



**Public Utility Commission of Texas**  
**Business Unit # 47300**  
**Purchase Order # 18-0000023**  
**Purchase Order Change Notice (# 1)**

Payment Terms: **NET30** Freight Terms: **FOB Shipping** Ship Via: **US Mail** PCC: **0** Date: **09/14/17** PO Method: **IA** Dispatch: **Dispatch** Rev Dt: **10/25/17**  
**Via Email**

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

<b>Vendor:</b> TEXAS DEPT OF INFORMATION RESOURCES PO BOX 13564 AUSTIN TX 787113564 United States	<b>Ship To:</b> 0001 - PUBLIC UTILITY COMMISSION O SUITE 8-100 1701 N CONGRESS AVENUE Austin TX 78701 United States
<b>Vendor ID:</b> 3313313313 3	<b>Bill To:</b> PUBLIC UTILITY COMMISSION OF TEXAS Attn: Accounts Payable P.O. Box 13326 Austin TX 78711-3326 United States
<b>Purchaser:</b> Pablo Almaraz	<b>Fax:</b>
<b>Phone:</b> 512/936-7069	<b>Email:</b> payables@puc.texas.gov
<b>Fax:</b> 512/936-7058	
<b>Email:</b> pablo.almaraz@puc.texas.gov	

**PO Information:**

DIR DCS (Data Center Services)  
This is interagency contract with Department of Information Resources and PUC.  
For the period Sep 01, 2017 through Aug 31, 2019, the estimated not to exceed the amount is 843,687.00.

DIR CONTRACT NO. DIR-DCS-IAC008 - AMEND 3, AGENCY CONTRACT NO. 473-12-00262

TERM: September 1, 2017 through August 31, 2018 NOTES: 1. This blanket order is to be used on an "As Needed Basis" for FY' 2018. 2. This purchase order amount is an estimate "ONLY". The Public Utility Commission of Texas reserves the right to increase and/or decrease the monetary amount as required during the contract period. Any such increase and/or decrease will be provided to vendor through a Purchase Order Change Notice (POCN). All deliveries are to be made to the address at the top of the purchase order. The PUC Mailroom also handles freight, shipping, and receiving between 8 a.m. - 4:00 p.m. Monday through Friday. Travis Building, 1701 N. Congress Avenue, Room100, Austin, Texas 78701. Telephone: (512) 936-7086.

10/25/17: POCN 1 TO DECREASE LINE ONE TO \$419,318.00 PER AP TO MATCH INVOICE, SEE ATTACHED

Line-Sch	Line Description	Class/Item	Quantity	UOM	Unit Price	Extended Amt	Due Date
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1- 1	DIR DCS (Data Center Services)	920/02	1.0000	YR	\$419,318.00000	\$419,318.00	09/14/2017
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**Schedule Total** \$419,318.00

Contract ID:  
000000014

ReqID:  
REQ0002567

DIR DCS (Data Center Services)  
This is interagency contract with Department of Information Resources and PUC.  
For the period Sep 01, 2017 through Aug 31, 2018, the estimated not to exceed the amount is 843,687.00.

**Item Total for Line # 1** \$419,318.00

**Authorized Signature**

*Pablo Almaraz, CTM*

**10/25/2017**



**Public Utility Commission of Texas**  
**Business Unit # 47300**  
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Page: 2 of 4

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**Total PO Amount**

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.

