

SOUTHERN CALIFORNIA EDISON COMPANY  
ADDED FACILITIES AGREEMENT  
APPLICANT FINANCED

RIALTO WASTEWATER

("Applicant") and Southern California Edison Company ("Edison"), referred to collectively as "Parties" and individually as "Party", agree, as an accommodation to the Applicant, that Edison shall install the electric facilities described in Exhibit A, and hereinafter referred to as "Added Facilities", the cost of which shall be borne by the Applicant and which will be located at the service address as shown in Exhibit A. Added Facilities are defined in Edison's Rule No. 2.H as those which are in addition to, or in substitution for the standard facilities Edison would normally install to provide electric service. The Parties agree as follows:

1. Applicant shall pay to Edison in advance of construction by Edison for the Applicant-Financed Added Facilities, the estimated Total Installed Cost of said Added Facilities, as set forth in Exhibit A. If applicable, said cost shall include the estimated Income Tax Component of Contributions (ITCC), pursuant to Edison's Preliminary Statement as filed with the California Public Utilities Commission ("Commission") and the one-time cost to rearrange existing facilities and/or to provide facilities normally installed by the Applicant.
2. In addition to the payment required under Paragraph 1, the Applicant shall also pay a charge based on the Added Facilities investment in Applicant-Financed Added Facilities, pursuant to Edison's Rule No. 2.H as filed with the Commission and as changed from time to time by the Commission. The charge for Applicant-Financed Added Facilities is based upon the Added Facilities investment and the replacement coverage option selected by the Applicant, as follows:
  - X (a) Replacement Coverage. The Added Facilities investment amount used as the basis for determining the charge Applicant pays Edison shall not be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to Edison, at Edison's sole option, either
    - X (1) A Monthly Charge based upon 43% times the Added Facilities investment as set forth in Exhibit A.
    - \_\_\_\_\_ (2) A One-Time Payment representing the present worth of the Monthly Charge (\_\_\_\_\_ per month) for the Added Facilities in perpetuity as set forth in Exhibit A.
  - \_\_\_\_\_ (b) Replacement Coverage with 20 year Term. The Added Facilities investment amount used as the basis for determining the charge Applicant pays Edison shall not be adjusted for a term of 20 years whenever Added Facilities are replaced as set forth in Paragraph 12(a). Under this option, Applicant shall pay to Edison a Monthly Charge based upon \_\_\_\_\_ times the Added Facilities investment as set forth in Exhibit A. At the end of the 20 year term, this Agreement terminates in accordance with the provisions of Paragraph 16. If Applicant wants to continue being served from the Added Facilities, Applicant must sign a new Added Facilities Agreement. The new Added Facilities investment amount will be determined on a reconstruction cost new less depreciation (RCNLD) basis.
  - \_\_\_\_\_ (c) Without Replacement Coverage. The Added Facilities investment amount used in determining the charge Applicant pays Edison shall be adjusted whenever Added Facilities are replaced as set forth in Paragraph 12(b) and (c). Under this option, Applicant shall pay Edison a Monthly Charge based on \_\_\_\_\_ times the Added Facilities investment as set forth in Exhibit A.
3. The costs and charges paid by Applicant pursuant to Paragraphs 1 and 2 will normally be based upon estimated costs. When the recorded book costs have been determined by Edison, the charges may be based upon such recorded costs and adjusted retroactively to the date when service was first rendered by means of such Added Facilities. Additional charges resulting from such adjustments will, unless other terms are mutually agreed upon, be payable within thirty (30) days from the date of presentation of a bill therefor. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Applicant.
4. When Edison elects to provide Added Facilities hereunder on a recorded book cost basis, Edison has the right to revise its estimated costs and bill Applicant using such revised estimated costs during the period preceding determination of the recorded book costs. Edison shall indicate such revisions on Exhibit A or a superseding Exhibit A and provide a copy to Applicant. Edison shall commence billing the charge paid by Applicant pursuant to Paragraph 2 above using such revised estimate not earlier than thirty (30) days from the date the revised estimate is provided to Applicant.

