

**R E S O L U T I O N**

Resolution E-4905. Authorization for Southern California Edison Company's (SCE) proposed deviation from Section A of Electric Tariff Rule 20, Replacement of Overhead with Underground Electric Facilities, to accommodate the request of the City of Twentynine Palms (the City).

PROPOSED OUTCOME:

- The Commission approves a one-time deviation of SCE's Section A of Electric Tariff Rule 20 regarding replacement of overhead with underground electric facilities.

SAFETY CONSIDERATIONS:

- Conversion of existing overhead distribution lines to underground can improve safety.

ESTIMATED COST:

- SCE estimates \$1.6 million with an assumed construction start date in 2020.

By Southern California Edison Company (SCE) AL 3663-E, Filed on September 28, 2017.

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**SUMMARY**

This advice filing seeks approval to allow SCE a limited deviation from Rule 20A to accommodate the City's request associated with the construction of the Phoenix Community Center Project (Phoenix Community Center Project). The Commission grants this one-time deviation because of the overall benefits to the City, cost savings, project efficiency, and protection of SCE's ratepayers.

## **BACKGROUND**

In 1967, Decision (D.) 73078 established Rule 20, which provided the methodology for the conversion of overhead facilities to underground. Furthermore, Rule 20 determines the circumstances and the level of ratepayer contribution towards the cost of conversion of overhead electric facilities.

This rule is divided into three sections, each dealing with a certain type of undergrounding projects. Section A of Rule 20 (Rule 20A) provides for undergrounding of overhead electric facilities in which SCE's ratepayers bear most of the costs of the underground conversion in its service area. Specifically, Rule 20A states that SCE will, at its expense, replace its existing overhead electric facilities with underground electric facilities provided that the governing body of the community has determined that the undergrounding is in the public interest for one or more of the following reasons:

1. Undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
2. The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic;
3. The street or road or right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public; or
4. The street or road or right-of-way is considered an arterial street or major collector road, as defined in the Governor's Office of Planning and Research General Plan Guidelines.

Furthermore, Rule 20A requires that the governing body of the community adopt an ordinance creating an underground district in the area in which both the existing (overhead) and new (underground) facilities are and will be located. The amount of SCE's total annual budgeted amount for undergrounding allocated to each city and county is also governed by Rule 20A.<sup>1</sup>

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<sup>1</sup> SCE's Rule 20 at: <https://www.sce.com/NR/sc3/tm2/pdf/Rule20.pdf> provides more information.

### **The City's Proposed Project**

As part of the Phoenix Community Center Project, the City intends to build a community center on City-owned property that will include a gymnasium, classrooms, meeting and banquet room space, and other public amenities. Currently, an overhead distribution line exists in an alley that will become a walkway or plaza after the construction is completed. The City proposed to use the City's allocated Rule 20A funds to underground this existing overhead distribution line (Undergrounding Project) before the construction of the Phoenix Community Center Project begins. However, it was determined that the area in which the Phoenix Community Center Project is located is not within an underground district and this proposed Undergrounding Project might not meet existing Rule 20A project selection criteria.

SCE agrees with the City that undergrounding the existing overhead distribution line prior to the construction of the Phoenix Community Center Project is prudent. SCE believes that the proposed Undergrounding Project is a reasonable and cost effective way of utilizing the Rule 20A funds allocated to the City. As such, SCE agrees to accommodate the City's request to use the City's allocated Rule 20A funds to underground the existing overhead distribution line in advance of the Phoenix Community Center Project construction, subject to the terms and conditions set forth in a letter agreement between SCE and the City, and provided that the City meets all the other requirements of Rule 20A, including creating an underground district.

Within 90 days of the Commission's approval of this one-time deviation, the City agrees that it will abandon a current "City of Twentynine Palms - Highway CA 62 - Mesquite Springs Road to Pine Avenue Rule 20A Project" (Highway CA 62 Undergrounding Project) and will reimburse SCE \$50,000 for engineering and design of the Highway CA 62 Undergrounding Project, subject to the City receiving a Rule 20A credit for such reimbursement. The City acknowledges and agrees that SCE's funding of the undergrounding using Rule 20A funds is contingent upon the City's substantial completion of the construction of the Phoenix Community Center Project.