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**Authorized Signature**

*Pablo Alvarez, CTM*

10/25/2017



**Public Utility Commission of Texas**  
**Business Unit # 47300**  
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GENERAL TERMS AND CONDITIONS ITEMS BELOW APPLY TO AND BECOME A PART OF ANY PUBLIC UTILITY COMMISSION OF TEXAS (PUCT) SOLICITATION DOCUMENT OR PURCHASE ORDER (PO). ANY EXCEPTIONS THERETO MUST BE IN WRITING. 1. BIDDING/OFFER/PROPOSAL REQUIREMENTS: 1.1 Vendors/contractors must comply with all rules, regulations and statutes relating to purchasing in the State of Texas in addition to the requirements of this form. 1.2 Vendors/contractors must price per unit shown. Unit prices shall govern in the event of extension errors. 1.3 Solicitation responses should be submitted on this form and will not be accepted if modified onto or in vendors/contractors format. Solicitation responses must be returned to allow them to be time stamped at the Public Utility Commission of Texas on or before the hour and date specified for the solicitation opening. 1.4 Late and/or unsigned solicitation responses will not be considered under any circumstances. Person signing solicitation must have the authority to bind the firm in a contract. 1.5 Quote F.O.B. destination, freight prepaid and allowed unless otherwise stated in the solicitation. 1.6 Solicitation prices are requested to be firm for PUCT acceptance for 30 days from solicitation opening date. "Discount from list" bids are not acceptable unless requested. Cash discounts are not considered in determining an award. Cash discounts offered will be taken if earned. 1.7 Vendor/contractor should enter Texas Identification Number System (T.I.N.S.) number, full vendor name and address of bidder on the face of this form. Enter in the space provided, if not shown. Additionally, vendor name should appear on each continuation page of a bid. 1.8 Solicitation cannot be altered or amended after opening time unless allowed by law. Alterations made before opening time should be in writing by the vendor or his authorized agent. No solicitation can be withdrawn after opening time without approval by the PUCT based on an acceptable written reason. 1.9 Purchases made for State use are exempt from the State Sales tax and Federal Excise tax. Do not include tax in bid. Excise Tax Exemption. Certificates are available upon request. 1.10 The State reserves the right to accept or reject all or any part of any solicitation, waive minor technicalities and award the solicitation to best serve the interests of the state. 1.11 Consistent and continued tie bids/offers could cause rejection of solicitation by the PUCT and/or investigation of the State. 1.12 The telephone number for FAX submission of bids is 1-512-936-7058. This is the only number that will be used for the receipt of bids/offers. The State shall not be responsible for failure of electronic equipment or operator error. Late, illegible, incomplete, or otherwise non-responsive bids will not be considered. 1.13 Any contract resulting from this solicitation is contingent upon the continued availability of appropriations by the Texas Legislature. 2. SPECIFICATION: 2.1 Catalogs, brand names or manufacturer's references are descriptive only, and indicate type and quality desired. Solicitation responses on brands of like nature and quality will be considered unless advertised under Government Code, Title 10, Subtitle D, §.2155.067. If bidding/offering/ proposing other than referenced items, vendor/contractor should show manufacturer, brand or trade name, and other description of product offered. If other than brand(s) specified is offered, illustrations and a complete description of the product offered are requested to be made part of the bid/offer. By not taking exception to specifications or reference data will require vendor/contractor to furnish specified brand names, numbers, etc. 2.2 Unless otherwise specified, items bid/offered/ proposed shall be new and unused and of current production. 2.3 All electrical items must meet all applicable OSHA standards and regulations, and bear the appropriate listing from UL, FMRC or NEMA. 2.4 Samples, when requested, must be furnished free of expense to the State. If not destroyed during examination, they will be returned to the vendor on request at vendor's expense. Each sample should be marked with vendors name and address and PO number. Do not enclose in or attach bid/offer to sample. 2.5 The State will not be bound by any oral statement or representation contrary to the written specifications. 2.6 Manufacturer's standard warranty shall apply unless otherwise stated. 