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EFPD



# ELECTRIC LINE EXTENSION AGREEMENT

*Marilyn Skilinski*  
BY TUES TO JEFFREY

PLANNER: S. Matthews AGREEMENT # 90-8034-5

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, by and between SIERRA PACIFIC POWER COMPANY ("Sierra Pacific"), a Nevada corporation, P.O. Box 10100, Reno, Nevada 89520 and East Fork Fire Protection District ("Applicant").

Applicant desires electric service for 1 units at the following location(s): 1990 Comstock Drive, Topaz Lake, Nevada

\_\_\_\_\_ hereinafter referred to as ("Project").

To provide the requested service, it is necessary for Sierra Pacific to extend and/or modify its facilities as described in Exhibit "A" attached hereto.

THEREFORE, the parties agree as follows:

## I. REFUNDABLE ADVANCE, NON-REFUNDABLE CONTRIBUTION AND BASE DATA:

LINE #	DESCRIPTION	ELECTRIC
<b>REFUNDABLE ADVANCE:</b>		
1.	Total project cost	\$4,988
2.	Free allowance credit	( 1,440 )
3.	Subtotal (Line 1-Line 2)	3,548
4.	Tax gross up (refundable)	827
5.	Total subject to refund (Line 3 + Line 4)	\$4,375
6.	Applicant installed credits	( -0- )
7.	Cash advance refundable (Line 5 - Line 6)	\$4,375
<b>NON-REFUNDABLE CONTRIBUTION:</b>		
8.	Contribution in aid of construction (CIAC non-refundable)	-0-
9.	Tax gross up (non-refundable)	-0-
10.	Total contribution in aid of construction (non-refundable)	-0-
<b>TOTAL CASH ADVANCE:</b>		
11.	Total cash advance required from Applicant (Line 7 + Line 10)	\$4,375
<b>BASE DATA USED IN CALCULATION:</b>		
12.	Tax Liability factor	1.233
13.	Projected annual revenue	576
14.	Revenue multiple	2.5

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Pursuant to Section I of Refundable Advance, Non-refundable Contribution and Base Data on page one (1), the parties agree as follows:

**II. TOTAL PROJECT COST (Section 1, Line 1)**

The total costs of the Project, for which Applicant is liable, shall be Sierra Pacific's cost of all extensions and alterations made hereunder and shall include all regulatory, environmental and other fees, engineering, inspection, material, labor, transportation, costs for removal of existing facilities less their salvage value, associated overheads and other charges which are related to the extension or alteration.

**III. FREE ALLOWANCES (Section 1, Line 2)**

The free allowance is calculated on the projected average annual revenue received from the Applicant, utilizing the revenue multiples in Section 1, Line 14. The projected annual revenue will include only the revenue from monthly billings for basic service, excluding balancing account adjustments, late charges and tax adjustments. Should actual revenues fall substantially short of the projected revenue used for the free allowance granted, the customer may be required to pay to Sierra Pacific in cash any portion of the free allowance granted but not justified by actual revenues. Such payment will be increased by the tax liability factor noted in Section 1, Line 12. The payment shall be made within 30 days of written notification of the revenue deficiency and request for payment by Sierra Pacific.

**IV. TAX GROSS UP (Section 1, Lines 4 & 9)**

- A. In accordance with the Tax Reform Act 1986, all advances, advance adjustments and all non-refundable contributions will be increased to reflect Sierra Pacific's net adjustments and contribution shall utilize the tax liability factors shown in Section 1, Line 12 in computing the tax gross up.
- B. Refunds as described in Section VI of this agreement will be increased by the same tax liability factor.

**V. ADVANCES**

- A. Applicant agrees to pay Sierra Pacific's **total** estimated cost (Section 1, Line 1) necessary to provide the requested service(s).

Less any free allowance (Section 1, Line 2) granted by Sierra Pacific for the project.

Plus Tax Liability (Section 1, Line 4).

Less the cost of that portion of the extension(s) provided by the Applicant (Section 1, Line 6) at no expense to Sierra Pacific.

Plus Contribution in Aid of Construction (Section 1, Line 8).

Plus the Tax Liability (Section 1, Line 9) associated with the Contribution in Aid of Construction.

