Public Utility Commission of Texas
Business Unit # 47300
Purchase Order # 17-0000165

Payment Terms: **NET30** Freight Terms: **FOB Ship** Ship Via: **US Mail** PCC: **I** Date: **11/08/16** PO Method: **DG** Dispatch: **Email Dispatch** Rev Dt:

PLEASE NOTE: ADDITIONAL TERMS AND CONDITIONS MAY BE LISTED AT THE END OF THE PURCHASE ORDER.

Vendor: TEXAS DEPT OF INFORMATION RESOURCES
PO BOX 13564
AUSTIN TX 787113564
United States

Ship To: 0001 - PUBLIC UTILITY COMMISSION O
SUITE 8-100
1701 N CONGRESS AVENUE
Austin TX 78701
United States

Bill To: PUBLIC UTILITY COMMISSION OF TEXAS
Attn: Accounts Payable
P.O. Box 13326
Austin TX 78711-3326
United States

Vendor ID: 3313313313 3

Purchaser: Pablo Almaraz

Phone: 512/936-7069
Fax: 512/936-7058
Email: pablo.almaraz@puc.texas.gov

Fax:
Email: payables@puc.texas.gov

PO Information:

Purchase Order is to exercise the Second Amendment to DIR Contract No. DIR-DCS-IAC008 and PUC Agency Contract No. 473-12-00262 to the Consolidation of Data Center Services Pursuant to the Master Services Component Providers.

Interagency Contracts: TEX. GOVT CODE ANN. §§ 771.001-771.010

Line-Sch	Line Description	Class/Item	Quantity	UOM	Unit Price	Extended Amt	Due Date
1- 1	DIR Interagency Contract DCS IAC Attachment A Estimated Cost Amount. For the period of September 1, 2016 through August 31, 2017, the estimated not to exceed amount of $436,168.	920/23	1.0000	YR	$436,168.00000	$436,168.00	11/08/2016

Schedule Total $436,168.00

ReqID:
REQ0001941

Item Total for Line # 1 $436,168.00

Total PO Amount $436,168.00

All Shipments, Shipping papers, invoices and correspondence must be identified with our Purchase Order Number. Over shipments will not be accepted unless authorized by Purchaser prior to Shipment.

DIR Contract No. DIR-DCS-IAC008
Agency Contract No. 473-12-002662

INTERAGENCY CONTRACT BETWEEN THE DEPARTMENT OF INFORMATION RESOURCES AND PUBLIC UTILITY COMMISSION RELATING TO THE CONSOLIDATION OF DATA CENTER SERVICES PURSUANT TO THE MASTER SERVICES AGREEMENTS BETWEEN THE DEPARTMENT OF INFORMATION RESOURCES AND THE MULTISOURCING SERVICES INTEGRATOR AND SERVICE COMPONENT PROVIDERS DIR CONTRACTS NOS. DIR–DCS-MSI-MSA-001, DIR-DCS-SCP-MSA-002, AND DIR-DCS-SCP-MSA-003 – DATA CENTER SERVICES

This Interagency Contract ("IAC" or "Contract") is entered into by the state agencies shown below as contracting parties (referred to individually as a "Party" and collectively as the "Parties") pursuant to the provisions of the Interagency Cooperation Act, Chapter 771, Texas Government Code. This IAC is created to give effect to the intent and purpose of Subchapter L, Chapter 2054, Texas Government Code, concerning statewide technology centers, specifically including Section 2054.386(b), Texas Government Code, which requires each state agency selected to receive services or to have operations performed through a statewide technology center to enter into an interagency contract with the Department of Information Resources (hereafter referred to as the "Performing Agency" or "DIR").

This Contract is consistent with the terms in DIR Contracts Nos. DIR-DCS-MSI-MSA-001 between DIR and Capgemini America, Inc., DIR-DCS-SCP-MSA-002 between DIR and Xerox State & Local Services, Inc., and DIR-DCS-SCP-MSA-003 between DIR and Xerox Corporation. The DIR contracts are hereinafter referred to collectively as the "Data Center Services Contracts." The service delivery model set forth in the Data Center Services Contracts provides for a Multisourcing Service Integrator (MSI) Service Provider and various Service Component Providers, which will hereinafter be referred to as the "Service Providers". The state agency receiving services under the Data Center Services contracts through this IAC is hereinafter referred to as the "Receiving Agency" or the "DIR Customer."

SECTION I
CONTRACTING PARTIES

RECEIVING AGENCY: Public Utility Commission

PERFORMING AGENCY: Department of Information Resources

SECTION II
STATEMENT OF SERVICES TO BE PERFORMED

1. EFFECT OF IAC

Data center and disaster recovery services are required by Section 2054.382, Texas Government Code, to be managed by DIR for two or more state agencies under a rule that describes such data and disaster recovery services. DIR has described such Services at 1 Texas Administrative Code, Chapter 215, and they are further described in the Data Center Services Contracts. Receiving Agency has been prioritized by DIR to receive data center and disaster recovery services, and this IAC is entered into to describe the Services to be provided and the responsibilities of each Party relating thereto. Capitalized terms not defined herein shall have the same meanings as set forth in the Data Center Services Contracts.

This IAC describes the rights and responsibilities of the Parties relating to specific implementation, operation, maintenance, use, payment and other associated issues by and between DIR Customer and DIR related to the Services to be provided under the Data Center Services Contracts.

Pursuant to the First Amendment to the Data Center Services Contracts, Interim, Walk In Take Over (WITO) services will commence on May 1, 2012 at 12:00:00 a.m. Central Time and terminate on June 30, 2012 ("WITO Period"). The Services provided under the Data Center Services Contracts will commence on July 1, 2012 at 12:00:00 a.m. Central Time ("the Commencement Date").

2. SERVICES PROVIDED AND RELATED EQUIPMENT, SOFTWARE AND FACILITIES

Unless otherwise referenced herein, the references to Exhibits and Attachments herein are references to Exhibits and Attachments of the Data Center Services Contracts where specific requirements of an individual DIR Customer may be identified. Assets covered within the Services outlined in the Data Center Services Contracts are included in the Exhibits and Attachments. Omission of assets from the Exhibits and Attachments to the Data Center Services Contracts does not imply exemption from Services.

