

Real Estate License Agreement (No. BP 14-016)

IRREVOCABLE LICENSE AGREEMENT FOR GEN-TIE LINE Springbok Solar Farm 1 Project

This IRREVOCABLE LICENSE AGREEMENT FOR GEN-TIE LINE (this "**License Agreement**") is entered into as of May 22, 2014 (for identification purposes) between the CITY OF LOS ANGELES, a municipal corporation, acting by and through its DEPARTMENT OF WATER AND POWER ("**Licensor**", and sometimes hereinafter referred to as "**LADWP**"), and 8MINUTENERGY BEACON SOLAR LLC, a California limited liability company, whose address is 5455 Wilshire Blvd. Ste. 2010, Los Angeles, CA 90036 ("**Licensee**", and its successors and assigns. Licensor hereby grants to Licensee, for the License Term (as defined below), the non-exclusive right to use the following real property (the "**Licensed Area**"):

The real property more particularly described on Exhibit A (the "**Licensed Area**") for certain transmission line facilities consisting of one 230kv line upon, over, under, across, and along the Licensed Area, for the following rights and uses: the right to develop, construct, erect, install, operate, use, maintain, inspect, repair, renew, replace, reconstruct, enlarge, alter, add to, improve, relocate, and remove, in, upon, under, across, and within the Licensed Area, at any time and from time to time, above-ground electric, telecommunication and data lines, consisting of one or more pole lines and electric lines, wires, cables, and communication circuits, with necessary and convenient foundations, conduits, pullboxes, guy wires and anchors, insulators, cross arms, and other underground and above-ground fixtures, appliances, and appurtenances connected therewith (collectively, the "**Facilities**"), necessary or convenient for the construction, operation, regulation, control, grounding, and maintenance of electric lines and communication circuits, for the purpose of transmitting electric energy to the LADWP's Beacon Switching Station for distribution in accordance with the Large Generator Interconnection Agreement to be entered by and between Licensor and Licensee.

The Licensed Area is shown on the drawings marked Exhibit A attached hereto and made a part hereof. An initial plan for the Facilities is shown on Exhibit B attached hereto and made a part hereof. The installation of any Facilities shall be subject to the prior written consent of the LADWP.

The Licensed Area is owned by the City of Los Angeles and is under the jurisdiction and control of LADWP. The license rights granted under this License Agreement includes such non-exclusive rights of access and rights of way, as Licensee may reasonably require and as Licensor shall have the right to reasonably designate to access and use the Licensed Area for the purposes set forth herein.

The gross area of the Facilities Licensed Area is approximately 866,723 square feet. LADWP finds that: (1) the Licensed Area is not presently needed for LADWP purposes; and (2) the grant of this License Agreement for non-exclusive use will not interfere with LADWP purposes. The parties may, from time to time upon mutual agreement in writing (and prior to the completion of

the installation of the Facilities, modify the legal description of the Licensed Area attached hereto for their convenience.

This License Agreement is entered into in partial consideration of the Licensor's purchase of electric energy from 62SK 8ME, LLC, an affiliate of Licensee, through the Power Purchase Agreement by and between the Southern California Public Power Authority ("**SCPPA**") and 62SK 8ME, LLC, dated as of _____, 2014 (the "**PPA**"), which electric energy is passed through to Licensor in accordance with that certain Solar Project Power Sales Agreement between LADWP and SCPPA, date as of _____, 2014, LADWP No. BP 14-03 (the "**PSA**"). Capitalized terms not defined in this License Agreement shall have the meanings set forth in the PSA.

THE FOREGOING GRANT is given upon and subject to the following terms and conditions:

1. **Licensee Rights Subordinate.** The rights granted to Licensee pursuant to this License Agreement are subordinate to the prior and paramount right of Licensor (including without limitation its third party lessee(s), permittee(s) and licensee(s)) to use the Licensed Area (and any additional real property owned by Licensor surrounding the Licensed Area) for the public purposes to which it now is and may, at the option of Licensor, be devoted, provided such uses do not conflict in any material and adverse manner with the rights granted to Licensee hereunder. Licensee undertakes and agrees to use the Licensed Area and to exercise its rights granted under this License Agreement jointly with Licensor and other third parties authorized by Licensor, and will at all times exercise the rights herein granted in such manner as will not interfere with the full use and enjoyment of the Licensed Area by Licensor. Licensor shall use the Licensed Area and exercise its rights with respect to the Licensed Area jointly with Licensee, and will at all times use the Licensed Area and exercise its rights with respect thereto in such manner as will not interfere with the full use and enjoyment of the Licensed Area by Licensee, except as otherwise provided in this License Agreement.

2. **Licensor Title.** Licensee hereby acknowledges title in the City of Los Angeles, a municipal corporation, and said LADWP in said real property, and agrees never to assail or resist the same, and further agrees that Licensee's use and occupancy of said Licensed Area shall be referable solely to the permission herein given.

3. **Term, License to Construct and Option to Extend.**

a. Construction Period. Commencing on the Effective Date of the PSA and ending on the earlier of (i) eighteen (18) months later or (ii) the Commercial Operation Date under the PSA (the "**Construction Period**"), Licensee shall be permitted at Licensee's sole cost, expense and risk to construct the Facilities. Licensee acknowledges and agrees that regardless of the manner or duration of use of the Licensed Area by Licensee during the Construction Period, and regardless of the permanent character of any improvements, works or structures constructed or installed therein or thereon by Licensee, if the License Term has not begun by December 31, 2016, Licensor in its sole and absolute discretion may terminate this License Agreement and may at Licensor's election take possession of any improvements made by Licensee on

the Licensed Area or require Licensee to remove all improvements made by Licensee and restore the Licensed Area to the condition it was in as of the date of this License Agreement in accordance with Section 8 below.

b. **License Term.** The term of this License Agreement shall commence on the Commercial Operation Date under the PSA (the "**Commencement Date**") and shall end on the date that is Twenty-five(25) years after the Commencement Date (the "**License Term**"). Licensee may terminate this License Agreement at any time before the Commencement Date by providing Licensor with prior written notice thereof.

c. **Option to Extend.** Provided Licensee is in compliance with and is not in default (beyond any applicable cure period) under this License Agreement and this License Agreement has not been terminated due to a default under this License Agreement, Licensor hereby grants to Licensee one (1) option ("**Option**") to extend the License Term of this License Agreement for an additional period of time that will make the total term (including both the License Term and the Option Term under this License Agreement) equal to Thirty-five (35) years (the "**Option Term**"). For purposes of clarification, the Option Term shall end no later than 35 years after the Commencement Date. The Option must be exercised, if at all, by written notice (the "**Option Notice**") delivered by Licensee to Licensor not later than nine (9) months prior to the end of the License Term. Further, this Option shall not be deemed to be properly exercised if, as of the date of the Option Notice or at the end of the initial License Term, Licensee is in default (beyond all applicable cure periods) under this License Agreement. Provided Licensee has properly and timely exercised the Option, the initial License Term shall be extended by the Option Term, and all terms, covenants and conditions of this License Agreement shall remain unmodified and in full force and effect, except that the License Fee shall be modified as set forth in Section 4.b. below.

4. **License Fees.** Licensee shall pay to Licensor the following fees as further consideration for the licenses and related rights granted hereunder (the "**License Fee**")

a. **License Fee During Construction Period and License Term.** This License Agreement is entered into in partial consideration of and to facilitate the Licensor's purchase of electric energy from Licensee through the PSA. As such, the License Fee payable hereunder during the License Term is included in the consideration from time to time paid by Licensee under the PSA and no further consideration is payable hereunder. Notwithstanding the foregoing, (a) every five (5) years during the License Term, Licensor and Licensee shall discuss potential adjustments to the License Fee, provided that the License Fee shall be adjusted only if the economic terms of the PSA and this License Agreement have materially changed since the date of the last discussion of potential adjustments or the Commencement Date (if there have been no prior potential adjustment meetings) and (b) if the PSA is terminated during the License Term, the License Fee shall be adjusted in accordance with Section 4(b) below. The License Fee, if any, payable pursuant to this Section 4(a) shall be paid in equal quarterly installments, in advance, on or before the fifth (5th) day of each calendar quarter during the License Term and shall be prorated for any partial calendar quarter based upon the actual number of days in such quarter.

b. License Fee Following Termination of the PSA. If the PSA terminates during the License Term, the License Fee shall be adjusted, effective as of the first calendar quarter following the month during which such termination occurred (the "**Termination Month**") to the then prevailing Fair Market License Value of the Licensed Area as determined in accordance with Section 4(d). Thereafter, for the duration of the License Term, the License Fee shall be recalculated effective as of the first day of each five (5) year period of the License Term to equal the then prevailing Fair Market License Value as determined in accordance with Section 4(d). Within thirty (30) days following the date on which the parties agree upon the amount of the License Fee, Licensee shall pay to Licensor the License Fee accrued during the period commencing on the first day of the month following the Termination Month and ending on the last day of the calendar quarter in which the License Fee is determined. Thereafter, Licensee shall pay to Licensor the License Fee payable under this Section 4(b) in equal quarterly installments, in advance, on or before the fifth (5th) day of each calendar quarter during the License Term. The License Fee payable in any partial calendar quarter shall be prorated based upon the actual number of days in such calendar quarter.

c. License Fee During the Option Term. The License Fee shall be adjusted, effective as of the first day of the Option Term, to the then prevailing Fair Market License Value of the Licensed Area as determined in accordance with Section 4(d). Thereafter, for the duration of the Option Term, the License Fee shall be recalculated effective as of the first day of each five (5) year period of the Option Term to equal the then prevailing Fair Market License Value of the Licensed Area at such time in accordance with Section 4(d). The License Fee payable pursuant to this Section 4(c) shall be paid in equal quarterly installments, in advance, on or before the fifth (5th) day of each calendar quarter commencing in the calendar quarter in which the first month of the Option Term occurs. The License Fee payable in any partial calendar quarter shall be prorated based upon the actual number of days in such calendar quarter.

d. Calculation of License Fee Following Termination of the PSA or During the Option Term. As used herein, "**Fair Market License Value**" shall mean the projected prevailing license rate as of the date of calculation specified in Section 4(b) or 4(c), as applicable, for a similar use to the uses of the Licensed Area permitted hereunder of real property situated in a similar location to the Licensed Area. Licensor shall use commercially reasonable efforts to provide written notice of such amount not later than (a) six (6) months prior to the expiration of the initial License Term or the applicable five (5) year period of the Option Term, as applicable or (b) six (6) months after the expiration of the PSA, if the PSA terminates during the License Term. Licensee shall have fifteen (15) days ("**Licensee's Review Period**") after receipt of Licensor's notice of the Fair Market License Value to accept Licensor's determination of the Fair Market License Value or to reasonably object thereto in writing. In the event Licensee objects to the Fair Market License Value submitted by Licensor, Licensor and Licensee shall attempt in good faith to agree upon such Fair Market License Value using their best good faith efforts.