Applicant agrees to pay at the time of the execution of this Agreement the amount(s) set forth hereunder (Section 1, Line 11) or to provide an acceptable surety bond or letter of credit. The bond or letter of credit is to be replaced with cash not less than thirty (30) days before construction is commenced with the exception that the cost of materials not normally stocked by Sierra Pacific in the type and quantity required shall be paid for in cash, prior to the ordering of such materials.

- B. If Sierra Pacific's total estimated construction costs to provide the requested service to project exceeds \$5,000, the cash advance will be adjusted to reflect Sierra Pacific's actual cost of construction. The adjustment is limited to the portion of the advance pertaining to facilities installed by Sierra Pacific. Applicant installed credits are not subject to adjustment. Sierra Pacific shall review its actual costs of construction within four (4) months of completion of said facilities and shall either bill or refund applicant the difference between the total cash advance required from Applicant (Line 11) and the adjusted total cash advance required from applicant. If such adjustment results in an increased total cash advance requirement, applicant agrees to pay Sierra Pacific such difference within thirty (30) days of written notice.
- C. If at any time after eighteen (18) months following the date of this Agreement there has been no construction activity on the electric facilities by the applicant for a period of six (6) months, Sierra Pacific shall not be held to the provisions of this Agreement. Sierra Pacific may return all advanced dollars not required to cover Sierra Pacific's expenditures on the project. To reinstate the project, a new Agreement will be required with updated costs.

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## VI. REFUNDS (Section 1, Line 5)

- A. All advances made by Applicant(s) under the provisions of this contract, which are not classified as a contribution in aid of construction (CIAC) by Sierra Pacific, shall be subject to refund, to the party or parties entitled thereto as set forth in this section. Except as indicated in Section VI. B.3 of this Agreement, all refunds shall be made without interest. All refunds described below in Sections VI. B.2 through VI. B.9 will be increased by the same tax liability factor, from Section IV above, that was used in determining the original advance against which the refund is being applied.
- B. Refunding will be based on revenues in excess of the level used as the basis for a free allowance, derived from the following customers, who initiate service within ten (10) years of the date of the extension agreement:
1. Those served directly from the subject extension or alteration, as long as subject extension or alteration is the first in a series from the original point of supply for which a portion of an advance remains refundable.
  2. Those served from subsequent extensions-of or additions-to the original extension. Refunds based on revenues in this section shall be made to the Applicant having the first extension in series from the original point of supply, for which a portion of an advance remains refundable.
  3. Refunds based on estimated usage levels shall be paid by the Utility within ninety (90) days of the date service is initiated. In the event that refunds are not paid in accordance with this section, Sierra Pacific shall pay interest for the period the refund is delayed at the rate currently specified in Section 704.655 of NRS.
  4. In those cases where two or more parties make a joint advance on the same extension, Utility shall distribute refundable amounts to such parties in the same proportion as their individual advances bear to the joint total advance, unless otherwise directed by all parties.
  5. Refundable amounts may be accumulated before refunding to twenty-five dollars (\$25.00) minimum or to total refundable balance if less than twenty-five dollars (\$25.00)
  6. Refunds hereunder shall be made for new customer connections during the period not to exceed ten (10) years after the date of this extension agreement.
  7. The total amount refunded hereunder shall not exceed the total amount advanced.
  8. Except for refunds from customer connections made within ten years of this agreement execution, any portion of the advance which remains unrefunded ten (10) years after the date of the line extension agreement, will become the property of Sierra Pacific.

## VII. MISCELLANEOUS

- A. This Agreement has been made by Sierra Pacific pursuant to its rules and regulations governing all matters contained herein, filed with and approved by the Public Service Commission of Nevada, and this Agreement is subject to any changes or modifications by the Public Service Commission of Nevada as said Commission may from time to time direct in the exercise of its jurisdiction.
- B. All facilities constructed hereunder shall become property owned, maintained, and controlled by Sierra Pacific.
- C. It is agreed by the parties hereto that the Applicant is not in any way an agent, representative, employee, or contractor of Sierra Pacific while involved in the installation of facilities required hereunder, and Applicant agrees to indemnify and save harmless Sierra Pacific from any and all claims which are a result of, or arise out of, construction activities including trenching and backfill undertaken by Applicant in accordance with this Agreement.
- D. Applicant agrees that it will grant, or if not the owner, represents that the owner will grant and execute, to and in favor of Sierra Pacific, all necessary easements, conveyances, deeds, rights of way, or other documents required or relating in any fashion to the placement, installation, operation, maintenance, repair, and replacement of facilities required hereunder or any portion thereof.

