



**RULE 9
LINE EXTENSION AGREEMENT**

Agreement No.: LEA0000192519A

PID: 0000192519

Date Prepared: 06/09/2010

This Line Extension Agreement ("**Agreement**") is made and entered between Nevada Power Company, a Nevada Corporation, d/b/a NV Energy ("**Utility**") and **CITY OF LAS VEGAS, a(n) municipal corporation of the State of Nevada, ("Applicant")** (individually, a "**Party**" and collectively, the "**Parties**").

RECITALS

- A. Utility owns and operates electric transmission and distribution facilities and provides electric service within Nevada, in accordance with Tariff Schedules filed with and approved by the Commission.
- B. Applicant has requested Utility to relocate or alter existing Utility facilities or has requested "**Service**" or a "**Line Extension**," as defined in Rule 1, for the purpose of receiving electric service to its Development.
- C. In accordance with Rule 9, applicable provisions of other portions of its Tariff Schedules and this Agreement, Utility will relocate or alter Utility facilities, as requested by Applicant.
- D. Applicant acknowledges that it must follow Utility's procedures for identifying and resolving conflicts between its Development and Utility's above-ground and underground electric transmission and distribution facilities and that Utility will only waive or approve a particular conflict through Utility's standard use agreement signed by the property owner(s) and Utility, duly notarized, and recorded.

In consideration of the above recitals, mutual covenants, terms and conditions contained in this Agreement, the Parties agree as follows:

AGREEMENT

1. Summary of Costs and Contingencies

- 1.1 Line Extension. In order to provide 0 KVA of Service to Applicant and/or alter existing Utility facilities, Utility will modify its electric lines as shown on the Service design titled UPRR BORE/SLEEVE CONDUIT and attached as Exhibit A.
- 1.2 Estimated Costs. Utility estimates that the Costs of the Line Extension Project are **\$6,258.00**, as summarized on Exhibit B.
- 1.3 Estimated Advance. The estimated Advance is **\$57,334.00**, consisting of:
 - (A) CIAC. An estimated CIAC in the amount of **\$6,258.00** ("**Estimated CIAC**"). This amount includes a non-taxable, non-refundable cost of **\$0.00** and a taxable, non-refundable cost of **\$6,258.00**. If the Estimated CIAC is greater than \$20,000, it is subject to Cost True-up.
 - (B) Advance Subject to Refund. An Advance Subject to Refund in the amount of **\$0.00**. This amount includes Applicant's responsibility for proportionate share attachments per Rule 9, Section A.16 and any Commission Order in the amount of **\$0.00**.
 - (C) Tax Effect. The estimated Tax Effect is:
 - (1) Advance Subject to Refund. A Tax Effect relating to the Advance Subject to Refund in the amount of **\$0.00**. This Tax Effect is subject to refund.
 - (2) CIAC. A Tax Effect relating to CIAC in the amount of **\$2,190.00**. This Tax Effect is subject to adjustment in connection with a Cost True-Up.
 - (3) Non-Cash Contributions. A Tax Effect relating to Applicant's non-cash contributions to Utility under Rule 9, Section A.12 (such as trenching and



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substructures performed by Applicant, its contractors or its subcontractors) in the amount of **\$48,886.00**. This Tax Effect is not subject to refund.

1.4 Estimated Line Extension Project Allowance and Initial Allowance. The estimated Allowance for the Line Extension Project on the Effective Date is **\$0.00** ("**Estimated Line Extension Project Allowance**"). Applicant's Initial Allowance is **\$0.00**. A worksheet supporting the Estimated Line Extension Project Allowance and the Initial Allowance is attached as Exhibit C.

1.5 Payment; Purchase Order. When delivering the signed Agreement to Utility, Applicant must (in Utility's discretion) either pay Utility – or deliver a purchase order to Utility in the amount of – **\$57,334.00**. When calculating this amount, Utility applied the Initial Allowance and, if applicable, a credit for the Utility Betterment.

1.6 Related Projects and Contracts

(A) Related Projects. If any project to which this Line Extension Project will connect is not constructed and/or energized, such as those identified in this Subsection, Utility will not perform under this Agreement until after the Parties, in accordance with Section 13.8, revise this Agreement to incorporate changes to the Design and the Costs:

Project No.	Initiated	Title
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(B) Proportionate Share Contracts. If Applicant attaches to other line extensions, such as those identified in this Subsection, Applicant must pay Proportionate Share Costs:

Contract No.	Dated	Expiration	Title
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(C) Master Planned Community Contracts. This Agreement is associated with the following master planned community contracts:

Contract No.	Dated	Expiration	Title
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2. Description and Design of the Line Extension Project

2.1 Design for Line Extension Project; Amendment. The design for the Line Extension Project and Betterments, if any, is attached to this Agreement as Exhibit A (the "**Design**"). Applicant approves the Design and acknowledges that Applicant is bound by and must comply with all notes on the Design. The Parties may revise the Design by amending this Agreement in accordance with Section 13.8.

2.2 Condition to Providing Service. Utility does not have an obligation to provide Service to Applicant's Development until after Applicant resolves all conflicts between the Development and Utility's transmission and distribution facilities, at Applicant's Cost and to Utility's satisfaction. Applicant agrees that, if Utility provides Service to the Development even though conflicts remain, Applicant is responsible for all Costs to resolve those conflicts to Utility's satisfaction and Applicant must (at its Cost) acquire and deliver to Utility all Property Rights Utility deems necessary.



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- 2.3 Inaccurate Information and Field Conditions. Applicant understands that inaccurate, incomplete or outdated information and that surface and subsurface field conditions could delay the In-Service Date, if any.
- 2.4 Providing Service to Applicant. Utility will provide Service to Applicant in accordance with this Agreement, applicable Laws and Utility's Tariff Schedules. However, if there is a Reduction of Service (as defined in Rule 1) before or after the Agreement terminates or if Applicant is not using the capacity Utility made available to Applicant in connection with this Agreement after the Agreement terminates, Utility (in its discretion) may reallocate the unused capacity to other customers.
- 2.5 Line Extension Project Completion. The Line Extension Project is complete after (A) Utility receives all Property Rights in accordance with this Agreement, (B) the Parties complete the Adjustments and (C) if applicable, Utility energized the Line Extension Project to provide Service to the Development.