If Licensor and Licensee fail to reach agreement on such Fair License Value within thirty (30) days following Licensee's Review Period (the "Outside Agreement Date"), then each party's determination shall be submitted for decision as follows:

- (i) Licensor and Licensee shall each appoint one California Certified General Real Estate appraiser. The determination of the appraisers shall be limited solely to the issue of whether Licensor's or Licensee's submitted Fair Market License Value for the Licensed Area is closer to the actual Fair Market License Value for the Licensed Area determined by the appraisers, taking into account the requirements of this Section. Each such appraiser shall be appointed within thirty (30) days after the Outside Agreement Date.
- (ii) The two appraisers so appointed shall within fifteen (15) days of the date of the appointment of the last appointed appraiser agree upon and appoint a third appraiser who shall be qualified under the same criteria as set forth hereinabove for qualification of the initial two appraisers.
- (iii) The three appraisers shall within thirty (30) days of the appointment of the third appraiser reach a decision as to whether the parties shall use Licensor's or Licensee's submitted Fair Market License Value or some other Fair Market License Value in between the Fair Market License Value submitted by Licensor and the Fair Market License Value submitted by Licensee, and shall notify Licensor and Licensee thereof.
- (iv) The decision of the majority of the three appraisers shall be binding upon Licensor and Licensee. The cost of the three appraisers shall be paid by Licensor and Licensee equally.

5. Payments.

a. All payments due under this License Agreement, shall reference DWP File BP 14-016, and be sent to the following address:

Department of Water and Power
Attention General Accounting, I.C. Section
P. O. Box 51212 -- Room 434
Los Angeles, California 90051-0100

b. If Licensee fails to pay any amount due under this License Agreement in full within thirty (30) days after Licensee receives notice of delinquency, Licensee is in default and Licensor may terminate this License Agreement. In such event, Licensee shall pay Licensor a late charge of 10 percent of the amount due under this License Agreement, plus interest on

all overdue amounts at a rate of 10 percent per annum. By this provision, Licensor does not waive the right to insist on payment of any amount due under this License Agreement in full on the day it is due.

c. If any check offered by Licensee in payment of any amount due under this License Agreement is returned for any reason other than that caused by Licensor's negligence, Licensee shall pay to Licensor a check-return processing charge in the amount of \$50.

6. Notices. Except as otherwise expressly provided in this License Agreement, all notices pursuant to this License Agreement shall be in writing and shall be sent or delivered to the following:

To Licensor:

Los Angeles Department of Water and Power
Real Estate Section
P.O. Box 51111, Room 1031
Los Angeles, California 90051-0100

with a copy to:

Los Angeles Department of Water and Power
P.O. Box 51111, Room 968
Los Angeles, California 90051-0100
Attention: Randolph Krager

To Licensee:

8MINUTENERGY BEACON SOLAR LLC
c/o 8minutenergy Renewables
5455 Wilshire Blvd. Ste. 2010
Los Angeles, CA 90036
Attention: Thomas Buttgenbach

Any notice or demand required shall be given (a) personally, (b) by certified, registered mail, postage prepaid; or return receipt requested, (c) by confirmed fax, or (d) by reliable messenger or overnight courier to the address of the respective parties set forth above. Any notice served personally shall be deemed delivered on the date of receipt as shown on the received facsimile, and served by certified or registered mail or by reliable messenger or overnight courier shall be deemed delivered on the date of receipt as shown on the addressee's registry or certification of receipt or on the date receipt is refused as shown on the records or manifest of the U.S. Postal Service or such courier, or five (5) working days after deposit in the United States Mail. Licensor and/or Licensee may from time to time designate any other address or addressee or additional addresses for this purpose by written notice to the other party.

7. Irrevocable License. This License Agreement and the rights granted to Licensee herein are not revocable by Licensor during the License Term and may only be terminated as provided in this License Agreement.

8. Expiration or Termination. Upon the expiration or earlier termination of this License Agreement, Licensee shall peaceably and quietly leave, surrender, and return the Licensed Area to Licensor. Licensee agrees and hereby covenants to dismantle and remove all Facilities within six (6) months after the date of such expiration or earlier termination (the "Decommissioning Period"), and shall restore the Licensed Area to a condition, to the extent practical, and generally consistent with the conditions that existed immediately prior to the commencement of construction of the Facilities (including, without limitation, Licensee shall remove all Facilities, restore all compacted soil to the condition in which it existed immediately prior to the commencement of construction of the Facilities, except any improvements that have been publicly dedicated and/or accepted by Licensor in its sole and absolute discretion; and Licensee shall have a continuing license to enter the Licensed Area for such purposes during the Decommissioning Period. This obligation shall survive the termination of this License Agreement.

Upon expiration of the Decommissioning Period, Licensor will expeditiously conduct an inspection of the Licensed Area to determine (in Licensor's reasonable discretion) if restoration has been completed by Licensee. If Licensor determines (in Licensor's reasonable discretion) that restoration has not been completed upon expiration of the License Term or other termination of this License Agreement, Licensor may restore the Licensed Area to substantially the same condition as existed immediately prior to Licensee's use thereof, entirely at the risk and expense of the Licensee. Licensor will bill the Licensee and Licensee shall promptly pay Licensor for the restoration costs.

9. No Holding Over. In the event Licensee continues using or accessing the Licensed Area after the Decommissioning Period, whether with the consent of the Licensor or without the consent of the Licensor, Licensee shall become a licensee from month to month only and Licensee shall pay to Licensor the Fair Market License Value for so long as such month to month license shall continue and such month to month license shall be subject to every other provision contained herein and such license shall continue unless terminated by Licensor or Licensee giving the other at last thirty (30) days' prior written notice of the intention to terminate such access or use by Licensee. The foregoing provisions of this Section are in addition to and do not affect the right of re-entry or any right of Licensor hereunder or as otherwise provided by law, and in no way shall such provision affect any right which the Licensor may have to recover damages from Licensee for loss or liability incurred by Licensor resulting from such failure or refusal of Licensee to surrender and vacate the Licensed Area. Nothing contained in this Section shall be construed as consent by Licensor to any holding over by Licensee and Licensor expressly reserves the right to prohibit access and use of the Licensed Area by Licensee as provided in this License Agreement upon the expiration or other termination of this License Agreement. In all other respects, the use and access shall be governed by the provisions of this License Agreement.

10. Compliance with Law. All work completed pursuant to the terms of this License Agreement shall be completed in accordance with the terms and conditions specified in any ordinances, statutes, permits, and regulations governing such instances; and the provisions of such ordinances, statutes, permits, and regulations are, by reference, made a part hereof as though incorporated verbatim herein.

11. Indemnification.

a. Licensee has inspected the Licensed Area, knows the condition thereof, and on behalf of itself and its successors, assigns, and sub-licensees undertakes and agrees to indemnify and hold harmless the City of Los Angeles, the LADWP, the Board of Water and Power Commissioners of the City of Los Angeles, and all of their officers, agents, successors in interest, insurers, assigns and/or employees (individually and collectively, "Indemnitees"), and, at the option of the Licensor, defend by counsel satisfactory to the Licensor, the Indemnitees from and against any and all liens and claims of liens, suits, causes of action, claims, administrative proceedings, charges, damages (including but not limited to indirect, consequential, and incidental damages), demands, judgments, civil fines, penalties, or losses of any kind or nature whatsoever that are incurred by or asserted against the Indemnitees for death, bodily injury or personal injury to any person, including but not limited to Licensee's employees, customers, invitees and agents, or persons who enter onto the premises, or damage or destruction of any property of either party hereto, or third persons in any manner arising by reason of, incidental to, or connected in any manner to: 1) this License Agreement; 2) the Licensed Area; or 3) the acts or omissions of Licensee or its employees, contractors, agents, or invitees, covered under this License Agreement; provided, however, that this indemnity will not apply to the extent of any active negligence or willful misconduct of any Indemnitee or any third party lessee(s), permittee(s) or licensee(s) of any Indemnitee. This indemnity shall apply whether occurring during the term of this License Agreement and any time thereafter, and shall be in addition to any other rights or remedies which Indemnitees have under law or under this License Agreement.

Notwithstanding the foregoing, Licensee shall have no liability for any damages (whether actual, indirect, consequential, incidental or otherwise) to Licensor or Licensor's licensee(s) and/or lessee(s) arising solely from the physical location of the Facilities (such as shadows cast by poles and the like) within the Licensed Area or, if relocation of the Facilities is required pursuant to Section 24, in any other location designated by Licensor.

b. Licensee on behalf of itself and its successors, assigns, and sub-Licensees further undertakes and agrees to indemnify and hold harmless the City of Los Angeles, the LADWP, the Board of Water and Power Commissioners of the City of Los Angeles, and all of their officers, agents, successors in interest, insurers, assigns and/or employees (individually and collectively, "Indemnitees"), and at the option of the Licensor, defend by counsel satisfactory to the Licensor, the Indemnitees from and against any and all liens and claims of lien, suits, causes of action, claims, administrative proceedings, charges, damages, demands, judgments, civil fines, penalties, (including but not limited to costs, expenses, and legal

liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remediation, penalties and fines arising from the violation of any local, regional, state, or federal law, or regulation, disbursements, and other environmental response costs), or losses of any kind or nature whatsoever that are incurred by or asserted against the Indemnitees, for death, bodily injury or personal injury to any person, including Licensee employees and agents, or damage or destruction of any property of either party hereto, or third persons in any manner arising by reason of, incident to, or connected in any manner to the acts, errors, omissions to act, willful misconduct, or non-performance or breach by Licensee of any term and/or condition of this contract, relating directly or indirectly to the release or spill of any legally designated hazardous material or waste, resulting from or incident to the presence upon or performance of activities by Licensee or its personnel with respect to the Licensed Area/property covered under this License Agreement, on the part of the Licensee, or the Licensee officers, agents, invitees, employees, or sub-Licensee of any tier; provided, however, that this indemnity will not apply to the extent of any active negligence or willful misconduct of any Indemnitee or any third party lessee(s), permittee(s) or licensee(s) of any Indemnitee. This indemnity shall apply whether occurring during the term of this contract and any time thereafter, and shall be in addition to any other rights or remedies which Indemnitees have under law or under this License Agreement.

12. Assumption of Risk. To the maximum extent allowed by law, Licensee assumes any and all risk of loss, damage or injury of any kind to any person or property arising out of Licensee's use of the Licensed Area. Licensee's assumption of risk shall not include loss or damage caused by the active negligence or willful misconduct by Licensor or any third party lessee(s), permittee(s) or licensee(s) of Licensor and except therefore, shall include, without limitation, loss or damage caused by any condition of Licensor's property, including without limitation electrical transmission lines and associated structures and equipment, accident or fire or other casualty on the Licensed Area, or electrical discharge, on or near the Licensed Area. Licensee, as a material part of the consideration for this License Agreement, hereby waives all claims and demands against Licensor for any such loss, damage or injury of Licensee and/or its Personnel, except if caused by the active negligence or willful misconduct of Licensor. In that connection, Licensee waives the benefit of California Civil Code Section 1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The provisions of this Section shall survive the termination of this License Agreement.

13. Facilities; Work on Licensed Area.

a. The installation and maintenance of any and all Facilities shall be at Licensee's sole cost and expense. Licensee shall retain title and responsibility for all Facilities during the Construction Period and License Term. All Facilities must be at all times in compliance with all applicable laws. Licensee shall neither hold Licensor liable for nor seek indemnity from Licensor for any damage to the Facilities due to future construction or reconstruction resulting from the activities of any third party (other than a third party acting on behalf of Licensor). Licensor shall reimburse Licensee for any damage to the Facilities due to activities of Licensor. Licensor shall exercise due care in any such construction or reconstruction and shall not materially interfere with Licensee's use of, or otherwise prevent Licensee from using the Facilities in the ordinary course of business, as provided in Section 24 below. Licensor shall notify Licensee of any pending construction by Licensor, its Lessee(s) licensee(s) and/or permittee(s) at least thirty (30) days prior to commencement of such construction to enable Licensee to protect its equipment and/or improvements.

b. Licensee shall pay for all materials placed upon, joined, or affixed to said Licensed Area by or at the instance of Licensee, shall pay in full all persons who perform labor upon said Licensed Area at the instance of Licensee, and shall not cause or permit any liens of any kind or nature to be levied against said Licensed Area for any work completed or materials furnished thereon at the instance or request of Licensee. Licensee shall provide Licensor notice in writing of any liens levied against the Licensed Area. Licensee shall have 30 days to cause the removal of any such liens and if such liens are not removed, Licensor may pay any amount owed and cause their removal. Licensor shall bill the Licensee for the amount paid out by Licensor in removing such liens. Licensee shall have 30 days to repay the funds expended by Licensor necessary to remove such lien. Subject to the cure periods set forth in Section 32 hereof, failure to comply with the requirements of this section shall be considered a default and Licensor shall have the right but not the obligation to terminate this License Agreement. The exercise by Licensor of its right to terminate under this section shall not be construed as a waiver of any of its right to any other remedy or lawful action to recover funds paid by Licensor.