2.7 Technology Access Clause Vendor/contractor expressly acknowledges that state funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, the vendor/contractor represents and warrants to the PUCT that the technology provided to the PUCT for purchase is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology of: (a) providing equivalent access for effective use by both visual and non-visual means; (b) presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and (c) being integrated into networks for obtaining, retrieving and disseminating information used by individuals who are not blind or visually impaired. For purposes of this paragraph, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assertive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, and customizable display appearance. This requirement applies to all contracts that involve the purchase of an automated information system, with out regard to: (i) the source of funds used to make the purchase; (ii) whether the purchase is made under delegated purchasing authority; or (iii) whether the purchase is made under the authority of the Texas Government Code, Title 10, Subtitle D, or other law. (d) This section does not apply to the purchase of a wireless communications device to be used by peace officers, firefighters, and other emergency response personnel to respond to a public safety emergency. 3. TIE BIDS: Awards will be made in accordance with 1 TAC §113.6 (b) (3) and 113.8 (preferences). 4. DELIVERY: 4.1 Show number of days required to deliver material to the receiving agency's designated location under normal conditions. By not stating a delivery time, Vendor/contractor is obligated to deliver in 14 calendar days. Unrealistic delivery promised may cause bid/offer to be disregarded. 4.2 If delay is foreseen, vendor/contractor shall give written notice to PUCT. Vendor must keep PUCT advised at all times of status of order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes PUCT to purchase goods or services elsewhere and charge full increase, if any, in cost and handling to defaulting vendor. 4.3 No substitutions permitted without written approval of PUCT or the Comptroller of Public Accounts. 4.4 Delivery shall be made during normal working hours only, unless prior approval has been obtained from PUCT. 5. INSPECTION AND TESTS: All goods will be subject to inspection and test by the State. Authorized personnel shall have access to supplier's place of business for the purpose of inspecting merchandise. Tests shall be performed on samples submitted with the solicitation or on samples taken from regular shipment. All costs shall be borne by the vendor in the event products tested fail to meet or exceed all conditions and requirements of the specification. Goods delivered and rejected in whole or in part may, at the State's option, be returned to the vendor or held for disposition at vendor's expense. Latent defects may result in revocation of acceptance. 6. AWARD OF CONTRACT: A response to the solicitation or PO is an offer to contract based upon the terms, conditions and specifications contained herein. Bids/offers do not become contracts until they are accepted through a PO. The contract shall be governed, construed and interpreted under the laws of the State of Texas. The factors listed in Texas Government Code, Title 10, Subtitle D, § 2155.074 2156.007 shall also be considered in making an award. 7. PAYMENT: Vendor shall submit two copies of an itemized invoice showing order number on all copies. The State will incur no penalty for late payment if payment is made in 30 or fewer days from receipt of goods or services and an uncontested invoice. 8. PATENTS OR COPYRIGHTS: The vendor agrees to protect the State from claims involving infringement of patents or copyrights. 9. ASSIGNMENTS: Vendor/contractor hereby assigns to PUCT any and all claims for overcharges associated with this contract arising under the antitrust laws of the United States 15 U.S.C.A § 1, et seq., and the antitrust laws of the State of Texas, Tex. Bus. Comm. Code Ann. §15.01, et seq. 10. BIDDER VENDOR AFFIRMATION: Signing the solicitation with a false statement is a material breach of contract and shall void the submitted bid/offer or any resulting contracts, and the vendor shall be removed from all bid lists. By signature here on affixed. The vendor hereby certifies that: 10.1 The vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted bid/offer. 10.2 Neither the vendor nor the firm, corporation, partnership, or institution represented by the vendor/contractor, or anyone acting for such firm, corporation or institution has violated the antitrust laws of this State Federal Antitrust Laws, (see Section 9, above) nor communicated directly or indirectly the bid/offer/proposal made to any competitor or any other person engaged in such line of business. 10.3 Pursuant to Texas Government Code, Title 10, Subtitle D, § 2155.004(a), the vendor/contractor has not received compensation for participation in the preparation of the specifications for this solicitation. 10.4 Pursuant to Texas Family Code, Title 5, Subtitle D, § 231.006(d), regarding

