



Electric Sample Form No. 79-957
Electric Distribution Service Line Lease Agreement

Sheet 1

**Please Refer to Attached
Sample Form**



ELECTRIC DISTRIBUTION SERVICE LINE LEASE AGREEMENT

BETWEEN

PACIFIC GAS AND ELECTRIC COMPANY¹ (“Landlord”)

and

_____ **IRRIGATION DISTRICT (“Tenant”)**

_____, 20__

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† Information collected on this form is used in accordance with PG&E's Privacy Policy.
The Privacy Policy is available at pge.com/privacy.

ELECTRIC DISTRIBUTION SERVICE LINE LEASE AGREEMENT

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ELECTRIC DISTRIBUTION SERVICE LINE LEASE AGREEMENT

THIS SERVICE LINE LEASE ("**Lease**") is made and entered into as of _____, 20____, by and between Pacific Gas and Electric Company ("**PG&E**" or "**Landlord**"), and _____ Irrigation District, a "Section 374 Irrigation District" as that term is defined in PG&E Rate Schedule E-EXEMPT, ("**_____ ID**" or "**Tenant**"). This Lease form has been pre-approved by the California Public Utilities Commission ("**CPUC**").

RECITALS

- A. On September 17, 1998, the CPUC issued Resolution E-3531 approving, with modifications, PG&E's request in Advice Letter 1738-E to add a special condition to PG&E Schedule E-Exempt for electric customers which select certain irrigation districts as their energy service provider (ESP) and which take direct access service from PG&E.
- B. Among other things, Resolution E-3531 directed PG&E to file a standard lease of service drop facilities to be used by the Section 374 irrigation districts whose customers take service under PG&E Schedule E-Exempt, which standard lease was to be pre-approved by the CPUC after it has been reviewed by the Energy Division.
- C. This Lease form has been reviewed by the Energy Division and pre-approved by the CPUC, and no further regulatory approvals are required, under California Public Utilities Code Section 851 or under any other statute or CPUC decision, for PG&E to lease Electric Service Lines as defined below to Tenant under the terms of this Lease.
- D. This Lease constitutes an agreement for maintaining and repairing Electric Service Lines as required by Special Condition 2(i) of PG&E Schedule E-Exempt.
- E. The provision of distribution service by PG&E and the sale of electricity by Tenant to Customer as defined below are retail transactions, subject to the CPUC's jurisdiction.

NOW, THEREFORE, LANDLORD AND TENANT AGREE AS FOLLOWS:

1. PURPOSE OF AGREEMENT

This Lease is intended for use by Irrigation Districts which (a) agree to act as ESPs under the direct access program established by the CPUC, (b) have executed the Energy Service Provider (ESP) Service Agreement (ESP

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Service Agreement) approved by the CPUC as PG&E Form No. 79-948, and (c) will be serving PG&E's direct access electric customers under Special Condition 2 of PG&E's Rate Schedule E-EXEMPT.

2. TARIFFS GOVERN

2.1. Unless otherwise indicated below, PG&E's electric rules and tariffs, including Electric Rule 22 and the ESP Service Agreement, apply. Should a conflict develop between this Lease and Special Condition 2 of PG&E's Rate Schedule E-EXEMPT, Special Condition 2 of Rate Schedule E-EXEMPT shall govern. Should a conflict develop between this Lease and PG&E's Electric Rule 22 or the ESP Service Agreement [Form No. 79-948], the terms and conditions of this Lease shall govern.

2.2. Tenant is not required to comply with PG&E's Electric Rule 22(D)(2).

3. DEFINITIONS

- **"Customer"** is defined as a PG&E direct access customer taking service under Special Condition 2 of Schedule E-EXEMPT.
- **"FERC"** is defined as the Federal Energy Regulatory Commission, or any successor thereto.
- **"Service Line(s)"** are defined as those certain electric conductors or cables which extend between points of interconnection at PG&E's electric facilities and a termination point at or in the customer-owned underground service termination enclosure or at the customer-owned overhead termination point, and any agreed upon appurtenant materials.
- **"Legal Requirements"** shall mean all existing and future laws, ordinances, codes, rules, regulations, directives or requirements of any governmental authority not under the control of Tenant or of any fire insurance underwriter or rating bureau, whether or not foreseeable, including but not limited to the Americans with Disabilities Act of 1990 ("ADA"), Title 24, and all building code, energy conservation, public utility, electricity, environmental, seismic, handicap, fire, health and safety laws and regulations.
- **"Work"** shall mean all operation, construction, maintenance, additions, removals, rearrangements, relocations, repairs, improvements or replacements to Service Lines (including, but not limited to, replacement of materials at the end of their useful lives.)

