



LINE EXTENSION AGREEMENT
(For the Construction of Electric Distribution Facilities)

The parties to this Agreement are ARIZONA PUBLIC SERVICE COMPANY, an Arizona corporation, hereinafter called "APS," and City of Yuma

hereinafter called "Applicant." In consideration of the promises and provisions set forth below, the parties to this Agreement agree as follows:

1 CONSTRUCTION

- 1.1** APS shall construct electric distribution facilities as an extension of its present facilities in order to serve 1700 E. 8th Street, Arizona, in accordance with the attachments set forth in Section 6 to this Agreement and APS's line extension service, "Schedule 3, Revision No. 12: Conditions Governing Extensions of Electric Distribution Lines and Services," hereinafter called "Extension Policy." The terms and conditions of APS's Extension Policy and the attachments described in Section 6 are hereby incorporated in full into this Agreement.
- 1.2** The earthwork, conduits and materials necessary for construction shall be provided by the parties as follows:
Applicant shall provide distribution line and service line earthwork; APS shall provide and Applicant shall install equipment pads, manholes, pull boxes, junction boxes, and associated appurtenances (unless otherwise noted on the sketch); Applicant shall provide and install all conduit(s) (unless otherwise noted on the sketch). Applicant-provided earthwork, conduits, materials, and installation(s) shall be provided in accordance with the attached sketch(es), specifications, and Trenching Agreement - Requirements, and shall be approved by an authorized representative of APS prior to APS commencing the installation of lines and equipment.
- 1.3** Distribution facilities shall be installed by APS in the location indicated on the attached sketch(es). All suitable easements or rights-of-way required by APS for any portion of the extension which is either on premises owned, leased or otherwise controlled by Applicant, or other property required for the extension, shall be conveyed to APS (in APS's standard Utility Easement form attached hereto) by Applicant without cost to or condemnation by APS and in reasonable time to meet proposed service requirements. Applicant shall provide APS access to these distribution facilities at all times, and shall not block or interfere with said access in any way, including fencing or the placement of obstructions adjacent to and on the door-side of cabinets, transformers, or any other equipment.
- 1.4** All meters are to be located as shown on the sketch, a copy of which is attached to this Agreement. No variation to the meter locations identified may be made unless approved in writing by an authorized representative of APS.
- 1.5** Applicant's "on and off" site construction required in support of APS's construction is estimated to begin on 12/14/16 and to be completed on 03/14/17. APS's construction is estimated to begin on 02/01/16 and to be completed on 05/21/17 contingent upon scheduled completion of Applicant's "on and off" site construction in accordance with APS' specifications. The dates of APS's construction are provided only as estimates, are not binding upon APS, and are subject to change to accommodate APS's workload, material requirements, or other factors.

2 PAYMENT

APS will not schedule or begin any construction pursuant to this Agreement until it receives from Applicant a payment of \$153,680.00 DOLLARS, which sum equals the amount required by APS (less any pre-paid amounts) to extend service to Applicant, as authorized by the Extension Policy. Such payment shall include all charges for the facilities (and municipal street lighting facilities, if applicable) required to serve Applicant's project. Such payment is due to APS upon Applicant's execution of this Agreement.

Total project payments include a refundable advance payment of \$153,680.00 and a non-refundable payment of \$0.00 (which includes taxes where applicable). A Breakdown of these costs is attached hereto on the Applicant Charges form.

If Applicant cancels electric service, has electric service disconnected by APS for cause, or terminates this Agreement prior to five years from the date electric service is first provided to Applicant or to Applicant's successors under this Agreement, then in addition to the payments set forth above in this section, Applicant will be required to pay a pro-rated amount of the total line extension costs set forth on Line 21 on the Applicant Charges (Part Refundable and Part Non-Refundable) form, minus any pre-paid amounts set forth on either Line 23 or Line 25.

3 REIMBURSEMENTS

APS shall pay (reimburse) Applicant \$ NA DOLLARS which represents the total reimbursement for items summarized on the Applicant Reimbursement Details attachment which represent work, trenching, excavation, materials, etc. that the Applicant has agreed to furnish. Reimbursement shall be made after completion of the Applicant's work or activities and shall be contingent upon APS' Final Inspection and Approval.

4 REFUNDS

Applicant refundable advances may become eligible for refund as provided below. No refund will be made to any applicant for an amount more than the Applicant's refundable advance.

General Service Extensions

Applicant may be eligible for a refund of the refundable advance amount if the actual annual delivery service revenue for the Applicant's project exceeds the estimated delivery service revenue used in the Economic Feasibility analysis. The refund eligibility period shall be five (5) years from the effective date of this Agreement. APS will complete an Economic Feasibility analysis at the end of the third and fifth year.

- 4.1 If prior to the start of APS's construction, Applicant notifies APS in writing of Applicant's request to cancel this Agreement, Applicant shall be entitled to receive a refund of the amount paid less all fees and costs incurred by APS associated with the Agreement prior to cancellation.
- 4.2 APS reserves the right to withhold refund to Applicant if Applicant's account(s) are delinquent, and apply these refund amounts to past due bills.