Service Providers are required to conduct an initial wall to wall complete inventory of all Equipment, Software, and related services provided or supported by the Service Providers and deployed at DIR and DIR Customers Sites or Service Provider locations. This initial inventory will include all IT assets, whether such assets are owned or leased by DIR, DIR Customers, or the Service Providers. In addition, the Service Providers are required to maintain this inventory record on an on-going basis throughout the term of the Data Center Services Contracts.

2.1 Services, Service Levels and Implementation

During the WITO Period, Service Providers shall provide essential data center services as described in **Attachment 1,** Statement of Work to the First Amendment to the Data Center Services Contracts. During this period, DIR and the DIR Customers, with the assistance of the new Service Providers, will phase out the services of the previous Service Provider. On July 1, 2012, DIR Customers shall receive the Services described in the Data Center Services Contracts, subject to the terms of this IAC and the Data Center Services Contracts. **Attachment 3-A**, Service Levels Matrix, shall serve as the minimum required Service Levels beginning July 1, 2012.

Service Providers shall perform the Transition and Transformation Services, including completion of milestones and provision of the deliverables described in the Transition Plan and Transformation Plan. DIR and DIR Customer shall perform the tasks and provide the resources for which they are respectively responsible under the Transition Plan and Transformation Plan, but neither DIR nor DIR customer shall be obligated to perform tasks or provide any resource beyond those set forth in such Transition Plan or Transformation Plan. If DIR Customer fails to perform such required tasks or provide such required resources, DIR Customer shall be financially responsible for DIR's additional costs reasonably incurred as a direct result of such failure. If DIR knows that DIR Customer has failed to perform such required tasks or provide such required resources, DIR will use reasonable efforts to notify DIR Customer of the failure and will give DIR Customer a reasonable opportunity to cure such failure. The cure period will necessarily be shorter than the cure period provided by Service Providers to DIR under **Section 4.2** and **Section 4.3** of the Data Center Services Contracts. In all events, Service Providers shall use commercially reasonable efforts to minimize such costs.

2.2 DIR Customer Equipment

At the start of the WITO Period, Service Providers will assume responsibility for operation, maintenance and management of the DIR Customer owned and leased Equipment ("DIR Customer Equipment") identified in **Exhibit 10**, Equipment Assets, and will abide by all federal and state laws, rules, regulations and guidelines concerning appropriate use thereof. Any use by Service

Providers of DIR Customer Equipment shall be limited to the purpose of fulfilling the requirements of this IAC or the Data Center Services Contracts. If required under federal law, DIR Customer Equipment shall be used only for purposes authorized under federal law. DIR Customer will retain ownership of DIR Customer Equipment and will not be required to acquire additional Equipment at refresh of such Equipment. For purpose of this IAC, refresh is deemed to be the point in time that DIR and Service Providers determine that the DIR Customer Equipment shall be replaced pursuant to the refresh life cycle terms set out in the Data Center Services Contracts. Upon refresh, Service Providers are responsible for providing the replacement Equipment, and DIR Customer is responsible for the disposal and/or surplus of decommissioned DIR Customer Equipment in accordance with applicable state and federal law and rules. Unless otherwise agreed by the Parties, all replacement Equipment shall be owned by DIR or Service Providers.

DIR Customer acknowledges and agrees that the DIR Customer Equipment may be relocated during the term of this IAC in accordance with the terms of the Data Center Services Contracts.

2.3 DIR Customer Contracts and Leases with Third Parties

DIR Customer will make available for use or use its best efforts to cause to be made available for use by DIR and Service Providers the DIR Customer Contracts and Leases that pertain to the Data Center Services set forth in **Attachment 12-B**, Third Party Service Contracts and **Attachment 12-C**, Third Party Equipment Contracts. Any use by Service Providers of DIR Customer Third Party Contracts and Leases shall be limited to fulfilling the requirements of this IAC or the Data Center Services Contracts. If required under federal law, the DIR Customer Third Party Contracts and Leases shall be used only for the purposes authorized under federal law.

Service Providers shall obtain all Required Consents in accordance with **Article 5** of the Data Center Services Contracts. Except to the extent expressly provided otherwise in **Attachment 4-B**, Financial Responsibility Matrix, Service Providers shall pay all transfer, re-licensing, termination charges and other costs or expenses associated with obtaining any Required Consents or obtaining any licenses or agreements as to which Service Providers are unable to obtain such Required Consents. If requested by DIR, DIR Customer shall cooperate with Service Providers in obtaining the Required Consents by executing appropriate DIR approved written communications and other documents prepared or provided by Service Providers.

In accordance with the Transition Plan, the Service Providers are responsible for documenting the disposition of each Third Party Contract including identifying any DIR Customer Third Party Contracts and Leases that will not be transferred and that will remain a DIR Customer responsibility.

2.4 DIR Customer-Licensed Third Party Software

DIR Customer will make available for use or use its best efforts to cause to be made available for use, by DIR and Service Providers, the DIR Customer third party software ("DIR Customer-Licensed Third Party Software") set forth in **Attachment 12-A**, Third Party Software. Any use by Service Providers of DIR Customer-Licensed Third Party Software shall be limited to use for the purpose of fulfilling the requirements of this IAC or the Data Center Services Contracts. If required under federal law, the DIR Customer-Licensed Third Party Software shall be used only for the purposes authorized under federal law.

DIR Customer will use its best efforts to assist Service Providers to obtain from each Third Party Software licensor the right to use the DIR Customer-Licensed Third Party Software for Services provided under the Data Center Services Contracts. Service Providers shall obtain all Required Consents in accordance with **Article 5** of the Data Center Services Contracts. Except to the extent expressly provided otherwise in **Attachment 4-B**, Financial Responsibility Matrix, Service Provider shall pay all transfer, re-licensing, termination charges and other costs or expenses associated with obtaining any Required Consents or obtaining any licenses or agreements as to which Service Providers are unable to obtain such Required Consents.