### **NOTICE**

Notices of AL 3663-E was made by publication in the Commission's Daily Calendar. SCE states that a copy of the Advice Letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

## **PROTESTS**

SCE AL 3663-E was not protested.

## **LETTERS OF SUPPORT**

On October 8, 2017, Major John Cole of the City sent a letter of support for AL 3663-E. The City states that it was a public policy decision to move Rule 20A allocation from the Highway CA 62 Undergrounding Project to the Phoenix Community Center Project, and the distribution overhead wires will diminish the impact of the Phoenix Community Center Project.

## **DISCUSSION**

We have reviewed this AL filed by SCE. We evaluate this request based on the criteria of 1) Rule 20A project selection criteria, 2) benefits to the customers (the City and SCE ratepayers), 3) cost and efficiency, and 4) policy consideration.

### **Rule 20A Project Selection Criteria**

In order for SCE to use Rule 20A funds for this proposed Undergrounding Project, the tariff requires, among other things, that the street or road or right-of-way adjoins or passes through a civic area or public recreation area. SCE's Rule 20A tariff provision applies to existing and not prospective civic or public recreation area. Furthermore, the tariff requires the area in which the underground conversion will take place to be located in an underground district. Because the City's Phoenix Community Center Project is not yet constructed and is not located in an underground district, SCE seeks Commission approval for a limited deviation from the existing Rule 20A requirements.

We find it is reasonable to grant this limited deviation to accommodate the City's plans for a community center which once completed will have clear civic benefit for the community. We grant this on condition that the City establishes an undergrounding district covering the project by August 31, 2018.

### **Benefits to the Customers**

The Commission should take into consideration project prioritization of the City, which has opted to cancel one undergrounding project in order to re-direct its limited Rule 20A allocations to the Phoenix Community Center Project.

The Highway CA 62 Undergrounding Project was the City's only Rule 20A project in the last 10 years. It took many years for the City to accumulate a sufficient number of Rule 20A credits to initiate an undergrounding project. The City has determined that its limited Rule 20A funds will have more community benefit if applied to the Phoenix Community Center Project rather than the Highway CA 62 Undergrounding Project.

The Phoenix Community Center Project could be the destination for the residents, tourists, and the Marine community which could develop the City's beauty and economic vitality; and the distribution overhead wires may have a visual impact and diminish the value of the Phoenix Community Center Project. Therefore, this proposed Undergrounding Project is important to the Phoenix Community Center Project, in specific, and to the City, in general. The Phoenix Community Center Project is expected to reach substantial completion by December 2022.

Also, SCE's ratepayers will not be harmed by the Commission's approval of deviation because SCE and the City have an executed a letter agreement (attached in this Resolution) that requires the City to reimburse SCE for the installation and construction cost of the undergrounding if the Phoenix Community Center Project is not substantially completed by December 2022. Further, the City will reimburse SCE, within 90 days of the Commission's approval of this advice letter, the amount of \$50,000 for SCE's actual cost expended on the abandoned Highway CA 62 undergrounding project using the City's existing Rule 20A credits. Thus, ratepayers are not harmed by the City's decision to abandon the Highway CA 62 undergrounding project.

**Cost and Efficiency**

The City's annual Rule 20A allocation for 2017 is \$52,530. As of October 2017, the current accumulated allocation balance for the City is \$1,209,317.

\$1,209,317	Current Rule 20A Balance
- \$50,000	Cost to Abandon Highway CA 62 project
+ \$262,650	Five Year Borrow ( $\$52,530 \times 5$ )
- <u>\$1,600,000</u>	Cost of Phoenix Community Center Rule 20A Project
<b>\$178,033</b>	<b>29 Palms funding contributions through Municipal Bonds</b>

The City will mortgage five years of future allocations for \$262,650, and finance the remaining \$178,033 balance of projects funds with City municipal bonds in order to complete the Undergrounding Project with a total cost of \$1.6 million.<sup>2</sup> The City needs to finance the \$178,033 in order to complete the Undergrounding Project. The city stated in an email that it has \$8M in remaining bond proceeds to fund this Undergrounding Project as well as other parts of the Phoenix Community Center Project.<sup>3</sup>

Completion of the undergrounding of the distribution line facilities in advance of the Phoenix Community Center Project construction would provide cost savings to City residents and project efficiency. SCE would not have to disturb the new walkway or plaza to underground the necessary facilities after the Phoenix Community Center Project is completed.

