



Public Service Commission State of North Dakota

COMMISSIONERS

Randy Christmann
Sherri Haugen-Hoffart
Julie Fedorchak

600 East Boulevard Avenue Dept. 408
Bismarck, ND 58505-0480
Web: www.psc.nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

February 15, 2023

Benita Crow
SEH of North Dakota LLC
4719 Shelburne Street, Suite 6
Bismarck, ND 58503

Re: Case No. PU-22-380
Basin Electric Power Cooperative
Pioneer Generation Station Ph IV – Williams County
Siting Application

Dear Ms. Crow:

Enclosed please find the executed contract with SEH of North Dakota LLC to provide construction inspection services for the above captioned case.

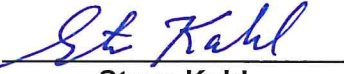
Best Regards,

Victor Schock, Director
Public Utilities Division

Enclosure

50 PU-22-380 Filed 02/15/2023 Pages: 16
Letter enclosing executed contract
Public Service Commission

CONTRACT NUMBER PU-874-23

Administrator:	State of North Dakota Public Service Commission State Capitol - 12th Floor Bismarck, ND 58505-0480 (701) 328-2400	
Date: <u>2/15/23</u>		Case No. PU-22-380
 Steve Kahl Executive Director		

Contractor		
SEH of North Dakota, LLC		
Name		
4719 Shelburne Street, Suite 6	Bismarck, ND 58503	701-354-7121
Address	City/State/Zip	Phone
Benita Crow		President
Typed Name		Title
<u><i>Benita Crow</i> (on behalf of Benita Crow)</u>		<u>02/14/2023</u>
Signature		Date

Agreement Information	
Contract No.:	<u>PU-874-23</u>
Start Date:	<u>Upon Execution</u>
End Date:	<u>12/31/2027</u>
Case No.	<u>PU-22-380</u>
Type of Contract:	<input checked="" type="checkbox"/> Fixed Price <input type="checkbox"/> Cost Reimb. <input type="checkbox"/> Unit Price <input type="checkbox"/> Other

Budget Information	
Cost Center:	<u>7800</u>
Services:	<u>Construction Inspection Services</u>
Expenses:	<u>\$8,000</u>
Type of Contractor:	<input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Public Agency <input type="checkbox"/> Nonprofit Organization <input type="checkbox"/> Other

This Contract is entered into between the State of North Dakota acting through the Public Service Commission (STATE) and SEH of North Dakota, LLC (CONTRACTOR). This contract consists of this sheet, general provisions and specific provisions.

PURCHASE OF SERVICE CONTRACT

The parties to this contract are the State of North Dakota, acting through its North Dakota Public Service Commission, Public Utilities Division (STATE) and SEH of North Dakota, LLC, 4719 Shelburne Street, Suite 6, Bismarck, ND 58503-5677 (CONTRACTOR).

1. SCOPE OF WORK

CONTRACTOR, in exchange for the compensation paid by STATE under this Contract, agrees to provide the services enumerated below. CONTRACTOR shall be registered with the North Dakota Secretary of State and the North Dakota State Procurement Office prior to Contract execution.

Background Information

The North Dakota Energy Conversion and Transmission Facility Act (North Dakota Century Code chapter 49-22) authorizes the STATE to determine that the location, construction, and operation of jurisdictional energy conversion and transmission facilities will produce minimal adverse effects on the environment and the welfare of the citizens of North Dakota. STATE construction inspections ensure that projects are constructed in compliance with the siting laws (North Dakota Century Code chapter 49-22), siting rules (North Dakota Administrative Code article 69-06), and applicable Commission Orders. The STATE is currently contracting for construction inspection services concerning the following case:

Case No. PU-22-380
Basin Electric Power Cooperative
Pioneer Generation Station Ph IV - Williams County
Siting Application

Scope of Work

CONTRACTOR agrees to perform construction inspections applying engineering and science principles for the purpose of ensuring that energy conversion and transmission facilities authorized by the STATE are constructed in compliance with the siting laws, siting rules, and applicable Commission Orders. CONTRACTOR'S Project Manager assigned to the project shall be capable of reading and interpreting relevant laws, rules, Orders, and Commission precedent for proper execution of the project.