In accordance with the Transition Plan, the Service Providers are responsible for documenting the disposition of each Third Party Contract including identifying any third party software licenses that will not be transferred and that will remain a DIR Customer responsibility.

2.5 DIR Customer Facilities

DIR Customer will use its best efforts to make available for use or cause to be made available for use by DIR and Service Providers the DIR Customer Facilities set forth in **Attachment 7-A**, DIR Facilities. Service Providers shall be responsible for identifying in the Transformation Plan the facilities that will be required for on-going service delivery and shall be required to detail how the identified facilities will be used by the Service Providers in the performance of their obligations and in compliance with any applicable rules and/or regulations.

2.6 Change Orders and Change Control

In accordance with the Service Management Manual, DIR Customer will coordinate with Service Providers and DIR all requests to change Service volumes, Service Levels, order New Services, order project work, and other Service change requests as may arise from time to time. Service Providers will maintain information on the status of each request in accordance with the Data Center Services Contracts and the Service Management Manual developed thereunder.

2.7 Inventory Control

DIR shall coordinate financial accounting and control processes between DIR Customer and Service Providers and ensure inclusion of reasonable control and reporting mechanisms, including any control and reporting mechanisms specifically required by DIR Customer, in the Service Management Manual. Such procedures shall specifically recognize DIR Customer requirements for inventory control and accounting for state owned and leased equipment and facilities, including hardware, software, contracts, and other items of value that may be utilized by, or authorized for use under the direction and control of Service Providers.

SECTION III
TERM AND TERMINATION OF CONTRACT

The term of this IAC shall commence on May 1, 2012 and shall terminate on the date of termination of the Data Center Services Contracts, unless earlier terminated or extended by mutual agreement of the Parties. The initial term of the Data Center Services Contracts terminates at 11:59:59 p.m., Central Time, August 31, 2020, unless terminated earlier. The Parties intend that the Services received and delivered under this IAC coincide with the terms of the Data Center Services Contracts and that the term of this IAC be coterminous with the Data Center Services Contracts.

During the term of this IAC, DIR and DIR Customer shall amend this IAC, in accordance with Section VII of the IAC, as necessary to incorporate changes resulting from amendments to the Data Center Services Contracts. DIR shall keep DIR Customer informed of and provide the opportunity to provide input to DIR concerning the need for such amendments through participation under Section VI of the IAC.

This IAC is contingent on the continued appropriation of sufficient funds to pay the amounts specified in Attachment A, Estimated Cost Amount, of this IAC for the Services provided hereunder, including, as applicable, the continued availability of sufficient federal funds for the purposes described in this IAC and the Data Center Services Contracts. Continuation of the IAC is also contingent on the continued statutory authority of the Parties to contract for the Services. If this IAC is terminated for any reason other than lack of sufficient funds, lack of statutory authority or material breach by DIR, DIR Customer shall pay DIR an amount sufficient to reimburse DIR for any termination charges and any termination assistance charges incurred under the Data Center Services Contracts and this IAC as a result of such termination by DIR Customer. Payment of such compensation by DIR Customer to DIR shall be a condition precedent to DIR Customer's termination. DIR Customer acknowledges that Section 2054.382, Texas Government Code, prohibits DIR Customer from

spending appropriated money to contract or issue purchase orders for data center and disaster recovery services, including maintenance, without DIR executive director approval of such expenditures.

DIR and DIR Customer acknowledge and agree that compliance with federal law and ongoing cooperation with federal authorities concerning the expenditure of federal funds in connection with the Data Center Services Contracts and this IAC are essential to the continued receipt of federal funds.

SECTION IV
BASIS FOR COMPUTING REIMBURSABLE COSTS AND PAYMENT FOR SERVICES

DIR shall electronically invoice DIR Customer for Services on a monthly basis. Each invoice shall include the applicable monthly charges for Services received from the Service Providers, the DIR recovery fees, and any Pass-Through Expenses incurred by DIR or Service Providers on behalf of DIR Customer in accordance with the Data Center Services Contracts or this IAC. An overview of the charges is included in Attachment B, Overview of Charges, of this IAC.

The DIR recovery fees shall be reviewed at least annually in accordance with the requirements for billed statewide central services as set forth in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments and other applicable statutes, rules, regulations and guidelines.

DIR shall retain documentation for the DIR recovery fees. Each invoice shall include sufficient detail for DIR Customer to allocate costs to all federal and state programs in accordance with the relative benefits received and to make federal claims according to the federal cost plan of DIR Customer.

In order to allow DIR to meet the statutory payment requirements in Chapter 2251, Texas Government Code, DIR Customer shall make monthly payments by processing an Interagency Transaction Voucher within twenty (20) days following receipt of each invoice from DIR for all fund sources in the State Treasury. Payment from other fund sources must also be made within twenty (20) days. For purposes of determination of the payment due date, DIR and DIR Customer shall use the date when the invoice is electronically transmitted by DIR to DIR Customer and posted on the chargeback system along with reports that substantiate the service volumes and associated Charges. Although cash flow considerations require timely payments as required herein, the rights of DIR Customer and DIR to dispute charges shall be consistent with Texas law.

The MSI Service Provider is required to develop and maintain a chargeback system. DIR shall coordinate requirements and functionality for the chargeback system with DIR Customer needs and requirements under federal and state requirements for invoiced charges generated through the system. DIR Customer

shall utilize this chargeback system to link the designated measurable activity indicators (such as applications or print jobs) with the appropriate financial coding streams. DIR Customer shall update this information monthly, or at such other intervals as are necessary, to enable the MSI Service Provider to generate accurate invoices reflecting the appropriate distribution of costs as designated by DIR Customer.