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If any portion of said facilities will be located on property other than that owned by Applicant, Sierra Pacific shall not be obligated to commence construction unless and until permanent rights of way therefore are granted to Sierra Pacific that are satisfactory to Sierra Pacific both as to location and form of document. This shall be done without cost to Sierra Pacific.

- E. All facilities installed by Applicant shall be in accordance with Sierra Pacific Construction Standards, and details as shown on the work order drawings, and applicable local, state, and federal laws and/or regulations. All work performed and all material furnished by the Applicant and his contractor shall be guaranteed against defects in materials and workmanship for a period of one (1) year following final acceptance of work by Sierra Pacific.

Applicant agrees that Sierra Pacific may, at its option and upon written notice to Applicant, either (1) repair any defect in materials or workmanship which may develop during the one-year period, or (2) require Applicant to make good any defect in materials or workmanship which may develop during said one-year period. The option and obligation to repair shall extend to any damage to facilities or work caused by the subject defects in materials or workmanship or the repairing of same. All repairs hereunder, whether undertaken by Sierra Pacific or Applicant, shall be done solely at Applicant's expense.

Applicant also assumes all responsibilities and liabilities for ten (10) years for facilities installed by the Applicant, or facilities installed by Sierra Pacific based on survey and staking provided by the Applicant or Applicant's engineer that are found to be located outside the recorded easement or right-a-way.

- F. For Applicant installation of facilities in addition to those normally provided at no expense to Sierra Pacific:
1. Applicant shall provide public liability and property damage insurance coverage in amounts satisfactory to Sierra Pacific and naming Sierra Pacific as an additional insured.
  2. Applicant shall provide workers' compensation and unemployment compensation insurance in the form and amounts required by the State of Nevada.
  3. Applicant shall perform in accordance with all laws, ordinance, rules, regulations, standards, and codes applicable to the types of installation being undertaken.
- G. Applicant shall indemnify and hold harmless Sierra Pacific from and against Applicant's failure to conform in any respect to the requirements set forth in Sections E and F above.
- H. Applicant may assign its right to receive a refund under this Agreement only upon written notification of the assignment to Sierra Pacific. Written notification shall consist of a document transferring the right to receive refunds, signed and notarized by the Assignor and the Assignee. Sierra Pacific may refuse to accept an assignment that is not signed and notarized by the Assignor and the Assignee. No obligation or duty owed by the Applicant to Sierra Pacific may be assigned unless Sierra Pacific consents to such assignment in writing. Under no circumstances shall Sierra Pacific be liable under any contract between the Applicant or Assignor and any Assignee.
- I. Notices or inquiries concerning this Agreement should be directed to:

SIERRA PACIFIC POWER COMPANY  
Attn: Customer and Marketing Programs and Regulatory Affairs  
P.O. Box 10100  
Reno, NV 89520

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IN WITNESS WHEREOF, the Parties hereto execute this Agreement (Pages 1 through 5 inclusive plus Exhibit A) the day and year first above written.

APPLICANT(S)

SIERRA PACIFIC POWER COMPANY

East Fork Fire Protection District

By: \_\_\_\_\_

By: *F. William Driscoll*

Typed Name: \_\_\_\_\_

RAYMOND PAUL LYCO

Printed/Typed Name: F. William Driscoll

Title: \_\_\_\_\_

CARSON CITY DISTRICT COURT

Printed/Typed Title: Fire Chief

Mailing Address: 1616 8th St.  
Minden, NV 89423

Tax Identification Number  
(Required)  
(Individual) Social Security Number  
88-6 0000 31

(Business) TIN \_\_\_\_\_

Bus. Type: Corporation \_\_\_\_\_

Tax Exempt \_\_\_\_\_ Partnership \_\_\_\_\_

Governmental Agency X

10/8/90 SM  
Duplicate Original

REQUESTED BY  
**DOUGLAS COUNTY**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

**CERTIFIED COPY**

90 OCT 11 A8:29

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

**SEAL**

SUZANNE BEAUDREAU  
RECORDER  
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DEPUTY

DATE: October 10, 1990  
Barbara J. Reed Clerk  
of the State of Nevada, in and for the County of Douglas, District Court

By: *Marilyn Skibinski* Deputy