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4. LEASE OF SERVICE LINES

- 4.1. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Service Lines described with particularity in an executed Electric Service Lines Lease Appendix, in substantially the form of Exhibit A hereto (“Lease Appendix”), each of which incorporates the terms of this Lease within it by reference, and any number of which may be separately executed between Landlord and Tenant during the term of this Lease, and all of which taken together with the body of this Lease shall constitute the Lease.
- 4.2. Landlord shall deliver possession of the Service Lines to Tenant in a condition consistent with the CPUC’s General Order 95 for overhead Service Lines and General Order 128 for underground Service Lines. For each separate Lease Appendix, the Service Line(s) shall be delivered on the later of the date set forth in the Lease Appendix for delivery or the direct access switch date for the applicable customer account, determined in accordance with PG&E’s Electric Rule 22.

5. TERM; TERMINATION

- 5.1. Subject to the provisions of this Section 5, the term of this Lease shall commence upon execution by both parties hereto. The term for the lease of a particular Service Line shall commence upon execution of the Lease Appendix for the applicable Service Line.
- 5.2. This Lease (including all Lease Appendices) shall terminate upon the earlier of:
 - a. March 31, 2002.
 - b. Termination of Tenant’s ESP Service Agreement with PG&E, unless Tenant’s ESP Service Agreement is simultaneously replaced with a new ESP Service Agreement.
 - c. Twelve months after the earlier of (1) the execution of an interconnection agreement between Tenant and Landlord or (2) issuance of a final order by FERC ordering Landlord to enter into an interconnection agreement with Tenant; provided that this Lease shall not terminate based on this subsection if (1) Tenant is actively engaged in the process of constructing or purchasing distribution facilities that will be used to serve customers eligible for CTC exemptions and (2) Tenant provides a signed affidavit attesting to this fact to Landlord, with a copy to the Director of the Energy Division of the CPUC. The twelve months after execution

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of an interconnection agreement or after issuance of a final FERC order as used in this subsection refers to an interconnection agreement or FERC order pertaining to the distribution facilities which are the subject of the interconnection agreement or FERC order.

- d. Issuance of a final order by FERC denying Tenant's application for an order for an interconnection agreement.
- e. Termination of this Lease pursuant to Section 16 below.
- f. Thirty days after Landlord receives written notice of termination from Tenant.

5.3. An individual Lease Appendix shall terminate upon the earlier of:

- a. Tenant ceasing to be the ESP for the Customer served by the Service Line covered by that Lease Appendix.
- b. The Customer ceasing to be a "Direct Access customer" of PG&E as that phrase is used in PG&E's Electric Rule 22.A.3.
- c. Termination of this Lease pursuant to either Section 5.2 or Section 16.
- d. Thirty days after Landlord receives written notice of termination from Tenant.
- e. Twelve months after the earlier of (1) the execution of an interconnection agreement between Tenant and Landlord pertaining to the distribution facilities which are the subject of the Lease Appendix or (2) issuance of a final order by FERC ordering Landlord to enter into an interconnection agreement with Tenant pertaining to the distribution facilities which are the subject of the Lease Appendix; provided that the Lease Appendix shall not terminate based on this subsection if (1) Tenant is actively engaged in the process of constructing or purchasing distribution facilities that will be used to serve customers eligible for CTC exemptions and (2) Tenant provides a signed affidavit attesting to this fact to Landlord, with a copy to the Director of the Energy Division of the CPUC.

5.4. At any time following the execution of this Lease, it shall terminate automatically upon any written direction or order to that effect by the CPUC, the FERC, or any other governmental or regulatory body (other than Tenant itself) having jurisdiction over Landlord, Tenant, the

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Service Lines, or this Lease. Upon such termination, possession of the Service Lines shall immediately revert to PG&E. PG&E is not obligated to provide notice to Tenant or Customer of termination under this section, but shall make its best efforts to do so in writing, pursuant to the terms of Section 20 herein, within ten (10) business days of the date of termination under this section.