3. Line Extension Project Cost, Cash Advance, Allowance and Refunds

- 3.1 Estimated Costs on Exhibit B. The estimated Line Extension Project Costs are identified on Exhibit B.
- 3.2 Utility and Applicant Betterments.
 - (A) Estimated Expense of Utility Betterment. The estimated expense for the Utility Betterment is, and Utility will credit and/or pay Applicant, **\$0** ("**Betterment Expense**") unless Utility sends Applicant a Stop Work Notice. Utility will credit Applicant **\$0** and, after Applicant delivers the lien releases required by Subsection (E) below, pay Applicant **\$0**.
 - (B) Obligation to Install Utility Betterment. If the Design identifies a Utility Betterment, Applicant must install those facilities when it performs its work in connection with the Line Extension Project.
 - (C) Utility Betterment Scope of Work. Applicant must perform (or cause to be performed) the following in association with the Utility Betterment: not applicable.
 - (D) Utility's Option to Stop or Terminate Work on Utility Betterment. At any time, Utility may notify Applicant to terminate work on the Utility Betterment ("**Stop Work Notice**"). If Applicant receives a Stop Work Notice, Applicant must stop working on the Utility Betterment immediately and take action to mitigate expenses. Within 30 days after terminating work, Applicant must submit a final invoice to Utility for work performed through the termination date on the Utility Betterment. Notwithstanding Section 3.2(A), if Utility issues a Stop Work Notice, Utility is only responsible for Applicant's actual expenses for the Utility Betterment (up to the amount of the Betterment Expense). If, after receiving a Stop Work Notice, Applicant's actual expenses are less than the Betterment Expense, Utility (in its discretion and notwithstanding Section 13.8) may revise Section 1 and Exhibit B and invoice Applicant.
 - (E) Release of Lien or Claim for Utility Betterment. Utility cannot accept any facilities constructed and equipment installed by Applicant, including the Utility Betterment, and will not energize Applicant's Line Extension Project until after Applicant furnishes to Utility a complete release of any lien or claim.
 - (F) Ownership of Betterment. The design identifies any Utility Betterment and any Applicant Betterment. All Betterments installed by Applicant and Utility under this Agreement are property owned, maintained, and controlled by Utility upon Utility's Acceptance.



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(G) Guarantee. The Section 7 guarantees also apply to any Betterment.

- 3.3 Limitation on Refunds. The Advance Subject to Refund is the maximum possible refund that Applicant may receive. The actual refund is limited by Applicant's eligible Excess Allowance and Proportionate Share Refunds and consequently Applicant might not receive a 100% refund of the Advance. Depending upon the risk, project length, certainty of Demand, and other factors pertaining to Applicant's Line Extension Project, the refund may range from \$0 to the balance of the Advance Subject to Refund. The total of all refunds must not exceed the Advance Subject to Refund. Notwithstanding Section 13.2 and in accordance with Rule 9, Section A.14, Applicant may only assign its right to receive a refund by signing and delivering to Utility a properly executed assignment in a form acceptable to Utility.
- 3.4 Non-Refundable Tax Effect. Given that CIAC, non-cash contributions, and Applicant facilities that exceed the minimum requirements are non-refundable, the Tax Effect associated with these is also non-refundable.
- 3.5 Performance of Allowance True-Up. In its discretion and at any time, Utility may perform an Allowance True-Up. However, if on the Effective Date the Initial Allowance is less than the Estimated Line Extension Project Allowance, Utility will perform an Allowance True-Up 18 months after the Effective Date and calculate any Excess Allowance in accordance with the Allowance True-Up.
- 3.6 Performance of Cost True-Up. In its discretion and no later than five (5) years after the In-Service Date, Utility may perform a Cost True-Up. If the Estimated CIAC is greater than \$20,000, Utility will perform a Cost True-Up after all Costs have been recorded.
- 3.7 Return of Overpayments and Invoices Associated with Accounting Adjustments. If Utility performs the accounting adjustments in Section 3.5 or Section 3.6, Utility will either invoice Applicant or return any overpayment to Applicant. If Utility does not perform an Allowance True-up and/or a Cost True-Up, Applicant is only responsible for the Costs identified on Exhibit B and as otherwise invoiced by Utility.
- 3.8 No Interest on Amounts Paid by Applicant. Utility will not pay Applicant any interest on the amount of any payment made in connection with this Agreement.
- 3.9 Multiple Applicants. [RESERVED]

4. Applicant's Obligations

- 4.1 Responsibility for Costs. Applicant is responsible for all Costs, except for those Utility is specifically responsible for under Rule 9 ("**Applicant's Cost Responsibility**").
- (A) Increased Costs: Other Projects. If one or more of the projects identified in Section 1.6(A) cancels, is not completed on time, is reduced in scope or in some other manner affects Utility's ability to provide Service to the Development or changes the Cost to serve the Development, the Parties might have to revise the Design and Applicant is responsible for the increased Cost to serve the Development.
- (B) Increased Costs: Applicant Delay in Completing Construction. If, within 18 months after the Effective Date, Applicant does not complete construction of the Line Extension Project, Utility may re-estimate and either terminate this Agreement or, notwithstanding Section 13.8, amend Exhibit B. Applicant must pay the invoice in accordance with Section 4.5.
- (C) Purchase Order. If Utility agreed to accept a purchase order from Applicant for the amount identified in Section 1.5, Utility will invoice Applicant's Cost Responsibility against that purchase order. Applicant acknowledges that these



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invoices will likely include AFUDC. At any time after Utility receives a purchase order in connection with this Agreement, Utility may send Applicant a written request to increase the purchase order. Within thirty (30) days after the date identified on that request, Applicant must deliver the modified purchase order to Utility. If Applicant does not deliver the modified purchase order to Utility before that 30-day period expires, Utility may stop work and/or not provide Service to Applicant, until after Utility receives the modified purchase order. Any delay in delivering the modified purchase order to Utility might result in a delay in completion of the Line Extension Project.

- 4.2 Payment of Advances. Applicant must pay all Advances based on the Costs identified initially in Exhibit B and those identified subsequently under Section 4.1(A), Section 4.1(B) or Section 4.5.
- 4.3 Obligation to Construct Facilities in Compliance with Laws. Applicant and its agents must, at Applicant's expense, construct and install Rule 9, Section A.12 improvements, as shown on Exhibit A, perform work associated with these improvements, and comply with and perform in accordance with all Permits, Laws, Utility Standards, the Tariff Schedules and the National Electrical Safety Code. These Rule 9, Section A.12 improvements and the work associated with these improvements include but are not limited to trenching, backfilling, excavation, pavement removal, restoration, repaving, conduits, risers, transformer pads, vaults, enclosures, boxes, work and materials relating to such structures and substructures, and other materials Utility deems necessary for the electrical facilities.
- 4.4 Identification and Resolution of Conflicts; Costs Associated with Conflicts. Utility is not obligated to provide Service to the Development until after Applicant meets its obligations under this Section to Utility's satisfaction:
- (A) Identification of Conflicts. Applicant must identify, in writing and in a manner satisfactory to Utility, all conflicts between (1) the Development and Utility's underground and above-ground distribution and transmission facilities located within the Development, (2) the Development and Utility's underground and above-ground distribution and transmission facilities located within or adjacent to offsite improvements required for the Development (3) the Development and Utility's above-ground distribution and transmission facilities located adjacent to the Development, and (4) the Development and Utility's property rights within and adjacent to the Development, including but not limited to easements, rights-of-way, and any other use or occupancy rights.
- (B) Resolution of Conflicts with Utility's Facilities and Payment of Costs. If Applicant, its agents, its contractors, or its subcontractors damage, have damaged, render unsafe or have rendered unsafe Utility's above-ground or underground distribution and transmission facilities located within or adjacent to the Development or to the offsite improvements required for the Development, Applicant must (1) pay all Costs to render those facilities safe, to relocate the facilities impacted, and to construct any new facilities needed, and (2) provide or obtain real property rights in Utility's name for the relocated facilities and/or new facilities, at no cost to Utility and in a location and form satisfactory to Utility (including but not limited to the type of property rights, the dimensions of the property rights area, and terms and conditions of the property rights).
- (C) Resolution of Conflicts with Utility's Easements and Payment of Costs. If Utility determines that Applicant, its agents, its contractors, or its subcontractors interfered with Utility's property rights, Applicant must (1) pay all Costs incurred



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by Utility that are associated with the interference and (2) either remove the interference and return the property rights area to a condition that is usable by Utility or provide or obtain replacement property rights in Utility's name, at no cost to Utility and in a location and form satisfactory to Utility (including but not limited to the type of property rights, the dimensions of the property rights area, and terms and conditions of the property rights).

