

AGREEMENT FOR LEGAL SERVICES

THIS AGREEMENT FOR LEGAL SERVICES (the "Agreement") is effective as of the 16th day of February, 2012 by and between Ashby and Geddes, a Delaware professional association ("Geddes"), and the Public Service Commission ("PSC") for the State of Delaware ("State"), with the approval of the Governor and the Attorney General.

WITNESSETH:

WHEREAS, on December 19, 2011, The Delaware Public Service Commission ("PSC") issued a Request for Proposals ("RFP") for the State of Delaware seeking to engage an attorney or law firm to act as outside Legal Counsel ("Rate Counsel") in connection with public utility regulatory matters; and

WHEREAS, on January 18, 2012, Ashby & Geddes submitted a proposal to provide legal services to the PSC in response to the RFP. *See* Geddes' Proposal dated September 20, 2011, attached hereto as Exhibit A; and,

WHEREAS, the PSC has determined to engage Geddes to act as Rate Counsel, and wishes to enter into this Agreement with Geddes because the proposal submitted by Geddes meets the needs of the PSC regarding public utility regulatory matters.

NOW THEREFORE, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Geddes and the PSC (collectively the "Parties") hereto agree as follows:

1. Pursuant to 29 *Del. C.* §2507, Geddes is hereby appointed and employed as Rate Counsel for the PSC.
2. Geddes agrees to serve as Rate Counsel and perform such legal duties as assigned by the PSC during the duration of this Agreement and shall commence providing legal services on the date noted above. Notwithstanding the preceding, the Parties acknowledge that this Agreement is subject to termination at will by the PSC with or without cause.

3. Geddes agrees that it will assign members of its firm listed below to perform the legal services under this Agreement. The discounted PSC billing rates for the attorneys are listed below:

	<u>Discounted Rate</u>
James McC. Geddes (partner)	\$225.00
Associate	\$160.00

Geddes agrees that the rate for any other attorneys who work on this engagement shall be at comparable rates to those above, taking into account each attorney's experience. The above fees are subject to adjustment on an annual basis after notice and agreement of the Parties.

4. Geddes shall bill the PSC no more frequently than monthly for hours spent on legal services rendered on behalf of and at the request of the PSC at the rates agreed to in paragraph 3 of this Agreement. Each invoice shall be in a format customary in the community for Delaware legal billing for services rendered; however, the PSC shall have the right to request reasonable alterations in the format of the billing, as it deems appropriate. Geddes agrees to comply with the *Delaware Department of Justice Outside Counsel Billing Policy*, attached hereto as Exhibit B. Copies of the bill should be sent to the PSC, the Director of Outside Counsel, the State Solicitor and Governor's Counsel. Bills shall be paid as provided by State law. In the event the PSC, the State, the Delaware Department of Justice ("DOJ") or the Governor's Counsel questions the substance of any bill or any item of work performed, Geddes shall provide such additional information as may reasonably be requested, and Geddes shall not charge any additional amount for any discussion, extra documentation or additional information required to settle any dispute regarding any issue related thereto.
5. Geddes agrees that it shall perform legal services as directed by the DOJ and the PSC and that the PSC, the State and the DOJ shall have the right to receive copies of all documents, submissions, filings, and/or pleadings, in order to monitor, direct, and/or participate in the performance of legal services by Geddes under this Agreement.
6. Geddes agrees that all documents generated by it under this Agreement, including research and all legal work product belong to the PSC, the DOJ and the State and upon request will be provided. The PSC, the DOJ and the State shall have the right to use any such work product or documents as they deem is in the interest of the State, without additional compensation to Geddes apart from the compensation earned under this Agreement.
7. Geddes provided the State a Certificate of Insurance from Westchester Fire Insurance Company Inc. dated 9/ 1/2011, indicating the amount and nature of Geddes' professional liability insurance coverage under policy no. LPL G2390 9364 005. *See* Insurance Certificate, attached hereto as Exhibit C.

8. Geddes performed an initial screening for potential conflicts of interest, in accordance with Geddes' long-standing procedures and has disclosed, reviewed and discussed all conflicts and potential conflicts with the State. Prior to the execution of this Agreement, Geddes will perform a complete screen for conflicts of interest and inform the DOJ and the State if any conflict is identified. Further, during the term of this Agreement, Geddes shall perform quarterly conflict checks and inform the Attorney General and Governor's Office of any actual or potential conflict that arises and that must be disclosed as required by the Delaware Lawyers' Rules of Professional Conduct. Such notice shall state in writing the names of the parties represented, the nature of the case and the actual or potential conflict. Until such time as it has notified the PSC in writing as required by this paragraph and received a written waiver of an actual or potential conflict of interest signed by the State Solicitor and counsel to the Governor, Geddes shall neither commence work on any new conflicting matter nor continue work on any conflicting matter. Geddes understands and acknowledges that should the PSC choose not to waive the conflict, the State is free to obtain such legal services as necessary from other counsel as it deems appropriate.
9. Geddes understands and acknowledges that the PSC will work with Geddes to perform the legal work covered by this Agreement through the DOJ. Nothing in this Agreement restricts the DOJ's ability to do so or guarantees Geddes the right to perform any legal services, except those that the PSC specifically requests Geddes to perform.
10. Geddes shall take no position on any legal matter in its representation of this matter, without consultation with and approval by the PSC and the DOJ. No position shall be deemed to be the position of the PSC and/or the State if disapproved by the DOJ. Geddes shall take no legal position in any court, or any federal agency or any other entity without approval of the DOJ. No opinion rendered by Geddes may be represented as an opinion of the Attorney General.
11. Prior to incurring any costs to be charged to the PSC, Geddes shall consult with the PSC and the DOJ and obtain their approval.
12. The validity of this Agreement and the rights and obligations of the Parties hereunder shall be determined in accordance with the laws of the State of Delaware and no other, except to the extent that federal law is applicable. Any litigation which may be instituted between the State and Geddes regarding this Agreement shall be filed and litigated in the State of Delaware.
13. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves original signed counterparts.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement as of the date first above written.

**ASBEY & GEDDES
LODGE & HUTZ LLP**
Wilmington, Delaware

Original on File
By: _____
James McC. Geddes
Partner

**PUBLIC SERVICE COMMISSION
STATE OF DELAWARE**
Wilmington, Delaware

Original on File
By: _____
William O'Brien
Executive Director

APPROVED:

Original on File
By: _____
Jack A. Markell
Governor
State of Delaware

Original on File
By: _____
Joseph R. Biden, III
Attorney General
State of Delaware