14. Assignment.

a. Except as hereinafter provided, this License Agreement shall not be assignable by Licensee, nor shall Licensee allow any other party to use the Licensed Area, without the prior written consent of Licensor, which consent may be given in Licensor's sole and absolute discretion.

b. Notwithstanding the foregoing, each of the following events (whether occurring in a single transaction or series of transactions) shall be deemed an assignment of this License Agreement and shall require Licensor's prior written consent, which consent shall not be unreasonably withheld or delayed: (1) any sale, assignment, issuance, transfer or change of fifty percent (50%) or more of the equity interests (whether stock, partnership interests, membership interests or otherwise) in Licensee or in the parent of Licensee, or (2) any change in the power to direct the

operations of Licensee or Licensee's parent (including, without limitation, by a change in equity ownership, by contract, or by consolidation, merger, acquisition or reorganization).

c. In addition, notwithstanding the foregoing, Licensee shall be expressly permitted to assign or pledge this License Agreement without the prior written consent of Licensor (but upon ten (10) days' prior written notice to Licensor), to any party if the assignment or pledge of the PPA to such party is permitted or has been approved or consented to by SCPPA under the PPA and Licensor under the PSA. In the event Licensee has collaterally assigned or pledged this License Agreement to a lender or investor for purposes of financing the Facilities (and 62SK 8ME, LLC has collaterally assigned or pledged the project being developed and operated under the PPA to such lender or investor), then such lender or investor shall have the right, but not the obligation at its option, to cure or remedy any breach or default under this License Agreement in accordance with and within the times permitted in this License Agreement. Licensor further agrees to execute commercially reasonable estoppel certificates(s) disclosing the status of this License Agreement to such lenders or investors. Licensor shall provide any Notices under this License Agreement to any such lenders or investors (provided Licensee has given Licensor the address for Notices to such lender or investor), shall accept any cure of any default of Licensee hereunder tendered by such lenders or investors, and shall recognize any lender or investor as "Licensee" hereunder who succeeds to the interest of Licensee.

d. The rights of Licensee hereunder shall inure to the benefit of Licensee and its successors, assigns, permittees, and licensees permitted hereunder (each, a "**Permitted Successor and Assign**" and, collectively, "**Permitted Successors and Assigns**"). The burdens of the rights contained in this License Agreement shall run with and against the Licensed Area during the License Term and shall be a charge and burden thereon for the duration of the License Term and shall be binding upon and against Licensor and its successors, assigns, permittees, licensees, lessees, employees, and agents. Neither an assignment or use of the Licensed Area by any person other than Licensee, nor the collection of rent by Licensor from any person other than Licensee, shall be deemed a waiver of any of the provisions of this Section or release Licensee from its obligation to comply with the provisions of this License Agreement.

e. No permitted assignment by Licensee shall be effective until there has been delivered to Licensor a fully executed counterpart of the assignment which expressly provides that the Permitted Successor and Assign will comply with all of the provisions of this License Agreement, and Licensor may enforce this License Agreement directly against such Permitted Successor and Assign. Any assignment in violation of this Section shall be void.

15. Prevailing Wages. For any construction, maintenance or decommissioning work on the Licensed Area:

a. To the extent applicable Licensee shall pay or cause to be paid to all workers employed in connection with any construction or maintenance of improvements on the Licensed Area, not less than the prevailing rates of wages, as provided in the statutes applicable to City

public work contracts, including without limitation Sections 33423-33426 of the California Health and Safety Code and Sections 1770-1780 of the California Labor Code.

b. Licensee shall comply with or cause its general contractor and all subcontractors to comply with the requirements of the Davis-Bacon Act (40 U.S.C. 276 et. seq.). The Davis-Bacon Act requires the payment of wages to all laborers and mechanics at a rate not less than the minimum wage specified by the Secretary of Labor in periodic wage rate determinations as described in the Federal Labor Standards Provisions (HUD-4010). In the event both State Prevailing wages and Davis-Bacon Act wages will be required, all works shall be paid at the higher of the two wages.


c. Prior to the commencement of construction of any improvements, and as soon as practicable in accordance with the applicable schedule of performance, Licensee shall contact Licensor to schedule a preconstruction orientation meeting with Licensee and with the general contractor to explain such matters as the specific rates of wages to be paid to workers in connection with the construction of the improvements, preconstruction conference requirements, record keeping and reporting requirements necessary for the evaluation of Licensee's compliance with this Section.

d. Licensee shall monitor and enforce any applicable prevailing wage requirements imposed on its contractors and subcontractors, including withholding payments to those contractors or subcontractors who violate these requirements. In the event that Licensee fails to monitor or enforce these requirements against any contractor or subcontractor, Licensee shall be liable for the full amount of any underpayment of wages, plus costs and reasonable attorney's fees, as if Licensee was the actual employer, and Licensor or the State Department of Industrial Relations may withhold monies owed to Licensee, may impose penalties on Licensee in the amounts specified herein, may take action directly against the contractor or subcontractor as permitted by law, and/or may declare Licensee in default of this License Agreement and thereafter pursue any of the remedies available under this License Agreement.

e. Licensee agrees to include, or cause to be included, the above provisions in all bid specifications for work covered under this License Agreement.

f. Licensee shall indemnify, hold harmless and defend (with counsel reasonably acceptable to Licensor) Licensor against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Licensee, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq. and implementing regulations or comply with the other applicable provisions of Labor Code Sections 1720 et seq. and implementing regulations of the Department of Industrial Relations in connection with construction of the Facilities or any other work undertaken or in connection with the Licensed Area.

16. INSURANCE

- a. Additional Insured Status Required. Licensee shall procure at its own expense, and keep in effect at all times during the term of this Agreement, either self-insurance or the types and amounts of insurance specified on the attached Contract Insurance Requirement page, attached as Exhibit E hereto. The specified insurance shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies be in a form acceptable to the LADWP Risk Manager and the Office of the City Attorney, include and insure City, its Department of Water and Power, its Board of Commissioners (hereinafter referred to as "Board"), and all of its officers, employees and agents, their successors and assigns, as additional insureds (except for Professional Liability and Workers' Compensation), against the area of risk described herein as respects Licensee's acts or omissions in its performance under this License Agreement, use and occupancy of the Licensed Area or other related functions performed by or on behalf of Licensee. Acceptance of the submitted evidence of insurance shall not be unreasonably withheld, conditioned or delayed. Such insurance shall not limit or qualify the liabilities and obligations of the Licensee assumed under the contract.
- b. Severability of Interests and Cross Liability Required. Each specified insurance policy (other than Workers' Compensation and Employers' Liability and Property coverages) shall contain a Severability of Interest and Cross Liability clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Liability Endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."
- c. Primary and Non-Contributory Insurance Required. All such insurance shall be Primary and Noncontributing with any other insurance held by City's Department where liability arises out of or results from the acts or omissions of Licensee, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Licensee. Any insurance carried by the Department which may be applicable shall be deemed to be excess insurance and the Licensee's insurance is primary for all purposes despite any conflicting provision in the Licensee's policies to the contrary.
- d. Deductibles Subject to Department's Discretion. Deductibles and/or self-insured retentions shall be at the sole discretion of the Risk Manager of the Department (hereinafter referred to as "Risk Manager"). The Department shall have no liability for any premiums charged for such coverage(s). The inclusion of the Department of Water and Power, its Board, and all of its officers, employees and agents, and their agents and assigns, as additional insureds, is not intended to, and shall not, make them, or any of them a partner or joint venturer with Licensee in its operations.
- 

- e. Proof of Insurance for Renewal or Extension Required. At least ten (10) days prior to the expiration date of any of the policies required on the attached Contract Requirement page, documentation showing that the insurance coverage has been renewed or extended shall be filed with the Department. If such coverage is canceled or reduced in coverage, Licensee shall, within fifteen (15) days of such cancellation or reduction of coverage, file with the Department evidence that the required insurance has been reinstated or provided through another insurance company or companies.
- f. Submission of Acceptable Proof of Insurance and Notice of Cancellation. Licensee shall provide proof to the Department's Risk Manager of all specified insurance and related requirements either by production of the actual insurance policy(ies), by use of Department's own endorsement form(s), by other written evidence of insurance acceptable to the Risk Manager, but always in a form acceptable to the Risk Manager and the Office of the City Attorney. Acceptance of the submitted evidence of insurance shall not be unreasonably withheld, conditioned or delayed. The documents evidencing all specified coverages shall be filed with the Department prior to Licensee beginning operations or occupying the premises hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the protection begins for the Department of Water and Power, and the insurance carrier's name. It shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, material reduction in coverage or non-renewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) calendar days prior to the effective date thereof. Licensee may provide the required notice consistent with the time frame specified herein. The notification shall be sent by registered mail to: Risk Management Section - Department of Water and Power, Post Office Box 51111, JFB Room 465, Los Angeles, California 90051-0100.
- g. Claims-Made Insurance Conditions. Should any portion of the required insurance be on a "Claims Made" policy, the Licensee shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended three (3) years discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.
- h. Failure to Maintain and Provide Proof as Cause for Termination. Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which the Department may immediately terminate or suspend the agreement if Licensee fails to deliver evidence that such insurance has been obtained within thirty (30) days following receipt of written notice of such deficiency.

- i. Sub-Contractor Compliance. The Licensee shall be responsible for all Sub-Licensee's compliance with the insurance requirements.
- j. Periodic Right to Review/Update Insurance Requirements. The Department and Licensee agree that the insurance policy limits specified on the attached Contract requirement page may be reviewed for adequacy annually throughout the term of this Agreement by the Risk Manager, who may thereafter require Licensee to adjust the amounts and types of insurance coverage however the Risk Manager deems to be adequate and necessary. City reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance, including applicable license and ratings.
- k. Specific Insurance Requirements. See Exhibit E, "Contract Insurance Requirements."

17. Possessory Interest Tax Disclosure. Licensee, by executing this License Agreement and accepting the benefits hereof, understands that a property right pursuant to applicable ordinances and codes under tax law, may be created known as "possessory interest" and may be subject to property taxation. Licensee will be responsible for payment of any property taxes upon such right. Licensee herewith acknowledges that notice required by Revenue and Taxation Code, Section 107.6 has been provided.

For information about a specific Possessory Interest assessment, please contact the Kern County Assessor's Office, 1115 Truxtun Avenue Bakersfield, CA 93301, 661-868-3485.

18. Non-exclusive License. Licensee hereby acknowledges that this License Agreement grants a non-exclusive license right only. Licensee is hereby notified that facilities of Licensor or other lessees or licensees of Licensor may exist on the Licensed Area. Licensee shall take reasonable precautions and actions to avoid infringement, interference, or damage to all such installations. Licensor and its licensees and lessees will take reasonable precautions and actions to avoid infringement, interference, or damage to the Facilities.

