

SOUTHERN CALIFORNIA WATER COMPANY

1206 South Maple Ave.

Los Angeles 15, California

Original Cal. P.U.C. Sheet No. 130-E

Cancelling _____ Cal. P.U.C. Sheet No. _____

AGREEMENT FOR ADVANCE IN AID OF CONSTRUCTION

Form No. M-367

(To be inserted by Cal. P.U.C.)

Advice Letter No. 16-E

Decision No. _____

Issued by
C. P. HARNISH
President

(To be inserted by C.R.C.)

Date Filed NOV 25 1949

Effective DEC 25 1949

Resolution No. _____

A G R E E M E N T

THIS AGREEMENT, made and entered into this _____ day of _____,
19____, by and between _____

an individual, a co-partnership, a corporation, whose address is _____

the First Part____, and SOUTHERN CALIFORNIA WATER COMPANY, a corporation organized and existing under and by virtue of the laws of the State of California, the Second Party,

W I T N E S S E T H:

WHEREAS, the First Part____ is the owner of and/or beneficially interested in: _____

WHEREAS, said First Part____ desire__ that electric service be provided and maintained to said property; and

WHEREAS, the Second Party is willing to provide said electric service to said property under its applicable rates, rules and regulations now and as hereafter from time to time in effect and on file with the Public Utilities Commission of the State of California;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and the performance thereof by the Parties hereto, said First Part____ and said Second Party do hereby mutually covenant and agree as follows:

I.

Said Second Party hereby agrees to construct and install the electric distribution system shown on the plan hereto attached and marked Exhibit "A". Said Second Party shall commence said work of construction and installation at a time mutually agreeable and suitable to the construction schedules of both Parties and prosecute the same diligently to completion, except for conditions causing delays beyond its control, and subject to First Part____ compliance with the provisions of Article III hereof and the furnishing by First Part____ to

Second Party upon Second Party's written request of certain designated easements from the owners of all privately owned land for the construction, installation and maintenance of said electric distribution system to the extent that they traverse any such land, which certain designated easements shall be satisfactory to the Second Party and shall be so furnished without cost or expense to it. In the event, however, that within six months after the date hereof First Part___ shall fail to furnish such easements or to comply with the provisions of said Article III, or said work of construction and installation has not actually commenced, or the Parties hereto shall for any reason have failed to designate, in writing, a date, not later than six months subsequent to the date hereof, as the date for commencement of said work of construction and installation, this agreement may be terminated at the option of either said Party by and upon the giving of written notice to the other said Party of such termination. Neither Party hereto shall incur any liability for damages on account of any such termination.

II.

Said First Part___ hereby disclaims, in favor of the Second Party, all right, title and interest in and to said electric distribution system and hereby covenants and agrees to transfer and assign to the said Second Party, and does hereby transfer and assign to the said Second Party, any and all right, title and interest, either joint or several, which the First Part___ may have in and to the electric distribution system and appurtenances included in said plan hereto attached as Exhibit "A".

III.

Said First Part___ agrees to advance and pay to the Second Party in aid of construction of said electric distribution system hereinabove mentioned the sum of _____ upon demand of the Second Party prior to the commencement of construction of said electric distribution system.

Following completion of the work contemplated herein, if the cost thereof, as hereinafter defined, is less than the above advance, Second Party will thereupon return to First Part___ the difference between said advance and said cost. Cost, as herein used, means all expenses incurred by the Second Party for all material, labor and other items necessary for installation and construction of said electric distribution system. Said cost shall be as normally set up on the books

of the Second Party in accordance with sound accounting practice and in accordance with the rulings of the Public Utilities Commission.

IV.

Said Second Party hereby agrees to refund, without interest, to the First Part___, semi-annually during the months of January and July of each year after commencement of rendition of service by the Second Party through said electric distribution system, a sum equal in each instance to thirty-five per cent (35%) of the gross revenues collected by Second Party from consumers whose services are connected to said electric distribution system during the six (6) calendar months immediately preceding the month during which such refund shall mature; payment of such refund to continue for a period of not exceeding ten (10) years from the date of this agreement (said ten-year period being hereinafter referred to as the "term of this agreement"); provided, however, that the total of all such refunds shall not exceed the net amount advanced by First Part___ pursuant to Article III hereof, after giving effect to the amount returned, if any, in accordance with the provisions of the second paragraph of Article III hereof.

