

CAMINO REAL REGIONAL MOBILITY AUTHORITY BOARD RESOLUTION

WHEREAS, the Camino Real Regional Mobility Authority (CRRMA) is managing the construction of the El Paso Streetcar Project (Streetcar Project);

WHEREAS, the Streetcar Project requires the construction and provision of electricity to four (4) traction power substations along the 4.8 mile route that will be utilized to power the streetcar system and the CRRMA requires the El Paso Electric Company (EPEC) to provide power to such substations; and

WHEREAS, the parties had previously entered into a service agreement for a traction power substation located at 251 Crosby Avenue but now desire that the power connection be made underground, which requires a Secondary Service Agreement and additional funding.

NOW, THEREFORE, BE IT RESOLVED BY THE CAMINO REAL REGIONAL MOBILITY AUTHORITY:

THAT the Executive Director is hereby authorized to execute a Secondary Service Agreement with the El Paso Electric Company for service to a traction power substation located at 251 Crosby Avenue for the El Paso Streetcar Project.

PASSED AND APPROVED THIS 9TH DAY OF AUGUST 2017.

**CAMINO REAL REGIONAL
MOBILITY AUTHORITY**

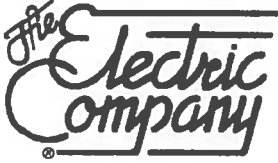
ATTEST:

Susan A. Melendez, Chair

Joe R. Fernandez, Board Secretary

APPROVED AS TO CONTENT:

Raymond L. Telles
Executive Director



El Paso Electric

P.O. Box 982
El Paso, Texas
79960-0982
(915) 543-5711

July 6, 2017

Mr. Raymond Telles
Executive Director
Camino Real Regional Mobility Authority
300 N. Campbell St. – 2nd Floor
El Paso, Texas 79901

Dear Mr. Telles:

**THREE PHASE UNDERGROUND SECONDARY ELECTRIC SERVICE TO NEW
POWER SUBSTATION, LOCATED AT 251 CROSBY AVE. IN EL PASO, TEXAS.**

Enclosed are three copies of the above-mentioned document covering the installation of underground electrical service to your Power Substation.

Please sign all three copies, return the original and one copy to me and retain one copy for your records.

When I receive the signed documents, the work order will be released for construction.

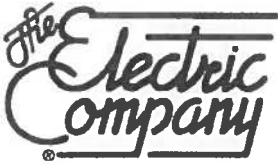
Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Ramon C. Rivera".

Ramon C. Rivera
Designer-Staff
Distribution Design & Delivery Business Unit
Phone: (915) 543-2288
Cell: (915) 525-2813

Enclosures



El Paso Electric

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July 6, 2017

Mr. Raymond Telles
Executive Director
Camino Real Regional Mobility Authority
300 N. Campbell St. – 2nd Floor
El Paso, Texas 79901

Dear Mr. Telles:

**THREE PHASE UNDERGROUND SECONDARY ELECTRICAL SERVICE TO NEW
POWER SUBSTATION, LOCATED AT 251 CROSBY AVE. IN EL PASO, TEXAS.**

This Letter of Agreement, hereinafter called the "Agreement" summarizes the terms under which El Paso Electric Company agrees to provide overhead electric service to your **Power Substation** located at **251 Crosby Ave.** by way of an underground line extension, hereinafter called the "Underground System."

I. Parties and Term

In consideration of the promises hereinafter contained and other good and valuable consideration, this Agreement is entered into by and between El Paso Electric Company, hereinafter called the "Company," and **Camino Real Regional Mobility Authority**, hereinafter called the "Customer," conjunctively known as the "Parties."

The term of this Agreement shall be from the date of execution until four (4) years after the completion of the installation of all facilities required to provide the requested service as hereinafter specified.

II. Location

The Customer has requested the Company to install an underground line extension and related facilities to provide electric service to the location(s) as shown on the attached Company drawing marked Exhibit "A" and incorporated herein the same as if fully set out herein.

This Agreement covers only the area shown on Exhibit "A." Any future extension of service to additional lots or to any other commercial property not reflected in Exhibit "A" attached hereto will be negotiated by a separate agreement, if applicable.