- 5.5. Following termination of this Lease, or of any Lease Appendix under this lease, electric distribution service to the Customer(s) shall be provided as directed by the Customer(s). If no direction is provided by the Customer(s), such service shall be provided by PG&E according to the terms and conditions of its tariffs and rules as of such date.

6. USE

- 6.1. The Service Lines shall be used by Tenant solely to deliver electric energy as an ESP to a Customer under Schedule E-EXEMPT.
- 6.2. Tenant's use of the Service Lines shall not ripen into any title, or right in or to the Service Lines beyond those expressly granted by this Lease, and as to those only for the Term hereof, and Tenant shall not make any claim of right or title, nor resist nor assail Landlord's title to the Service Lines based on this Lease or Tenant's use hereunder.

7. RENT

As consideration for this Lease of the Service Lines, Tenant shall pay to Landlord the sum of the rents set forth in each applicable Lease Appendix ("**Rent**"). Such Rent is due and payable monthly on or before **[date]** in the form of **[form]** and shall be delivered by **[mail/courier/wire transfer/etc]** to **[name, address at PG&E]**. Lack of an invoice shall not excuse payment of Rent. Failure to timely make any payment under this section shall be considered breach of a material term of this Lease.

8. OPERATION AND MAINTENANCE

Landlord shall be solely responsible for operation of the Service Lines and for performance of maintenance upon the Service Lines. Operation of and maintenance upon the Service Lines shall be performed in accordance with Landlord's tariffs and rules, all Legal Requirements (as defined in Section 3) and with the standards set forth in CPUC General Orders 95, 128 and 165. Landlord shall be responsible for operation in violation of this section to any governmental or regulatory body with jurisdiction over such matters, and shall indemnify and hold Tenant harmless for same, as set forth in the terms of Section 15 herein.

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9. INSURANCE

9.1. Tenant shall at all times during the Term maintain the following insurance coverage. Tenant is also responsible for its contractors maintaining sufficient limits of the same coverage.

- a. Workers' Compensation insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal, where work is performed.
- b. Employers' Liability insurance in an amount not less than \$1,000,000 for injury or death each accident.
- c. Commercial general liability coverage which shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions, and including fire legal liability. The limit shall not be less than \$5,000,000 each occurrence for bodily injury, property damage and personal injury. Coverage shall: (a) by "Additional Insured" endorsement add as insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of work performed for Tenant by any party other than Landlord, and (b) be endorsed to specify that Tenant's insurance is primary and that any insurance or self-insurance maintained by Landlord shall not contribute with it.
- d. Before the delivery of any Service Lines under this Lease, Tenant shall furnish Landlord with certificates of insurance and endorsements of all required insurance. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to Landlord. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

Pacific Gas and Electric Company
Insurance Department
300 Lakeside Drive
Oakland, CA 94612

A copy of all such insurance documents shall be sent to Landlord pursuant to Section 20 herein. Landlord may inspect the original policies or require complete certified copies at any

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time. Upon request, Tenant shall furnish Landlord the same evidence of insurance for its contractors.

- 9.2. All policies of insurance to be carried by either party hereunder shall be issued by an insurer licensed to do business in the State of California with a rating of at least A- (VIII) in Best's Insurance Reports, or equivalent; provided that so long as the Landlord hereunder is PG&E or a Permitted Transferee, and so long as the Tenant hereunder is _____, PG&E, its Permitted Transferee or Tenant shall be entitled to self-insure for the insurance coverage required to be carried by such party herein.
- 9.3. Tenant shall use its best efforts to cause each insurance policy referenced in section 9.1 and obtained by it, (i) to provide that the insurer waives all right of recovery by way of subrogation against Landlord in connection with any injury or damage covered by such policy, and (ii) to include: (1) a waiver of the insurer's right of subrogation against Landlord and (2) an express agreement that such policy shall not be invalidated if the insured waives the right of recovery against any party responsible for a casualty covered by the policy before the casualty. Each such policy, if any, shall name Landlord as a named additional insured. Landlord shall promptly endorse to the order of Tenant, without recourse, any instrument for the payment of money under or with respect to the policy of which Tenant is the owner or original or primary insured, and shall have no right in or to such payment.