V.

No municipality, county, political subdivision, public corporation or other public agency which may acquire such electric distribution system or any portion thereof shall incur any obligation under this agreement, either as to payment of refunds or otherwise, and shall not be bound by this agreement. In the event of any such acquisition refunds referred to under Article IV of this agreement shall, subsequent to such acquisition and during the remainder of the term of this agreement, continue to accrue and be payable pursuant to the provisions of Article IV hereof except as modified by the provisions of this Article V. Second Party will make an estimate at the time of such acquisition of the gross revenues which would have been collected by it during the remainder of the term of this agreement from consumers whose services are connected to said electric distribution system so acquired. This estimated revenue will thereafter be the basis for refunds with respect to the system so acquired. However, if the net selling price received by Second Party for said electric distribution system or portion thereof so acquired shall be less than the cost (as above defined) thereof, the total amount of refunds for said remainder of said term shall be reduced in the same proportion as said net selling

price of said electric distribution system, or portion so acquired, is reduced below said cost. If said electric distribution system, or portion thereof, shall be so acquired with other property of Second Party for a lump sum selling price, the net selling price of the electric distribution system so acquired shall be that portion of said lump sum as Second Party shall determine fairly to represent the net selling price thereof. In the event of any acquisition referred to in this Article V the obligation of Second Party to pay refunds during the remainder of the term of this agreement may, by mutual consent between the Parties hereto, be discharged by payment to First Part___ of an agreed lump sum. In no event shall the total of all refunds for the entire term of this agreement exceed the maximum thereof as fixed by said Article IV. In the event of any dispute between the Parties hereto as to the amount of refunds payable pursuant to this Article V, either of the Parties hereto may refer the matter to the Public Utilities Commission and the determination of said Commission on the matter so submitted shall be final and binding upon both Parties hereto.

VI.

Said Second Party, at all times during its ownership of said electric distribution system prior to the time that its obligation to pay refunds pursuant to this agreement shall be discharged, shall assume all liability for maintenance and operation of said electric distribution system, and shall at all times pay all liens and/or taxes and/or assessments of any nature whatsoever which may be levied upon said electric distribution system or any part thereof.

VII.

It is mutually agreed between the Parties hereto that notwithstanding the advance and payment made by the First Part___ pursuant to Article III hereof, said electric distribution system and all improvements, betterments and extensions of said electric distribution system, together with the necessary franchises, licenses, easements, rights-of-way and other privileges, shall at all times be and remain the property, and be under the control, of the Second Party unless and until disposed of by it, and shall at all such times be subject to the applicable rates, rules and regulations of the Second Party as from time to time in effect and on file with the Public Utilities Commission.

Except as provided in Article V hereof this agreement shall automatically

bind and inure to the benefit of the respective and several heirs, executors, administrators, successors and assigns of the Parties hereto and except as aforesaid, each successor in ownership of Second Party shall be automatically substituted hereunder for its predecessor owner and upon such substitution such predecessor owner shall be automatically released and discharged from all further obligation under this agreement.

VIII.

This agreement shall at all times be subject to such changes or modifications by the Public Utilities Commission of the State of California as said Commission may, from time to time, direct in the exercise of its jurisdiction.

IN WITNESS WHEREOF, said _____

First Part____, ha____ caused _____ name__ to be hereunto subscribed by _____ and its corporate seal duly affixed;

and SOUTHERN CALIFORNIA WATER COMPANY, the Second Party, has caused its corporate name to be hereunto subscribed by its President and its corporate seal duly affixed and attested by its Secretary, all being done as of the day and year first above written.

First Part____

SOUTHERN CALIFORNIA WATER COMPANY

By _____
President
Second Party

ATTESTED:

By _____
Secretary