- 4.5 Payment of Invoices; Work Stoppage and Service Delay for Non-Payment. Applicant must pay Utility's invoices within 60 days of receipt. If mailed, Utility's invoices are deemed received three (3) days after the invoice date. Applicant must reference PID 0000192519 on any payment. If Utility does not receive timely payment of its invoices, then Utility, without liability to Applicant, may stop work and/or not provide Service to Applicant, until after Utility receives payment in full. Any delay in payment might result in a delay in completion of the Line Extension Project.
- 4.6 Interest. Any amount unpaid and due by Applicant under this Agreement will accrue interest at the then current per annum simple prime rate, as published in the Money Rates section of the Wall Street Journal, plus one percent (1%), from the original due date through the date of receipt of payment by Utility.
- 4.7 Information Provided by and Needed from Applicant. Applicant acknowledges that Utility relies on information provided by Applicant when performing Utility's obligations under this Agreement. Applicant acknowledges that it has a continuing obligation to provide the most current and accurate information concerning its Development to Utility. Applicant also understands that Utility is not aware of and cannot know all surface and subsurface field conditions. Notwithstanding anything to the contrary in this Agreement, Applicant agrees to assume all responsibilities and Costs for repair, replacement, redesign, modification or other work to the facilities associated with this Agreement:
- (A) Resulting from or arising out of incomplete, inaccurate or outdated data and other information supplied to Utility by Applicant; or
 - (B) Resulting from or arising out of changes affecting the accuracy or completeness of data or information after it is supplied to Utility by Applicant; or
 - (C) Resulting from or arising out of surface or subsurface field conditions; or
 - (D) That were installed based on surveys or staking provided by Applicant or Applicant's agents that are found to be located outside the recorded Property Rights granted for such facilities.
- 4.8 Inspection of and Responsibility for Facilities Installed by Applicant. For facilities and equipment installed by Applicant, Applicant must:
- (A) Allow Utility to inspect the construction or installation of the facilities and equipment.
 - (B) Maintain, repair, and (as Utility deems necessary) replace those facilities and equipment until Utility's Acceptance, in addition to providing the guarantees in Section 7. If Applicant must use conduit it installed or pre-existing conduit for Service to the Development, Applicant (in Utility's discretion and at Applicant's expense) must video inspect, re-mandrel, re-mule tape, and repair the conduit. If all or a portion the conduit cannot be repaired, Applicant (at its expense) must replace the damaged conduit.
- 4.9 Reduction of Service or Termination Charges; Security. Within 60 days of written notification by Utility, Applicant must pay reduction of service or termination charges in accordance with Rule 9, Section A.25 and/or provide security (such as cash or a letter of credit) in a form acceptable to Utility for the Allowance or any other credit Applicant



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receives if Applicant (A) fails to complete the Development, (B) becomes less creditworthy and is at risk of not taking permanent service, as determined by Utility in its discretion, (C) terminates Service to the Development, or (D) significantly curtails or reduces Service to the Development during the depreciable life of the facilities installed under this Agreement, as determined by Utility in its discretion.

- 4.10 Obligation to Provide Information to Utility. Within 10 days of Utility's written request, Applicant must provide information and documentation requested by Utility, including but not limited to absorption information, information and documentation relating to the amount(s) Applicant paid, if any, for third-party Property Rights, and information and documentation relating to the actual cost of Applicant's non-cash contributions to Utility under Rule 9, Section A.12. With respect to absorption information, Applicant must, at a minimum: (A) for residential-type developments, identify the number of units, type of units (single- or multi-family), sales and cancellations (or net sales) at given time intervals and (B) for commercial-type developments, identify the number of units, square footage for each type of load (casino, retail, convention, etc.), and dates of major load blocks such as chillers or pumps, if applicable, at given time intervals.

5. Right to Set Off

- 5.1 Utility's Right to Set Off Amounts Owed. Utility may set off any sum or obligation (whether or not arising under this Agreement) owed by Utility to Applicant against any sum or obligation (whether or not arising under this Agreement) owed by Applicant to Utility.
- 5.2 Utility's Right to Withhold Additional Amount. Utility may also deduct the following from any sum or obligation (whether or not arising under this Agreement) owed by Utility to Applicant:
- (A) The amount to remedy any defects and repair any damage in accordance with Section 7.2;
 - (B) The amount to discharge any lien filed or that could be filed in relation to the work performed and material and equipment installed by Applicant under this Agreement;
 - (C) The value of any claim against Utility that Applicant has failed to settle in accordance with an indemnity obligation;
 - (D) The amount to resolve all conflicts between the Development and Utility's distribution and transmission facilities located within or adjacent to the Development in accordance with Section 4.4(B); and
 - (E) The amount to resolve all conflicts between the Development and Utility's Property Rights within and adjacent to the Development in accordance with Section 4.4(C).
- 5.3 Other Rights and Remedies: Survival. If Utility sets off any amount in accordance with this Section, Utility may still pursue all other rights and remedies it might have. Utility's rights under this Section survive default, expiration, or termination of this Agreement or excuse of performance for Force Majeure or otherwise.

6. Property Rights; Ownership and Lien Release(s)

- 6.1 Obligation to Acquire and Convey Property Rights. Applicant must, without cost to Utility, grant and convey, or obtain for Utility, all Property Rights that Utility deems it requires for the Utility facilities (or any portion thereof) affected under this Agreement. In Utility's discretion and at Applicant's Cost, Utility may obtain an appraisal(s) of the Property Rights.



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- 6.2 Condition to Commencing Construction. Utility is not obligated to commence construction of any facilities until after the required Property Rights are permanently granted to Utility in a manner that is satisfactory to Utility as to both location and form (including but not limited to the type of Property Rights, dimensions of the Property Rights area and terms and conditions relating to the Property Rights).
- 6.3 Ownership of Facilities and Equipment. All facilities constructed and equipment installed by Applicant and Utility, including Utility Betterment, under this Agreement are property owned, maintained, and controlled by Utility upon Utility's Acceptance. Upon Utility's written request, Applicant will sign and deliver a Bill of Sale in a form acceptable to Utility that conveys all of Applicant's rights, title and interest in the facilities and equipment to Utility and certifies that the facilities and equipment are free of liens and other encumbrances. Utility has the right to use, and allow other Utility customers to use, those facilities and equipment for any purpose. Utility may also allow designated telecommunications carriers and cable television companies to use the facilities and equipment if Utility is required to do so by the federal Telecommunications Act or other laws. If Applicant requests that additional spare conduit be installed in connection with this Agreement (above and beyond Utility's standard requirement for spare conduit) and pays the Costs associated with that additional conduit, Utility will reserve that conduit for Applicant if requested by Applicant, and the Utility and Applicant enter into a separate agreement for the reserved additional spare conduit. If Utility and Applicant do not enter into such an agreement and Applicant still requests additional spare conduit, Utility may use any spare conduit for other Utility customers and allow designated telecommunications carriers and cable television companies to use that conduit. Further, the sources of power to the Development are subject to change, at Utility's discretion.
- 6.4 Release of Lien or Claim. Upon Utility's written request, Applicant must furnish to Utility a complete release of any lien or claim and receipts covering in full all labor, material, and equipment for which a lien could be filed in relation to the work performed and material and equipment installed.