Upon execution of Contract, CONTRACTOR shall participate in all preconstruction conferences for energy conversion and transmission facilities listed within the Contract and held after the effective date of the Contract. If construction is already underway or complete upon Contract execution, CONTRACTOR shall immediately begin providing construction inspection services.

CONTRACTOR shall perform and document TOPSOIL REMOVAL INSPECTION(S) during the topsoil removal phase(s) of the project to verify that topsoil has been properly removed and kept segregated from subsoil until replacement occurs. CONTRACTOR shall provide and maintain personnel at each construction spread during topsoil and subsoil removal and segregation activities until such time as CONTRACTOR has determined that equipment operators have demonstrated proficiency concerning topsoil and subsoil removal and segregation in compliance with the Commission's Order.

CONTRACTOR shall perform and document an AS-BUILT CONSTRUCTION AND RECLAMATION INSPECTION upon completion of replacement of topsoil and grading, fertilization and seeding of the entire project area.

Specific, Results-Oriented Tasks

CONTRACTOR shall immediately report to the STATE any suspected non-compliance conditions regarding topsoil and subsoil removal and segregation. CONTRACTOR shall immediately report to the STATE a probable violation of the siting laws, siting rules, or applicable Commission Orders. The STATE may direct that CONTRACTOR stop Project construction activities. Project construction activities may not resume until authorized by the STATE.

CONTRACTOR shall provide to the STATE within 15 days after each Topsoil Removal Inspection, a written TOPSOIL REMOVAL INSPECTION REPORT. Each Report must contain:

- 1) location-referenced color photographs of construction activities;
- 2) a map identifying locations where photographs were taken and locations where compliance checks were performed; and
- 3) an executive summary of the Inspection findings concerning issues requiring resolution, areas of concern, and recommendations for resolution of issues.

CONTRACTOR shall provide to the STATE within 15 days after the As-Built Construction and Reclamation Inspection, a written AS-BUILT CONSTRUCTION AND RECLAMATION INSPECTION REPORT. This Report must contain:

- 1) location-referenced color photographs of construction activities;
- 2) a map identifying locations where photographs were taken and locations where compliance checks were performed;
- 3) an executive summary which includes of issues requiring resolution, areas of concern, and recommendations for resolution of issues;
- 4) a determination whether the transmission facility has been constructed in compliance with the siting laws, siting rules, and applicable Commission Orders; and
- 5) a determination whether the area affected by construction activities has been restored as near as practicable to the condition as it existed prior to the beginning of construction, including the reestablishment of desired plant species where applicable.

All Reports must be approved and signed by the following lead Project Manager responsible for this project:

Matthew Schaible, PE
SEH of North Dakota, LLC
4719 Shelburne Street, Suite 6
Bismarck, ND 58503-5677

The written negotiated proposal provided by CONTRACTOR is attached to and incorporated into this agreement.

2. COMPENSATION

Contractual Amount

STATE shall pay for the accepted services provided by CONTRACTOR under this Contract an amount not to exceed \$8,000.

The Contractual Amount is firm for the duration of the Contract and constitutes the entire compensation due CONTRACTOR for performance of its obligations under this Contract, unless amended, regardless of this difficulty, materials or equipment required, including fees, licenses, overhead, profit and all other direct and indirect costs incurred by CONTRACTOR, except as provided by an amendment to this Contract.

CONTRACTOR agrees to invoice STATE for amounts not to exceed \$4,300 of the contract amount upon submission of all TOPSOIL REMOVAL INSPECTION REPORT(S), and the remainder of expenses, not to exceed the contract amount in total, upon submission of the AS-BUILT CONSTRUCTION AND RECLAMATION INSPECTION REPORT.

