

BILL NO. 2023-30

RESOLUTION 2023-30

A RESOLUTION TO AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE THE AGREEMENT BETWEEN SHO-ME POWER ELECTRIC COOPERATIVE AND THE CITY OF WEST PLAINS, MISSOURI.

WHEREAS, Sho-Me Power Electric Cooperative and the City of West Plains own and operate interconnected 69 kV electrical transmission systems.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST PLAINS, MISSOURI AS FOLLOWS:

Section 1: That the City Administrator is hereby authorized to execute on behalf of the City of West Plains, Missouri the Transmission Service Agreement with Sho-Me Power Electric Cooperative. (EXHIBIT A)

Section 2: That this Resolution shall be in full force and effect on and after its date of passage and approval as provided by law.

PASSED AND APPROVED THIS 18<sup>th</sup> DAY OF DECEMBER 2023.

CITY OF WEST PLAINS, MISSOURI

BY:

  
MICHAEL TOPLIFF, MAYOR

ATTEST:

  
ALLISON SKINNER, CITY CLERK

November 16, 2023

Mr. John Richards  
CEO & General Manager  
Sho-Me Power Electric Cooperative  
301 W Jackson  
P.O. Box D  
Marshfield, MO 65706

Dear Mr. Richards:

Subject: Letter Agreement for Jointly Planned Projects between Sho-Me and the City of West Plains

This Letter Agreement affirms the understandings, intentions and verbal agreements reached between Sho-Me Power Electric Cooperative ("Sho-Me"), and the City of West Plains ("City") located at 1910 Holiday Lane, West Plains, MO 65775. Sho-Me and the City are referred to herein individually as "Party" and collectively, as "Parties".

**Background:** In October 2021, the Parties entered into a Facilities Use & Interconnected Grid Agreement ("Grid Agreement") which, among other things, contemplated a new City owned 69kV transmission line between its Southern Hills substation and Sho-Me's West Plains #3 ("WPL#3") substation and removing the City's interconnection at Sho-Me's West Plains #2 ("WPL#2") substation. In the Grid Agreement, the Parties agreed to enter into a future agreement to define the terms and conditions of the new interconnection at WPL#3.

**Scope:** The Parties agree to perform the work and other obligations and to coordinate the project shown below, subject to the specific terms and conditions of this Letter Agreement.

**Project:** Sho-Me will modify its existing 161/69kV WPL#3 substation to accommodate the City's new 69kV WPL#3 to Southern Hills transmission line.

**Project Responsibilities:**

**1. Sho-Me**

- a. Sho-Me will provide a 69kV dead end, switches, relaying, metering, and breaker (#1046), required for termination at WPL#3 of the City's 69kV line to Southern Hills (collectively the "Terminal Facilities").
- b. All Terminal Facilities will be a minimum of 600-amp nominal rating.

- c. The point of interconnection will be where the City's transmission line connects with the strain insulators on Sho-Me's dead end.
- d. Sho-Me will have jurisdictional and functional control of the Terminal Facilities.
- e. Once the City completes construction modifications to Sho-Me's 69kV lines in item 2.g below, Sho-Me will operate the double circuit 69kV lines from WPL#3 to West Plains #1 ("WPL#1") substation in parallel and normally closed, connected to the same breaker at WPL#3.
- f. The City will reimburse Sho-Me for all material and labor costs to parallel the double circuit lines, estimated at \$25,000, and the costs to install the Terminal Facilities, estimated at \$80,000.
- g. Sho-Me will thereafter own, operate, maintain and replace the Terminal Facilities at its own cost.
- h. Sho-Me labor rates will be based on its published Work for Others rate.

