conduct. Such conflicts include conflicts between or among SCPPA members that [Law Firm] may be representing under this Agreement as well as conflicts between SCPPA or individual SCPPA members that [Law Firm] may be representing under this Agreement and other clients of [Law Firm]. SCPPA retains those rights with respect to future conflicts as are vested in a traditional client under the California Rules of Professional Conduct and may terminate [Law Firm]'s services and withhold consent to such conflicts of interest under the California Rules of Professional Conduct.

### **SECTION IV**

#### **AUTHORIZED REPRESENTATIVES**

**A. SCPPA Representative.**

SCPPA hereby appoints Michael S. Webster, its Executive Director, or his designee, to represent SCPPA on all matters related to this Agreement.

**B. [Law Firm]'s Representatives.**

[Law Firm] hereby appoints \_\_\_\_\_ as its authorized representative with respect to all matters connected with this Agreement.





**SECTION V**

**BUDGET TO BE PREPARED BY [LAW FIRM]**

Upon the request of the Executive Director, [Law Firm] shall be responsible for preparing a budget for a matter, which shall include all fees and costs that it expects to incur in connection with its representation in the matter. [Law Firm] shall be responsible for periodically updating the budget, so that the budget is reasonably accurate and SCPPA is fully apprised of the total amount of fees and costs expected to be billed by [Law Firm].

**SECTION VI**

**QUARTERLY REPORTS BY [LAW FIRM]**

Upon the request of the Executive Director, [Law Firm] shall be responsible for providing SCPPA with a written report at least once per quarter. This report shall include a review of the activity which occurred during the prior quarter by each specified task, all upcoming deadlines, and major events in the matter and an analysis of whether [Law Firm]’s fees and costs are within the projected budget for the matter.

**SECTION VII**

**NOTICES**

1. The following addresses shall serve as the locations to which notices, bills and other correspondence between the parties shall be sent:

SCPPA address: Southern California Public Power Authority  
1160 Nicole Court  
Glendora, California 91740  
Attention: Michael S. Webster, Executive Director  
[Email: mwebster@scppa.org](mailto:mwebster@scppa.org)  
Tel: 626-793-9364 ext. 201; Fax: 626-793-9461

Attorneys Address: [Law Firm]

Address: \_\_\_\_\_  
Attention: \_\_\_\_\_  
Email: \_\_\_\_\_  
Tel: \_\_\_\_\_ Fax: \_\_\_\_\_

2. Either party may change its contact information set forth in section VII (1) by giving written notice to the other party.



## **SECTION VIII**

### **TERM AND TERMINATION**

1. The Effective Date of this agreement shall be January 1, 2018. Unless sooner terminated pursuant to section VIII (2) below this Agreement shall terminate three (3) years from the Effective Date.

2. This Agreement may be terminated at any time by either Party, without cause, upon thirty (30) days' prior written notice to the other Party. In the event of termination, [Law Firm] shall be paid for the services performed and approved costs and expenses incurred under this Agreement through the effective date of termination. Notwithstanding the thirty (30) day notice required herein, SCPPA, at any time, may direct [Law Firm] to cease performance hereunder. Termination by [Law Firm] must be consistent with its ethical obligations. In addition, the parties intend that SCPPA and/or specific members of SCPPA shall receive full benefit of all work done up to the time of any such termination on behalf of SCPPA and/or specific members of SCPPA. To that end, [Law Firm] agrees to turn over to SCPPA and/or specific members of SCPPA or any attorney substituted in its place the entire file and attorney work product regarding any such matter within seven (7) days of such termination.

## **SECTION IX**

### **INDEMNITY AND INSURANCE**

#### **A. Indemnification**

[Law Firm] shall defend, indemnify and hold harmless SCPPA, its Members, boards, officers, agents, and employees, from and against all suits and causes of action, claims, losses, demands, and expenses, including, but not limited to, attorney's fees and costs of litigation, damage, or liability of any nature whatsoever, for death or injury to any person, including [Law Firm]'s employees and agents, or damage or destruction of any property of either party hereto or of third parties arising in any manner by reason of the negligent acts, errors, omissions, or willful misconduct incident to the performance of this Agreement by the [Law Firm], except to the extent the same arise from the gross negligence or willful misconduct of SCPPA its Members, boards, officers, agents, or employees. The provisions of this paragraph shall survive termination of this Agreement.