Payment

1. Payment made in accordance with this Compensation section constitutes payment in full for the services and work performed and the deliverables and work(s) provided under this Contract and CONTRACTOR will not receive any additional compensation hereunder.
2. STATE will make every attempt to make payment under this Contract within forty-five (45) calendar days after receipt of an approved invoice.
3. Payment of an invoice by STATE will not prejudice STATE's right to object to or question that or any other invoice or matter in relation to this contract. CONTRACTOR's invoice will be subject to reduction for amounts included in any invoice or payment made which are determined by STATE, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute allowable costs. At STATE's sole discretion, all payments shall be subject to reduction for amounts equal to prior overpayments to CONTRACTOR.
4. For any amounts that are or will become due and payable to STATE by CONTRACTOR, STATE reserves the right to deduct the amount owed from the payments that are or will become due and payable to CONTRACTOR under this Contract.

Travel

CONTRACTOR acknowledges travel costs are included in the Contractual Amount and shall not invoice STATE for travel costs.

Prepayment

STATE will not make any advance payments before full performance by CONTRACTOR under this Contract.

Payment of Taxes by STATE

STATE is not responsible for and will not pay local, state, or federal taxes. STATE sales tax exemption number is E-2001, and certificates will be furnished upon request by the purchasing agency.

Taxpayer ID

CONTRACTOR shall provide STATE with its federal employer ID number and North Dakota tax ID number upon request.

Purchasing Card

STATE may make a payment using a government credit card. CONTRACTOR will accept a government credit card without passing the processing fees for the government credit card back to STATE.

3. TERM OF CONTRACT

This Contract begins on the date the last party has fully executed the Contract, and ends on December 31, 2027.

No Automatic Renewal

This Contract will not automatically renew.

Extension Option

STATE reserves the right to extend the Contract up to three times for an additional period of time not to exceed 12 months per extension.

Renewal Option

STATE may renew this Contract upon satisfactory completion of the initial Contract term. STATE reserves the right to execute up to three options to renew this Contract under the same terms and conditions for a period of twelve months each.

4. TIME IS OF THE ESSENCE

CONTRACTOR hereby acknowledges that time is of the essence for performance under this Contract unless otherwise agreed to in writing by the parties.

5. TERMINATION OF CONTRACT

Termination by Mutual Agreement

This Contract may be terminated by mutual consent of both parties, executed in writing.

Termination without Cause

STATE may terminate this Contract in whole or in part when it has determined that continuing the Contract is no longer necessary or would not produce beneficial results commensurate with the further expenditure of public funds.

Early Termination in the Public Interest

STATE is entering this Contract for the purpose of carrying out the public policy of the State of North Dakota, as determined by its Governor, Legislative Assembly, Agencies and Courts. If this Contract ceases to further the public policy of the State of North Dakota, STATE, in its sole discretion, by written notice to CONTRACTOR, may terminate this Contract in whole or in part.

Termination for Lack of Funding or Authority

STATE by written notice to CONTRACTOR, may terminate the whole or any part of this Contract under any of the following conditions:

- 1) If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term.
- 2) If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this Contract or are no longer eligible for the funding proposed for payments authorized by this Contract.
- 3) If any license, permit, or certificate required by law or rule, or by the terms of this Contract, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Contract under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination.

Termination for Cause

STATE may terminate this Contract effective upon delivery of written notice to CONTRACTOR, or any later date stated in the notice:

- 1) If CONTRACTOR fails to provide services required by this Contract within the time specified or any extension agreed to by STATE; or
- 2) If CONTRACTOR fails to perform any of the other provisions of this Contract, or so fails to pursue the work as to endanger performance of this Contract in accordance with its terms.

The rights and remedies of STATE provided in this subsection are not exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

6. FORCE MAJEURE

Neither Party shall be held responsible for delay or default caused by fire, riot, terrorism, pandemic (excluding COVID-19), acts of God, or war if the event was not foreseeable through the exercise of reasonable diligence by the affected Party, the event is beyond the Party's reasonable control, and the affected Party gives notice to the other Party promptly upon occurrence of the event causing the delay or default or that is reasonably expected to cause a delay or default. If CONTRACTOR is the affected Party and does not resume performance within fifteen (15) days or another period agreed between the Parties, then STATE may seek all available remedies, up to and including termination of this Contract pursuant to its Termination Section, and STATE shall be entitled to a pro-rata refund of any amounts paid for which the full value has not been realized, including amounts paid toward software subscriptions, maintenance, or licenses.