7. Guarantees

- 7.1 Guarantee Against Defects. Applicant guarantees, regardless of Utility's Acceptance, all work Applicant and its contractors/subcontractors perform and all material and equipment they furnish under this Agreement against defects in materials and workmanship for a period of one (1) year following the In-Service Date. Applicant also guarantees any corrective work and replaced or repaired materials against defects for an additional one-year period following completion of the work.
- 7.2 Utility's Option to Remedy Defect. Utility may, at its option and Applicant's sole Cost, either itself remedy or require Applicant to remedy any defect in materials or workmanship provided by Applicant and its contractors/subcontractors that develop during the one-year period provided for in Section 7.1. The option and obligation to repair extend to any damage to facilities or work caused by the particular defect or repair of the defect. Applicant must remedy the defect(s) to Utility's satisfaction. Should Utility choose to remedy a defect, Applicant must pay Utility all Costs incurred within 60 days of receiving an invoice from Utility.
- 7.3 Modification or Relocation of Electric Facilities. If Applicant requests that Utility install electric facilities before establishment of final grade or the alignment of roads, streets, or alleys, or in unimproved areas and a conflict arises, Applicant must pay all Costs associated with the relocation or modification of any electric facilities and, at Applicant's expense, must grant or obtain for Utility all Property Rights Utility deems it requires for the relocated/modified facilities, in accordance with Rule 9, Section A.10. The Property Rights must be granted to Utility in a manner that is satisfactory to Utility as to both



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location and form (including but not limited to the dimensions of the Property Rights area and terms and conditions relating to the Property Rights).

8. Default

- 8.1 Procedure. If a Party ("**Defaulting Party**") fails to comply with the terms and conditions of this Agreement and the failure continues for 30 days after the Defaulting Party receives written notice of such failure from the other Party ("**Non-Defaulting Party**"), then the Non-Defaulting Party is entitled to declare the Defaulting Party in default and is entitled to all remedies authorized by law, with the exception that Utility's failure to achieve any scheduled date is not an event of default.
- 8.2 Notice to Utility's Legal Department. In addition to sending written notice to Utility's Project Coordinator regarding Utility's failure to comply with the terms and conditions of this Agreement, Applicant must also send a copy of the notice to Utility's Legal Department at the address specified in the "Notices" Section of the Agreement.

9. Confidentiality

- 9.1 Exchanging Information. Utility might provide Applicant with information to be used in complying with the Agreement. Some or all of this information, including, but not limited to, oral information, documents, supplier information, files, drawings, and data, might be confidential.
- 9.2 Labeling Information Confidential. If Utility wants information to be treated as confidential, Utility must label the written information as "CONFIDENTIAL" ("**Confidential Information**").
- 9.3 Procedures for Protection of Confidential Information. To the extent allowed by Law, Applicant must keep all information designated as "Confidential Information" strictly confidential and not disclose any Confidential Information to any person or entity except as expressly provided in these procedures or as otherwise approved in writing in advance by Utility. Applicant must establish commercially reasonable procedures designed to maintain the confidentiality of Confidential Information, which procedures must include, but are not limited to.
- (A) Not permitting or making any copies of, or otherwise duplicating, any Confidential Information; and
- (B) Keeping all Confidential Information obtained or possessed by Applicant in a secure location.
- 9.4 Return or Destruction of Confidential Information. Upon Utility's request, Applicant must promptly either return to Utility, or certify the destruction of, all Confidential Information that Applicant received, together with all copies, excerpts, notes and documents derived or generated from the Confidential Information.
- 9.5 Sharing Confidential Information. Applicant may disclose Confidential Information to its affiliates, attorneys, consultants, contractors and subcontractors (collectively, "**Third Parties**"). Applicant will ensure that these Third Parties abide by the terms of this Confidentiality Section.
- 9.6 Request for Confidential Information Through Legal Process. Notwithstanding anything to the contrary in this Confidentiality Section, if Applicant is requested by a third party or may be legally compelled to disclose Confidential Information (or portions of it), it must provide Utility with immediate written notice, as soon as practicable in the circumstances, after Applicant learns that a disclosure is requested or may be compelled, so that Utility may seek a protective order, injunction, or any other remedy. The written notice must identify with particularity the Confidential Information that is the subject of the request or



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for which disclosure may be compelled. If a protective order, injunction, or other remedy is not obtained, Applicant will furnish only that portion of the Confidential Information that Applicant is legally required to disclose. Applicant will cooperate with Utility's counsel if Utility seeks to obtain a protective order, injunction, or other remedy or other reliable assurance that confidential treatment will be accorded the Confidential Information.

- 9.7 Rights and Limitations. Utility does not grant any right or license, by implication or otherwise, to Applicant as a result of Utility's disclosure or discussion of Confidential Information. Utility makes no representation or warranties regarding the accuracy or completeness of this information. Applicant expressly recognizes that this information is provided "AS IS, with all faults" and Utility makes NO WARRANTIES, EXPRESS OR IMPLIED STATUTORY OR OTHERWISE, WITH RESPECT TO THE CONFIDENTIAL INFORMATION AND EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES.

10. Force Majeure

- 10.1 Notice of Force Majeure. If any delay due to Force Majeure occurs or is anticipated, the affected Party must promptly notify the other Party in writing of the delay. This notice must include a description of the delay and the cause and estimated duration of the delay. Regardless of the cause, Applicant's failure or inability to pay some or all of the Costs is not a Force Majeure event.
- 10.2 Duty to Mitigate Effects of Delay. The affected Party must exercise due diligence to shorten, avoid, and mitigate the effects of the delay.
- 10.3 Notice of Resumption of Performance. The affected Party must promptly notify the other Party in writing when the Force Majeure event has ended and when performance will resume.
- 10.4 Liability; Termination Option. Utility is not liable to Applicant for Costs incurred as a result of any delay or failure to perform as a result of Force Majeure. In the event of any delay due to Force Majeure, Utility may terminate the Agreement without liability upon 30-days notice to Applicant.
- 10.5 Notice to Utility's Legal Department. In addition to sending written notice to the Project Coordinator for delay, anticipated delay, and resumption of performance in relation to Force Majeure, Applicant must also send a copy of the notice to Utility's Legal Department at the address specified in the Section 15.2 of the Agreement.

11. Representations

- 11.1 No Pending Actions, Suits or Proceedings. Applicant represents that to its knowledge as of the date of this Agreement, there are no actions, suits or proceedings pending or threatened against Applicant in any court or before any administrative agency that would prevent its performance under this Agreement.
- 11.2 Authority. Each Party has taken all actions as may be necessary or advisable and proper to authorize this Agreement, the execution and delivery of it, and the performance contemplated in it. The persons executing this Agreement state and acknowledge that they are authorized and empowered to do so on behalf of the Party so designated.