### **Policy Considerations**

This deviation request raises several policy questions that should be evaluated in the current Order Institute Rulemaking (R).17-05-010. First, whether Rule 20A funds should be allowed to be used for undergrounding projects that meet prospective Rule 20A criteria when ratepayers are protected and these undergrounding projects yield overall cost saving and efficiency. Second, should Rule 20A funds be allowed to be used for undergrounding projects that are not included in a community's undergrounding district. Third, what are the conditions regarding community contributions to a Rule 20A project when the community does not have enough credits to complete a Rule 20A project.

### **Conclusion**

Although the proposed Undergrounding Project does not currently meet existing Rule 20A project selection criteria, if we also take into account of the benefits to the City, cost savings, project efficiency, and protection of SCE's ratepayers, we find that this proposed Undergrounding Project warrants a one-time deviation.

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<sup>2</sup> Source: Energy Division telephone call with Frank J. Luckino, City Manager of Twentynine Palms, Dec 26, 2017.

<sup>3</sup> Source: Email from Frank J. Luckino, City Manager of Twentynine Palms, Dec 27, 2017.

## **COMMENTS**

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from today.

## **FINDINGS**

1. On September 28, 2017, SCE filed AL 3663-E requesting approval of a onetime deviation from Rule 20A to accommodate the City of Twentynine Palms' request associated with the construction of the Phoenix Community Center Project.
2. No protests were received.
3. The Phoenix Community Center Project is not located within an underground district and this proposed Undergrounding Project currently does not meet existing Rule 20A project selection criteria, but is expected to meet the criteria once completed.
4. Within 90 days of the Commission's approval of this onetime deviation, the City agrees that it will abandon a current "City of Twentynine Palms - Highway CA 62 - Mesquite Springs Road to Pine Avenue Rule 20A Project" (Highway CA 62 Undergrounding Project) and will reimburse SCE \$50,000 for engineering and design of the Highway CA 62 Undergrounding Project, subject to the City receiving a Rule 20A credit for such reimbursement.
5. The City will mortgage five years of future allocations for \$262,650, and finance the remaining \$178,033 balance of projects funds with City municipal bonds in order to complete the Undergrounding Project with a total cost of \$1.6 million.
6. Undergrounding the existing overhead distribution line prior to the construction of the Phoenix Community Center Project is prudent.
7. Twentynine Palms is required to reimburse SCE for the installation and construction cost of the undergrounding of the Undergrounding Project if the

Phoenix Community Center Project is not substantially completed by December 2022.

8. The benefits to the City, cost savings, project efficiency, and protection of SCE's ratepayers warrant a one-time deviation from Rule 20A for this proposed Undergrounding Project.
9. This deviation request raises policy questions that should be evaluated in the current Undergrounding Rulemaking (R).17-05-010: that is, whether Rule 20A funds should be allowed to be used for undergrounding projects that prospectively meet Rule 20A criteria; whether Rule 20A funds can be used for undergrounding projects that are not included in a community's undergrounding district; and conditions on community contributions for Rule 20A projects.

**THEREFORE IT IS ORDERED THAT:**

1. The request of Southern California Edison Company for a one-time deviation of SCE's Electric Tariff Rule 20A is approved.
2. Southern California Edison Company shall require as a condition that the Undergrounding Project be covered under an undergrounding district no later than August 31, 2018.
3. Southern California Edison Company shall require as a condition that Twentynine Palms will finance \$178,033 of the \$1.6 Million Undergrounding project with City municipal bonds.
4. Southern California Edison Company shall require as a condition that Twentynine Palms is required to reimburse SCE for the installation and construction cost of the undergrounding of the Undergrounding Project if the Phoenix Community Center Project is not substantially completed by December 2022.
5. Southern California Edison Company's Advice Letter 3663-E is approved.