7. INDEMNITY

CONTRACTOR agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (STATE), from and against claims based on the vicarious liability of the STATE or its agents, but not against claims based on the STATE's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by CONTRACTOR to the STATE under this provision shall be free of any conflicts of interest, even if retention of separate legal counsel for the STATE is necessary. An attorney appointed to represent the STATE shall first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under North Dakota Century Code section 54-12-08. CONTRACTOR also agrees to defend, indemnify, and hold the STATE harmless for all costs, expenses, and attorneys' fees incurred if the STATE prevails in an action against CONTRACTOR in establishing and litigating the indemnification coverage provided herein. This obligation continues after the termination of this agreement.

8. INSURANCE

CONTRACTOR shall secure and keep in force during the term of this agreement and CONTRACTOR shall require from all subcontractors, prior to commencement of an agreement between Contractor and the subcontractor, to secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability, including premises or operations, Contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$500,000 per person and \$2,000,000 per occurrence.
- 2) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$500,000 per person and \$2,000,000 per occurrence.

- 3) Workers' compensation coverage meeting all statutory requirements. The policy must provide coverage for all states of operation that apply to the performance of this Contract.
- 4) Employer's liability or "stop gap" insurance of not less than \$1,625,000 as an endorsement on the workers compensation or commercial general liability insurance.
- 5) Professional errors and omissions with minimum limits of \$1,000,000 per claim and in the aggregate, Contractor shall continuously maintain such coverage during the contract period and for three years thereafter. In the event of a change of cancellation of coverage, Contractor shall purchase an extended reporting period to meet the time periods required in this section.

The insurance coverages listed above must meet the following additional requirements:

- 1) Any deductible or self-insured retention amount or other similar obligation under the policies is the sole responsibility of CONTRACTOR. The amount of any deductible or self-retention is subject to approval by the STATE.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the STATE. The policies must be in form and terms approved by the STATE.
- 3) The duty to defend, indemnify, and hold harmless the STATE under this agreement is not limited by the insurance required in this agreement.
- 4) The State of North Dakota and its agencies, officers, and employees (STATE) shall be endorsed on the commercial general liability policy, including any excess policies (to the extent applicable), as additional insured. The STATE shall have all the benefits, rights and coverages of an additional insured under these policies that may not be limited to the minimum limits of insurance required by this agreement or by the Contractual indemnity obligations of CONTRACTOR.
- 5) The insurance required in this agreement, through a policy or endorsement, must include:
 - a) "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the STATE;
 - b) a provision that CONTRACTOR'S insurance coverage is primary (i.e. pay first) as respects any insurance, self-insurance or self-retention maintained by the STATE and that any insurance, self-insurance or self-retention maintained by the STATE is in excess of the CONTRACTOR'S insurance and does not contribute with it;

- c) cross liability/severability of interest for all policies and endorsements;
 - d) The legal defense provided to the STATE under the policy and any endorsements must be free of any conflicts of interest, even if retention of separate legal counsel for the STATE is necessary;
 - e) The insolvency or bankruptcy of the insured CONTRACTOR does not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured CONTRACTOR from meeting the retention limit under the policy.
- 6) CONTRACTOR shall furnish a certificate of insurance to the undersigned STATE representative prior to commencement of this agreement. All endorsements must be provided as soon as practicable.
- 7) Failure to provide insurance as required in this agreement is a material breach of Contract entitling the STATE to terminate this agreement immediately.
- 8) CONTRACTOR shall provide at least 30 day notice of any cancellation or material change to these policies or endorsements. Contractor shall provide on an ongoing basis, current certificates of insurance during the term of the contract. A renewal certificate will be provided 10 days prior to coverage expiration. An updated, current certificate of insurance shall be provided in the event of any change to a policy.