DIR Customer is liable for all costs and expenses associated with providing Services under the IAC to the extent such costs and expenses have been incurred by DIR and such Services have been provided to DIR Customer. Except as allowed in Section 771.008, Texas Government Code, DIR Customer shall have no right to set off, withhold or otherwise reduce payment on an invoice. To ensure enforceability of payment obligations, DIR Customer consents to DIR presenting this IAC and all unpaid invoices to the Comptroller of Public Accounts for collection purposes, as set forth in Section 771.008, Texas Government Code. Provided, however, that such consent shall not constitute an agreement or stipulation that Services have been provided or that the invoices are correct. DIR Customer expressly retains all rights to which it is entitled under Section 771.008, Texas Government Code, in the event of a disagreement with DIR as to whether Services have been provided and accepted or an invoice contains an error.

If DIR Customer disputes an unpaid invoice, it shall present the billing dispute in writing directly to DIR within 4 invoice cycles after the date DIR Customer receives the invoice and reports that substantiate the service volumes and associated Charges from DIR. DIR Customer will provide to DIR all relevant documentation to justify the billing dispute. Unless such billing dispute reasonably appears unjustified to DIR, DIR shall dispute such unpaid charges with Service Providers in accordance with the requirements of Sections 2251.042 and 2251.051, Texas Government Code. If such billing dispute appears unjustified to DIR, then DIR shall advise DIR Customer in writing of DIR's findings.

DIR Customer retains the right to dispute a paid invoice and shall notify DIR of such dispute along with supporting documentation in a timely manner. DIR shall represent the DIR Customer concerns to the Service Providers in accordance with Service Management Manual.

Payment with funds contained in the State Treasury shall be made via USAS fund transfers. DIR Customer shall initiate the transfers. DIR shall provide all necessary USAS coding elements to DIR Customer. DIR Customer shall pay for Services received from appropriation items or accounts from which like expenditures normally would be paid for similar services or resources based upon vouchers payable to DIR.

SECTION V
CONTRACT AMOUNT

In accordance with terms of the Data Center Services Contracts and this IAC, DIR Customer shall be responsible for and agrees to pay DIR the applicable monthly Charges for Services received from the Service Providers, the DIR recovery fees, and any Pass Through Expenses incurred by DIR or Service Providers on behalf of DIR Customer in accordance with the Data Center Services Contracts or this IAC. An overview of the charges is included in Attachment B, Overview of Charges, of this IAC. It is understood and agreed that amounts are subject to change depending upon Services required and further dependent upon legislative direction and appropriations available for such Services. Attachment A to this IAC supports the estimated cost amounts between DIR and DIR Customer and is hereby incorporated as part of this IAC. It is further agreed between the Parties that Attachment A to this IAC shall be reviewed and revised as necessary.

SECTION VI
DIR CUSTOMER PARTICIPATION

Governance of the DCS program is based on an owner-operator approach in which DIR Customers perform the role of the operator which means they actively and directly work with DCS Service Providers to resolve local operational issues and participate in committees to address enterprise matters. Enterprise-level decisions and resolution of escalated DIR Customer-specific issues are carried out by standing governance committees, organized by subject area and comprised of representatives from DIR, DIR Customers, and Service Providers. DIR Customers are structured into partner groups that select representatives to participate in these committees. All Governance participants have an opportunity to review issues and provide input to their governance representative before a decision is made.

To comply with the terms of **Section 15.11**, Compliance with Laws, of the Data Center Services Contracts, DIR Customer shall notify DIR, in writing, of all DIR Customer-specific laws ("DIR Customer-Specific Laws"), other than Service Provider Laws, that pertain to any part of DIR Customer's business that is supported by Service Providers under the Data Center Services Contracts, and DIR will notify Service Providers, in writing, of such DIR Customer-Specific Laws. The Parties intend that such DIR Customer-Specific Laws will be identified and included in the portion of the Service Management Manual specific to DIR Customer. DIR Customer shall use commercially reasonable efforts to notify DIR, in writing, of any changes to DIR Customer-Specific Laws that may, in any

way, impact the performance, provision, receipt and use of Services under the Data Center Services Contracts. Immediately upon receipt of notice that any DIR Customer-Specific Laws have changed and in no event later than two business days from such receipt, DIR shall advise Service Providers, in writing, of such change and require that any changes to DIR Customer-Specific Laws are identified and included in the Service Management Manual. If necessary to facilitate DIR compliance with the requirements of **Section 15.11(e)** of the Data Center Services Contracts, DIR Customer shall provide written interpretation to DIR of any DIR Customer-Specific Law.

DIR Customer shall interface with Service Providers on the performance of "day–to-day" operations, including work practices requiring Service Provider and DIR Customer interaction, issues resolution, training, planning/coordination and "sign-off." All issues should be resolved at the lowest level possible, using the following escalation path, when necessary. If DIR Customer is not able to resolve an issue directly with Service Provider staff, DIR customer escalates the issue to Service Provider management. If the issue cannot be resolved by Service Provider management, DIR Customer escalates to the MSI Service Provider. If the issue cannot be resolved by MSI service provider, DIR Customer escalates to DIR. If the issue cannot be resolved by DIR, DIR Customer escalates to the appropriate DCS governance committee. The details of these and other agreed processes and procedures will be contained in the Service Management Manual to be developed by Service Providers and approved by DIR with reasonable opportunity for input by DIR Customer on agency-specific procedures. The Data Center Services Contracts require the Service Providers to develop appropriately documented policies, processes and procedures and to provide training to DIR Customer personnel where required to ensure effective service interfaces, before approval and adoption in the Service Management Manual.

DIR Customer will be expected to support the following:

(a) Software currency standards are established for the DCS environment through the owner operator governance model. DIR Customers will be engaged in approval of these standards and the development of technology roadmaps that employ these software currency standards. DIR Customers are expected to remediate applications in order to comply with the standards

(b) Technology standards (e.g. server naming standards, reference hardware architectures, operating system platforms) are established through DCS governance. DIR Customers will adhere to these standards. Any exceptions will follow governance request processes.

(c) Consolidated systems may require optimization for WAN communication. DIR Customers will remediate application functionality and design in order to perform optimally in a WAN environment.