19. Licensee Responsible for Personnel. Licensee shall be responsible for the training of its personnel and contractors under all applicable laws including, but not limited to, training with regard to the operation of equipment, and the handling and disposal of hazardous materials and wastes in connection with the permission herein given.

20. Hazardous Materials. During the Term of and upon termination of this License Agreement for whatever reason, Licensee shall be responsible, to the extent caused by or introduced onto the Licensed Area as a result of the use of the Licensed Area by Licensee, for all cleanup costs and expenses including, but not limited to, any fines, penalties, judgments, litigation costs, and reasonable attorneys' fees incurred as a result of any and all discharge, leakage, spillage, emission of material which is, or becomes, defined as any pollutant, contaminant, hazardous waste or hazardous substance, under all applicable federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or

requirements of any government authority regulating, or imposing liability or standards of conduct concerning any hazardous substance on, under, or about the Licensed Area, as now or may at any later time be in effect, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 [42 USCS §§9601 et. seq.]; the Resource Conservation and Recovery Act of 1976 [42 USCS §§6901 et. seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act [33 USCS §§1251 et. seq.]; the Toxic Substances Control Act [15 USCS §§2601 et. seq.]; the Hazardous Materials Transportation Act [49 USCS §§1801 et. seq.]; the Federal Insecticide, Fungicide, and Rodenticide Act [7 USCS §§136 et. seq.]; the Superfund Amendments and Reauthorization Act [42 USCS §§6901 et. seq.]; the Clean Air Act [42 USCS §§7401 et. seq.]; the Safe Drinking Water Act [42 USCS §§300f et. seq.]; the Solid Waste Disposal Act [42 USCS §§6901 et. seq.]; the Surface Mining Control and Reclamation Act (30 USCS §§1201 et. seq.); the Emergency Planning and Community Right to Know Act (42 USCS §§11001 et. seq.); the Occupational Safety and Health Act [29 USCS §§655 and 657]; the California Underground Storage of Hazardous Substances Act [H&SC §§25280 et. seq.]; the California Hazardous Substances Account Act (H&SC §§25300 et. seq.); the California Hazardous Waste Control Act [H&SC §§25100 et. seq.]; the California Safe Drinking Water and Toxic Enforcement Act (H&SC §§24249.5 et. seq.); the Porter-Cologne Water Quality Act (Wat. C. §§13000 et. seq.) together with any amendments of, or regulations promulgated under the statutes cited above, and any other federal, state, or local law, statute, ordinance, or regulation now in effect or later enacted that pertains to hazardous substances on, under, or about the Licensed Area, including ambient air, soil, soil vapor, groundwater, surface water, or land use. Said cleanup shall be accomplished to the satisfaction of Licensor and to the extent required by any governmental body having jurisdiction thereover.

21. Facilities, Plans and Construction.

a. Exhibit B sets forth the tentative plans for the Facilities. Construction of the Facilities shall not commence until final design plans have been reviewed and approved in writing by Licensor's Civil Engineering Group, such approval not to be unreasonably withheld, conditioned, or delayed.

b. "As Constructed" drawings showing all plans and profiles of the Facilities shall be furnished to the Los Angeles Department of Water and Power, Attention: Manager of Real Estate, P.O. Box 51111, Room 1031, Los Angeles, California 90051-0100, within five days after completion of the Facilities.

c. Licensee shall pay for all costs, fees, or charges for the application, installation, maintenance, use, or removal of any utilities or services required in Licensee's use of the Licensed Area.

d. At Licensee's expense, Licensee shall be responsible for obtaining all use permits and environmental impact reports required to develop and use the Licensed Area.

22. No Use of Licensed Area to Satisfy Entitlement Conditions.
Licensee shall not use the Licensed Area to satisfy any zoning demands,

zoning variances, open space or parking requirements, and any other governmentally imposed conditions for building plans and permits.

23. Use, Operation and Maintenance.

a. Licensee shall be responsible for the operation and maintenance of the Facilities and any improvements placed by Licensee in, on or under the Licensed Area and is responsible for any operation and maintenance requirement, if any, related to the Facilities established by the PPA, PSA and/or LGIA.

b. Licensee shall take all necessary measures to minimize disturbances to neighboring businesses or nearby residences and shall assume the responsibility of resolving any complaints/disputes from adjacent property owners or the public, arising out of Licensee's use and enjoyment of the Licensed Area. Any inquiries or complaints brought to the attention of Licensor shall be directed to Licensee.

c. Licensee must post and maintain on site the required signage, which includes but not limited to the following information, at a designated location approved by Licensor:

- i. Licensee's 24-hour contact name;
- ii. Licensee's 24-hour phone number; and
- iii. License Agreement Number.

d. Licensee shall not place any improvements within the Licensed Area except for those approved in writing by Licensor (such approval not to be unreasonably withheld, conditioned, or delayed) or shown on Exhibit B. Licensee shall obtain written approvals (such approvals not to be unreasonably withheld, conditioned, or delayed) for changes or additions to said Facilities prior to the construction of such changes or additions. Detailed drawings showing the proposed changes shall be submitted to LADWP's Real Estate Section within 60 days of the written approval. Licensor shall sign and date the drawings, which will then become a part of the License. Unapproved equipment or improvements found on the Licensed Area may be considered a breach of the License and subject to corrective actions.

e. During construction of the Facilities, access across LADWP property to the Licensed Area shall be between the hours of 7:00 a.m. through 7:00 p.m., Monday through Friday and 8:00 a.m. through 5:00 p.m. on Saturdays.

f. During the term of this License Agreement, Licensee shall comply with Los Angeles Municipal Code Section 121, relating to water conservation as to the Licensed Area.

24. Relocation of Facilities. Licensor shall have a one-time right to require Licensee to relocate the Facilities if such relocation is determined by Licensor, in its commercially reasonable discretion, to be necessary to accommodate its operations or the operations of its licensees or lessees. If such relocation is required by Licensor solely to accommodate its

operations, Licensee shall be responsible and shall pay for up to One Million Five Hundred Thousand Dollars (\$1,500,000) of the actual costs incurred in connection with the design, relocation and/or re-construction of the Facilities (the "**Relocation Costs**"), and Licensor shall pay or reimburse Licensee for all Relocation Costs in excess of \$1,500,000 within 30 days following delivery of invoice or receipt evidencing such expense or expenditure. If such relocation is required by Licensor to accommodate the operations of its licensees or lessees, Licensee shall not be responsible for any portion of the Relocation Costs, and Licensor shall pay or reimburse Licensee for all Relocation Costs within 30 days following delivery of invoice or receipt evidencing such expense or expenditure. In addition to the one-time right retained by Licensor to require a relocation of the Facilities specified in this Section, Licensor shall have the right to require Licensee to relocate the Facilities if such relocation is required by any governmental agency or governmental entity other than Licensor, and Licensee shall be solely responsible for all Relocation Costs in connection with such relocation. In connection with any relocation required under this Section, Licensor shall (a) cooperate with Licensee in good faith to identify and designate any alternate real property to which the Facilities will be relocated, (b) for relocation(s) requested by Licensor, be responsible for obtaining all use permits and performing any environmental reviews required to relocate the Facilities to the alternate real property designated by Licensor and (c) make commercially reasonable efforts to minimize any disruption to Licensee's use of the Facilities.

25. Access Procedures. Licensee shall access LADWP facilities by conforming to LADWP security and operational procedures and shall take reasonable precautions to prevent unauthorized ingress and egress to LADWP property. There is expressly reserved unto LADWP and unto all authorized employees of said LADWP the right of continuous access.

26. Recordation of Memorandum. The parties hereto may enter into a memorandum of this License Agreement for recordation, at Licensee's sole cost and expense, in the official records of the county in which the Licensed Area is located. The parties consent and agree to execute and deliver such memorandum or amendments thereto as may be necessary to correct the legal descriptions of the Licensed Area.

27. Governing Law and Venue. This License Agreement shall be interpreted, governed by, and construed under the laws of the State of California or the laws of the United States, as applicable, as if executed and to be performed wholly in the State of California. Venue shall lie in the County of Los Angeles.

28. Construction, Maintenance and Operations. Guidelines for Operations, as shown on Exhibit D, are incorporated as terms of this License Agreement and, unless otherwise specified herein, Licensee shall comply with the Guidelines for Operations.

29. No Third Party Beneficiaries. Licensor and Licensee do not intend to create rights in or grant remedies to any third party as a

beneficiary of this License Agreement or of any duty, covenant, obligation, or undertaking established under this License Agreement.

30. Waivers. Any waiver at any time by either party hereto of its rights with respect to a default under this License Agreement, or with respect to any other matter arising in connection with this License Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay in assessing or enforcing any right, shall not be deemed to be a waiver of such right, provided that all applicable statutory periods of limitation shall apply.

31. Headings. The titles or headings to sections shall have no effect on interpretation of provisions.

32. Default. If any one or more of the following events (herein sometimes called "**Events of Default**") shall happen:

- (a) if a default shall be made in the due and punctual payment of any License Fee or amount due under this License Agreement within thirty (30) days after notice thereof to Licensee, or
- (b) if default shall be made by Licensee in the performance of or compliance with any of the covenants and agreements of this License Agreement other than those referred to in the foregoing subsection (a), the effect of which is not cured within thirty (30) days after written notice thereof from Licensor to Licensee (provided; that if Licensee proceeds with due diligence during such thirty (30) day period to cure such default and is unable by reason of the nature of the work involved to cure the same within the said thirty (30) days, such thirty (30) day period shall be extended by the time reasonably necessary to cure the same); or
- (c) Inaccuracy in any material respect at the time made or deemed to be made of any representation made by Licensee herein; or
- (d) the voluntary bankruptcy of Licensee;
- (e) the filing of an involuntary bankruptcy proceeding against Licensee that remains undismissed or unstayed for a period of sixty (60) days following the filing thereof; or
- (f) Licensee shall vacate or abandon the Licensed Area or Facilities (for purposes of this License Agreement, Licensee shall be deemed to have "vacated" or "abandoned" the Licensed Area or Facilities if no development, construction, installation, operation, use or maintenance activities with respect to the Facilities have occurred at the Licensed Area for a period of six (6) consecutive months), provided such vacation or abandonment is not the result of Force Majeure (as defined in Section 34 hereof);

Then, and in any such event, if such Event of Default is with respect to a material obligation hereunder, Licensor at any time thereafter may give written notice to Licensee specifying such Event of Default and stating that this License Agreement and the License Term shall expire and terminate on the date specified in such notice, which expiration and termination date shall be at least ten (10) Business Days after the giving of such notice, and upon the date specified in such notice, this License Agreement shall terminate as though such date were the date originally set forth herein for the termination hereof, but Licensee shall continue to be liable to Licensor for decommissioning and as herein provided in this License Agreement.

33. EMF Disclosures. Licensee hereby acknowledges receipt of an information package consisting of:


a. Understanding EMF - Electric Magnetic Fields, Exhibit C.

b. Additional Information pertaining to EMF can be obtained via the Internet at: <http://www.ladwp.com/ladwp/cms/ladwp004154.jsp>.

Licensee undertakes and agrees to distribute all the information in said package to all personnel working under Licensee's direction and control.

34. Entire Agreement; Amendments. This License Agreement constitutes the entire agreement between Licensor and Licensee respecting the subject matter hereof.