This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on February 8, 2018; the following Commissioners voting favorably thereon:

\_\_\_\_\_  
TIMOTHY J. SULLIVAN  
Executive Director

**Attachment A**

Letter Agreement Between Southern California Edison Company and the City of  
Twentynine Palms



August 22, 2017

Frank Luckino  
City Manager  
City of Twentynine Palms  
6136 Adobe Rd.  
Twentynine Palms, CA 92277

Subject: Letter Agreement – Twentynine Palms Civic Center Project Undergrounding

Dear Frank

This Letter Agreement (“Agreement”) sets forth, among other things, the terms and conditions upon which Southern California Edison Company (“SCE”) will use funds allocated to the City of Twentynine Palms (“City”) pursuant to California Public Utilities Commission (“CPUC”)-approved SCE Tariff, Rule 20A, “Replacement of Overhead with Underground Electric Facilities” (as may be modified from time to time, subject to the approval of the CPUC, “Rule 20A”)<sup>1</sup> and upon which the City will reimburse those funds to SCE if the City does not complete the construction of its proposed Civic Center Project (as defined herein). SCE and the City may be referred to herein each individually as a “Party” and collectively as the “Parties.”

**Background**

The City intends to construct a multi-purpose building with a gymnasium, classrooms, meeting and banquet room space, and other public amenities (the “Phoenix Community Center Project”). In contemplation of the Phoenix Community Center Project, the City desires to have certain existing overhead electrical facilities undergrounded. The Parties agree that certain of these facilities would be eligible for SCE funding pursuant to Rule 20A (“Rule 20A Funds”), up to the allocation cap of the City as calculated by Rule 20A (“Rule 20A Cap”), if and when the Phoenix Community Center Project is constructed. The undergrounding of the facilities and all associated work that would be eligible, but for the construction of the Phoenix Community Center Project, for Rule 20A Funds will be referred to in this Agreement as the “Project,” as more specifically defined in Exhibit C hereto.

In the interest of efficiency, the City has requested that SCE perform the Project prior to the construction of the Phoenix Community Center Project. Because the expenditure of Rule 20A Funds prior to the construction of the Phoenix Community Center Project requires a deviation from SCE’s Tariff, SCE agrees, subject to the terms and conditions of this Agreement, to seek approval from the CPUC to use Rule 20A Funds for the installation of the Project prior to the construction of the Phoenix Community Center Project. The City agrees,

<sup>1</sup> SCE’s current Rule 20 is set forth at <https://www.sce.com/NR/sc3/tm2/pdf/Rule20.pdf>.

subject to the terms and conditions of this Agreement, to reimburse SCE for all costs incurred for the Project if the Civic Center Project is not completed by December 31, 2022 ("Required Completion Date"). If SCE receives CPUC Approval (as defined herein), the City also agrees that it will abandon the current undergrounding project referred to as the "City of Twentynine Palms – Highway CA 62 – Mesquite Springs Road to Pine Avenue Rule 20A Project" ("Highway CA 62 Undergrounding Project") and will reimburse SCE for SCE's actual costs incurred for the Highway CA 62 Undergrounding Project, subject to the City receiving a Rule 20A credit for such reimbursement.

**Agreement**

Accordingly, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, SCE and the City agree as follows.

- (1) Within 30 days after both Parties have executed this Agreement, SCE agrees to file an Advice Letter at the CPUC requesting a deviation from its Tariff and specifically seeking permission to undertake the Project using Rule 20A Funds pursuant to the terms and conditions of this Agreement. Other than filing the Advice Letter, SCE has no obligation under this Agreement until the CPUC issues a decision that is final and no longer subject to appeal, which (a) approves the Agreement in full and in the form presented on terms and conditions acceptable to SCE in its sole discretion and (b) specifically finds that SCE may use Rule 20A Funds for the Project in anticipation of the City's construction of the Phoenix Community Center Project ("CPUC Approval").
  - a. The City shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this Agreement or which contains findings or modifications unacceptable to SCE.
  - b. The City may terminate this Agreement at any time prior to CPUC Approval upon 10 days' Notice (as defined herein), and upon such Notice, SCE will withdraw the Advice Letter. SCE may terminate this Agreement if CPUC Approval has not been obtained or waived by SCE in its sole discretion within 365 days after SCE files its request for CPUC Approval.
- (2) Within a reasonable time after obtaining CPUC Approval, SCE will begin to process the Project pursuant to Rule 20A. This Agreement does not constitute an agreement by SCE to build the Project; rather, upon CPUC Approval, the Project will be designed, engineered, constructed and installed all in accordance with Rule 20A.
- (3) Within 90 days of CPUC Approval, the City agrees to remit payment to SCE of \$50,000 for SCE's actual costs expended on the Highway CA 62 Undergrounding Project and to abandon the Highway CA 62 Undergrounding Project. Upon receipt of the City's payment, SCE will credit the same amount to the City's Rule 20A Funds allocation, and that incremental amount will be available for the Project.