(d) DIR Customers will collaborate with Service Providers to establish and leverage standard, regular change windows to support changes to enterprise systems. These change windows will be constructed to support varying degrees of service impact, from planned down-time to no service impact. Standard enterprise changes during these windows may affect all systems in one or more of the consolidated data centers simultaneously.

(e) DIR Customers will support the consolidation of commodity services into shared enterprise solutions that leverage common management and configuration practices delivered by the service providers. Examples of such commodity services are SMTP mail relay and DNS management.

(f) DIR Customers will support and align with standard enterprise Service Responsibilities Matrixes and associated processes for obtaining an exception or making improvements to the standard enterprise Service Responsibility Matrixes.

SECTION VII
MISCELLANEOUS PROVISIONS

Public Information Act Requests

Under Chapter 552, Texas Government Code (the Public Information Act), information held by Service Providers in connection with the Data Center Services Contracts is information collected, assembled and maintained for DIR. DIR shall respond to Public Information Act requests for Service Provider information. If DIR Customer receives a Public Information Act request for Service Provider information that DIR Customer possesses, DIR Customer shall respond to the request as it relates to the information held by DIR Customer. Responses to requests for confidential information shall be handled in accordance with the provisions of the Public Information Act relating to Attorney General Decisions. Neither Party is authorized to receive or respond to Public Information Act requests on behalf of the other.

Confidential Information

DIR shall require Service Providers to maintain the confidentiality of DIR Customer information to the same extent that DIR Customer is required to maintain the confidentiality of the information, and with the same degree of care Service Providers use to protect their own confidential information. DIR acknowledges and agrees that DIR Customer may be legally prohibited from disclosing or allowing access to certain confidential data in its possession to any third party, including DIR and Service Providers. The Service Management Manual shall document detailed confidentiality procedures, including the process

DIR Customer shall follow to identify confidential information it is legally prohibited from disclosing or allowing access to by DIR and Service Providers and including confidentiality procedures required that are specific to DIR Customer. **Article 13** of the Data Center Services Contracts sets forth the confidentiality obligations of Service Providers.

DIR Customer shall notify DIR, in writing, if it is a covered entity subject to the Health Insurance Portability and Accountability Act (HIPAA) privacy regulations at 45 Code of Federal Regulations Parts 160 and 164, that is required to enter into a business associate agreement with DIR or Service Providers. DIR Customer shall notify DIR, in writing, if DIR Customer receives Federal tax returns or return information. If DIR Customer receives federal tax returns or return information, then DIR Customer must comply with the requirement of IRS Publication 1075 and Exhibit 7 to IRS Publication 1075. DIR Customer shall notify DIR, in writing, of any other requirements it has specific to the provision of Services hereunder. In the event a DIR customer is subject to additional requirement as mentioned in this section, DIR shall require Service Providers to maintain the confidentiality of DIR Customer information in accordance with language included in Attachment C of this agreement. Such additional requirements as is included in Attachment C of this agreement shall be included in the portion of the Service Management Manual specific to DIR Customer.

Contact Information

Contact information for each Party is set forth below.

DIR Customer's Primary Contact
Name: Jim Albright
Address: 1701 N. Congress, Austin TX 78701
Telephone / Fax: 512-936-7095 / 512-936-7058
Email: jim.albright@puc.state.tx.us

DIR Customer's Billing Contact
Name: Wayne Moss
Address: 1701 N. Congress, Austin, TX 78701
Telephone / Fax: 512-936-7074 / 512-936-7058
Email: wayne.moss@puc.state.tx.us

DIR's Primary Contact
Name: Donna Clay
Address: 300 W. 15th Street, Suite 1300, Austin, TX 78701
Telephone/Fax: (512) 463-4057 (telephone) / (512) 463-5868 (fax)
Email: donna.clay@dir.texas.gov

DIR's Billing Contact
Name: Bob Hopper
Address: P. O. Box 13564, Austin, TX 78711-3564
Telephone / Fax: (512) 936-4271 (telephone) / (512) 463-3304 (fax)
Email: bob.hopper@dir.texas.gov

Binding Effect

The Parties hereto bind themselves to the faithful performance of their respective obligations under this IAC.

DIR Customer acknowledges and agrees it has no privity of contract with the Service Providers but is a third party beneficiary of the Data Center Services Contracts as set forth in **Section 21.19** thereof.

Amendments

This IAC may not be amended except by written document signed by the Parties hereto.

Conflicts between Agreements

If the terms of this Contract conflict with the terms of any other contract between the Parties, the most recent contract shall prevail.

Responsibilities of the Parties

The Parties shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations and with the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of the Contract. The parties do not intend to create a joint venture. Each Party acknowledges it is not an agent, servant or employee of the other. Each Party is responsible for its own acts and deeds and for those of its agents, servants and employees. Notwithstanding the foregoing, DIR will cooperate with DIR Customer in all reasonable respects to resolve any issues pertaining to federal funding in connection with this IAC or the Data Center Services Contracts.

DIR and DIR Customer agree that Services contemplated in this IAC shall be governed by provisions in the Data Center Services Contracts regarding individual responsibilities of the parties, including Services provided by the Service Providers. In the event DIR Customer actions, failure to perform certain responsibilities, or request for Services result in financial costs to DIR, including interest accrued, those costs shall be the responsibility of DIR Customer. DIR and DIR Customer shall coordinate and plan for situations where conflicts, failure to perform or meet timely deadlines, or competition for resources may occur during the term of this contract. Unless otherwise specifically addressed, the

governance process for the Data Center Services Contracts shall be used for issue resolution between DIR Customers, DIR and DIR Service Providers.

Audit Rights of the State Auditor's Office

In accordance with Section 2262.003, Texas Government Code and other applicable law, the Parties acknowledge and agree that: (1) the state auditor, the Parties' internal auditors, and if applicable, the Office of Inspector General of DIR Customer or their designees may conduct audits or investigations of any entity receiving funds from the state directly under the Contract or the Data Center Services Contracts, or indirectly through a subcontract under the Data Center Services Contracts; (2) that the acceptance of funds directly through this Contract or indirectly through a subcontractor under the Contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, the Parties' internal auditors, and if applicable, the Office of Inspector General of DIR Customer or their designees to conduct audits or investigations in connection with those funds; and (3) that the Parties shall provide such auditors or inspectors with access to any information considered relevant by such auditors or inspectors to their investigations or audits.