12. Precedence

- 12.1 Utility's Tariff Schedules; Commission. This Agreement is made by the Parties in accordance with Utility's Tariff Schedules. Those Tariff Schedules apply to this Agreement, are binding on the Parties, and supersede any portion of this Agreement should a conflict arise. Notwithstanding Section 13.8, this Agreement is, at all times, subject to such changes or modifications by the Commission as the Commission may from time to time direct in the exercise of its jurisdiction. This Section survives default,



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expiration, or termination of this Agreement or excuse of performance for Force Majeure or otherwise.

- 12.2 Integration. This Agreement, together with documents executed with the same formality as this Agreement, represents the entire and integrated agreement between Utility and Applicant and supersedes all prior and contemporaneous oral and written communications, representations, and agreements relating to the subject matter of the Agreement.

13. Miscellaneous Provisions

- 13.1 Insurance. Applicant must require that the contractor and subcontractors performing work in connection with this Agreement to procure and maintain in effect the insurance coverages set forth in Exhibit D-1 until after Utility's Acceptance of the work. If Applicant performs any work in connection with this Agreement, Applicant must procure and maintain in effect the insurance coverages set forth in Exhibit D-2 until after Utility's Acceptance of the work. The requirements of this "Insurance" Section are not intended to and will not in any manner limit or qualify the liabilities and obligations of Applicant under this Agreement.
- 13.2 Assignment. This Agreement will be binding upon the successors and assigns of both Parties effective upon receipt of written consent of the non-assigning Party, such consent not to be unreasonably withheld. But either Party may assign this Agreement with written notice, but without the consent of the other Party, to any successor corporation in any merger. However, no assignment is effective until after Applicant's successor or assignee agrees in writing to assume all obligations and liabilities under this Agreement and, in Utility's discretion, provides security in a form acceptable to Utility (such as cash or a letter of credit) for the Allowance or any other credit Applicant receives.
- 13.3 Limitation of Damages. Notwithstanding anything to the contrary, Utility is not liable to Applicant for any consequential, indirect, exemplary or incidental damages, including but not limited to damages based upon delay, lost revenues or profits. This Section survives default, expiration, or termination of this Agreement or excuse of performance for Force Majeure or otherwise.
- 13.4 Choice of Law and Venue. The Agreement is governed by and construed in accordance with the laws of the State of Nevada, without giving effect to its choice or conflicts of laws provisions. All actions that are beyond the scope of the Commission's jurisdiction must be initiated in the courts of Clark County, Nevada or the federal district court with jurisdiction over Clark County, Nevada. Applicant agrees it will not initiate an action against Utility in any other jurisdiction.
- 13.5 No Waiver. The failure of either Party to enforce any of the provisions of the Agreement at any time, or to require performance by the other Party of any of the provisions of the Agreement at any time, will not be a waiver of any provisions, nor in any way affect the validity of the Agreement, or the right of any Party to enforce each and every provision.
- 13.6 Independent Contractor. Applicant is an independent contractor for all purposes of the Agreement, and all persons engaged in fulfilling Applicant's obligation under the Agreement are employees, agents, contractors, or subcontractors of Applicant and not the employees, agents, contractors, or subcontractors of Utility. Nothing in the Agreement or any contract/subcontract by Applicant will create any contractual relationship between Applicant's contractor/subcontractor and Utility.
- 13.7 Interpretation. Each Party to this Agreement acknowledges that it has carefully reviewed the Agreement and that each fully understands and has participated in drafting its provisions, and, accordingly, the normal rules of construction to the effect that any



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ambiguities are to be resolved against the drafting party are not to be employed or used in any interpretation of this Agreement.

- 13.8 Amendments. Any change, modification, or amendment to the Agreement is not enforceable unless consented to in writing by the Parties and executed with same formality as this Agreement.
- 13.9 No Third-Party Beneficiaries. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person or entity not a party to this Agreement any third-party beneficiary rights, interests, or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Agreement.
- 13.10 Remedies. All rights and remedies of Utility provided for in the Agreement will be cumulative and in addition to, and not in lieu of, any other remedies available to Utility at law, in equity, or otherwise.
- 13.11 Headings; Exhibits; Cross References. The headings or section titles contained in this Agreement are used solely for convenience and do not constitute a part of this Agreement, nor should they be used to aid in any manner in the construction of this Agreement. All exhibits attached to this Agreement are incorporated into the Agreement by reference. All references in this Agreement to Sections, Subsections, and Exhibits are to Sections, Subsections, and Exhibits of or to this Agreement, unless otherwise specified. And, unless the context otherwise requires, the singular includes the plural and the plural includes the singular and the neuter includes feminine and masculine.
- 13.12 Discretion. Reference in this Agreement to the "discretion" of a Party means the Party's sole and absolute discretion. Such discretion is not subject to any external standard, including but not limited to any standard of custom, "good faith" or reasonableness.
- 13.13 Severability. If any portion or provision of the Agreement is invalid, illegal, or unenforceable, or any event occurs that renders any portion or provision of the Agreement void, the other portions or provisions of the Agreement will remain valid and enforceable. Any void portion or provision will be deemed severed from the Agreement, and the balance of the Agreement will be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The Parties further agree to amend the Agreement to replace any stricken portion or provision with a valid provision that comes as close as possible to the intent of the stricken portion or provision.
- 13.14 Counterparts. The Parties may execute this Agreement in counterparts. Each counterpart, when signed and delivered, is deemed an original and, taken together, constitutes one and the same instrument. A facsimile or email copy of a signature has the same legal effect as an originally-drawn signature.
- 13.15 Performance of Acts on Business Days. Any reference in this Agreement to time of day refers to local time in Nevada. All references to days in this Agreement refer to calendar days, unless stated otherwise. Any reference in this Agreement to a "business day" refers to a day that is not a Saturday, Sunday or legal holiday (or observed as a legal holiday) for Nevada state governmental offices under the Nevada Revised Statutes. If the final date for payment of any amount or performance of any act required by this Agreement falls on a Saturday, Sunday or legal holiday, that payment is required to be made or act is required to be performed on the next business day.
- 13.16 Joint and Several Liability. [RESERVED].

14. Term and Termination

- 14.1 Term of Agreement. This Agreement is effective on the Effective Date and will continue for a term of five (5) years unless otherwise terminated under the provisions of this



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Agreement. Applicant will not be entitled to any refunds, returns of overpayments, or moneys after the termination of this Agreement.

- 14.2 Surviving Obligations. Any default, expiration, or termination of this Agreement or excuse of performance for Force Majeure or otherwise does not release Applicant from any liability or obligation to Utility for:

- (A) Obligations under Section 4.3;
- (B) Obligations under Section 4.4;
- (C) Obligations under Section 4.7;
- (D) Payment of reduction of service or termination charges or providing security in accordance with Section 4.9;
- (E) Obligations under Section 6;
- (F) Obligations under Section 7;
- (G) Obligations under Section 9;
- (H) Obligations that arise under Section 13.1; and
- (I) Payment of all Costs, whether incurred before or after default, expiration or termination or excuse of performance, and payment of all Costs that result from termination or excuse of performance.