*SCPPA Pro Forma*

**B. Insurance:**

[Law Firm] shall maintain insurance coverages consistent with the requirements set for in Exhibit C.

**SECTION X**

**MISCELLANEOUS PROVISIONS**

1. In fulfilling its obligations under this Agreement, [Law Firm]’s attorneys shall act in the independent practice of the legal profession and not as employees of SCPPA or the Members of SCPPA.
2. All information, documents, records, reports, data, or other materials furnished to [Law Firm] or other such information, documents, records, data, or other materials to which [Law Firm] has access during its performance pursuant to this Agreement are deemed confidential and shall remain the property of SCPPA and/or the specific members of SCPPA to which such materials are pertinent. [Law Firm] shall not make oral or written disclosure thereof other than as is necessary for the performance of [Law Firm]’s services hereunder without the prior written approval of SCPPA and/or the specific members of SCPPA to which such materials are pertinent. [Law Firm] shall not make use of such items for any purpose unrelated to the cases involved herein and shall not make oral or written disclosure thereof, other than as necessary for its performance hereunder, without the prior written approval of SCPPA.
3. All approvals required in this Agreement shall be requested in writing by [Law Firm] and confirmed in writing by SCPPA, either via letter, email, or facsimile.
4. Failure of SCPPA to enforce any provision of this Agreement does not preclude SCPPA from enforcing said provision in the future.
5. For any dispute arising under this Agreement, the parties agree that each party shall bear its own attorneys’ fees and costs.
6. This Agreement contains the full and complete Agreement between the two parties. No verbal agreement or conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Agreement.
7. This Agreement shall be governed by the laws of the State of California. It is agreed that this Agreement shall deemed to have been made at Los Angeles County, California.

**[Signatures on next page]**



*SCPPA Pro Forma*

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

THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

By: \_\_\_\_\_  
Michael S. Webster, Executive Director

[LAW FIRM]

By: \_\_\_\_\_  
[Authorized Signature]



*SCPPA Pro Forma*

**EXHIBIT A**  
**SCOPE OF SERVICES**

[Describe]

Additional services may be added from time to time upon mutual agreement of [Law Firm] and SCPPA's Executive Director.



*SCPPA Pro Forma*

## **EXHIBIT B**

### **FEES FOR SERVICES**

Fees charged by [Law Firm] for services pursuant to this Agreement shall be billed at the rate of \$\_\_\_\_\_ per hour for partners, a not-to-exceed rate of \$\_\_\_\_\_ for associates, and a not-to-exceed rate of \$\_\_\_\_\_ for paralegals.

[Law Firm] shall be entitled to reimbursement for its reasonable costs and expenses, including document duplication, travel and other expenses approved in writing by SCPPA's Executive Director or his designee, all subject to the expense reimbursement guidelines set forth in the Agreement and the attached Exhibit C.

*SCPPA Pro Forma*



**EXHIBIT C**  
**SCPPA REQUIREMENTS FOR**  
**OUTSIDE COUNSEL**

**Personnel:**

SCPPA will pay for the reasonable time of partners assisted by associates as identified in the Agreement. The use of any attorney other than those identified in the Agreement should receive the prior approval of the Executive Director. SCPPA expects the designated billers to perform all of the work on the case and to remain on the case until its conclusion, absent their departure from the law firm. Partners and associates assigned by [Law Firm] to work with SCPPA must be admitted to practice law before all of the courts of the State of California or the jurisdiction where the work will be performed.

**Billing Rates:**

SCPPA will not pay for rate increases by any billers unless those rate increases have been approved in advance, in writing, by SCPPA. It bears emphasis that our agreement is to pay for the actual time spent and is not based on any minimum incremental billings. Time entries must be recorded in tenths of an hour and must contain full and complete descriptions of the work performed.

**Errors and Omissions Insurance:**

[Law Firm] and all attorneys working on the case must have current errors and omissions insurance coverage. Please provide SCPPA with a copy of the errors and omissions policy, or other proof that said policy is in full force and effect, as well as the limits of said policy. The policy must remain in full force and effect at all times during the representation.