- (4) After CPUC Approval, SCE will calculate the Rule 20A Cap consisting of the City's available allocations and allowable mortgage, in accordance with the Tariff, and SCE will provide Notice to the City setting forth the Rule 20A Cap, inclusive of the funds reimbursed by the City for the Highway CA 62 Undergrounding Project pursuant to Section 3 hereof. The City acknowledges and agrees that SCE, with CPUC Approval, will fund the Project only up to the Rule 20 Cap. The City is solely responsible for funding all amounts for the Project above the Rule 20A Cap.
- (5) The City acknowledges and agrees that Rule 20A Funds may only be used for a portion of the City's larger proposed undergrounding project. This Agreement only addresses the Project, which consists of installing the facilities (and associated work) that are eligible to be undergrounded using Rule 20A Funds, but for the absence of the Phoenix Community Center Project. The City is responsible for the costs for undergrounding non-Project facilities in accordance with SCE's applicable Tariffs, and this Agreement does not govern those facilities.
- (6) The City acknowledges and agrees that SCE's funding of the Project with Rule 20A Funds up to the Rule 20A Cap is contingent upon the City's Substantial Completion of the construction of the Phoenix Community Center Project, in a form substantially similar to the drawings set forth on Exhibit A, or as modified by the City with approval from SCE, in SCE's reasonable discretion, no later than the Required Completion Date.
- (7) The City has provided SCE certain milestones for the construction of the Phoenix Community Center Project, as set forth in Exhibit B of this Agreement. The City will use reasonable efforts during the Phoenix Community Center Project planning and construction period to meet the milestones and avoid or minimize any delays in meeting such milestones. If the City has not met, or reasonably expects that it will not meet, one or more milestones, the City shall provide Notice to SCE, as soon as reasonably practical. The Notice will explain the reason for the milestone(s) delay, expected length of the delay, and the City's remediation plan. The Notice will also state whether the City reasonably believes that it can meet the Required Completion Date.
- (8) If (1) the Phoenix Community Center Project, in a form substantially similar to the plan drawings in Exhibit A, has not reached Substantial Completion (as defined herein) by the Required Completion Date; or (2) the City abandons or cancels the Phoenix Community Center Project; or (3) the City provides Notice to SCE that it will not be able to achieve Substantial Completion of the Phoenix Community Center Project on or before the Required Completion Date, the City will reimburse SCE for all costs expended, or irrevocably committed, by SCE for installation and construction of the Project ("Costs"), up to the Rule 20A Cap, within thirty (30) days of a demand by SCE.
  - a. "Substantial Completion" means the Phoenix Community Center Project is sufficiently complete for the City to occupy and/or utilize the Phoenix Community Center Project for its intended use, without undue interference.

- b. The City may establish "Substantial Completion" of the Phoenix Community Center Project by submitting to SCE any one of the following: (1) a certificate of substantial completion by the City's engineering, procurement, and construction contractor; (2) a certificate of occupancy for the Phoenix Community Center Project; and (3) another form of proof reasonably acceptable to SCE, in SCE's sole discretion.

(9) The City's obligation to reimburse SCE for the Costs shall apply irrespective of whether the Project is completed or not.

(10) SCE shall have no obligation to commence any further work on the Project, or on any other undergrounding projects for the City, until the City has reimbursed SCE for the Costs.