The provisions of Section 3.8, Section 4.5, Section 4.6 and Section 15 continue to apply to this Section.

15. Notices

- 15.1 Method of Delivery; Contacts. Each notice, consent, request, or other communication required or permitted under the Agreement must be in writing, delivered personally or sent by certified mail (postage prepaid, return receipt requested), by facsimile (with electronic confirmation of receipt), or by a recognized international courier, and addressed to the Party's Project Coordinator as follows:



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Utility:

NV Energy
PATRICIA BROWN
Physical Address: NORTH DISTRICT OFFICE
7155 LINDELL ROAD
LAS VEGAS, NV 89118

Mailing Address: 6226 W. SAHARA AVE
P.O. BOX 98910
LAS VEGAS NV 89151-0001
MS B90SD

Telephone No.: 702/402-6812

Fax No.:

Email Address: brownpn@nvenergy.com

Applicant:

JEREMY LEAVITT
Jeremy Leavitt
Physical Address: 400 N. STEWART AVE
LAS VEGAS, NV 89101

Mailing Address:

Telephone No.: 229-6278

Fax No.:

Email Address: jeleavitt@LasVegasNevada.gov

- 15.2 Notice to Utility's Legal Department. For any notice given by Applicant to Utility under Section 8 and Section 10, Applicant must also send a copy to:

NV Energy
Attn: Legal Department
6226 West Sahara Avenue, M/S 3A
Las Vegas, Nevada 89146
Fax No.: (702) 402-2069

- 15.3 Receipt of Notice; Change of Information. Each notice, consent, request, or other communication is deemed to have been received by the Party to whom it was addressed (A) when delivered if delivered personally; (B) on the third business day after the date of mailing if mailed by certified mail; (C) on the first business day after the facsimile transmission if delivered by facsimile; or (D) on the date officially recorded as delivered according to the record of delivery if delivered by courier. Each Party may change its Project Coordinator or contact information for purposes of the Agreement by giving written notice to the other Party in the manner set forth above.

16. Definitions

In addition to other terms defined elsewhere in this Agreement, the terms below have the following meanings.

- 16.1 Acceptance: Utility's written acknowledgement that a particular component of applicable drawings or work is, to the best of its knowledge, compliant with applicable Utility Standards.



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- 16.2 Adjustment: Any addition to, alteration, relocation or removal of Utility facilities as might be further described in Exhibit A. Adjustments include without limitation Betterments.
- 16.3 Advance: Three components consisting of CIAC, Advances Subject to Refund and the Tax Effect.
- 16.4 Advance Subject to Refund: The portion of the Advance that is eligible for refund.
- 16.5 Allowance: The amount that, in accordance with Rule 9, Section B.3, reduces the Advance through a credit and possibly a refund.
- 16.6 Allowance True-Up: The accounting process in which Utility recalculates the Allowance based on Applicant's actual meter sets/units or Applicant's actual Demand and compares this recalculated Allowance to the Initial Allowance.
- 16.7 Betterment: Any deviation or upgrade in the Adjustment to a Utility facility, made primarily for the benefit and at a Party's voluntary election, that Utility determines is not in accordance with:
- (A) Utility's normal design and construction practices with respect to size, type and quality of materials used that is adequate to accommodate Development's Demand, or
 - (B) The shortest practical route that Utility deems suitable.
- 16.8 Commission: Public Utilities Commission of Nevada.
- 16.9 Contributions in Aid of Construction ("CIAC"): The portion of the Advance that is not eligible to be offset by the Allowance (other than as specified in Rule 9, Section A.6), and is not eligible for a refund, including but not limited to those Costs referred to in Rule 9, Sections A.3, A.5, A.6, A.9, and A.10.
- 16.10 Cost or Costs: Direct and related indirect costs associated with this Agreement, including those incurred by Utility in good faith before the Effective Date. Cost or Costs include but are not limited to: permitting; labor; engineering; surveys; material acquisition, handling and storage; contractors and subcontractors; third-party attachments to Utility facilities; administrative and general overheads; local, state and federal taxes and assessments; Allowance for Funds Used During Construction (AFUDC); Proportionate Share Costs; amount(s) the Commission orders Applicant to pay; appraisals; compensation for Property Rights; expenses associated with acquiring easements for Utility facilities whether through negotiation or a condemnation lawsuits; Tax Effect; and improvements to real property that are related to the Utility facilities but not directly related to electrical requirements, such as fencing and landscaping, reduced by any applicable salvage value.
- 16.11 Cost True-Up: The accounting process in which Utility compares actual Costs to the estimated Costs.
- 16.12 Demand: Applicant's highest energy consumption recorded within a given period of time after the In-Service Date.
- 16.13 Development: Applicant's project on the Property for which Applicant has requested Service from Utility which might include new Service and/or the relocation or alteration of existing Utility facilities. Utility will assign a project identification number ("**PID**") to this project.
- 16.14 Effective Date: Button: The date this Agreement is last signed below.
- 16.15 Excess Allowance: If Utility performs an Allowance True-Up, the amount Utility will remit to Applicant if the recalculated Allowance is greater than the Initial Allowance (subject to Section 3.3, Limitation on Refunds).



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- 16.16 Force Majeure: An event or condition that is beyond the affected Party's control and occurs without the fault or negligence of the affected Party. Force Majeure may include, but is not limited to, government agency orders, war, riots, acts of terrorism, civil insurrection, fires, floods, earthquakes, epidemics, weather, strikes, lock-outs, work stoppages and other labor difficulties.
- 16.17 Initial Allowance: The credit for the Allowance that Utility provides Applicant on the Effective Date based on Applicant's representation and Utility's reasonable expectation that the supporting number of meters and/or Demand will be initiated within the 12-month period following the In-Service Date, if any.
- 16.18 In-Service Date: The date on which Utility energizes the Line Extension Project to provide Service to the Development.
- 16.19 Laws: Any federal, state, or local code, ordinance, rule, statute, enactment, regulation, or order. Any specific reference to a Law in this Agreement refers to the Law as amended from time to time unless otherwise specified.
- 16.20 Line Extension Project: The Utility facilities that will be added, altered, relocated or removed in order to provide Service to the Development, as shown on Exhibit A.
- 16.21 Permit: Any applicable approval, permit, consent, waiver, exemption, variance, franchise, order, authorization, right, action, or license required from any federal, state, or local governmental authority, agency, court or other governmental body having jurisdiction over the matter in question which is necessary for the Parties to perform their obligations under this Agreement and under the applicable Laws. Any specific reference to a Permit in this Agreement refers to the Permit as amended from time to time unless otherwise specified.
- 16.22 Project Coordinator: The individual with authority to act on behalf of Utility or Applicant for purposes of the Agreement, as identified in Section 15.1.
- 16.23 Property: The premises owned or controlled by Applicant commonly known as MAIN/CLARK and further described as being within 13934201019, 13934201009.
- 16.24 Property Rights: Real property rights, including but not limited to easements, rights of entry, subordination agreements, conveyances, deeds, transmission use agreements, Permits, prescriptive rights, and rights-of-way.
- 16.25 Proportionate Share Costs: The amount(s) Applicant must pay in accordance with Rule 9, Section A.16.
- 16.26 Proportionate Share Refund: The refund Applicant receives if other Utility customers connect to Applicant's line extension and Applicant does not waive the refund, in accordance with Rule 9, Section A.16.
- 16.27 Rule 1: Utility's Electric Service Rule No. 1, Definitions. Rule 1 is part of the Tariff Schedules.
- 16.28 Rule 9: Utility's Electric Service Rule No. 9, Electric Line Extensions. Rule 9 is part of the Tariff Schedules.
- 16.29 Tariff Schedules: The entire body of effective rates, charges, and rules, collectively, of Utility as set forth in its rate schedules and rules for electric customers, as those rates, charges, and rules are amended or supplemented from time to time. However, Rule 9 is the version in effect on the Effective Date.
- 16.30 Tax Effect: The amount of any gross-up on Utility tax liability under Section 118 of the Internal Revenue Service Code for Advances Subject to Refund, CIAC, and Applicant's non-cash contributions that Applicant must pay in accordance with NAC § 704.6532 and