**Over staffing/Duplication:**

SCPPA will not pay for more than one attorney doing any particular task unless we have approved that arrangement in advance, in writing. For example, SCPPA will not pay for two or more attorneys attending the same deposition or court appearance. SCPPA will pay for the time recorded by only one senior attorney for in-office conferences, but only if the conference is an occasional, necessary strategy meeting relating to some significant legal event or proceeding.

SCPPA will not pay for duplicative time charges by two or more attorneys, e.g., for legal research, reviewing documents, drafting documents, etc. SCPPA will not pay for “training” or “apprenticeship” time.



SCPPA will not pay for the involvement of billers who work on the case irregularly or sporadically (“transient” billers), unless a particular biller has a special expertise which substantially advances the case.

### **Paralegals:**

Use of paralegals is encouraged, providing they meet the requirements set forth herein. However, assignment of work to paralegals should not result in duplicative activity between attorneys and paralegals or the reworking or rewriting of paralegals’ work product by attorneys. SCPPA will not pay for paralegal time spent performing clerical/secretarial work (e.g., filing, indexing, sorting, organizing, photocopying, and bates stamping documents) unless it has been approved by SCPPA in advance, in writing. We expect paralegals to perform true paralegal work, e.g., research, document productions, preparing discovery or responses, interviewing witnesses, etc.

### **Expenses and Costs:**

Absent prior approval, SCPPA will not pay for any extraordinary expenses, including, but not limited to, expert witness/consultant services, investigative services, computer litigation support services, videotaping of depositions, or temporary office help. SCPPA will not pay for first class air fare or luxury hotels. Any item of expense which exceeds \$500.00 must be approved by us in advance, in writing, or by SCPPA.

Any expenses submitted for payment shall be accompanied by appropriate receipts, invoices, or proof of expenditure. Do not bill SCPPA for the following expense items at more than the lesser of your actual cost or the specified rates:

**Photocopying:** Your actual cost but no more than \$0.10 per page or the actual charge of a copy service. Send large jobs to a capable but economical outside copy service.

**Facsimile Charges:** Do not bill SCPPA for any expense related to facsimile charges beyond your actual net costs actually and reasonably incurred by your firm for the sending of facsimiles. Indicate the number of pages with the related cost of each charge. Attach the appropriate receipts, invoices, or proof of any expenditure for your charges for facsimiles.

**Mobile Telephone:** Do not charge SCPPA for cellular telephone charges.

**Travel:** Describe in detail on the bill any travel expenses incurred by counsel. SCPPA retains the right to audit these expenses. Counsel should provide receipts and other documentation with bills for such expenses. Only coach fare will be reimbursed for air travel.





**Messenger and Delivery:** Do not bill SCPPA if a “rush” is caused by your firm. For an outside messenger, SCPPA will pay the reasonable actual costs. For your internal messenger service, charge no more than an outside service.

**Postage:** Do not charge SCPPA for postage.

**Computer-Assisted Electronic Research (CALR):** SCPPA has selected your firm due in part to its claim of expertise and experience in certain areas of the law, including your law library of printed and electronic information in that field. If it is necessary for you to incur unusual CALR charges in order to handle this matter, please obtain permission in advance to charge for that expense. No charges for CALR shall be paid by SCPPA without its prior written approval of such a charge including, but not limited to LEXIS and WESTLAW services.

**Overhead:**

SCPPA will not pay for expenses which are considered to be part of the general law firm overhead, including but not limited to, administrative time, secretarial time, calendaring, setting up files, indexing, word processing, air conditioning, equipment rental, office supplies, meals, snacks, beverages, seminars, books, association dues, etc. SCPPA will not pay for any overtime charges by any billers unless they are approved in writing by SCPPA in advance.

**No Surcharges/Mark-ups:**

All expenses will be billed to SCPPA at the law firm’s actual net cost, without any “mark ups” or surcharges. This includes, but is not limited to, photocopying, computer research, long distance telephone and actual cost of telefax charges, messenger services, etc. Messenger services and express mail shall only be used when requested or required by the involved court or agency or under extraordinary circumstances. Otherwise, SCPPA expects you to use U.S. mail. If requested by SCPPA, the firm will explain and justify its position on its cost of each expense item.