10. TAXES

Landlord shall pay all taxes, assessments (general or special), fees, impositions, franchises, surcharges, and charges levied upon the Service Lines or the land in or on which the Service Lines are situated, upon any work required to access the Service Lines (including without limitation cutting into streets), and upon any personal property of Landlord, including without limitation all street, sidewalk, sewer, drainage or lighting improvement assessments, and all transit, housing, police, fire or other governmental service charges, fees, or assessments ("**Taxes**"). Tenant shall not take any action to create or assess any Taxes payable by Landlord on or after the execution date of this Lease.

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11. COMPLIANCE WITH LEGAL REQUIREMENTS

- 11.1. Except for Tenant's obligations under section 11.2 below, Landlord shall, at its expense, promptly comply with all legal requirements affecting the Service Lines. Tenant shall not take any action to create or amend any legal requirements affecting the Service Lines or Landlord's obligations with respect to the Service Lines on or after the execution date of this Lease.
- 11.2. Tenant shall, at its expense, acquire and maintain any and all applicable licenses, permissions and certifications necessary for Tenant to use the Service Lines during the Term of this Lease.

12. WORK ON SERVICE LINES

- 12.1. Tenant may not make improvements or alterations to the Service Lines without the prior written approval of Landlord.
- 12.2. Landlord shall be solely responsible for all necessary or desirable Work. Such Work shall be the sole property of Landlord, and shall, at the time it is completed, become part of the Service Lines for purposes of this Lease. Landlord may comply with this section by undertaking such Work personally or through a contractor.

13. MECHANICS' LIENS

Neither Landlord or Tenant will permit any mechanics', materialmen's or other similar lien to be filed or claimed against the Service Lines or Landlord's or Tenant's interest therein by reason of any work, labor, material, services or supplies furnished or purportedly furnished to or for the Service Lines. If any such mechanics' or materialmen's lien should be filed or claimed against the Service Lines, then the party through whom such lien was filed or claimed shall fully discharge and release the same from the Service Lines by posting bond or otherwise; provided, however that either party may contest any such lien so long as the enforcement thereof is stayed.

14. COOPERATION WITH REGULATORY OR GOVERNMENTAL REQUEST

Tenant shall provide Landlord, within ten (10) calendar days of Landlord's transmittal of written request pursuant to Section 20 herein, with any information concerning the Service Lines which information is requested of Landlord by a governmental or regulatory body with jurisdiction over Landlord, Tenant, the Service Lines, or this Lease. Tenant's failure to perform under this section shall be deemed a material default of this Lease.

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15. INDEMNITIES AND LIMITATIONS OF LIABILITY

The provisions of Section 6 (Limitation of Liability) and Section 7 (Indemnity) of the ESP Service Agreement shall apply to matters within the scope of this Lease, and said provisions are incorporated herein by reference.

16. DEFAULT

- 16.1. An Event of Default by Tenant under the ESP Service Agreement [Form No. 79-948] shall also be an Event of Default by Tenant under this Lease.
- 16.2. Failure of Tenant to pay Rent shall be considered a material breach of this Lease.
- 16.3. An Event of Default under this Lease shall mean either Party's material breach of any provision of this Lease, including those incorporated by reference herein, and failure to cure such breach within thirty (30) calendar days of receipt of written notice thereof from the non-defaulting Party.
- 16.4. In the event of such an Event of Default, the non-defaulting Party shall be entitled (a) to terminate this Lease upon written notice to the other Party, which shall be effective upon the receipt thereof, or (b) to exercise any and all remedies provided in law or in equity.
- 16.5. Acts performed or attempted by PG&E in a reasonable effort to comply with orders, regulations, rules or other directives of the CPUC, the FERC, or any other governmental or regulatory body having jurisdiction over Landlord, Tenant, the Service Lines, or this Lease shall explicitly not be deemed an Event of Default by PG&E under this Lease.