Signatory Warranty

Each signatory warrants requisite authority to execute the IAC on behalf of the agency represented.

SECTION IX
CERTIFICATIONS

The undersigned Parties hereby certify that: (1) the matters specified above are necessary and essential for activities that are properly within the statutory functions and programs of the affected agencies of State Government; (2) this IAC serves the interest of efficient and economical administration of State Government; and (3) the Services, supplies or materials in this IAC are not required by Section 21, Article 16 of the Constitution of Texas to be supplied under contract given to the lowest responsible bidder.

RECEIVING AGENCY further certifies that it has the authority to contract for the above Services pursuant to Subchapter L, Chapter 2054, Texas Government Code.

PERFORMING AGENCY further certifies that it has the authority to contract for the above Services pursuant to Subchapter L, Chapter 2054, Texas Government Code.

IN WITNESS WHEREOF, the Parties have signed this IAC effective on May 1, 2012.

RECEIVING AGENCY: PUBLIC UTILITY COMMISSION

By: _____

Printed Name: Brian Lloyd

Title: Executive Director

PERFORMING AGENCY: DEPARTMENT OF INFORMATION RESOURCES

By: _____

Printed Name: Carl Marsh

Title: Chief Operating Officer

Attachments to IAC

Attachment A Estimated Cost Amount

Attachment B Overview of Charges

Attachment C Additional Confidentially Requirements

Attachment A
Estimated Cost Amount

Below are the estimated not to exceed costs for Services received from the Service Providers. Costs, such as incremental network expenses, which are billed directly to or paid by the DIR Customer, are not included in these amounts.

For the period May 1, 2012 through August 31, 2012, the not to exceed amount is $111,218.88.

For the period September 1, 2012 through August 31, 2013, the not to exceed amount is $432,531.50.

Attachment B
Overview of Charges

The following provides a summary of potential agency charges, for reference.

For the description of charges during the WITO Period, see **Attachment 2,** Pricing and Financial Provisions to the First Amendment to the Data Center Services Contracts. During the WITO period, DIR shall invoice DIR Customer for Print and Mail charges, Hardware Service Charges, Software Service Charges, Project Rate Card Charges, Interim Period Service Charge and any Pass-Through Expenses on an actual basis. Other resource units will be billed based on April 2012 resource unit volumes.

For the description of the Charges beginning on July 1, 2012 see **Exhibit 4**, Charges, of the Data Center Services Contracts. Charges will be based on each agency's technical environment and service mix (e.g., mainframe, server, print-mail); therefore, not all of the charges described below will apply to all agencies.

MSI and Service Component Provider Charges

MSI Base Charges
The agency base charge is calculated as follows:

enterprise chargeback unit rate x volumes

This Base Charge calculation applies to all Base Charges except those categorized under the Pass Through and Transition/Transformation Milestone Charges.

Attachment 4A provides an enterprise Base Charge for each Resource Baseline Category. The allocation of these Base Charges is included in the Service Component Providers chargeback unit rates and is based on the level of support required for the services being provided.

Service Component Provider Base Charges
The agency base charge is calculated as follows:

enterprise chargeback unit rate x volumes

This Base Charge calculation applies to all Base Charges except those categorized under the Mainframe Software Services Charges, Server Hardware Services Charges, Server Software Service Charges, Server Tier Matrix Maintenance – State-Owned Equipment, Pass Through and Transition/Transformation Milestone Charges.

Attachment 4A provides an enterprise Base Charge for each Resource Baseline Category (e.g., Mainframe CPU Hours, Consolidated and Non-Consolidated Service Tier Matrix Servers, Consolidated and Non-Consolidated Storage and Tape). The allocation of these Base Charges to an agency is based on the agency's volume of that Resource Unit as a percentage of the total volume.

The enterprise chargeback unit rate for each Resource Unit is determined by dividing the sum of the Base Charge and variable ARC (Additional Resource Charge) and RRC (Reduced Resource Credit) charges by the total volume.

Base Charges are based on a forecasted consumption pattern and include all of the required services and agreement provisions. ARCs and RRCs are designed to adjust Base Charges up or down as actual consumption deviates from forecasted consumption. The enterprise chargeback unit rate may vary based on enterprise activity.

Mainframe Software Services Charges (SSC)
The Mainframe SSC reflects the license and maintenance fees for software installed on Mainframes and categorized in the "Mainframe" tab of **Attachment 4-B**, Financial Responsibility Matrix, as "Mainframe non-IBM Software". The intent of the SSC is to provide the agencies the ability to procure software from Service Providers that is not built into the Base Charges (included in the "Infrastructure Stack" software). If the software is not paid as a One Time Charge (OTC), the Monthly Software Charge will equal the Software Expenditures x 1.025 divided by twelve (12).

Server Hardware Service Charge (HSC)
The Server HSC reflects the cost of application server hardware and hardware maintenance over a 60-month period. The HSC includes payments for hardware currently existing in the environment and hardware costs associated with transformation and refresh on Servers billed through the Service Tier Matrix.

Server Software Service Charge (SSC)
The Service SSC reflects the license and maintenance fees for software installed on Service Tier Matrix Servers and Utility Servers and categorized in the "Server Software" tab of **Attachment 4-B**, Financial Responsibility Matrix, as "DIR Customer Request". The intent of the SSC is to provide the agencies the ability to procure software from Service Providers that is not built into the Base Charges (included in the "Infrastructure Stack" software). If the software is not paid as a One Time Charge (OTC), the Monthly Software Charge will equal the Software Expenditures x 1.025 divided by twelve (12).

Server Tier Matrix Maintenance – State-Owned Equipment
The "Hardware Maintenance - DIR Customer-Owned STM Servers" line in **Attachment 4-A** indicates the amounts payable for maintenance performed in respect of Equipment installed in the DIR Customers' Production Environments.