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Rule 9. Any applicable Tax Effect will be payable and applied at the rate in effect in Rule 9 as of the date this Agreement was prepared, which is 06/09/2010.

- 16.31 Utility Standards: Utility's required design, construction, material, and testing specifications as provided in writing to Applicant on Utility's website, as subsequently revised as deemed appropriate in Utility's discretion.

[signature page to follow]



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UTILITY:

Nevada Power Company d/b/a NV Energy

By: Ivory H. Blue II

Printed Name: IVORY BLUE

Title: Suprv, Design, New Business LVN

Date: 6-9-10

APPLICANT:

By: _____

Printed Name: _____

Title: _____

Date: _____

Approved as to form

John S. Ridilla 6/25/10
John S. Ridilla Date
Deputy City Attorney



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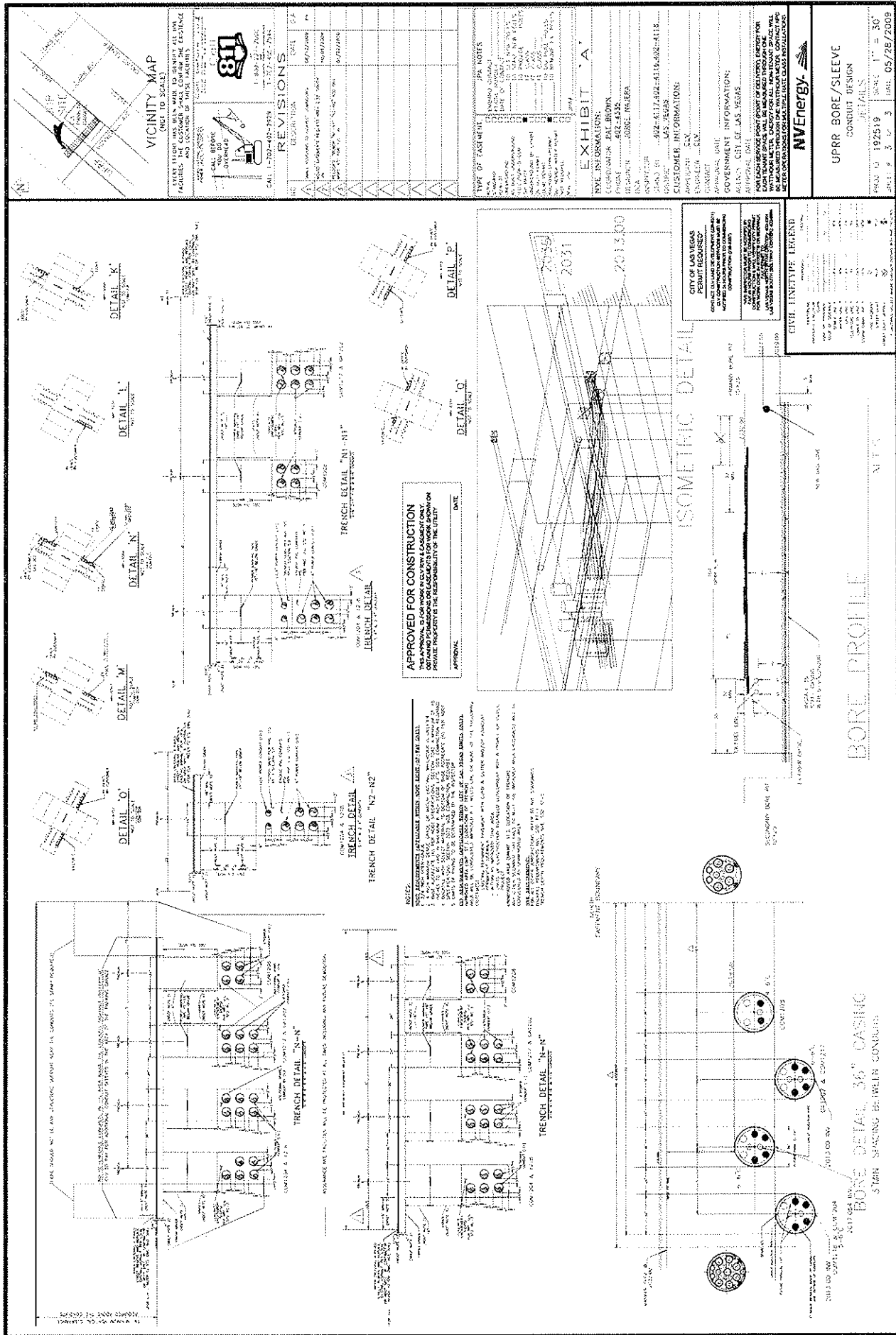
Agreement No.: GLEA0000192519A

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**Exhibit A
Design**

[Attached]





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**Exhibit B
Cost Worksheet**

[Attached]

NV ENERGY
PROJECT COST WORKSHEET ("Exhibit B")

Project ID: 0000192519 Title: UPRR BORE/SLEEVE CONDUIT Units: 0 KVA: 0
 Contract Type: Government LEA Coordinator: PATRICIA BROWN Version Nbr 1

COST ESTIMATE SUMMARY				
Cost Estimate Category	Total Cost Estimate	Total Applicant Cost	Applicant Non-Refundable	NPC Responsibility
Labor & Overhead	\$6,258	\$6,258	\$6,258	\$0
Material & Overhead	\$0	\$0	\$0	\$0
DCA	\$0	\$0	\$0	\$0
Trenching	\$0	\$0	\$0	\$0
Permits	\$0	\$0	\$0	\$0
Salvage	\$0	\$0	\$0	\$0
Total	\$6,258	\$6,258	\$6,258	\$0

ADVANCE CALCULATION			
Cost Item	Cost Subject to Refund	Cost Item	Non-Refundable Cost
Applicant Cost Subject to Refund	\$0	Applicant Non-Refundable Cost	\$6,258
Equal Participant	\$0	Amount Not Subject To Excess Allowance (app. upgrade/relocation, temp power)	\$0
Proportionate Share	\$0	Amount Subject to Excess Allowance	\$6,258
Refund Subject To Allowance	\$0	Excess Allowance	\$0
Allowance	\$0	Remaining Non-Refundable (Subject to Excess Allowance)	\$6,258
Adjusted Applicant Cost	\$0	Amount Not Subject to Excess Allowance	\$0
		Attachments To Existing (LE/MP)	\$0
Total Subject to Refund	\$0	Total Non-Refundable Cost	\$6,258
		Non-Taxable Installation Costs	\$0
		Removal of Existing Facilities	\$0
		Total Non-Taxable Non-Refundable Cost	\$0
		Total Taxable Non-Refundable Cost	\$6,258