17. RIGHT OF ACCESS

PG&E, its employees, agents and invitees shall have access to the Service Lines, and any surrounding areas above, below, or around the Service Lines, to which access is necessary to perform PG&E's obligations under this Lease or under other Legal Requirements, twenty four (24) hours per day, seven (7) days per week, throughout the Term of this Lease and as long thereafter as Tenant has possession of the Service Lines under any theory of law or equity. Nothing in this Section 17 shall be construed as creating or continuing any duty of PG&E, or any right of Tenant.

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18. REPRESENTATIONS AND WARRANTIES

18.1. Landlord represents and warrants to Tenant that:

- a. Landlord possesses good and marketable title to the Service Lines;
- b. Landlord has full right and lawful authority to execute this Lease upon the terms and conditions contained herein;
- c. The provisions of this Lease do not or will not conflict with or violate the provisions of any existing or future agreements between Landlord and third parties;
- d. There are no pending or, to the best of its knowledge, threatened claims or losses against the Service Lines or Landlord which would adversely affect Landlord's ability to perform its obligations under this Lease or Tenant's use of the Service Lines; and
- e. On the Delivery Date the Service Lines will comply with all applicable Legal Requirements.

18.2. Tenant represents and warrants that it

- a. Is a duly-formed Irrigation District authorized under the California Water Code to sell electricity to retail customers. This Lease applies to Tenant's activities only to the extent that such activities are permitted by the California Water Code and by the California Government Code.
- b. Has the authority pursuant to Public Utilities Code section 374(a) to provide customers of PG&E exemptions from having to pay CTCs, up to the level established by Public Utilities Code section 374(a)(2) or by the California Energy Commission, as applicable.
- c. Has obtained all necessary rights-of-way from all governmental granting authorities and private landowners as required for Tenant to lease the Service Lines.
- d. Is authorized to lease Service Lines along or across the public roads, highways and waterways within its service territory or within the area in which it is leasing Service Lines.
- e. Will maintain its status as an ESP during the term of this Lease, consistent with CPUC Resolution E-3531.

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- f. Has provided written certification to PG&E that Tenant meets the requirements of Public Utilities Code sections 394(a) and 366.5(a) and (b), without actually registering at the CPUC.

18.3. The parties' remedies for any false or inaccurate representations and warranties pursuant to this Section 18 shall survive the expiration or earlier termination of this Lease.

19. EMERGENCY

In the event of any casualty, emergency or other condition affecting the conduct of business relating to the Service Lines, Landlord and Tenant mutually agree to cooperate to restore such conduct as quickly as possible, including, without limitation, the filing of any necessary documents with governmental authorities, except that PG&E shall not, and shall not be required to, give any preference to restoring or maintaining service to the Service Lines over its obligations to other customers or with regard to other Service Lines.

20. NOTICES

Any notice to be given in connection with this Lease shall be in writing and may be served by personal delivery or be sent by certified mail, or by reputable courier service which provides written evidence of delivery, addressed as specified herein or to such other address as requested by either party in the manner specified herein. Facsimile numbers are given for convenience only; delivery by facsimile shall not be considered sufficient notice under this Lease. Notice shall be effective upon actual receipt or upon refusal to accept delivery.

Landlord's agent and address:

Area Manager, _____ Division
Pacific Gas and Electric Company

Telephone: / - _____

Facsimile: / - _____

Tenant's agent and address:

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21. END OF TERM

At the expiration or termination of this Lease Tenant shall surrender the Service Lines, subject to normal wear and tear and damage by the elements. Tenant shall, within thirty days after the expiration or earlier termination of this Lease, remove from the Service Lines any material or equipment installed by Tenant, provided that Tenant shall repair any damage caused by such removal. Such removal and repair shall be at Tenant's sole expense. Notwithstanding the above, Tenant shall not be required to remove any material or equipment installed by Tenant if Landlord and Tenant have entered into an interconnection agreement pursuant to which Tenant would be entitled to have such material or equipment attached to the Service Lines.