9. WORKS FOR HIRE

CONTRACTOR acknowledges that all work(s) under this Contract is "work(s) for hire" within the meaning of the United States Copyright Act (Title 17 United States Code) and hereby assigns to STATE all rights and interests CONTRACTOR may have in the work(s) it prepares under this Contract, including any right to derivative use of the work(s). All software and related materials developed by CONTRACTOR in performance of this Contract for STATE is the sole property of STATE, and CONTRACTOR hereby assigns and transfers all its right, title, and interest therein to STATE. CONTRACTOR shall execute all necessary documents to enable STATE to protect STATE's intellectual property rights under this section.

10. WORK PRODUCT

All work product, equipment or materials created or purchased under this Contract belong to STATE and must be delivered to STATE at STATE'S request upon termination of this Contract.

11. NOTICE

All notices or other communications required under this Contract must be given by registered or certified mail and are complete on the date mailed when addressed to the parties at the following addresses:

Matthew Schaible
SEH of North Dakota, LLC
4719 Shelburne Street, Suite 6
Bismarck, ND 58503-5677

North Dakota Public Service Commission
600 E Boulevard Ave., Dept. 408
Bismarck, ND 58505-0480

Notice provided under this provision does not meet the notice requirements for monetary claims against the STATE found at North Dakota Century Code section 32-12.2-04.

12. CONFIDENTIALITY

CONTRACTOR shall not use or disclose any information it receives from STATE under this Contract that STATE has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Contract or as authorized in advance by STATE. STATE shall not disclose any information it receives from CONTRACTOR that CONTRACTOR has previously identified as confidential and that STATE determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota open records law, North Dakota Century Code chapter 44-04. The duty of STATE and CONTRACTOR to maintain confidentiality of information under this section continues beyond the term of this Contract.

13. COMPLIANCE WITH PUBLIC RECORDS LAW

Under the North Dakota public records law and subject to the Confidentiality clause of this Contract, certain records may be open to the public upon request. Public records may include: (a) records STATE receives from CONTRACTOR under this Contract, (b) records obtained by either Party under this Contract, and (c) records generated by either Party under this Contract. CONTRACTOR agrees to contact STATE immediately upon receiving a request for information under the public records law and to comply with STATE's instructions on how to respond to such request.

14. INDEPENDENT ENTITY

CONTRACTOR is an independent entity under this Contract and is not a STATE employee for any purpose, including the application of the Social Security Act, the Fair Labor Standards Act, the Federal Insurance Contribution Act, the North Dakota Unemployment Compensation Law and the North Dakota Workforce Safety and Insurance Act. CONTRACTOR retains sole and absolute discretion in the manner and means of carrying out CONTRACTOR'S activities and responsibilities under this Contract, except to the extent specified in this Contract.

15. ASSIGNMENT AND SUBCONTRACTS

CONTRACTOR may not assign or otherwise transfer or delegate any right or duty without STATE's express written consent, provided, however, that CONTRACTOR may assign its rights and obligations hereunder in the event of a change of control or sale of all or substantially all of its assets related to this Contract, whether by merger, reorganization, operation of law, or otherwise. Should Assignee be a business or entity with whom STATE is prohibited from conducting business, STATE shall have the right to terminate without cause.

CONTRACTOR may enter into subcontracts provided that any subcontract acknowledges the binding nature of this Contract and incorporates this Contract, including any attachments. CONTRACTOR is solely responsible for the performance of any subcontractor with whom CONTRACTOR contracts. CONTRACTOR does not have authority to contract for or incur obligations on behalf of STATE.

16. SPOILIATION – NOTICE OF POTENTIAL CLAIMS

CONTRACTOR shall promptly notify STATE of all potential claims that arise or result from this Contract. CONTRACTOR shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants to STATE the opportunity to review and inspect the evidence, including the scene of an accident.

17. MERGER AND MODIFICATION

This Contract, including the following documents, constitutes the entire agreement between the parties. There are no understandings, agreements, or representations, oral or written, not specified within this Contract. This Contract may not be modified, supplemented or amended, in any manner, except by written agreement signed by both parties.