35. Force Majeure. The term "Force Majeure" means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, terrorism, storm or flood, fire or explosion or any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities (i) which prevents one party hereto from performing any of its obligations under this Agreement, (ii) which could not reasonably be anticipated as of the date of this Agreement, (iii) which is not within the reasonable control of, or the result of negligence, willful misconduct, breach of contract, intentional act or omission or wrongdoing on the part of such party (or any subcontractor or Affiliate (as defined in the PPA) of such party, or any Person as defined in the PPA) under the control of such party or any of its subcontractors or Affiliates, or any Person for whose acts such Affiliate or subcontractor is responsible), and (iv) which by the exercise of due diligence, such party is unable to overcome or avoid or cause to be avoided; provided nothing in this clause (iv) shall be construed so as to require either party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or labor dispute in which it may be involved. Any party hereto that is rendered unable to fulfill any of its obligations by reason of a Force Majeure shall exercise reasonable efforts to remove such inability with reasonable dispatch within a reasonable time period and mitigate the effects of the Force Majeure. The relief from performance shall be of no greater scope and of no longer duration than is required by the Force Majeure. Without limiting the generality of the foregoing, a Force Majeure does not include any of the following (each an "Unexcused Cause"): (1) the failure by Licensor to construct, operate or maintain the Facilities in accordance with this Agreement, except to the extent such failure was itself caused by an event of Force Majeure; (2) any



increase of any kind in any cost; (3) delays in or inability of a party to obtain financing or other economic hardship of any kind; (4) failure of third parties to provide goods and services essential to a party's performance, unless such failure was itself caused by an event of Force Majeure; (5) Facilities or related equipment failure of any kind, unless such failure was itself caused by an event of Force Majeure; or (6) any changes in the financial condition of Licensee, Licensor, the Facility Lender (as defined in the PPA) or any subcontractor or supplier affecting the affected party's ability to perform its obligations under this Agreement.

[signatures on following pages]

A handwritten signature in black ink, appearing to be the initials 'JH', located in the bottom right corner of the page.

Dated _____, 2014

DEPARTMENT OF WATER AND POWER OF
THE CITY OF LOS ANGELES

By _____
MARCIE L. EDWARDS
General Manager

LICENSOR

And: _____
Barbara E. Moschos
Board Secretary

[signatures continue on following page]

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

MAY 22 2014

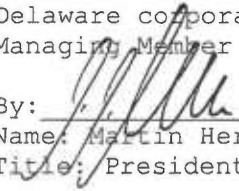
BY _____
TIMOTHY J. CHUNG
DEPUTY CITY ATTORNEY

8MINUTENERGY BEACON SOLAR LLC, a
California limited liability company


By: 8MINUTENERGY SPV2, LLC, a Delaware
limited liability company, its
Managing Member

By: 8MINUTENERGY RENEWABLES, LLC,
a Delaware limited liability
company, its Managing Member

By: MABEL CAPITAL, INC., a
Delaware corporation, its
Managing Member

By: 
Name: Martin Hermann
Title: President

By: 1ST AVENUE CAPITAL LLC, a
Delaware limited liability
company, its Managing
Member

By: 
Name: Thomas Battgenbach
Title: Managing Member

LICENSEE

EXHIBIT A
DESCRIPTION OF LICENSED AREA

[Attached]

Legal Description
for
"Springbok 230 kv Line"

"Exhibit A"

That portion of the Northeast quarter of Section 8, and of the North half of Section 9, of Township 31 South, Range 37 East, Mount Diablo Base and Meridian, in the County of Kern, State of California, according to the official plat thereof, more particularly described as follows;

Commencing for reference at the Northeast corner of said Section 9;

Thence, South 0°10'12" West, along the East line of said Section 9, a distance of 272.05 feet, to the TRUE POINT OF BEGINNING of the portion to be described;

Thence, continuing South 0°10'12" West, 150.00 feet;

Thence, North 90°00'00" West, 5645.19 feet;

Thence, South 88°12'24" West, 131.06 feet;

Thence, North 0°00'00" East, 150.02 feet;

Thence, North 88°12'24" East, 130.28 feet;

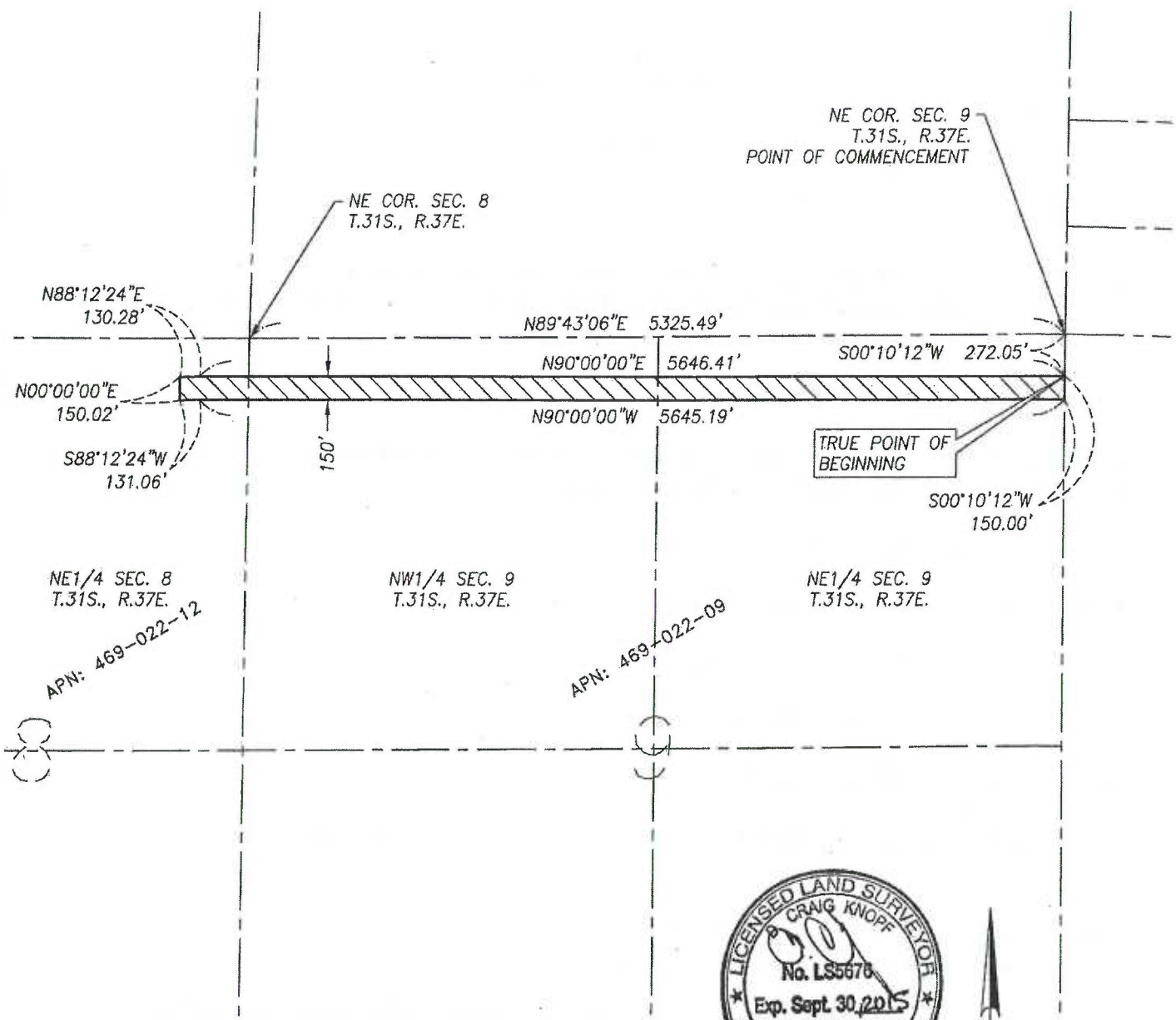
Thence, North 90°00'00" East, 5646.41 feet, to the TRUE POINT OF BEGINNING.

Containing approximately 866,464 SF (Grid)

Containing approximately 866,723 SF (Ground) or 19.90 Acres

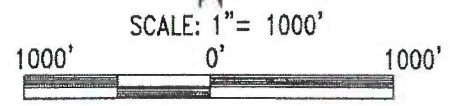
Note: The boundary data shown hereon is based upon that certain preliminary ground control drawing prepared by the Los Angeles Department of Water & Power, received March 11, 2014, which was based in part upon that certain ALTA/ACSM Land Title Survey prepared by Lars Andersen and Associates, File No. 07026, with a revision date of Oct. 26, 2007, which was based on the California Coordinate System (NAD 1927) – Zone 5. All distances are Grid distances. To obtain ground distances divide the Grid distances by the combined Grid factor of 0.9998505.





CONTAINING APPROXIMATELY 866,464 SF (GRID)
 CONTAINING APPROXIMATELY 866,723 SF (GROUND) OR 19.90 ACRES

NOTE: THE BOUNDARY DATA SHOWN HEREON IS BASED UPON THAT CERTAIN PRELIMINARY GROUND CONTROL DRAWING PREPARED BY THE LOS ANGELES DEPARTMENT OF WATER & POWER, RECEIVED MARCH 11, 2014, WHICH WAS BASED IN PART UPON THAT CERTAIN ALTA/ACSM LAND TITLE SURVEY PREPARED BY LARS ANDERSEN AND ASSOCIATES, FILE NO. 07026, WITH A REVISION DATE OF OCT. 26, 2007, WHICH WAS BASED ON THE CALIFORNIA COORDINATE SYSTEM (NAD 1927) - ZONE 5. ALL DISTANCES ARE GRID DISTANCES. TO OBTAIN GROUND DISTANCES DIVIDE THE GRID DISTANCES BY THE COMBINED GRID FACTOR OF 0.9998505.



FILE NAME: L:\Projects\2012\120123\ACAD\Exhibits\120123-230 kv Route Rev 4-29-14.dwg - LAST SAVE: 4/29/2014 1:55:07 PM PDT - BY: D. Craig Knopf

PLOT DATE: Apr-29-2014 03:44PM
JOB NO. 120123
DWG. NAME: 120123-230 kv Route Rev
SCALE: 4-29-14.dwg 1" = 1000'
SHEET NO.: 1 OF 1

"EXHIBIT B"
SPRINGBOK

230 kv ROUTE

PREPARED BY:



Quad Knopf

5110 W. CYPRESS AVE.
 P.O. BOX 3699
 VISALIA, CA 93278
 TEL: (559) 733-0440
 FAX: (559) 733-7821

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 DRW BY: K.SANTIAGO CHK BY: C.KNOPF