22. MISCELLANEOUS

22.1. Dispute Resolution.

- a. Any dispute arising between the parties relating to the interpretation of the provisions of this Lease or to the performance of their obligations hereunder shall be reduced to writing and referred to the parties' representatives identified on Exhibit B for resolution. Should such a dispute arise, the parties shall be required to meet and confer in an effort to resolve their dispute. Pending resolution, the parties shall proceed diligently with the performance of their respective obligations under this agreement, except if this agreement has been terminated under Sections 5 or 16. If the parties failed to reach an agreement within 10 business days from the date the dispute is reduced to writing, or within such other time upon which the parties mutually agree, then the parties may mutually agree to pursue mediation or to arbitrate their dispute in accordance with Section 22.1.b below.
- b. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, or such other rules as the parties may mutually agree upon, and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction. Review of the arbitration decision, if any, shall be in accordance with California Code of Civil Procedure

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Sections 1285-1287.6, or any successor provisions. All arbitration proceedings shall be conducted in San Francisco, California. Each Party in any proceeding shall bear its own costs and attorney's fees.

- c. Notwithstanding Section 22.1(a) and (b) above, if PG&E and Tenant have a dispute over the availability, applicability or amount of CTC exemptions generally, or if PG&E and Tenant disagree about whether a specific customer account would be exempt, either PG&E, Tenant or the customer may seek assistance in reaching informal dispute resolution from the Commission's Energy Division, or may seek mediation of any such dispute from the Commission's Administrative Law Judge Division. If the dispute is not resolved within 60 days of the request to pursue informal dispute resolution, PG&E, Tenant or the customer may file a Complaint at the Commission within the next 30 days (the parties may agree to extend this 30 day period, in order to allow for further negotiations or other resolution techniques). The Complaint shall state the facts supporting the claimed CTC exemption. While the complaint is pending, the customer shall continue to be responsible for making the monthly CTC and other nonbypassable charge payments on a timely basis, with such payments subject to future refund or other adjustment as appropriate if the Commission determines the exemption to apply.

- 22.2. Third Party Beneficiaries. The Customer is not, and no other person is, a third party beneficiary of or under this Lease.
- 22.3. Remedies Cumulative. The rights, elections and remedies of Landlord and Tenant contained in this Lease shall be cumulative, and no one of them shall be construed as exclusive of any of the others or of any right or remedy allowed at law or equity.
- 22.4. Waiver of Defaults. The waiver by either party of any default in the performance, or failure to insist on strict performance, by the other of any covenant contained herein shall not be construed to be a waiver of any preceding or subsequent default of the same or any other covenant contained herein.
- 22.5. Severability. Each provision of this Lease shall be considered separate and severable from every other provision of this Lease. If any provision of this Lease shall be held to be invalid by a court or

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regulatory or administrative body having jurisdiction, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, the remaining provisions shall remain in effect and shall in no way be impaired thereby.

- 22.6. **Governing Law; CPUC Jurisdiction.** This Lease shall be governed by the laws of the State of California. This Lease shall at all times be subject to such changes or modifications as the CPUC may, from time to time, direct in the exercise of its jurisdiction.
- 22.7. **Interpretation and Definitions.** The language of this Lease shall be construed as a whole according to its fair meaning and not strictly for or against either party. The captions and headings by which the paragraphs of this Lease are identified are for convenience only and shall have no effect upon the interpretation of the Lease. Wherever the context so requires, the singular number shall include the plural, the plural shall refer to the singular, the neuter gender shall include the masculine and feminine genders, and the words "Customer," and "person" shall include corporations, partnerships, associations and individuals. The word "party" means either Landlord or Tenant, and the word "parties" means both Landlord and Tenant. The words "include," "includes," and "including" are not used in any limiting sense, but rather by way of example or illustration.
- 22.8. **No Assignment.** Tenant shall not assign this Lease, or sublet the Service Lines, or any portion thereof.
- 22.9. **Subordination.** Tenant shall, upon Landlord's request, in the future subordinate this Lease to any lien placed by Landlord upon the Service Lines from an institutional lender, or as required by the CPUC, the FERC, or any other governmental or regulatory body (other than Tenant) having jurisdiction over Landlord, Tenant, the Service Lines, or this Lease.
- 22.10. **Force Majeure.** Except for Tenant's obligations to make payments hereunder, neither Party shall be liable for any failure to perform the terms of this Lease when such failure is due to "force majeure." The term "force majeure" shall mean acts of God, strikes, lockouts or industrial disputes or disturbances, civil disturbances, arrests and restraint from rules or people, interruptions by government or court orders, present and future valid orders of any regulatory body having proper jurisdiction, acts of the public enemy, wars, riots, blockades,