Notwithstanding anything herein to the contrary, in the event of any inconsistency or conflict among the documents making up this Contract, the documents shall control in this order of precedence:

- a. The terms of this Contract as may be amended;
- b. CONTRACTOR's written negotiated proposal dated February 9, 2023.
- c. All terms and conditions contained in any end user agreements (e.g. automated click-throughs, shrink wrap, or bonus wrap) are specifically excluded and null and void, and may not alter the terms of this Contract.

18. SEVERABILITY

If any term of this Contract is declared by a court having jurisdiction to be illegal or unenforceable, the validity of the remaining terms is unaffected, and, if possible, the rights and obligations of the parties are to be construed and enforced as if the Contract did not contain that term.

19. APPLICABLE LAW AND VENUE

This Contract is governed by and construed in accordance with the laws of the STATE. Any action to enforce this Contract must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each party consents to the exclusive jurisdiction of such court and waives any claim of lack of jurisdiction or forum non conveniens.

20. ALTERNATIVE DISPUTE RESOLUTION – JURY TRIAL

By entering this Contract, STATE does not agree to binding arbitration, mediation, or any other form of mandatory Alternative Dispute Resolution. The Parties may enforce the rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.

21. ATTORNEY FEES

In the event a lawsuit is instituted by STATE to obtain performance due under this Contract, and STATE is the prevailing party, CONTRACTOR shall, except when prohibited by North Dakota Century Code section 28-26-04, pay STATE'S reasonable attorney fees and costs in connection with the lawsuit.

22. NONDISCRIMINATION AND COMPLIANCE WITH LAWS

CONTRACTOR agrees to comply with all applicable federal and state laws, rules, and policies, including those relating to nondiscrimination, accessibility and civil rights. (See N.D.C.C. Title 34 – Labor and Employment, specifically N.D.C.C. ch. 34-06.1 Equal Pay for Men and Women.)

CONTRACTOR agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes, unemployment compensation and workers' compensation premiums.

CONTRACTOR shall have and keep current all licenses and permits required by law during the Term of this Contract all licenses and permits required by law. A-xiii CONTRACTOR's failure to comply with this section may be deemed a material breach by CONTRACTOR entitling STATE to terminate in accordance with the Termination for Cause section of this Contract.

23. STATE AUDIT

Pursuant to N.D.C.C. § 54-10-19, all records, regardless of physical form, and the accounting practices and procedures of CONTRACTOR relevant to this Contract are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors, if required. CONTRACTOR shall maintain these records for at least three (3) years following completion of this Contract and be able to provide them upon reasonable notice. STATE, State Auditor, or Auditor's designee shall provide reasonable notice to CONTRACTOR prior to conducting examination.



Building a Better World
for All of Us®

February 9, 2023

RE: Contractor for Professional Engineering Services
Case No. PU-22-380
Basin Electric Power Cooperative
Phase IV Pioneer Generation Station Facility
Williams County

Mr. Adam Renfandt
Public Utility Analyst
North Dakota Public Service Commission
600 East Boulevard Avenue, Dept. 408
Bismarck, ND 58505-0480

Dear Mr. Renfandt:

Thank you for the opportunity to provide to you our proposal to provide inspection services for the above referenced project.

The information described in the project has the following component:

1. Phase IV Pioneer Generation Station Facility
 - a. It is our understanding the project includes construction of:
 - i. Brownfield and Greenfield development
 - ii. Six 18.8-megawatt natural gas internal combustion engines that vent to one combined stack
 - iii. Two 235.7-megawatt F-Class natural gas-fired simple-cycle combustion turbines
 - iv. Warehouse
 - v. Temporary construction parking and material yard
 - vi. 345-kV Substation
 - vii. Stormwater Ponds
 - viii. Evaporative Cooler Blowdown Pond

We have prepared our cost estimate with the following assumptions:

1. For the Phase IV Pioneer Generation Station Facility, SEH will attend the virtual preconstruction meeting and participate in any active questions pertaining to the activities SEH is to perform as described below. It is anticipated that the preconstruction meeting will be attended virtually for 1-hour period.