Authorized Signature

*Pablo Alvarez, CTAM*

10/25/2017



Public Utility Commission of Texas

Business Unit # 47300

Purchase Order # 18-0000023

Purchase Order Change Notice (# 1)

child support, the vendor/contractor certifies that the individual or business entity named in this bid/offer/PO is not ineligible to receive the specified payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate. 10.5 Pursuant to Texas Government Code, Title 10, Subtitle D, § 2155.004(b) the vendor/contractor certifies that the individual or business entity named in this solicitation is not ineligible to receive the specified payment and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate. 10.6 INDEMNITY: The vendor/contractor shall defend, indemnify, and hold harmless the State of Texas, all of its officers, agents and employees from and against all claims, actions, suits, demands, proceedings costs, damages, and liabilities, arising out of, connected with, or resulting from any acts or omissions of vendor/contractor or any agent, employee, subcontractor, or supplier of vendor/contractor in the execution or performance of this PO/contract. 10.7 Vendor/contractor agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support, that is owed to the State of Texas. 10.8 Vendor/contractor certifies that they are in compliance with Texas Government Code, Title 6, Subtitle 8, § 669.003 of the Government Code, relating to contracting with executive head of a State agency. If Section 669.003 applies, vendor will complete the following information in order for the bid/offer/proposal to be evaluated: Name of Former Executive: \_\_\_\_\_ Name of State Agency: \_\_\_\_\_ Date of Separation from State Agency: \_\_\_\_\_ Position with Vendor/Contractor: \_\_\_\_\_ Date of Employment with Vendor/Contractor: \_\_\_\_\_ 10.9 Vendor/contractor agrees to comply with Texas Government Code, Title 10, Subtitle D, § 2155.4441 relating to use of service contracts for products produced in 10.10 By signing this bid/offer vendor/contractor certifies that if a Texas address is shown as the address of the vendor/contractor, vendor/contractor qualifies as a Texas Resident Bidder/Offerer/ Proposer as defined in Texas Administrative Code, Title 1, Part 5, Chapter 111, Subchapter A, §111.2(1 0). 10.11 STATE AUDIT: The vendor/contractor understands that acceptance of funds under this Contract PO acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit, or investigation, in connection with those funds. Vendor/contractor further agrees to cooperate fully with the State Auditor's Office, or its successor in the conduct of the audit or investigation, including providing all records requested. Vendor/contractor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through vendor/contractor and the requirement to cooperate is included in any subcontract it awards. Texas Government Code, Title 10, Subtitle D, § 2262.003. 11. OWNERSHIP DISCLOSURE: Pursuant to Section 231.006 (c) Family Code, a solicitation response must include names and Social Security Numbers of each person with at least 25% ownership of the business entity submitting the response. 12. NOTE TO BIDDER/ OFFERER/ PROPOSER: The State of Texas Purchase Order, and its General Terms and Conditions, shall constitute a contract between PUCT and the selected/ awarded vendor. Any terms and conditions attached to a solicitation response will not be considered unless specifically referred to in the response. PUCT may elect to execute the referenced terms and conditions provided by the vendor (vendor contract) which shall supplement the purchase order. However, PUCT will not execute a vendor contract with unacceptable, vague, or conflicting terms and may result in disqualification of the bid/ offer/ or proposal. In the event of a conflict between the PO and any executed vendor contract, the PUCT PO shall prevail. 13. DISPUTE: Pursuant to Chapter 2260 of the Texas Government Code, any dispute arising under a contract/PO for goods and services, for which this chapter applies must be resolved under the provisions of this chapter. PUCT Protest Procedures will be provided upon request. 14. TEXAS PUBLIC INFORMATION ACT AND CONFIDENTIAL INFORMATION: Information, documents and other material connected with this solicitation or any resulting contract may be subject to public disclosure under the Texas Public Information Act unless vendor/contractor can show the response or specific parts of it are exempt from public disclosure. PUCT will not assert legal arguments on behalf of vendors/contractors. If the vendor/contractor believes that parts of a response to this solicitation are confidential, he must state in conspicuous letters the term "CONFIDENTIAL" on that part it believes to be confidential. 15. CANCELLATION: Unless otherwise specified in the solicitation, PUCT may cancel the purchase order without penalty, either in whole or in part for any reason. 16. STATE LAWS: The resulting contract/PO shall be governed by and in accordance with the laws of the State of Texas. Venue for any action arising hereunder shall be in Travis County, Texas. 17. CONSTRUCTION: The invalidity or unenforceability of any provision of the contract shall not affect the validity or enforceability of any other provision. Neither party may assign the contract without the prior written consent of the other party. Any amendment or modification will be effective only if in writing and signed by PUCT. 18. DISCRETIONARY EXTENSION: Contracts for services, whose original period were for one year or longer, may be extended for up to ninety (90) days beyond the normal expiration date of the contract, under substantially the same terms and conditions, provided the vendor/ contractor and the PUCT mutually agree to extension and pricing during the extension period. 19. FORCE MAJEURE: PUCT may grant relief from performance to the extent performance is delayed or damaged beyond the reasonable control of the affected party which could not, by due diligence, have avoided. Such causes include ,but are not limited to, Acts of God, severe weather, explosions, riots, acts of war, labor strike, or orders of legal authority