III. Type of Service

1. The Company agrees to install, own, operate, and maintain the Underground System to serve the location(s) designated in Exhibit A. The Underground System will be to provide 277/480 volt, 3 phase, 4 wire service to the Customer's property described above.
2. The Company will designate the point of service and meter location on the Customer's property and specify the type of metering to be installed. The Customer or Customer's electrical contractor shall contact the Company's Planner for this information prior to installing the service entrance.
3. The size and maximum distance of the secondary service drop will vary depending on the Customer's electrical load. The Customer or Customer's electrical contractor shall contact the Company's Planner for this information prior to installing the service entrance.
4. The Customer's service attachment height must be adequate to meet all applicable codes and ordinances for ground and building clearances.
5. All areas where the Company's Underground System and related facilities are to be installed shall be to final grade prior to the start of the work by the Company.
6. The Customer agrees to pay the cost of (1) relocation or modification of any installed electrical facilities due to grade changes, replat, or to meet other requirements of the Customer, and (2) repair or replacement, or both, as the case may be, of any Company facilities covered in this Agreement should such facilities be damaged during property development or building construction, or both, as the case may be, if the need for such an action is shown to have been caused by the Customer or its agents.
7. The Company will not construct a line extension for the Customer until the Company has secured all required firm rights-of-way and permits. All line extensions shall be constructed on private rights-of-way, except that within incorporated municipalities where they are not available, such lines may be constructed on existing public roads, streets, alleys or easements. The

Customer shall furnish such rights-of-way as required, without charge to the Company, over property owned or leased by the Customer and, if possible, will assist the Company in securing other rights-of-way necessary to provide service. The Customer shall have all of his property corners surveyed and necessary property irons installed by licensed surveyors to permit the Company to properly install the Company's electrical facilities within said rights-of-way.

IV. Cost and Security Terms and Conditions

In consideration for the Company providing such service, the Customer hereby agrees to the following express terms and conditions:

1. The following definition is accepted as a part of this Agreement:

"Revenue - The total amount billed to a customer for electric service, determined by the metered monthly kilowatt demand and kilowatt-hour usage, applied to the appropriate tariff schedule, **LESS THE FIXED FUEL FACTOR COSTS AND TAXES.**"

2. The Company's cost to provide and install all of the facilities in the Underground System is **\$5,402.31**.
3. The Customer shall make a refundable Cash Advance for Construction in the amount of **\$5,402.31**. All or a portion of this Cash Advance will be refunded to the Customer or retained by the Company as follows:
4. For the term of this Agreement on each annual anniversary date of completion of the facilities of the Underground System, the Company will compute the actual annual revenues received from the previous twelve months' billings for the service provided to all users of the Underground System designated in this Agreement. Users of the Underground System are interpreted to be those customers who require no additional investment on the part of the Company other than the normal meter and secondary service conductor. If a request is received during the term of this Agreement to provide additional facilities other than our normal meter and secondary service conductor, another Agreement covering the additional installation cost required by the Company, if necessary, will be negotiated separately with the prospective customer requesting service. This other Agreement, which will include provisions for a refundable Cash Advance or Revenue Guarantee, will be necessary if the estimated four (4) year Revenue is less than the Company's additional installation costs to provide the requested service. In order to obtain an estimated Revenue credit, a prospective customer must be considered a permanent customer

by constructing a permanent house, or if living in a mobile home must meet the following requirements as stated in the Company's filed Line Extension Policy:

- a. A permanent customer is one whose installed electrical equipment is used in a manner that provides the Company a reasonable return on the capital investment required to serve the customer.
 - b. A mobile home customer who owns or is buying the land on which the mobile home is located and has a permanent source of domestic water and sewer facilities is considered a permanent customer.
 - c. Revenue received by the Company from a customer during the term of this Agreement, must exceed the cost of providing any additional facilities to said customer before said Revenue will apply to this Agreement as stated in the following paragraphs of this Article IV.
5. Each year after the actual annual revenue has been computed, the Company will refund to the Customer the amount of the actual revenue, as described in paragraph IV.4 above, less the fixed fuel factor costs and taxes as defined in paragraph IV.1. above. It is again emphasized that no Revenue received from customers who have required the installation of additional facilities will be credited toward this Agreement until the Company has recovered the cost of the additional facilities through said Revenue during the term of this Agreement.
6. All or a portion of this Cash Advance may be refunded to the Customer from revenue received from other customers served when additional line extensions are constructed. If additional line extensions are constructed to serve other customers or additional customers are served from this line extension within forty-eight (48) months of the date the line extension is completed, the Company, if notified, will make one-time refunds to the Customer for each such new customer served. The one-time refund under this Agreement will be calculated in the following manner:

$$R = \frac{E - C}{48} \times (48 - M)$$

Where:

R = The amount of the refund,

E = Estimated 48-month revenue from permanent customers served from the additional line extensions,

C = Estimated cost of the additional extensions, and

M = Number of months since the Customer's line extension covered in this Agreement was completed.