5. The Monthly Charge to be paid by Applicant pursuant to Paragraph 2 above, as determined in Exhibit A, shall automatically increase or decrease without formal amendment to this Agreement if the Commission subsequently authorizes a higher or lower percentage rate in the calculation of the costs of ownership for Added Facilities as stated in Rule No. 2.H, effective with the date of such authorization. Further, the revised costs of ownership shall also be used to determine the unamortized balance of the One-Time Payment due to termination of service, termination of this Agreement, or otherwise, as provided in Paragraph 16 (a).
6. Where it is necessary to install Added Facilities on Applicant's property, Applicant hereby grants to Edison (a) the right to make such installation on Applicant's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Applicant's property as determined by Edison in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Applicant shall provide rights-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Applicant's property for any facilities of Edison.
7. Where formal rights-of-way or easements are required in, on, under, or over Applicant's property or the property of others for the installation of the Added Facilities, Edison shall not be obligated to install the Added Facilities unless and until any necessary permanent rights-of-way or easements, satisfactory to Edison, are granted without cost to Edison. Upon termination of this Agreement in accordance with Paragraph 16, Edison will quitclaim all easements and rights of way in, on, under, and over Applicant's property which are, as determined by Edison in its sole discretion, no longer required by Edison due to the removal of its Added Facilities.
8. Edison shall not be responsible for any delay in completion of the installation of the Added Facilities resulting from shortage of labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of Edison. Edison shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond Edison's control.
9. Added Facilities provided hereunder shall at all times remain the property of Edison.
10. This Agreement supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
11. If it becomes necessary for Edison to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Applicant shall be notified of such necessity and shall be given the option to either terminate this Agreement in accordance with Paragraphs 13 and 16, or to pay to Edison additional charges consisting of:
  - (a) The cost to remove any portion of the Added Facilities which is no longer necessary because of alteration or rearrangement, such charge to be determined in the same manner as described in Paragraph 16; plus
  - (b) An additional payment, ITCC, and/or one-time cost, if any, for any new Added Facilities requested which shall be determined in the same manner as described in Paragraphs 1 and 2; plus
  - (c) A revised Paragraph 2 charge based on the total net additional installed cost of all new and remaining Added Facilities. Such revised charge shall be determined in the same manner as described in Paragraphs 1 and 2.
12. (a) Whenever Added Facilities are replaced due to damage (caused by other than the Applicant's intentional or negligent conduct) or equipment failure and Applicant has selected replacement coverage pursuant to Paragraph 2 (a) or Paragraph 2 (b), such replacement will be at Edison's expense with no change in the Added Facilities investment amount.
  - (b) Whenever Added Facilities are replaced due to damage or equipment failure and Applicant has selected no replacement coverage pursuant to Paragraph 2 (c), such replacement will be made by Edison at the Applicant's expense, including any applicable ITCC. Charges will be payable by the Applicant to Edison within thirty (30) days from the date of presentation of a bill. If such replacement results in a change in the Added Facilities investment, the Monthly Charge will be adjusted based on the revised added investment effective with the date the replaced Added Facilities are first available. Except that, where a replacement of Added Facilities is required for Edison's operating convenience or necessity or because of damage caused by the sole negligence or willful act of Edison, no increase will be made in the Added Facilities investment amount or the Monthly Charge.
  - (c) Whenever Added Facilities are replaced due to Applicant's increased load or damage caused by the Applicant's intentional or negligent conduct, such replacement will be made by Edison at the Applicant's expense including any applicable ITCC. Charges will be payable by the Applicant to Edison within thirty (30) days from the date of presentation of a bill. Additionally, the Applicant's Monthly Charge pursuant to Paragraph 2 will be adjusted based on the revised added investment resulting from such replacement and will be effective with the date the replaced Added Facilities are first available.

13. This Agreement shall remain in effect until terminated by either party on at least thirty (30) days' advance written notice. Applicant shall pay all costs incurred to the date of termination pursuant to Paragraph 16 including charges for any engineering, surveying, right-of-way and easement acquisition expenses and other associated expenses incurred by Edison for that portion of the Added Facilities not installed.
14. Edison has the right to charge Applicant under the terms and conditions of this Agreement commencing with the date Edison, in its sole opinion, is ready to serve or commencing with the ready to serve date requested by Applicant, whichever is later.
15. Construction of the Added Facilities shall not commence prior to receipt by Edison of appropriate rights of way and/or easements, and applicant's payment of all monies due as described in Paragraphs 1 and 2(a)(2).
16. Upon discontinuance of the use of any Added Facilities due to termination of service, termination of this Agreement, or otherwise:
  - (a) Applicant shall pay to Edison on demand (in addition to all other monies to which Edison may be legally entitled by virtue of such termination) a facility termination charge defined as the removal cost, less the salvage value for the Added Facilities to be removed. Commencing in the sixteenth (16) year after the date service is first rendered by means of Added Facilities, 20 percent of the termination charge shall be subtracted from that charge each year until the total charge is zero.
  - (b) Edison shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Added Facilities located on the Applicant's property.
  - (c) Edison may, at its option, alter, rearrange, convey, or retain in place any portion of the Added Facilities located off Applicant's property. Where all or any portion of the Added Facilities located off Applicant's property are retained in place and used by Edison to provide permanent service to other customers, the facility termination charge described in Paragraph 16(a) shall be reduced by the installed cost of the retained facilities.
17. Applicant may assign this Agreement only with Edison's written consent. Such consent will not unreasonably be withheld. Furthermore, such assignment shall be deemed to include, unless otherwise specified therein, all of Applicant's rights to any refunds which might become due upon discontinuance of the use of any Added Facilities.
18. This Agreement shall, at all times be subject to changes or modifications as the Commission may, from time to time, direct in the exercise of its jurisdiction.
19. In witness whereof, the parties hereto have caused this Agreement to be signed by their duly authorized representatives/agents. This Agreement is effective as of the last date set forth below.