ADVANCE SUMMARY			
Advance Subject to Refund		Current Tax Rate	<u>35.0000%</u>
Non-Taxable Advance	\$0	Total Non-Taxable	\$6,258
Taxable Advance	\$0	Total Taxable (Less Tax)	\$51,076
Tax	\$0	Total Tax	\$57,334
Total Advance Subject to Refund	\$0	Total Advance	\$57,334
Non-Refundable Advance		DIA Credit	0
Non-Taxable Advance	\$0	Total Advance Due	\$57,334
Taxable Advance	\$6,258		
Tax	\$2,190		
Trench Tax	\$48,886		
Total Non-Refundable Advance	\$57,334		
Total Advance	\$57,334		



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**Exhibit C
Allowance Worksheet**

[Attached]



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Exhibit D-1
Insurance Coverages
(Applicant's Contractors and Subcontractors)

1. Types of Insurance Required. In accordance with the "Insurance" Section of the Agreement, Applicant must cause its contractors and subcontractors who are performing any work in connection with this Agreement to procure and maintain in effect the following (required limits can be met by use of primary, underlying, and umbrella/excess combinations):
 - (A) Workers' Compensation and Employer's Liability. Workers' compensation insurance in the form and manner required by the State of Nevada. Employer's liability insurance with the following limits: (1) one million dollars (\$1,000,000.00) per each accident; (2) one million dollars (\$1,000,000.00) per each employee disease; and (3) one million dollars (\$1,000,000.00) in the annual aggregate per each occupational disease.
 - (B) Commercial General Liability Insurance. Comprehensive general liability providing bodily injury, property damage, personal injury/advertising injury, premises/operations, and products/completed operations coverage with a per occurrence limit of not less than two million dollars (\$2,000,000.00) and an aggregate limit of not less than two million dollars (\$2,000,000.00).
 - (C) Comprehensive automobile liability with a combined single limit of one million dollars (\$1,000,000.00) or a limit of one million dollars (\$1,000,000.00) each person and one million dollars (\$1,000,000.00) each occurrence.
 - (D) Excess or Umbrella Liability Insurance. Excess or umbrella liability with a limit of not less than three million dollars (\$3,000,000.00) per occurrence. Except with respect to the workers' compensation insurance, these limits apply in excess of each of the above-mentioned policies.
2. Insurer and Policy Requirements. Each contract of insurance must be with an insurer approved to do business in the State of Nevada, is A-Rated or better by A.M. Best Company and must include the following provisions or endorsements:
 - (A) Additional Insured. Naming Utility, its directors, officers, and employees as additional insureds on the general liability, automobile liability insurance policies and excess/umbrella liability insurance.
 - (B) Primary Insurance. Stating that the insurance is primary insurance with respect to the interest of Utility and that any insurance maintained by Utility is excess and not contributory insurance.
 - (C) Subrogation Waivers. Providing Utility with waivers of subrogation on all coverages.
 - (D) Severability and Cross Liability. Providing for severability of interest or cross liability coverage in the general liability, automobile liability insurance policies and excess/umbrella liability insurance.
 - (E) Notice Requirement. Providing that Utility is entitled to 30-days prior written notice before cancellation of the coverage provided above.
3. Notice Requirement. Applicant must provide Utility with 30-days prior written notice before the termination, expiration, or alteration of the coverage provided above.
4. Deductible and Retention Limits. Deductible or retention amounts under the policies described above must not exceed 5% of the per occurrence coverage limits, without the express written consent of Utility.



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5. Certificate of Insurance. Before Applicant's contractors or subcontractors commence any work in connection with this Agreement, Applicant must cause its contractors and subcontractors to provide Utility with certificates of insurance that name Utility as additional insured and evidence the coverage required above, including additional insured endorsement numbers. Applicant must cause its contractors and subcontractors to provide Utility with a current copy of the certificate of insurance evidencing the coverage set forth above.



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Exhibit D-2
Insurance Coverages
(Applicant)

1. Types of Insurance Required. In accordance with the "Insurance" Section of the Agreement, Applicant must procure and maintain in effect the following (required limits can be met by use of primary, underlying, and umbrella/excess combinations):
 - (A) Workers' Compensation and Employer's Liability. Workers' compensation insurance in the form and manner required by the State of Nevada. Employer's liability insurance with the following limits: (1) one million dollars (\$1,000,000.00) per each accident; (2) one million dollars (\$1,000,000.00) per each employee disease; and (3) one million dollars (\$1,000,000.00) in the annual aggregate per each occupational disease.
 - (B) Commercial General Liability Insurance. Comprehensive general liability providing bodily injury, property damage, personal injury/advertising injury, premises/operations, and products/completed operations coverage with a per occurrence limit of not less than two million dollars (\$2,000,000.00) and an aggregate limit of not less than two million dollars (\$2,000,000.00).
 - (C) Automobile Liability Insurance. Comprehensive automobile liability with a combined single limit of one million dollars (\$1,000,000.00) or a limit of one million dollars (\$1,000,000.00) each person and one million dollars (\$1,000,000.00) each occurrence.
 - (D) Excess or Umbrella Liability Insurance. Excess or umbrella liability with a limit of not less than three million dollars (\$3,000,000.00) per occurrence. Except with respect to the workers' compensation insurance, these limits apply in excess of each of the above-mentioned policies.
2. Insurer and Policy Requirements. Each contract of insurance must be with an insurer approved to do business in the State of Nevada, is A-Rated or better by A.M. Best Company and must include the following provisions or endorsements:
 - (A) Additional Insured. Naming Utility, its directors, officers, and employees as additional insureds on the general liability, automobile liability insurance policies and excess/umbrella liability insurance.
 - (B) Primary Insurance. Stating that the insurance is primary insurance with respect to the interest of Utility and that any insurance maintained by Utility is excess and not contributory insurance unless Utility is solely negligent.
 - (C) Subrogation Waivers. Providing Utility with waivers of subrogation on all coverages.
 - (D) Severability and Cross Liability. Providing for severability of interest or cross liability coverage in the general liability, automobile liability insurance policies and excess/umbrella liability insurance.
 - (E) Notice Requirement. Providing that Utility is entitled to 10-days prior written notice before cancellation of the coverage provided above.
3. Notice Requirement. Applicant must provide Utility with 30-days prior written notice before the termination, expiration, or alteration of the coverage provided above.
4. Deductible and Retention Limits. Deductible or retention amounts under the policies described above must not exceed 5% of the per occurrence coverage limits, without the express written consent of Utility.
5. Certificate of Insurance. Before Applicant commences any work in connection with this Agreement, Applicant must provide Utility with certificates of insurance that name Utility as



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additional insured and evidence the coverage required above, including additional insured endorsement numbers. Applicant must provide Utility with a current copy of the certificate of insurance evidencing the coverage set forth above.