EXHIBIT B
FACILITIES INITIAL PLAN

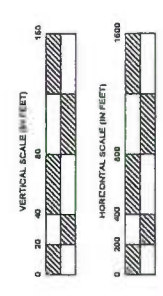
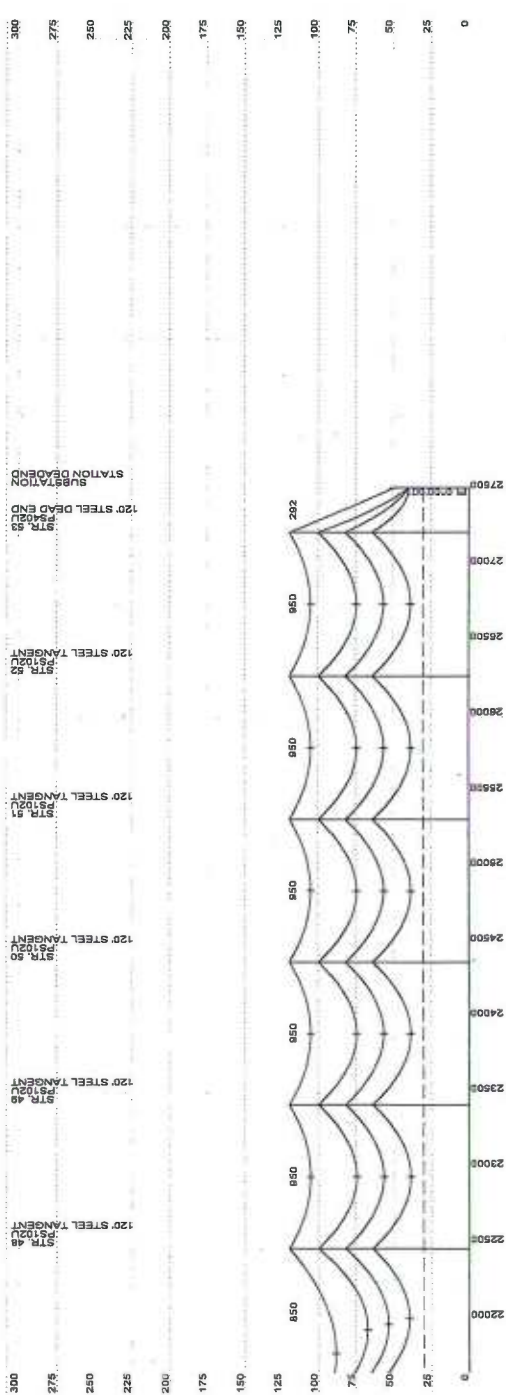
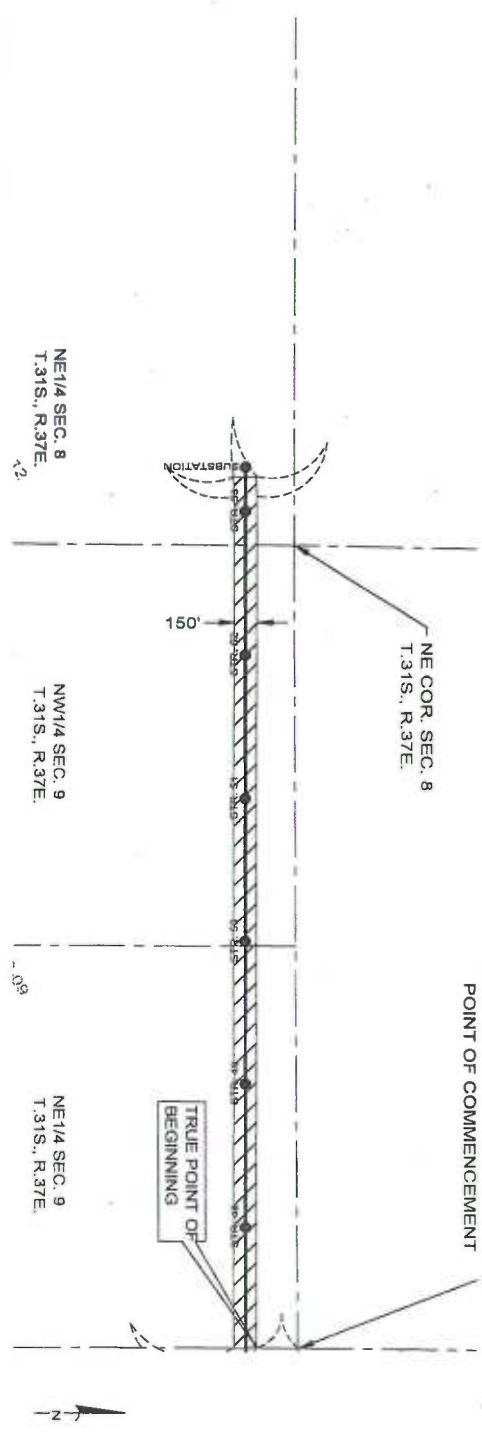
[Attached]



NE 1/4 SEC. 8
T. 31S., R. 37E.

NW 1/4 SEC. 9
T. 31S., R. 37E.

NE 1/4 SEC. 9
T. 31S., R. 37E.



NOTES
1. MINIMUM CLEARANCE 30 FT. ABOVE GROUND

REFERENCE DRAWINGS
STEEL POLE BILL OF MATERIAL --- 800616T-DT0-02500
WOOD POLE BILL OF MATERIAL --- 800616T-DT0-02501

REV	DESCRIPTION	SUBMIT	DATE	BY	CHK	DATE	BY	CHK
A	PRELIMINARY							

DASHIELL
8 MINUTE ENERGY - SPRINGBOK
230KV TRANSMISSION LINE
150' R.O.W. AT BEACON SUBSTATION

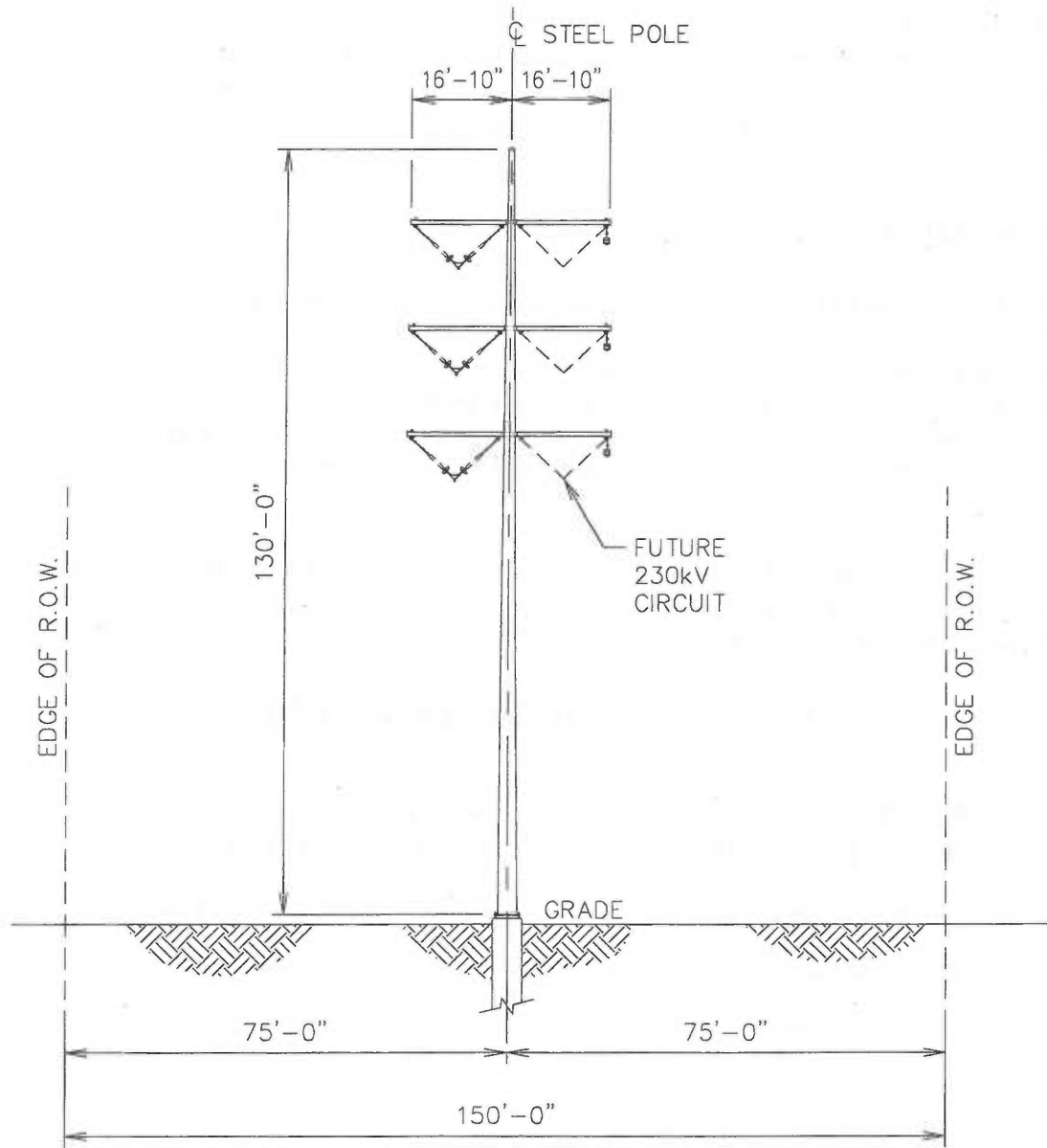
DATE: 14 APR. 2014
DRAWN BY: M. RECH
CHECKED BY: A. WIDMER
SCALE: AS NOTED

PROJECT NO.: 800616T-DT0-15100
SHEET 1 OF 1

Preliminary - Subject to Change

This drawing is the property of DASHIELL ENGINEERING, INC. and is to be used only for the project and location specified herein. It is not to be reproduced, copied, or used for any other purpose without the written consent of DASHIELL ENGINEERING, INC.

[Handwritten signature]



[A] ISSUED FOR INFORMATION 05-02-14

DASHIELL

ENGINEERS
CONSTRUCTORS
www.dashiell.com



EIGHT MINUTE ENERGY - SPRINGBOK
150' RIGHT OF WAY
TO BEACON SUBSTATION

Preliminary - Subject to Change

DATE	02 MAY 2014	DWG NO.	800616T-DT7-75007	REV	A
DRAWN	S. FROST	SCALE	1"=30'-0"	SHEET	Sh. 1 of 1
ENG.	A. WIDMER				

EXHIBIT C

UNDERSTANDING EMF - ELECTRIC MAGNETIC FIELDS

During recent years, questions have been raised about the possible health effects of 60-hertz (power frequency) electric and magnetic fields (EMF), which are found wherever you have electricity. This webpage contains easy-to-read information that will help you understand the EMF issue, plus practical tips you can use if you want to reduce your exposure at home and at work.

Can EMF Harm Your Health?

Electric and magnetic fields (EMF) are present wherever electricity flows - around appliances, power lines, in offices, schools and homes. Many researchers believe that if there is a risk of adverse health effects from EMF, it is probably low but warrants further investigation. Most, but not all, childhood studies have reported a weak association between estimates, but not direct measures, of residential magnetic field exposure and certain types of childhood cancer. Worker studies have shown mixed results. Laboratory experiments have shown that magnetic fields can cause changes in living cells. It is not clear whether these changes suggest any risk to human health.

Given the uncertainty of the issue, the medical and scientific communities have been unable to determine that EMF causes health effects or to establish any standard or level of exposure that is known to be either safe or harmful.

The Two Types of Fields

60-HERTZ MAGNETIC FIELDS	60-HERTZ ELECTRIC FIELDS
Can pass through most objects.	Can be blocked or partially shielded.
Get weaker with distance.	Get weaker with distance.
Are created by the current - or flow of electricity - through a wire, such as when an appliance is turned on.	Are produced by the voltage - or electrical "pressure" - in a wire, such as when an appliance is plugged in (but not turned on).

Magnetic Field Measurements

Magnetic Fields in the Home
Measurements are in milligauss (mG)

Home Appliances at	1.2" away	12" away	39" away
<i>Microwave Oven</i>	750 to 4,000 mG	40 to 80 mG	3 to 8 mG
<i>Clothes Washer</i>	8 to 400 mG	2 to 30 mG	0.1 to 2 mG
<i>Electric Range</i>	60 to 2,000 mG	4 to 40 mG	0.1 to 1 mG
<i>Fluorescent Lamp</i>	400 to 4,000 mG	5 to 20 mG	0.1 to 0.3 mG
<i>Hair Dryer</i>	60 to 20,000 mG	1 to 70 mG	0.1 to 3 mG
<i>Television</i>	25 to 500 mG	0.4 to 20 mG	0.1 to 2 mG

Source: Adapted from Gauger 1985

Magnetic Fields Outside

(Maximum range in California utilities will vary.)