**Billing Format:**

Billing statements sent to us for payment shall specifically state the date of the work performed, identity of the billers, and the time spent on the activity. Narrative or “block” billing is unacceptable and will be returned to the law firm for further breakdown before payment is made. When numerous tasks are performed by billers on a particular billing day, each task should be identified separately with a specific amount of time recorded for each task. Specifically related tasks may be grouped together.



### **Billings for Billings:**

SCPPA will not pay for time charges associated with review, preparation, explanation, or “breakdown” of legal billings submitted to us for payment. Administrative work performed, such as responding to or answering inquiries regarding billing invoices, is not appropriately billed to SCPPA.

### **Billing for Non-Billable Events:**

Do not bill SCPPA for trivial routine matters such as processing invoices for payment, coding letters for filing, scanning “housekeeping” letters, or other matters which take only a few seconds of a lawyer’s time.

### **Audit Payments:**

SCPPA reserves the right to audit the legal bills and work product and [Law Firm] agrees to cooperate in such an audit by SCPPA or its designee. Payments made by SCPPA shall not constitute a waiver of the right by SCPPA to be reimbursed by the law firm if it is determined that SCPPA has overpaid for these services.

### **Media Coverage:**

SCPPA generally does not authorize [Law Firm] to offer media comment on matters being handled for SCPPA. Any media inquiries about the matter should be referred to the Executive Director.

### **Preventative Advice:**

SCPPA views its use of [Law Firm] as a resource by which SCPPA can improve its ability to defend and represent the Authority and the public agencies that are its Members. Any thoughts which you may have as to alternative ways in which SCPPA can serve the public or preventative steps which may be taken to minimize future litigation will be appreciated.

### **Insurance:**

#### **A. Required Coverage**

During the term of this Agreement and without limiting [Law Firm]’s indemnification of SCPPA, [Law Firm] shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by [Law Firm] but not less than the amounts indicated below. Such insurance shall be in a form acceptable to SCPPA and shall include but not be limited to the following coverages:



- Commercial general liability insurance, issued by an insurance company admitted in the State of California to issue such insurance, insuring against loss or liability caused by or connected with [Law Firm]’s performance under this Agreement with a combined single limit of \$1,000,000 per occurrence.
- Automobile liability insurance, issued by an insurance company admitted in the State of California to issue such insurance, insuring against loss or liability caused by or connected with [Law Firm]’s use of owned, non-owned, leased or hired automobiles with combined single limit of not less than \$1,000,000 for each occurrence of bodily injury and property damage.
- Workers’ Compensation insurance in accordance with statutory limits, as required by the state in which the services are to be performed, including a waiver of subrogation favoring SCPPA, and Employer’s Liability insurance with limits of not less than \$1,000,000) each employee for accident, \$1,000,000 each employee for disease, and \$1,000,000 policy limit for disease.
- Professional liability insurance to insure against errors and/or omissions caused by or connected with [Law Firm]’s performance under this Agreement with minimum limits of \$5,000,000.

Additionally, such insurance shall: 1) protect SCPPA as an Additional Insured Party, when such status is appropriate and available depending on the nature of the applicable coverages; 2) provide SCPPA at least thirty (30) days’ advance notice of cancellation, material reduction in coverage or reduction in limits when such change is made at the option of the insurer; and 3) be primary with respect to SCPPA’s insurance program. Except when SCPPA is a named insured, [Law Firm]’s insurance is not expected to respond to claims which may arise from the acts or omissions of SCPPA.

B. Modification of Coverage

SCPPA reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required hereunder by giving [Law Firm] (90) days’ advance written notice of such change. If such change should result in substantial additional cost to [Law Firm], SCPPA agrees to negotiate additional compensation proportional to the increased benefit to SCPPA.



C. Failure to Procure Insurance

All required insurance must be submitted and approved by SCPPA prior to the provision of services by [Law Firm]. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by SCPPA. Non-availability or non-affordability must be documented by a letter from SCPPA insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, [Law Firm]'s failure to procure or maintain required insurance or a self-insurance program during the entire term of this Agreement shall constitute a material breach of this Agreement under which SCPPA may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect SCPPA's interests and pay any and all premiums in connection therewith and recover all monies so paid from [Law Firm].