## 2. City

- a. The City will provide a 69kV transmission line from WPL#3 to Southern Hills. Southern Hills will also be interconnected to the Airport substation.
- b. The City, at its own expense, will make all modifications necessary at its Southern Hills substation including the installation of a 69kV line disconnect switch on their new line to WPL#3.
- c. The City will be responsible for the design, engineering, construction, ownership, and maintenance costs of the Southern Hills to WPL#3 transmission line.
- d. The City's 69kV line will be constructed using 477 MCM ACSR conductor, rated for a minimum of 100 degrees C operating temperature.
- e. The Southern Hills to WPL#3 transmission line will be operated normally closed.
- f. The City will permanently remove its existing 69kV transmission line that interconnects to WPL#2 substation when the Southern Hills to WPL#3 transmission line is placed into service.
- g. The City, at its own expense, will design, engineer, and construct modifications to Sho-Me's double circuit 69kV lines from WPL#1 to WPL#3 for parallel operation. Prior to construction, Sho-Me will approve the City's design of modifications, and will continue ownership, maintenance and replacement responsibilities of the 69kV lines as modified by the City. The City will reimburse Sho-Me for design review, inspection expenses, and any line connection costs related to the double circuit line modifications.
- h. The City, at its own expense, will provide relay engineering for the protective relay changes at WPL#1 and WPL#3 to accommodate the modifications to Sho-Me's 69kV line for parallel operation as stated in 2.g above.

**Operating Requirements:**

- Sho-Me will operate with the new interconnection normally closed to the 69kV bus at WPL#3.
- The City will operate the new interconnection normally closed up to and including the next breaker station, located at the Airport substation.
- The City and Sho-Me will coordinate planned outages on their systems that may impact the other Party, and will notify each other of unplanned outages that may impact reliable operation of the interconnected system.

**Cost:** Sho-Me and the City shall each be responsible for the costs as defined in this Letter Agreement.

**Performance of Work:** The Parties agree that any work performed by any of them pursuant to this Letter Agreement shall be performed: (i) in compliance with all applicable federal, state and local laws and orders, including, without limitation, those relating to: (a) construction, use, zoning, environmental and land use, and (b) safety, including those contained in or issued pursuant to the Occupational Safety and Health Act of 1970, as amended, and the regulations and standards promulgated by the Secretary of Labor thereunder; and (ii) in accordance with Prudent Utility Practices. For purposes of this Letter Agreement, "Prudent Utility Practices" means, at a particular time, the practices, methods, materials, supplies, equipment, and standards of safety, performance, and service that are commonly applied in the electric utility industry in the United States, including the use of, and adherence to, applicable industry codes, standards, and regulations. Prudent Utility Practices are not intended to be the optimum practice or method to the exclusion of all others, but rather to be a spectrum of possible, but reasonable practices and methods.

**Indemnity:** Each Party (the "Indemnifying Party") shall indemnify, defend and hold harmless each other Party, such Party's affiliates, and each of their respective directors, officers, employees, agents, and servants (collectively, "Indemnified Persons") from and against any and all third party claims or actions, threatened or filed, or other liability, loss, or damage and expense, including reasonable attorneys' fees and expenses, arising, or alleged to arise, from, or incident to, injury or damage to persons or property occasioned by, or in connection with, the Indemnifying Party's own facilities, any obligation of, or work performed by, the Indemnifying Party under this Agreement, or the production or flow of electric power by or through the Indemnifying Party's facilities, in each case, except to the extent that such injury or damage is due to the negligence, gross negligence or willful misconduct of the other Party or its Indemnified Persons. In addition, each Party shall indemnify, defend and hold harmless each other Party and its Indemnified Persons against any taxes or other governmental charges that are such Party's responsibility.

**Limitation on Liability:** Unless expressly herein provided, no Party shall be liable to any other Party for any punitive damages, except where such damages arise from gross negligence or intentional acts, or for any consequential, incidental, exemplary or indirect damages, lost profits or other business interruption damages of any other Party, by

statute, in tort or contract, under any indemnity provision or otherwise. It is the intent of the Parties that the limitations herein imposed on remedies (except with respect to punitive damages) and the measure of damages be without regard to the cause or causes related thereto, including the negligence of any Party, whether such negligence be sole, joint or concurrent, or active or passive.

**Timing:** It is the intent of the Parties to work in good faith to complete the project by Q4 of 2024.

The City, through its authorized representative's signature below, acknowledges and agrees to the terms and conditions contained within this Letter Agreement. If Sho-Me agrees with the terms and conditions contained within this Letter Agreement, please acknowledge by signing in the space below and returning one of the two original Letter Agreements to me for our files.

Sincerely,

The City of West Plains

By: 

Sam Anselm  
City Administrator

Accepted and agreed this \_\_\_ day of \_\_\_\_\_, 202~~2~~3

SHO-ME POWER ELECTRIC COOPERATIVE

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

John Richards  
CEO & General Manager