RIALTO WASTEWATER  
APPLICANT

SOUTHERN CALIFORNIA EDISON COMPANY

BY: \_\_\_\_\_

BY: Randy R. Smith

NAME: Joseph P. Dwyer

NAME: RANDY R. SMITH

TITLE: \_\_\_\_\_

TITLE: SUPERVISING ENGINEER

DATE SIGNED: 2-23-99

DATE SIGNED: \_\_\_\_\_

A.F. No. \_\_\_\_\_

SOUTHERN CALIFORNIA EDISON COMPANY  
EXHIBIT "A"  
APPLICANT FINANCED ADDED FACILITIES

A. F. NO. \_\_\_\_\_

APPLICANT RIALTO WASTEWATER

SERVICE ADDRESS 501 SANTA ANA AVENUE

APPLICANT REQUESTED READY TO SERVE DATE 5/1/99

All Estimated Costs Shown in this Exhibit "A" (Edison to Select One):

☒ are not binding estimates (final billing based on recorded costs), or  
☐ are binding estimates valid for Added Facilities completed on or before  
\_\_\_\_\_, 19\_\_\_\_

DESCRIPTION OF ADDED FACILITIES

2-Primary metering cabinets  
2-Preferred emergency switches  
1-2,500 kVA padmount transformers  
1-1,500 kVA padmount transformer  
3,500' of primary cable  
550' secondary cable

Original Estimated Demand \_\_\_\_\_ kVA

W.O. No(s). 6430 - 8287, 8-8204

DESCRIPTION OF ONE-TIME COSTS (Paragraph 1)

Install KPF switch and necessary to rearrange  
high voltage power lines.

W.O. No(s). 6130 - 6715, 8-6776

APPLICANT F. "UBIT "A"  
ADDED FACILITIES

Edison's Actual Ready to Serve Date 5/1/99

APPLICANT INITIALS & DATE 2-23-99  
(Original Estimate Only)

ORIGINAL ESTIMATE  
DATE 10/30/98

AMENDMENT  
DATE \_\_\_\_\_

- A) TOTAL INSTALLED ADDED FACILITIES COST  
(Paragraph 1) \$243,397.00
- B) ITCC (Paragraph 1) (A X 34%) 82,754.98
- C) ONE-TIME PAYMENT OPTION  
OWNERSHIP COST ONLY [Paragraph 2(a)(2)] 0
- D) ONE TIME COSTS INCLUDING ITCC  
(Paragraph 1) 13,268.68
- E) TOTAL CUSTOMER ADVANCE (A + B + C + D) \$339,420.66
- F) MONTHLY ADDED FACILITIES CHARGE  
(Paragraph 2) (A X .43%) \$ 1,046.61
- A) TOTAL INSTALLED ADDED FACILITIES COST  
(Paragraph 1) \_\_\_\_\_
- B) ITCC (Paragraph 1) (A X .34%) \_\_\_\_\_
- C) ONE-TIME PAYMENT OPTION  
OWNERSHIP ONLY [Paragraph 2(a)(2)] \_\_\_\_\_
- D) ONE TIME COSTS INCLUDING ITCC  
(Paragraph 1) \_\_\_\_\_
- E) TOTAL CUSTOMER ADVANCE (A + B + C + D) \_\_\_\_\_
- F) MONTHLY ADDED FACILITIES CHARGE  
(Paragraph 2) (A X \_\_\_\_\_%) \_\_\_\_\_

AMENDMENT  
DATE \_\_\_\_\_

FINAL RECORDED COSTS  
DATE \_\_\_\_\_