Authorized Signature

Pablo Alvarez, CTAM

10/25/2017

# LEGISLATIVE BUDGET BOARD

## LBB Contracts Database

As Reported by State Agencies and Institutions of Higher Education

[LBB Home](#) | [Search/Edit](#) | [Help](#) | [LogOff](#)

\*\*\* Contract Submitted to LBB \*\*\*





Agency:

Contract ID#:

Reporting Codes:

(select all that apply)

- Major Info Systems - General > \$100k (Sec 2054.008, Gov. Code)
- Major Info Systems - Institutions and Higher Ed > \$1 million (Sec 2054.008, Gov. Code)
- Construction > \$14k (Sec 2166.2551, Gov. Code)
- Professional Services > \$14k (Sec 2254.006, Gov. Code)
- Consulting Services > \$14k (Sec 2254.0301, Gov. Code)
- Purchases or Sales > \$50k (Sec 7.04(b), Article IX, GAA)
- Purchases > \$10 million (Sec 7.12, Article IX, GAA)
- Non-competitive purchases > \$1 million (Sec 7.12, Article IX, GAA)
- Emergency purchases > \$1 million (Sec 7.12, Article IX, GAA)

[Statute References](#)

Subject:

\* Purchase Requisition#:

(Max 50 characters)

\* Was the contract competitively  
procured pursuant to the  
provisions of the State  
Procurement Manual?

\* Agency Approval Date:

Solicitation Posting Date:

Information Unavailable  Not Applicable

Award Date:

9/14/2017

Requisition Date: 9/6/2017

Completion Date:  No Set Completion Date

Current Contract Value: 427718  
(Excludes Options not Exercised)

Maximum Contract Value: 843687  
(Includes Options not Exercised)

\* Is this a revenue generating contract?  Yes  No

\* # of Bids Received:

Allocate Contract Amount by Fiscal Years: *(Fiscal Year is Sept. 1st - Aug 31st)*

Fiscal Year	Amount
DIR	
IAC	

\* NIGP Class/Item:

920 - 002 - \*Access Services, Data

Purchase Category Code:

0 - No PCC Code Required (e.g. interagency, interlocal, Higher Education Local Purchase, or other procurement type)

**Vendor Information**

Dept of Information Services

**Attachments**

- 47300\_18-0000023\_0.pdf  
 PUC\_Third\_Amendment\_DIR-DCS-IAC008\_-\_Executed.pdf

Delete Attachment

Number of Attachments to Add :  Add Attachments

Save

Amend Contract

Delete Contract

Return

NOTE: Contract information submitted to the LBB by agencies is displayed as entered into the system. Although every effort was made to correct obvious errors and to avoid duplicate entries, this information has not been verified by the LBB, and some inaccuracies may exist.

*Legislative Budget Board*

## Almaraz, Pablo

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**From:** Morales, Jesus  
**Sent:** Wednesday, October 25, 2017 9:58 AM  
**To:** Almaraz, Pablo  
**Cc:** Beck, Mary  
**Subject:** RE: Update for TX DIR DCS PO 18-0000023

yes

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**From:** Almaraz, Pablo  
**Sent:** Wednesday, October 25, 2017 8:56 AM  
**To:** Morales, Jesus <Jesus.Morales@puc.texas.gov>  
**Cc:** Beck, Mary <Mary.Beck@puc.texas.gov>; Almaraz, Pablo <Pablo.Almaraz@puc.texas.gov>  
**Subject:** RE: Update for TX DIR DCS PO 18-0000023

Morning Jesus, can you elaborate on this POCN request? PO 18-23 is made out to the dollar amount highlighted below, \$427,718.00. Do you need this changed to \$419,318.00? Thanks in advance.

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**From:** Morales, Jesus  
**Sent:** Tuesday, October 24, 2017 12:37 PM  
**To:** Almaraz, Pablo <[Pablo.Almaraz@puc.texas.gov](mailto:Pablo.Almaraz@puc.texas.gov)>  
**Cc:** Beck, Mary <[Mary.Beck@puc.texas.gov](mailto:Mary.Beck@puc.texas.gov)>  
**Subject:** RE: Update for TX DIR DCS PO 18-0000023

Pablo,

If your time allows, when you return, would you expedite this POCN? Avis received the invoice for this on the 20<sup>th</sup>.