(11) This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed in accordance with the laws of the state of California, without regard to principles of conflicts of laws. The Parties agree to resolve any disputes arising under this Agreement through the CPUC's Alternative Dispute Resolution (ADR) Program. If the Parties are unable to resolve a dispute through the CPUC's ADR Program, the Parties agree that any litigation to enforce or interpret any terms of this Agreement will be brought in the Superior Court of the County of Los Angeles, California (or, if the federal courts have exclusive jurisdiction over the subject matter of the dispute, in the U.S. District Court for the Central District of California), and the Parties hereby submit to the exclusive jurisdiction of such courts.

(12) This Agreement shall, at all times be subject to changes or modifications as the CPUC may, from time to time, direct in the exercise of its jurisdiction.

(13) This Agreement can only be amended by a writing signed by both Parties.

(14) Neither Party shall assign this Agreement or its rights hereunder, as the case may be, without the prior written consent of the other Party, which consent may be withheld in the exercise of its sole discretion.

(15) This Agreement shall be binding upon and inure to the benefit of, the Parties and their respective permitted successors and assigns.

(16) None of the provisions of this Agreement shall be considered waived by either Party unless the Party against whom such waiver is claimed gives the waiver in writing. The failure of either Party to insist in any one instance upon strict performance of any the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishments of such rights for the future but the same shall continue and remain in full force and effect. Waiver by either Party of any default of the other Party shall not be deemed a waiver of any other default.

(17) Except as may be provided or limited by this Agreement, the obligations which by their nature are intended to survive termination of this Agreement, including representations,

warranties, covenants and rights and obligations with respect to indemnification, and payment, shall so survive.

(18) Except as otherwise provided explicitly herein, in performing their respective obligations under this Agreement, neither Party is acting, or is authorized to act, as the other Party's agent.

(19) This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound by this Agreement).

(20) If any term, section, provision or other part of this Agreement, or the application of any term, section, provision or other part of this Agreement, is held to be invalid, illegal or void by a court or regulatory agency of proper jurisdiction, all other terms, sections, provisions or other parts of this Agreement shall not be affected thereby but shall remain in force and effect unless a court or regulatory agency holds that the provisions are not separable from all other provisions of this Agreement.

(21) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original.

(22) By executing this Agreement, the City representative signing the Agreement represents and warrants that he/she has the actual authority to enter into the Agreement on behalf of the City, and to bind the City to its terms.

(23) Notices, requests, invoices or payments ("Notices") from one Party to the other Party shall be made to the addresses and persons specified below. All Notices from one Party to the other Party shall be made in writing except where this Agreement expressly provides otherwise. Notices required to be in writing shall be delivered by hand delivery, overnight delivery, electronic mail, or facsimile. A Party may change its contact information by providing Notice of the same in accordance herewith.

If to SCE:

Tony Mathis  
Principal Manager  
Southern California Edison  
1325 South Grand Ave  
Santa Ana, CA 92705  
714-973-5466  
Tony.mathis@sce.com

If to City:

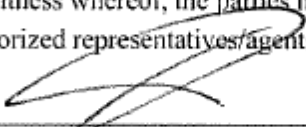
Frank Luckino  
City Manager  
City of Twentynine Palms  
6136 Adobe Rd.  
Twentynine Palms, CA 92277  
760-367-6799  
fluckino@29palms.org

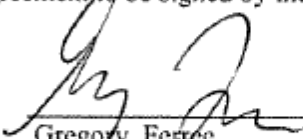
(24) The City shall indemnify, defend and hold SCE harmless from and against any and all loss, liability, damage, claim, cost, charge demand, penalty, fine or expense of any kind or nature, including attorneys' fees, arising out of or in connection with any breach by the City of this Agreement.

(25) This Agreement shall not be construed as an agreement to provide electric service to the City or as a contract to build the Project.

After both Parties have executed this Agreement, SCE will commence drafting the Advice Letter to be submitted to the CPUC. We look forward to working with you and City staff in moving the Project forward.

In witness whereof, the parties hereto have caused this Agreement to be signed by their duly authorized representatives/agents.

  
\_\_\_\_\_  
Frank Luckino  
City Manager  
City of Twentynine Palms

 9/13/17  
\_\_\_\_\_  
Gregory Ferrer  
Vice President, Distribution  
Southern California Edison Company