Distribution Lines	1 to 80 milligauss under the line
Transmission Lines	1 to 300 milligauss edge of right-of-way

Research Is Ongoing

A number of research studies are now under way to determine if magnetic fields do pose any health risk and, if so, what aspect of the fields might be harmful. For example, at this time, no one knows whether the length of time in a field, the field strength, going "in and out" of a field, or combinations of these with other factors might be relevant.

What Is Being Done About EMF in California?

As a result of a 1993 decision by the California Public Utilities Commission, an EMF research and information program has been established. This program is managed by the California Department of Health Services (CDHS) and funded by utility rate payers. The purpose of the program is to perform research and policy analysis, and provide education and technical assistance to benefit Californians. Input to the CDHS is provided by a Stakeholders Advisory Consultant Group (SAC), consisting of representatives of the public, consumer groups, health and scientific experts, and labor and utility representatives. Additional input can be provided by state agencies, consultants, and special interest groups during the open forum discussion periods at the SAC meetings. These meetings are open to the general public. Financial support by utilities of the \$65-million federal program is continuing.

What You Can Do?

Studies of EMF have not shown that people need to change the way they use electric appliances or equipment. But if you feel reducing your exposure would be beneficial, you can increase your

distance from electric appliances and/or limit the amount of time you use appliances at home or at work.

For instance:

- You can place telephone answering machines and electric clocks away from the head of your bed.
- You can increase your distance from appliances such as televisions, computer monitors and microwave ovens.
- You can also reduce your EMF exposure by limiting the time you spend using personal appliances such as hair dryers, electric razors, heating pads and electric blankets.
- You can limit the time you spend using electric cooking appliances.
- You can locate sources of EMF in your work environment and spend break time in lower-field areas.

It is not known whether such actions will have any impact on your health.

"To Summarize..."

- EMF exists wherever there is electricity: in homes, in workplaces and near power lines. Electric fields exist whenever equipment is plugged in, but magnetic fields exist only when equipment is turned on. Both types of fields get weaker with distance from their source.
- Until more is known, your best strategy is to stay informed and, if you think it's necessary, to limit your exposure. You may be able to reduce your exposure by identifying EMF sources, changing the way you use electric appliances and increasing your distance from EMF sources.

For More Information Call or Write Us:

- Call: LADWP EMF Inquiry Line @ (213) 367 - 2616
- Bill.Jones@Ladwp.com or Chuck.Holloway@Ladwp.com
- U.S. Mail:
Los Angeles Department of Water and Power
EMF Research and Education Team
Room 1044
111 North Hope St.
Los Angeles, Ca 90012-2694

Links to other related sites

- EMF Rapid Program: www.niehs.nih.gov/emfrapid/home.htm
- California Department of Health Services: www.dhs.cahwnet.gov/ps/deodc/ehib/emf/
- The BioElectro Magnetism Society: www.bioelectromagnetics.org/index.php
- More Links EMF Issue Sites: www.bioelectromagnetics.org/resources.php

EXHIBIT D

STANDARD CONDITIONS FOR CONSTRUCTION

1. Energized transmission lines can produce electrical effects including, but not limited to, induced voltages and currents in persons and objects. Licensee hereby acknowledges a duty to conduct activities in such manner that will not expose persons to injury or property to damage from such effects.
2. LADWP personnel shall have access to the right of way at all times.
3. Unauthorized parking of vehicles or equipment shall not be allowed on the right of way at any time.
4. Unauthorized storage of equipment or material shall not be allowed on the right of way at any time.
5. Fueling of vehicles or equipment shall not be allowed on the right of way at any time.
6. Patrol roads and/or the ground surfaces of the right of way shall be restored by the Licensee to original conditions, or better.
7. All trash, debris, waste, and excess earth shall be removed from the right of way upon completion of the project, or the LADWP may do so at the sole risk and expense of the Licensee.
8. All cut and fill slopes within the right of way shall contain adequate berms, benches, and interceptor terraces. Revegetation measures shall also be provided for dust and erosion control protection of the right of way.
9. All paving, driveways, bridges, crossings, and substructures located within the right of way shall be designed in accordance with the American Association of State Highway and Transportation Officials H20-44 (M18) wheel loadings.
10. General Grounding Condition

All aboveground metal structures including, but not limited to, pipes, drainage devices, fences, and bridge structures located within or adjoining the right of way shall be properly grounded, and shall be insulated from any fencing or other conductive materials located outside of the right of way. For safety of personnel and equipment, all equipment and structures shall be grounded in accordance with State of California Code of Regulations, Title 8, Section 2941, and National Electric Code, Article 250.



11. Licensee shall neither hold the LADWP liable for nor seek indemnity from the LADWP for any damage to the Licensee's project due to future construction or reconstruction by the LADWP within the right of way.
12. Fires and burning of materials is not allowed on the right of way.
13. Licensee shall control dust by dust-abatement procedures approved by the LADWP, such as the application of a dust palliative or water.
14. The right of way contains high-voltage electrical conductors; therefore, the Licensee shall utilize only such equipment, material, and construction techniques that are permitted under applicable safety ordinances and statutes, including the following: State of California Code of Regulations, Title 8, Industrial Relations, Chapter 4, Division of Industrial Safety, Subchapter 5, Electrical Safety Orders; and California Public Utilities Commission, General Order No. 95, Rules for Overhead Electric Line Construction.
15. Detailed plans for any grading, paving, and construction work within the right of way shall be submitted for approval to the Real Estate Business Group, LADWP, P.O. Box 51111, Room 1031, Los Angeles, California 90051-0100, no later than 45 days prior to the start of any grading, paving, or construction work. Notwithstanding any other notices given by Licensee required herein, Licensee shall notify the LADWP's Transmission Construction and Maintenance Business Group at (818) 771-5060, or (818) 771-5076, no earlier than 14 days and no later than two days prior to the start of any grading, paving, or construction work.
16. "As Constructed" drawings showing all plans and profiles of the Licensee's project shall be furnished to the Real Estate Business Group, LADWP, P. O. Box 51111, Room 1031, Los Angeles, California 90051-0100, within five days after completion of Licensee's project.
17. In the event that construction within the right of way is determined upon inspection by the LADWP to be unsafe or hazardous to LADWP facilities, the LADWP may assign a line patrol mechanic at the Licensee's expense.
18. If the LADWP determines at any time during construction that the Licensee's efforts are hazardous or detrimental to LADWP facilities, the LADWP shall have the right to immediately terminate said construction.
19. All concentrated surface water which is draining away from the permitted activity shall be directed to an approved storm drain system where accessible, or otherwise restored to sheet flow before being released within or from the right of way.
20. Ponding or flooding conditions within the right of way shall not be allowed. All drainage shall flow off of the right of way.
21. Licensee shall comply with all Kern County Municipal Storm Water Permit and Standard Urban Storm Water Mitigation Plan requirements.
22. Fills, including backfills, shall be in horizontal, uniform layers not to exceed six inches in

thickness before compaction, then compacted to 90 percent relative compaction in accordance with the American Society for Testing and Materials D1557.

23. Licensee shall provide the LADWP with one copy each of the compaction report and a Certificate of Compacted Fill, for clean fill compaction within the LADWP's right of way in accordance with the American Society for Testing and Materials D1557, approved by a geotechnical engineer licensed in the State of California.
24. A surety bond in an amount equal to the removal cost of the Facilities, minus the salvage value thereof, shall be supplied by the Licensee on or before the sixtieth (60th) day of the Option Term to assure restoration of the LADWP's right of way and facilities, and compliance with all conditions herein. The removal cost of the Facilities shall be determined LADWP and Licensee, acting reasonably and in good faith, or, if the parties are unable to agree upon such cost, by an independent engineer experienced in the calculation of such costs reasonably acceptable to each of LADWP and Licensee.
25. The Licensee shall obtain and pay for all permits and licenses required for performance of the work and shall comply with all laws, ordinances, rules, orders, or regulations including, but not limited to, those of any agencies, departments, districts, or commissions of the State, County, or City having jurisdiction thereover.
26. Remote-controlled gates, or lock boxes containing the device or key for opening the remote-controlled gates, shall be capable of being interlocked with an LADWP padlock to allow access to the right of way by the LADWP. Licensee shall contact the Right of Way Supervisor at (818) 771-5048 to coordinate the installation of a LADWP padlock.
27. Licensee shall provide and maintain a minimum 16-foot wide driveway and gate at all locations where the (road/street) crosses the LADWP's patrol roads. The designed gates must be capable of being interlocked with an LADWP padlock to allow access to the right of way by the LADWP.
28. Licensee shall post a sign on the entrance gate to the right of way, or in a visible location inside the entrance gate, identifying the contact person's name and telephone number for the prompt moving of (vehicles/trucks/trailers/containers) at times of LADWP maintenance or emergency activities, or any other event that (vehicles/trucks/trailers/containers) must be moved. In emergency conditions, the LADWP reserves all rights at any time to move or tow (vehicles/trucks/trailers/containers) out of specific areas for any transmission operation or maintenance purposes.

GUIDELINES FOR CONSTRUCTION STAGING
(Transmission Line Rights-of-Way)

CONSTRUCTION STAGING POLICY

The Los Angeles Department of Water and Power (LADWP) recognizes the need to consider the multiple uses of transmission line rights-of-way to maximize the benefits resulting from compatible multiple land uses. One of these uses is Construction Staging. LADWP will allow Construction Staging within its transmission line rights-of-way to parties submitting a viable plan for the use of the transmission line rights-of-way.

This Construction Staging policy, however, is contingent upon LADWP's ability to maintain strict control of its transmission line rights-of-way without adversely interfering with the essential and primary function of transmitting electrical power safely and reliably. In the event that the Construction Staging improvements or activities interfere with LADWP's ability to efficiently operate and maintain the transmission system, then such allowance for Construction Staging will be withdrawn for modification or termination. Any request for Construction Staging within the transmission line rights-of-way must comply with these guidelines.

TERMINOLOGY AND OVERVIEW

"Construction Staging," as used in these Guidelines, refers to the use of transmission line rights-of-way for general construction activities including material storage, construction vehicle parking, and staging for construction activities. The use of the transmission line rights-of-way is generally of limited duration (less than one year).

Construction Staging on a transmission line rights-of-way where LADWP has an easement will require consent from LADWP regarding the proposed use and the inclusion of LADWP conditions in the License Agreement (License) with the underlying fee owner; Construction Staging on a transmission line rights-of-way where LADWP has fee ownership will require a License. The consent or License will be collectively referred to herein as the "Agreement." The individual or company that obtains the Agreement for use of the property is referred to herein as "User."

The Real Estate Section (Real Estate) will review each request for Construction Staging within the transmission line rights-of-way and determine the adequacy of such proposed plan and its compatibility with LADWP's requirements listed under "Guidelines" and the uses by surrounding property owners. The Power System Engineering Division (PSED), Legal Division, and Wastewater Quality and Compliance Group within Environmental Affairs Division will review and report its findings and recommendations to Real Estate for processing. Final approval of any plans and documents, including the decision to allow such uses, is the responsibility of PSED.