Jesus

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**From:** Morales, Jesus  
**Sent:** Monday, October 23, 2017 1:06 PM  
**To:** Almaraz, Pablo <[Pablo.Almaraz@puc.texas.gov](mailto:Pablo.Almaraz@puc.texas.gov)>  
**Cc:** Beck, Mary <[Mary.Beck@puc.texas.gov](mailto:Mary.Beck@puc.texas.gov)>  
**Subject:** Update for TX DIR DCS PO 18-0000023

Pablo,

Would you update the Texas DIR DCS Purchase Order 18-0000023? Currently, the amounts are as follows: **(Updated Amounts below)**

**Line**

1

**Description**

DIR DCS (Data Center Service

**Vendor ID****Vendor Loc****Vendor Name****Schedule 1      Schedule Amount 427,718.00**

<b>Dist Ln</b>	<b>Account</b>	<b>Fund</b>	<b>Dept ID</b>	<b>Program</b>	<b>PCA</b>
1	7285	0001	9100		5522
2	7285	0001	9100		5522
3	7285	0001	9100		5523
4	7285	0001	9100		5523
5	7285	0001	9100		5523
6	7285	0001	9100		5528
7	7285	0001	9100		5528
8	7285	0001	9100		5528

They need to be updates as per the amount below:

<b>Public Utility Commission of Texas</b>			
<b>Texas DIR DCS PO 18-0000023</b>			
<b>as of 2017 10-23</b>			
<b>PCA</b>	<b>Current</b>	<b>Reduction</b>	<b>Balance</b>
55226	124,038.22	2,690.52	121,347.70
55229	25,663.08	666.12	24,996.96
55230	59,880.52	1,416.24	58,464.28
55231	119,761.04	2,476.32	117,284.72
55239	21,385.90	593.88	20,792.02
55280	51,326.16	367.08	50,959.08
55281	21,385.90	158.76	21,227.14
55282	4,277.18	31.08	4,246.10
	<b>427,718.00</b>	<b>8,400.00</b>	<b>419,318.00</b>
			<b>427,718.00</b>

Contact me with any questions.

Jesus

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

**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, DIR-MAS-SCP-RCR-001, DIR-MAS-SCP-  
ADSAMS-001 – 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), 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 Atos Governmental IT Outsourcing Services, LLC, DIR-DCS-SCP-MSA-003 between DIR and Xerox Corporation, DIR-MAS-SCP-RCR-001 between DIR and Allied Consultants, Inc. and DIR-MAS-SCP-ADSAMS-001 between DIR and Enterprise Services, LLC. The DIR contracts are hereinafter referred to collectively as the "Data Center Services Contracts." Unless otherwise referenced, the references to Exhibits and Attachments herein are references to Exhibits and Attachments of 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."

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

## **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.

### **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.

#### **2.1 Services, Service Levels and Implementation**

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.

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**

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. Any use by Service Providers of DIR Customer Third Party Contracts and Leases shall be limited to fulfilling the

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

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.

#### **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”). 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.

#### **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. Service Providers shall be responsible for identifying the facilities that will be required for on-going service delivery and shall be required to detail how the

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

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 upon start of services or execution of this IAC, whichever shall come earlier, and shall terminate upon mutual agreement of the Parties.

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 Not to Exceed Amounts, 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

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

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. DIR Customer shall provide at least ninety (90) days' written notice to DIR for prior to termination. 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.

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 (ITV) in USAS 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

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

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 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.

## **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. It is understood and agreed that amounts are subject to change depending

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

upon Services required and further dependent upon legislative direction and appropriations available for such Services. Attachment A to this IAC supports the estimated not to exceed 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.

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

- (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. 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

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

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: Parrish Pratt  
Address: 1701 N. Congress, Austin, TX 78701  
Telephone: (512) 936-7091  
Email: parrish.pratt@puc.texas.gov

For questions about this Interagency Contract, please email DIR's Primary Contact at [dcscontractoffice@dir.texas.gov](mailto:dcscontractoffice@dir.texas.gov).

The DIR Billing Contact is listed in the DIR Contacts section of the monthly DCS Payment Guidance letter, which is provided to the DIR Customer with the monthly DCS invoice.

**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 or as specified within the specific attachment being amended.

**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. This Contract provides a general description of certain terms within the Data Center Services Contracts. If the terms of this Contract conflict with the terms of the Data Center Services Contracts, the Data Center Services Contracts' terms 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.