5 GENERAL PROVISIONS

- 5.1 This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, or assignees of the parties to this Agreement, provided, however, that no assignment or other transfer of this Agreement shall be binding upon APS or create any rights in Applicant's assignee until such assignment or other transfer is approved and accepted in writing by an authorized representative of APS.
- 5.2 All electric facilities installed pursuant to this Agreement shall be owned by APS.
- 5.3 APS may use the installed facilities to serve other customers, and may extend service to other customers from the facilities located within the rights-of-way and easement(s) conveyed to APS pursuant to this Agreement.
- 5.4 This Agreement does not require APS to construct any line extensions to future customers not included in the attached sketches.
- 5.5 If Applicant fails to complete its "on and off" site construction requirements in support of APS's construction within six months of the estimated date of completion for said Applicant construction, as set forth in Section 1.5 hereof, APS shall have the right to revise the payment amount required pursuant to Section 2 hereof which Applicant will be required to pay prior to APS proceeding with construction or energizing its facilities.
- 5.6 If Applicant fails to complete its "on and off" site construction requirements in support of APS's construction within one year of the estimated date of completion for said Applicant construction, as set forth in Section 1.5 hereof, APS shall have the right to cancel this Agreement, and Applicant shall be entitled to receive a refund of the amount paid, less all fees and costs incurred by APS associated with the Agreement prior to cancellation.
- 5.7 The prevailing party in any proceedings instituted by either party regarding a dispute concerning this Agreement shall be entitled to recover its reasonable attorney's fees, costs, and expenses.
- 5.8 If any term or condition of this Agreement is held to be invalid, void, or otherwise unenforceable by any court of competent jurisdiction, that holding shall not affect the validity or enforceability of any other term or condition of this Agreement, unless enforcing the balance of this Agreement would deprive either party of a fundamental benefit of its bargain.

5.9 This Agreement contains the final and complete agreement between the parties for the construction of the line extension described herein and supersedes all prior and contemporaneous conduct, agreements, statements, representations, negotiations, course of conduct, course of dealing, and communications pertaining to the subject matter hereof, whether written or oral. The parties shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind not set forth in or formally incorporated into this Agreement.

6 ATTACHMENTS

The provisions, terms, and conditions of each of the following documents, attached to this Agreement, are hereby incorporated in full into this Agreement.

NOTE: Documents marked below are attached

<input checked="" type="checkbox"/>	Design Sketches
<input checked="" type="checkbox"/>	Applicant Charges (Part Refundable and Part Non-Refundable)
<input checked="" type="checkbox"/>	Schedule of Charges (Part Refundable and Part Non-Refundable)
<input type="checkbox"/>	Applicant Charges (Non-Refundable)
<input type="checkbox"/>	Schedule of Charges (Non-Refundable)
<input type="checkbox"/>	Applicant Charges (Single Family Homes Non-Refundable)
<input type="checkbox"/>	Schedule of Charges (Single Family Homes Non-Refundable)
<input type="checkbox"/>	Agreement to Construct Distribution Facilities
<input type="checkbox"/>	Applicant Reimbursement Details

<input checked="" type="checkbox"/>	Sales Invoice
<input type="checkbox"/>	Operating Agreement
<input checked="" type="checkbox"/>	Trenching Agreement – Requirements
<input checked="" type="checkbox"/>	Utility Easement
<input type="checkbox"/>	Dusk-to-Dawn Work Order
<input type="checkbox"/>	Developer Streetlight Agreement
<input type="checkbox"/>	Street Light Details
<input type="checkbox"/>	Attachment A Signature Page
<input checked="" type="checkbox"/>	Equipment Details

7 EFFECTIVE DATE

This Agreement will become effective only upon the execution of this document by duly authorized representatives of the parties and payment by Applicant to APS of the total amount set forth in Section 2, and will be deemed effective as of the date signed by APS.

ARIZONA PUBLIC SERVICE COMPANY

APPLICANT

Applicant's Name:

CITY OF YUMA

Signature: _____

Name: _____

MIKEL COLE

Title: _____

DIRECTOR OF T&D STATEWIDE DELIV

Date: _____

Signature: _____

Name (Print): _____

Title: _____

Date : _____

Mailing Address:

ONE CITY PLAZA

YUMA, AZ, 85364

Permanent Phone #: 928-373-5000

Study and Design Agreement Payment

APS Invoice #: _____

Amount: \$ _____

Date Received: _____

Material Order Agreement Payment

APS Invoice #: _____

Amount: \$ _____

Date Received: _____

Line Extension Agreement Payment

APS Invoice #: AR0320001920

Amount: \$ _____

(including taxes)

Date Received: _____

Total Amount Paid: _____

\$

(including taxes)

The individual executing this Agreement on behalf of Applicant represents and warrants: (i) that he or she is authorized to do so on behalf of Applicant; (ii) that he or she has full legal power and authority to bind Applicant in accordance with the terms herein and, if necessary, has obtained all required consents or delegations of such power and authority.