Pass Through
Pass Through includes costs for microfiche and the enterprise security assessment or any other item designated as a Pass Through. A 3% fee is added to the costs of all Pass Through items.

Transition/Transformation Milestone Charges
The Transition/Transformation Milestone Charges occur over the life of the Agreement and have been allocated to the agencies as follows:

- Mainframe: Allocated to agencies based on the relative size of their total current Mainframe spend profile.
- Server/Data Center/Network: Allocated to agencies based on the relative size of their total current Server spend profile.
- Print - Mail: Allocated to agencies based on their relative size of the total current Print – Mail spend profile.
- MSI: Allocated to agencies based on their relative size of their total current spend profile.

Other Applicable Charges
In addition to the charges described above, upon the agency's request and DIR's approval, the following additional charges may be invoiced by the Service Providers:

- Additional Project Pool Hours
- Optional Service Tier Matrix Services
- Optional Unisys Mainframe Services, Print-Mail Services and Server Services
- New Services that may be requested and priced in accordance with **Section 11.5** of the Service Provider Contracts
- MSI Special Implementation Projects
- Co-location Services

DIR Recovery Fees

DIR Cost Recovery Fee
The estimated amount DIR will recover from the agencies to fund Data Center Services related expenditures for sourcing management.

Enterprise License Recovery Fee
The amount DIR will recover from the agencies to fund the enterprise licenses held by DIR on behalf of DIR Customers.

Other DIR Services

There may be other charges associated enterprise services offered by DIR. DIR will provide notice to DIR Customers prior to assessment of other charges.

Attachment C
Additional Confidentiality Requirements

Not required.

TEXAS DEPARTMENT OF INFORMATION RESOURCES
P.O. Box 13564 ◆ Austin, TX 78711-3564 ◆ www.dir.texas.gov
Tel: (512) 475-4700 ◆ Fax: (512) 475-4759

KAREN W. ROBINSON
Executive Director

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BILL PARKER
Ex Officio

GEORGE RIOS
Ex Officio

September 4, 2013

Mr. Jim Albright
Public Utility Commission
1701 N. Congress Avenue
Austin, Texas 78701

Re: First Amendment to Interagency Contract (IAC) DIR-DCS-IAC008

Dear Mr. Albright:

Enclosed is your fully executed copy of the above-referenced Interagency Contract Amendment between the Department of Information Resources (DIR) and Public Utility Commission.

If you have any questions, please contact me by telephone at 512-475-0517 or by e-mail at joanne.severn@dir.texas.gov.

Sincerely,

Joanne Severn, CTCM
Data Center Services - Contract Manager
Department of Information Resources

Enclosures

DIR Contract No. DIR-DCS-IAC008
Agency Contract No _473-12-00262_.

FIRST AMENDMENT TO THE INTERAGENCY CONTRACT BETWEEN THE TEXAS DEPARTMENT OF INFORMATION RESOURCES AND PUBLIC UTILITY COMMISSION RELATING TO THE CONSOLIDATION OF DATA CENTER SERVICES PURSUANT TO THE MASTER SERVICES AGREEMENT BETWEEN THE TEXAS DEPARTMENT OF INFORMATION RESOURCES AND THE MULTISOURCING SERVICES INTEGRATOR AND SERVICE COMPONENT PROVIDERS DIR CONTRACTS NOS. DIR-DCS-MSI-MSA-001, DIR-DCS-SCP-MSA-002, AND DIR-DCS-SCP-MSA-003

This First Amendment (First Amendment) is to the Interagency Contract (the Contract) between the Texas Department of Information Resources (DIR) and the Public Utility Commission (DIR Customer) (collectively, the "Parties") to the Consolidation of Data Center Services pursuant to the Master Services Agreement between Performing Agency and the Multisourcing Services Integrator and Service Component Providers.

RECITALS

WHEREAS, DIR and Service Providers entered into an agreement (Data Center Services Contracts) on or after December 28, 2011 with commencement of services scheduled to commence on May 1, 2012, as provided by First Amendment to the Data Centers Service Contracts;

WHEREAS, pursuant to Texas Government Code, Chapter 771, and in order to extend the services offered under the Data Center Service Contracts, DIR and DIR Customer entered into an Interagency Contract, effective May 1, 2012, in which an estimated not to exceed cost for Data Center Services was provided;

WHEREAS, the Parties now desire to revise Section IV, Basis For Computing Reimbursable Costs And Payment For Service, regarding the billing dispute process and provide the not-to-exceed charges for DIR Customer for the next two (2) fiscal years for period of September 1, 2013 through August 31, 2014 and September 1, 2014 through August 31, 2015.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Contract as follows:

1. Section IV, Basis for Computing Reimbursable Costs and Payment for Services of the Interagency Contract, shall be amended to revise language to paragraph seven (7) and eight (8) reflecting the nature of DIR's involvement in the invoice dispute process available to DIR Customers and impose a time certain (20 business days) by which MSI must conduct any required due diligence and make a determination on the invoice dispute. The amended language reads as follows:

   If DIR Customer disputes an invoice, it shall present the billing dispute in writing directly to the MSI through the Service Catalog within four (4) invoice cycles after the date DIR Customer receives the invoice and reports that substantiate the service volumes and associated Charges from DIR. DIR Customer will provide to the MSI all relevant documentation to justify the billing dispute. The MSI will process the dispute within twenty (20) business days or MSI will incur a Service Level Default.

2. Section VII, Miscellaneous Provisions, Contact Information, of the Interagency

   Contract, shall be amended to revise DIR's Primary Contact and DIR's Billing Contact as follows:

   DIR's Primary Contact
   Name: Joanne Severn
   Address: 300 W. 15th Street, Suite 1300, Austin, TX 78701
   Telephone/Fax: (512) 475-0517 (telephone) / (512) 463-5868 (fax)
   Email: joanne.severn@dir.texas.gov

   DIR's Billing Contact
   Name: Jodie Erickson
   Address: P. O. Box 13564, Austin, TX 78711-3564
   Telephone / Fax: (512) 463-4326 (telephone) / (512) 463-3304 (fax)
   Email: jodie.erickson@dir.texas.gov

3. Attached, Appendix 1 of this First Amendment, Attachment A, Estimated Cost Amount, shall replace in its entirety and supersede all previous agreements related to Attachment A, Estimated Cost Amount, of the Interagency Contract.