Attachment B, Microsoft Dispute Process Agreement, of this IAC is hereby incorporated as part of this IAC and is applicable to the extent DIR Customer purchases certain Microsoft Covered Online Services.

**Audit Rights of the State Auditor's Office**

In accordance with Section 2262.154, 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.

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

**Signatory Warranty**

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

**SECTION VIII  
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.

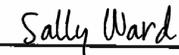
DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

**IN WITNESS WHEREOF**, the Parties have signed this IAC effective on date of last signature below.

**RECEIVING AGENCY: PUBLIC UTILITY COMMISSION**

By:   
Printed Name: Brian Lloyd  
Title: Executive Director  
Date: 8/28/17

**PERFORMING AGENCY: DEPARTMENT OF INFORMATION RESOURCES**

By:   
Printed Name: Sally Ward  
Title: Director, Program Planning and Governance  
Date: 8/31/2017

 8/30/2017 | 3:41 PM CDT

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

**Attachments to IAC**

Attachment A Estimated Not to Exceed Amounts

Attachment B Microsoft Dispute Process Agreement

Attachment C Additional Confidentially Requirements

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

**Attachment A**  
**Estimated Not to Exceed Amounts**

Below are the estimated not to exceed amounts for Services received from the Service Providers and may change based upon DIR Customer consumption. This amount is based upon the DIR Customer's biennial budget(s). Further, amounts may be transferred by the DIR Customer that increase this amount. Such increases or decreases are strictly within the control of the DIR Customer. Therefore, this Attachment A may be updated to increase the not to exceed amounts, without formal amendment between the parties, through written notice by the DIR Customer to DIR.

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 September 1, 2017 through August 31, 2019, the estimated not to exceed amount is \$843,687.

**Attachment B**  
**Microsoft Dispute Process Agreement**

If there are any disputes between Public Utility Commission and Microsoft regarding a Covered Disclosure, Public Utility Commission agrees to provide DIR (or its successor) written notice of the nature of such dispute. DIR will review, and Public Utility Commission grants and assigns to DIR the authority to resolve such dispute on behalf of Public Utility Commission regarding the Covered Disclosure. DIR will consult reasonably with Public Utility Commission and Public Utility Commission will provide reasonable assistance and cooperation to DIR in that resolution process. Public Utility Commission agrees that it will seek relief for any damages related to Covered Online Services solely through DIR, whether such Covered Online Services were purchased directly by Public Utility Commission or on behalf of Public Utility Commission by DIR or any other entity, and under any agreement.

Further, to the extent DIR receives the requisite authority to receive and disburse funds from Microsoft, Public Utility Commission agrees to grant and assign DIR sole authority to receive from Microsoft on its behalf and disburse to Public Utility Commission liability payments made by Microsoft for a Covered Disclosure in the manner set forth in the Enterprise Agreement, except as provided in the following sentence. Notwithstanding anything to the contrary in the Enterprise Agreement or any other agreement pursuant to which Public Utility Commission acquires Covered Online Services through DIR, and notwithstanding whether or not DIR receives the requisite authority, Microsoft's liability to Public Utility Commission for such Covered Online Services will be limited solely to an amount determined by DIR, subject to Microsoft's limitation of liability to DIR on behalf of Public Utility Commission and other entities. Public Utility Commission shall not only communicate with DIR when seeking payments from Microsoft for any damages resulting from Covered Online Services, and shall accept as final DIR's decision as to the amount of such damages Public Utility Commission is entitled to receive.

"Covered Disclosure" means disclosure of Customer Data as a result of a Security Incident, as defined in the Online Services Terms that arises, in whole or in part, out of Microsoft's breach of its obligations under the Agreement related to Customer Data.

"Covered Online Services" means any Online Service included in the section of the Online Services Terms titled "Data Processing Terms" and specifically including Microsoft Dynamics 365 Core Services, Office 365 Services, Microsoft Azure Core Services, Microsoft Intune Online Services, and Microsoft Power BI Services.

DIR Contract No. DIR-DCS-IAC008 – Amend 3  
Agency Contract No. 473-12-00262

**Attachment C**  
**Additional Confidentiality Requirements**

None.