In order for the one-time refund credit to be applied, the new facilities must be for a permanent customer.

7. The Company on an annual basis following the payment of a Cash Advance for Construction will reconcile refund balances. The interest rate that will be applied to balances subject to refund will be the annual interest rate for Customer Deposits approved by the Public Utility Commission of Texas.
8. In no case will refunds from electric bills and one-time refunds exceed the Customer's Cash Advance for Construction.
9. If a balance from the Customer's Cash Advance for Construction remains after forty-eight (48) months from the date the facilities of the Overhead System were completed, this balance will revert to the Company as a nonrefundable Customer Contribution in aid of Construction.

V. Other Conditions


1. The Customer shall meet all other rules, requirements, policies, codes, standard procedures and regulations as set forth and practiced by the Company.
2. The Customer shall prohibit the installation or construction of any structure or building that will create an impaired clearance to the Company's existing or future electrical conductors under the applicable codes or ordinances as observed and enforced by the Company or the proper regulatory authority, or both as the case may be. If such an impaired clearance is created or will be created by any construction or installation by the Customer, the Customer hereby agrees to pay to the Company the entire cost incurred to correct said impaired clearance.
3. In the event any term or provision of this Agreement is found to be invalid or unenforceable, such findings shall not affect the validity or enforceability of the remainder of this Agreement unless the affected portion is determined by the Company to be material to this Agreement, in which event such findings shall terminate the entire Agreement. No waiver by

the Company of any term or condition of this Agreement or any breach thereof shall be construed as a waiver of any other term or subsequent breach of that or any other term or condition hereof.

4. **To the full extent allowed by Texas State Law**, the Customer agrees to indemnify and save Company, its directors, officers, agents, representatives, employees, contractors or subcontractors from such liability, loss, cost or expense, including, but not limited to, attorney's fees, resulting from any injury to persons (including death) or damages or destruction of property resulting from the acts or omissions of the Customer, its agents, representatives, employees, contractors or subcontractors associated with Customer's presence on the premises of the subdivision development except to the extent such liability, loss, cost or expense is attributable to the negligence of Company, its directors, officers, agents, representatives, employees, contractors or subcontractors.
5. **To the full extent allowed by Texas State Law**, should any person make a claim or institute suit for any damage to property or injury to persons (including death at any time resulting therefrom) as a result of the acts or omissions of the Customer, its agents, representatives, employees, contractors or subcontractors associated with Customer's presence on the premises of the subdivision development except to the proportional extent such claim or suit has its basis in the negligence of Company, its directors, officers, agents, representatives, employees, contractors, or subcontractors, the Customer agrees to assume the defense of any action at law or in equity which may be brought against Customer, Company, the directors, officers, agents, representatives, employees, contractors or subcontractors of same, and to pay all costs, expenses (to include attorney's fees and indirect or consequential damages) and judgments that may be rendered in any such claim or suit.
6. This Agreement shall be available for execution only for sixty (60) days from the date of this Agreement. After sixty days, the Company reserves the right to renegotiate the terms and costs stated herein.
7. This Agreement is not assignable by the Customer without the Company's prior written approval. This Agreement shall be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns. This Agreement is not to be considered as a precedent or course of dealing to which the parties will be bound in the future.

8. The Designer in charge of this project is **Ramon C. Rivera** and can be contacted at **(915) 543-2288**.
9. Please sign and return the original and one copy of this Agreement. The refundable Cash Advance for Construction must also accompany this Agreement.

Approved as to Content:



Charles H. (Chuck) Berry, Jr.
Senior Program Manager
El Paso Streetcar Project

Accepted: **Camino Real Regional Mobility Authority**

By: _____

Printed Name: Raymond L. Telles

Title: _____

Date: _____

Accepted: **El Paso Electric Company**

By: _____
Margaret Ontiveros

Title: Supervisor, Distribution Design

Date: _____