Except as specifically amended herein, the Contract shall remain in full force and effect through its term.

DIR Contract No. DIR-DCS-IAC008
Agency Contract No 473-12-00262.

IN WITNESS WHEREOF, the Parties have signed this First Amendment effective on the date of the last party to sign.

RECEIVING AGENCY: PUBLIC UTILITY COMMISSION

By: _____

Printed Name: Brian Lloyd

Title: Executive Director

Date: 08/06/2013

PERFORMING AGENCY: DEPARTMENT OF INFORMATION RESOURCES

By: _____

Printed Name: Karen Robinson

Title: Executive Director

Date: 8-26-13 8/29/13

Appendix 1 to First Amendment of Interagency Contract

Attachment A
Estimated Cost Amount

Below are the estimated not to exceed costs for Services received from the Service Providers. Costs such as incremental network expenses, which are billed directly to or paid by the DIR Customer, are not included in these amounts.

For the period May 1, 2012 through August 31, 2012, the not to exceed amount is $111,218.88.

For the period September 1, 2012 through August 31, 2013, the not to exceed amount is $432,531.50.

For the period September 1, 2013 through August 31, 2014, the estimated not to exceed amount is $434,519.

For the period September 1, 2014 through August 31, 2015, the estimated not to exceed amount is $443,691.

Public Utility Commission
Acknowledgement of Legal Review

Contract Number: 473-12-00262

Description of Document: Second Amendment to Interagency Contract with DIR for Data Center Services

I have reviewed the attached document.

Kasey Feldman

Date: 7-21-15

DIR Contract No. DIR-DCS-IAC008
Agency Contract No _473-12-00262_.

SECOND AMENDMENT TO THE INTERAGENCY CONTRACT BETWEEN THE TEXAS DEPARTMENT OF INFORMATION RESOURCES AND PUBLIC UTILITY COMMISSION RELATING TO THE CONSOLIDATION OF DATA CENTER SERVICES PURSUANT TO THE MASTER SERVICES AGREEMENT BETWEEN THE TEXAS DEPARTMENT OF INFORMATION RESOURCES AND THE MULTISOURCING SERVICES INTEGRATOR AND SERVICE COMPONENT PROVIDERS DIR CONTRACTS NOS. DIR-DCS-MSI-MSA-001, DIR-DCS-SCP-MSA-002, AND DIR-DCS-SCP-MSA-003

This Second Amendment (Second Amendment) is to the Interagency Contract (the Contract) between the Texas Department of Information Resources (DIR) and the Public Utility Commission (DIR Customer) (collectively, the "Parties") to the Consolidation of Data Center Services pursuant to the Master Services Agreement between Performing Agency and the Multisourcing Services Integrator and Service Component Providers.

RECITALS

WHEREAS, DIR and Service Providers entered into an agreement (Data Center Services Contracts) on or after December 28, 2011 with commencement of services scheduled to commence on May 1, 2012, as provided by First Amendment to the Data Centers Service Contracts;

WHEREAS, pursuant to Texas Government Code, Chapter 771, and in order to extend the services offered under the Data Center Service Contracts, DIR and DIR Customer entered into an Interagency Contract, effective May 1, 2012, in which an estimated not to exceed cost for Data Center Services was provided;

WHEREAS, a First Amendment was necessary to revise Section IV, Basis For Computing Reimbursable Costs And Payment For Service, regarding the billing dispute process and provide the not-to-exceed charges for DIR Customer for the next two (2) fiscal years for period of September 1, 2013 through August 31, 2014 and September 1, 2014 through August 31, 2015.

WHEREAS, this Second Amendment is necessary to provide the estimated not-to-exceed charges for DIR Customer for the next two (2) fiscal years for period of September 1, 2015 through August 31, 2016 and September 1, 2016 through August 31, 2017.

DIR Contract No. DIR-DCS-IAC008
Agency Contract No 473-12-00262.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Contract as follows:

1. Appendix 1 of this Second Amendment, Attachment A, Estimated Cost Amount, shall replace in its entirety and supersede all previous agreements related to Attachment A, Estimated Cost Amount, of the Interagency Contract.

Except as specifically amended herein, the Contract shall remain in full force and effect through its term.

IN WITNESS WHEREOF, the Parties have signed this Second Amendment effective on the date of the last party to sign.

RECEIVING AGENCY: PUBLIC UTILITY COMMISSION

By: _____

Printed Name: Brian Lloyd

Title: Executive Director

Date: 7-28-15

PERFORMING AGENCY: DEPARTMENT OF INFORMATION RESOURCES

By: _____

Printed Name: Sally Ward

Title: Director, Data Center Services

Date: 8-21-15

DIR Contract No. DIR-DCS-IAC008
Agency Contract No _473-12-00262_.

Appendix 1 to Second Amendment of Interagency Contract

DIR Contract No. DIR-DCS-IAC008
Agency Contract No 473-12-00262 .

Attachment A
Estimated Cost Amount

Below are the estimated not to exceed costs for Services received from the Service Providers. Costs such as incremental network expenses, which are billed directly to or paid by the DIR Customer, are not included in these amounts.

For the period May 1, 2012 through August 31, 2012, the not to exceed amount is $111,218.88.

For the period September 1, 2012 through August 31, 2013, the not to exceed amount is $432,531.50.

For the period September 1, 2013 through August 31, 2014, the estimated not to exceed amount is $434,519.

For the period September 1, 2014 through August 31, 2015, the estimated not to exceed amount is $443,691.

For the period September 1, 2015 through August 31, 2016, the estimated not to exceed amount is $445,394.

For the period September 1, 2016 through August 31, 2017, the estimated not to exceed amount is $436,168.