Engineers | Architects | Planners | Scientists

SEH Inc., 4719 Shelburne Street, Suite 6, Bismarck, ND 58503-5677

SEH is 100% employee-owned | sehinc.com | 701.354.7121 | 888.908.8166 fax

2. For the Phase IV Pioneer Generation Station Facility, SEH will perform and document Topsoil Removal Inspection during the topsoil removal phase of the project to verify that topsoil has been properly removed and kept segregated from subsoil until replacement occurs. SEH will provide personnel at the construction spread during initial topsoil and subsoil removal and segregation activities until such time as equipment operators have demonstrated proficiency concerning the topsoil and subsoil removal and segregation is in compliance with the Commission's Order.
 - a. CONTRACTOR shall provide to the STATE within 15 days after each Topsoil Removal Inspection, a written TOPSOIL REMOVAL INSPECTION REPORT. Each Report must contain:
 - i. Location-referenced color photographs of construction activities;
 - ii. A map identifying locations where photographs were taken and locations where compliance checks were performed; and
 - iii. An executive summary of the Inspection findings concerning issues requiring resolution, areas of concern, and recommendations for resolution of issues.
3. At completion of the all site improvements SEH will perform and document an As-Built Construction & Reclamation Inspection Report.
 - a. CONTRACTOR shall provide to the STATE within 15 days after the As-Built Construction and Reclamation Inspection, a written AS-BUILT CONSTRUCTION AND RECLAMATION INSPECTION REPORT. This Report must contain:
 - i. Location-referenced color photographs of construction activities;
 - ii. A map identifying locations where photographs were taken and locations where compliance checks were performed;
 - iii. An executive summary of the Inspection findings concerning issues requiring resolution, areas of concern, and recommendations for resolution of issues;
 - iv. A determination whether the transmission facility has been constructed in compliance with the siting laws, siting rules, and applicable Commission Orders; and
 - v. A determination whether the area affected by construction activities has been restored as near as practicable to the condition as it existed prior to the beginning of construction, including the reestablishment of desired plant species where applicable.
4. Fee Alternatives (see tables below for breakdown of costs per alternative)
 - a. The lump sum fee, including expenses, for the above listed three (3) services is \$8,000.
5. We assumed one person for this work listed above. Should additional inspections be needed outside of the contracted inspection frequency, the PCS will provide a written request to SEH. The fee for additional Construction Inspection(s) with associated reports, including expenses, is \$3,500.00.
6. SEH will report to the PSC suspected non-compliance conditions regarding topsoil and subsoil removal and segregation. SEH will report violations with the laws, rules and applicable siting PSC Orders. The PSC may direct SEH to stop construction activities.
7. SEH will perform construction inspections applying engineering and science principals to aid in confirming the pipeline and above ground facilities authorized by the PSC are construction in compliance with the laws, rules and applicable siting PSC Orders.
8. The Lead Project Manager and staff assigned to the project can interpret relevant laws, rules, Orders and PSC precedent for proper execution of the project.

9. The Lead Project Manager will approve and sign all reports for this project.
10. SEH staff assigned to the project as well as the Project Manager are from SEH's Bismarck office.
11. The SEH staff assigned to the project are appropriately licensed and experienced to complete the work requested.

Schedule of Activities and Cost – Alternative A

Activity	Field Day(s)	Reporting Day(s)	Cost
Preconstruction Meeting	1	0	\$600.00
Topsoil Removal Inspection	1	1	\$3,700.00
As-Built Construction & Reclamation Inspection	1	1	\$3,700.00
TOTAL COST (L SUM)			\$8,000.00
All activities include deliverables as described in this proposal.			

We appreciate and thank you for the opportunity to work with the Public Service Commission on this project. Should you have any questions or require additional information, please feel free to contact me at mschaible@sehinc., at my direct line of 701.354.7121, or on my cell 406.207.6586.

Sincerely,

SEH of North Dakota, LLC



Matthew Schaible, PE
Project Manager