Each request for Construction Staging will be reviewed on its own merits and must comply with the attached conditions described under "Guidelines." LADWP reserves the right to impose additional conditions and requirements deemed appropriate and necessary for the specific request under review. These conditions and requirements shall be strictly enforced; any violation of such shall be grounds for termination of the Agreement. The decision whether to allow such use is within the sole and absolute discretion of LADWP.



GENERAL GUIDELINES FOR ALL SECONDARY LAND USE PROGRAMS
(Transmission Line Rights-of-Way)

1. User acknowledges and recognizes that power transmission line rights-of-way are integral component of the transmission line system which provide electric power to the City of Los Angeles and other local communities. Their use is regulated under the jurisdiction of the Federal Energy Regulatory Commission (FERC) and North American Electric Reliability Corporation (NERC). Safety and protection of critical facilities are the primary factors used to evaluate secondary land use proposals. The transmission line rights-of-way serve as platforms for access, construction, operation, maintenance, facility expansion and emergency operations. Therefore the User's possessory rights may from time to time be subject to temporary or permanent disruption caused by such operations or rules/regulations issued by FERC/NERC.
2. To comply with NERC Standard FAC-003-1, LADWP's Transmission Vegetation Management Program (as last revised) defines parameters restricting where trees are allowed on transmission line rights-of-way. Existing trees may be removed by LADWP. User shall not plant trees within the transmission line rights-of-way. Unauthorized trees planted by User shall be removed upon demand by LADWP and at the expense of the User.
3. Agreement term of all secondary land uses shall be five years or less, unless otherwise stated on the Agreement.
4. LADWP reserves the right to license/lease/permit other uses within the transmission line right-of-way which would not conflict with the proposed secondary land use, or conflict with User's use of the transmission line right-of-way.
5. Upon initial application, the User shall provide, if required, a preliminary design of proposed improvements for LADWP review. Prior to construction or occupancy, User shall provide a detailed layout plan for review and approval of LADWP. The layout plan will include, but not be limited to, location of towers, transmission line rights-of-way boundaries, paved area(s), location of a required patrol road, distances between the towers and the conductor drip lines, landscaping areas, a drainage plan, all above-ground metal structures including but not limited to, pipes, fencing, lighting supports, and a lighting scheme, if required.
6. The granting of an Agreement for secondary land use will apply to transmission line rights-of-way that are rated up to 500 kV. Induction forces emanating from transmission lines may cause inconvenience and discomfort associated with static discharges. User must post a prominently displayed "shock or hazard warning" sign. Some secondary land uses may not be allowed under transmission line rights-of-way that are rated 345 kV and above. See specific secondary land use guidelines for allowable uses.
7. The area governed by any Agreement cannot segment the transmission line rights-of-way in such a manner that the remaining area is rendered useless for other secondary land use activities. LADWP may require the User to license/lease the entire segment of the transmission line right-of-way. Furthermore, the area selected must not create a security

problem for LADWP.

8. Use of the transmission line rights-of-way may be subject to existing easements or Agreements. Real Estate will provide general information regarding the existing uses and associated improvements. User shall be responsible for the identification and protection of the existing facilities during construction of approved improvements. User shall provide reasonable access to any other Users or easement holders.
9. The Agreement will require that, during the Option Term, a surety bond will be provided by the User, which bond shall be in an amount equal to the removal cost of the Facilities minus the salvage value thereof. The removal cost of the Facilities shall be determined LADWP and the User, acting reasonably and in good faith, or, if the parties are unable to agree upon such cost, by an independent engineer experienced in the calculation of such costs reasonably acceptable to each of LADWP and Licensee.
10. The latest Risk Management insurance requirements, liability conditions, and indemnification shall apply.
11. At User's expense, User shall be responsible for obtaining all conditional use permits, all environmental documents such as California Environmental Quality Act documents, if applicable, all environmental permits, and use the licensed area for secondary land use activities only. Furthermore, User shall comply with all current and future applicable laws, ordinances, rules, orders, or regulations including, but not limited to, those of any agencies, departments, districts, or commissions of the State, County, or City having jurisdiction thereover.
12. All Federal, State, local permits, and related governmental requirements to develop the licensed area (building permits, conditional use permits, environmental impact reports, public hearing, USA underground service alert, etc.) will be the responsibility of the User.
13. User shall be required to comply with all applicable City, County, State, and Federal Storm Water Permit and Standard Urban Storm Water Mitigation requirements.
14. User will be required to comply with existing regulations, but not limited to Federal, State and local laws, regulations, permits and requirements, regarding the use and disposal of pollutants, contaminants and hazardous wastes or substances on the licensed/leased/permitted area. User will be responsible for clean-up of any spills, leakage or discharges of such substances on the licensed/leased/permitted area.
15. The transmission line right-of-way may contain low-voltage and high-voltage electrical conductors and above and below ground structures; therefore, the User shall utilize only such equipment, material, and construction techniques that are permitted under applicable safety ordinances and statutes including, but not limited to the following: State of California Code of Regulations, Title 8, Industrial Relations, Chapter 4, Division of Industrial Safety, Subchapter 5, Electrical Safety Orders; NEC, and California Public Utilities Commission, General Order No. 95, Rules for Overhead Electric Line Construction, and General Order 128, Rules for Underground Electric Line Construction.

16. Because of overhead electrical conductors, User shall use only such equipment as is consistent with the terms of safety ordinances or statutes, and generally accepted safety practice.
17. All above ground metal structures including, but not limited to, pipes, drainage devices, fences, bridge structures, and lighting supports located within or adjoining the transmission line rights-of-way shall be properly grounded, in accordance with the California Code of Regulations, Title 8, Section 2941, and/or National Electrical Code (NEC), Article 250, and local applicable codes.
18. Overhead telephone and power cables shall be permitted only at the edge of the transmission line rights-of-way. Communications and electric power crossings of LADWP's transmission line rights-of-way shall be underground and must be approved by LADWP's Transmission Construction and Maintenance Group prior to installation.
19. Unless written authorization from LADWP is obtained, no above-ground temporary or permanent structures are allowed in the transmission line rights-of-way.
20. All grading, storm drains, structural, and developmental drawings (site plans) must be approved by LADWP prior to any development/improvement.
21. LADWP may access the facilities at any time with no notice for an emergency purpose, for routine maintenance, site inspection, and with up to 180 days' notice for capital projects and construction purposes. The License Fee will not be abated for disruption of business or loss of use due to routine maintenance functions lasting no more than twenty-four hours. Rent shall be abated on a pro-rata basis for loss of use during emergency conditions, construction or routine maintenance functions lasting in excess of twenty-four hours.
22. When required for emergency restoration work or normal maintenance operation on the transmission system, User shall be required to cooperate promptly and diligently with LADWP's effort to move vehicles, materials, and or equipment out of specific areas required to perform routine or emergency work or operations. Under emergency conditions, LADWP reserves all rights at any time to move or tow vehicles, materials, and or equipment out of specific areas for any transmission operation or maintenance purposes at the expense of User.
23. Cross fencing will generally not be permitted except at natural boundaries, roadways, and existing railroad crossings. At those locations, gates adequate to allow access by LADWP vehicles will normally be required. All improvements, including fencing, on LADWP transmission line rights-of-way are subject to the written approval of LADWP. Requests for cross fencing and other exceptions will be reviewed on a case-by-case basis. If additional fencing is approved, it shall be installed at the User's expense. Such fencing shall become the property of LADWP should the Agreement be terminated. If LADWP requires the fence to be removed, it will be done at User's expense.
24. A suitable access to the transmission line rights-of-way through 20-foot-wide gates with the ability to have multiple interlocking bail-type padlocks must be provided to permit entrance of LADWP vehicles. User shall contact the Right of Way Group at (213) 367-2972 to coordinate

the installation of a LADWP padlock on the gates.

25. A permanent, unobstructed 20-foot patrol road, accessible at all times by LADWP maintenance personnel shall be provided and maintained. A wider patrol road width will be required on curved segments. The patrol road must remain open and unobstructed, excluded from any watering, and kept as dry as possible at all times. The patrol road shall be located in the center of the transmission line right-of-way unless specified elsewhere by the Agreement.
26. The designated patrol road must be designed to withstand a combined weight of 40,000 pounds in accordance with the American Association of State Highway and Transportation Officials H20-44 wheel loadings. There must also be a sufficient turning radius at all patrol road junctures to allow large LADWP maintenance vehicles to maneuver. The minimum turning radius on all patrol roads and intersections is 80 feet. Areas outside of the designated patrol roads may be designed to a lesser standard if User holds LADWP harmless for any damages incurred as a result of LADWP operations.
27. No ponding shall be allowed within the transmission line rights-of-way. Grading shall be designed so as to eliminate all ponding conditions within the transmission line rights-of-way.
28. An area at least 50 feet around the base of each tower, measured from the outermost surfaces of the footings, must remain open and unobstructed for necessary maintenance, including periodic washing of insulators by high-pressure water spray. Clearances of 100 feet may be required under circumstances where access is limited.
29. In the vicinity of the towers (not within patrol roads), decomposed granite or other non-organic materials, which vehicles can drive on and intended to discourage pedestrian traffic from being in the area, may be required.
30. Protective barriers may be required to protect towers. Acceptable barriers include, but are not limited to, curbs, removable bollards, and k-rails.
31. No benches, boulders, ornamental structures are allowed in the transmission line rights-of-way.
32. No improvements of any kind may be installed in the transmission line rights-of-way without the written permission of LADWP.
33. No vehicles may be inhabited while parked on the transmission line rights-of-way.
34. No unleashed animals (six foot leash maximum) are allowed underneath the transmission line rights-of-way. Further, no animals shall be utilized for security measures or be housed on the transmission line rights-of-way, unless otherwise approved by LADWP in writing.
35. Storage of hazardous waste and flammable materials is not permitted within the transmission line rights-of-way area.

36. User shall be responsible for maintenance of the entire transmission line rights-of-way within the limits of the Agreement in a neat, clean, and weed-free condition, including landscaping and parkways between fences and public streets.
37. User shall be required to post a sign on site containing the contact person and a telephone number in the event that vehicles must be moved.
38. Vehicles parked under the transmission line rights-of-way may be subject to water spotting from occasional transmission line insulator washing operations. User must post a prominently displayed sign stating, "This area may be subject to water spotting at any time from transmission line insulator washing operations".
39. Vehicles carrying any flammable, explosive, or corrosive loads, including hazardous materials or hazardous wastes, or "placarded loads" (defined as those which are required by law or regulation to carry signs defining its contents for public safety) shall not be allowed within the transmission line rights-of-way area at any time.
40. User shall take all reasonable measures to minimize disturbances to neighboring businesses or residences, including but not limited to control of dust from their activities and noise, and shall be responsible for resolving any complaints/disputes from adjacent property owners or the public to the satisfaction of LADWP.
41. Temporary advertising banners/signage, if allowed, may only be attached to the transmission line right-of-way fencing. The banners/signage may not be larger in size than the fencing, must be of flame retardant material, must be mounted with grommets and metal fasteners every 24 inches around the perimeter, and must meet any local advertising ordinances. Free standing signs shall be subject to the written approval of LADWP.
42. Any lighting proposals shall be submitted to and approved by LADWP's Transmission Construction and Maintenance Division prior to installation.



Exhibit E

Contract Insurance Requirements

Coverage	Per Occurrence Limits
Workers' Compensation (Stat. Limits)/Employer's Liability (Broad Form All States Endorsement; Waiver of Subrogation)	\$1,000,000
Automobile Liability (owned autos; hired autos)	\$1,000,000
General Liability (broad form property damage; contractual liability; personal injury; premises and operations; products/completed ops; independent contractors; fire legal liability)	\$10,000,000