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insurrections, inability to secure or delay in securing labor or materials (including delay in securing or inability to secure materials by reason of allocations promulgated by authorized governmental agencies), epidemics, landslides, lightning, earthquakes, fire, storm, floods, washouts, explosions, or any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the Party claiming "force majeure." The "force majeure" shall, so far as possible, be remedied with all reasonable dispatch. Notwithstanding the above requirement that any "force majeure" shall be remedied with all reasonable dispatch, the settlement of strikes or lockouts or industrial disputes or disturbances shall be entirely within the discretion of the Party having the difficulty. The Party claiming any failure to perform due to "force majeure" shall provide verbal notification thereof to the other Party as soon as practical after the occurrence of the "force majeure" event.

- 22.11. Exhibits. Exhibit A, the Electric Service Lines Lease Appendix, is attached hereto and incorporated by reference into this Lease.
- 22.12. Interest on Past Due Obligations. If any monetary payment under this Lease is not received by Landlord or Tenant when due, and interest is not otherwise provided or excluded under tariff, rule, regulation or other agreement between the parties, such payment shall bear interest from the due date until received by the appropriate party, at the lesser of (a) the rate set forth in PG&E's Electric Rule 7 section (C), or (b) the maximum rate permitted by law. Any change in said interest rate shall become effective on the same date on which a change in PG&E's Electric Rule 7 section (C) becomes effective, and PG&E shall not be required to give notice under this Lease of such change.
- 22.13. Further Assurances. Each party agrees to execute and deliver to the other party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the parties as contained in this Lease.
- 22.14. Right To Request Changes. Nothing in this Lease shall in any way be deemed to limit or restrict PG&E's or Tenant's right to file with the CPUC, the FERC or any other regulatory agency for any changes in any applicable rate schedules, tariffs, or rules, or to seek any relief whatsoever from said regulatory agencies, including the right to request the CPUC to approve changes to this Lease.

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Tenant's Initials



ELECTRIC DISTRIBUTION SERVICE LINE LEASE AGREEMENT

- 22.15. Counterparts. This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 22.16. Entire Agreement; Amendment. This Lease, together with PG&E's tariffs and rules relevant to this Lease, including Schedule E-EXEMPT, Electric Rule 22, Schedule DA and the ESP Service Agreement, constitute the entire agreement of the parties regarding the Service Lines. This Lease cannot be modified or amended in any respect except by a writing executed by Landlord and Tenant.

Landlord and Tenant have executed this Lease as of the day first written above.

LANDLORD

TENANT

PACIFIC GAS AND ELECTRIC COMPANY

Company

Signature

Signature

Type or Print Name

Type or Print Name

Title

Title

Landlord's Initials

Tenant's Initials



**ELECTRIC DISTRIBUTION SERVICE
LINE LEASE AGREEMENT**

**Exhibit A
Electric Service Lines Lease Appendix**

Lease Appendix No. _____ ID -- #

This Electric Service Lines Lease Appendix ("Lease Appendix") is an exhibit to and part of the Service Lines Lease between Pacific Gas and Electric Company ("Landlord" or "PG&E") and _____ Irrigation District ("Tenant" or "____ ID") dated _____ ("Lease"). The terms of the Lease are incorporated herein by this reference as if set forth in full at this point.

The Customer served by both PG&E and ____ ID, and whom the Service Lines serve is _____. The Customer's PG&E account number(s) is _____.

SERVICE LINES include _____ **[fill in technical description of service drop materials and connections].**

RENT for these Service Lines is the sum of \$ _____ per month.

A copy of this Lease Appendix shall be delivered to Landlord by Tenant in accordance with the provisions of the Lease at:

[insert address]

This Lease Appendix is executed this ____ day of _____, 20__, at _____, California, and is effective on ____ [date] _____.

Landlord:
Pacific Gas and Electric Company

Tenant:
_____ Irrigation District

By: _____
[name]
[title]

By: _____
[name]
[title]

Landlord's Initials

Tenant's Initials



ELECTRIC DISTRIBUTION SERVICE LINE LEASE AGREEMENT

Exhibit B

PARTIES' DESIGNATED REPRESENTATIVES FOR DISPUTE RESOLUTION PROCESS

PG&E: _____

Tenant: _____

Landlord's Initials

Tenant's Initials
