



Addendum to the General Manager's Report and Recommendation on

Rates and Services

Volume 3, Addendum 1

June 7, 2013



General Manager's Report and Recommendation on

Rates and Services

*Addendum No. 1 to the General Manager's Report and
Recommendation on Rates and Services Dated May 2, 2013*

June 7, 2013

A Sacramento Municipal Utility District Publication

General Manager's Report and Recommendation on Rates and Services, Addendum No. 1

June 7, 2013

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Sacramento Municipal Utility District's
Pricing Division of Resource Planning, Pricing & Commodity Risk
Management

under the direction of:

John DiStasio, General Manager & CEO

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1-888-742-SMUD (7683)

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Overview

This document is Addendum No. 1 to the General Manager's Report and Recommendation on Rates and Services ("Report") dated May 2, 2013 adding to the Report supplementary recommendations relating to:

- Pole Attachment Agreement and Fees

Addendum

1. Pole Attachment Agreement and Fees

The General Manager's Report Volume 1 (pages 40-41) includes certain pole attachment fees to meet the legal requirement prescribed in California Assembly Bill 1027 (2011). This addendum contains fees for certain cable and telecommunication equipment and the terms and conditions for pole attachments in further compliance with AB 1027. AB 1027 requires that before adopting or increasing a fee, or adopting or changing the terms and conditions of access, the utility shall carry out a formal public process following guidelines and formulas prescribed in Public Utility Code (PUC) sections 9510-9520.

This proposal applies to new pole attachments after January 1, 2012 to SMUD distribution poles used solely for the distribution of electricity at less than 50 kilovolts.

Purpose

SMUD has open-ended pole attachment agreements with external parties that pay set fees for the right to use SMUD poles for specific attachments. These agreements were executed before January 1, 2012. The General Manager's Report and this Addendum set forth SMUD's fees and terms and conditions for new pole attachments after January 1, 2012 following the guidelines stipulated in PUC sections 9510-9520. An external party wishing to make a pole attachment will be required to pay established fees per foot of pole usage plus the actual costs incurred by SMUD to facilitate the pole attachment, including without limitation all of SMUD's direct and indirect costs for surveys, inspections, engineering, rearrangement, installation, and removals, all as set forth in the Pole Attachment Agreement included in this Addendum.

Revenue Impact

There is no demonstrable revenue impact as existing leases are grandfathered, and any new leases will have a very minimal impact on revenue.

Recommendation

To comply with AB 1027, the recommendation in this Addendum (in addition to the recommendation in the General Manager's Report), is to set the pole attachment fees for certain cable and telecommunications equipment and the terms and conditions for pole attachments, as described in the Pole Attachment Agreement attached and incorporated herein.

Environmental Assessment

- 1.0 Section 21080(b)(8) of the California Public Resources Code and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) provide that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:
 - (1) Meeting operating expenses, including employee wage rates and fringe benefits;
 - (2) Purchasing or leasing supplies, equipment, or materials;
 - (3) Meeting financial reserve needs and requirements;
 - (4) Obtaining funds for capital projects necessary to maintain service within existing service areas; or
 - (5) Obtaining funds that are necessary to maintain such intra-city transfers as are authorized by city charter.
- 2.0 Section 15061(b) (3) of the CEQA Guidelines provides that where it can be said with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
- 3.0 The proposed action to revise the pole attachment fees for certain cable and telecommunications equipment and the terms and conditions for pole attachments, is for the purposes set forth in (1) through (4) of Section 1.0 of the Environmental Assessment. Therefore, this rate action is exempt from the requirements of CEQA.

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POLE ATTACHMENT AGREEMENT

This Pole Attachment Agreement (“Agreement”) is made by and between the **SACRAMENTO MUNICIPAL UTILITY DISTRICT** (“Permitter”) and, _____ (“Permittee”), who agree as follows:

1. SERVICE AREA: Permitter hereby gives Permittee permission, on the terms and conditions of this Agreement, to install, maintain and use certain cable and telecommunications Equipment (as defined) on poles Permitter heretofore or hereafter installed or acquired in the area served by Permitter (“Poles”). Under this Agreement, Poles do not include street light or other non distribution poles which distribute or transmit electricity at 50 kilovolts or higher. “Equipment” includes, without limitation, communication cables, cathodic protection appurtenances, messenger and guy cables, risers, antennas, one or more sets of transmitter/receivers transceivers, digital signal processors, control electronics, GPS receivers, sheltering, and such other equipment and appliances related to wired and wireless cable and telecommunications services as Permitter may allow to be attached to Poles under this Agreement.

2. ASSIGNMENT: This permission is personal to Permittee and shall not be assigned in whole or in part without the prior written consent of Permitter, which may be withheld for any or for no reason. Permittee agrees that it will give Permitter thirty (30) days written notice of any change in its name, any transfer of all or a portion of its system, any transfer of substantially all of its assets (whether voluntarily or involuntarily), and any major change in its form of doing business, including but not limited to incorporation, dissolution, merger, reorganization, and bankruptcy proceedings. Notwithstanding the foregoing, Permittee may freely assign its rights and responsibilities under this Agreement to a corporate parent, subsidiary or commonly-owned affiliate, upon written notice to Permitter.

3. APPLICATION:

(a) Permittee shall not install Equipment on Poles without first securing Permitter's written approval on the SMUD MakeReady Application in the form attached hereto and marked Exhibit "A" (“MakeReady Application”). If the MakeReady Application is approved, Permitter will issue a Contact Permit in the form attached hereto and Marked Exhibit “B” (“Contact Permit”).

(b) Permitter may deny an application because of insufficient capacity or safety, reliability, or engineering concerns. In determining whether to deny or approve an application, Permitter may also take into

account the manner in which Permittee's attachments could impact an approved project for future use by Permitter of Poles or support structures for delivery of its core utility service.

(c) Upon Permitter's written consent to make an attachment, Permittee shall install, maintain and use Equipment on the Poles specified in the Contact Permit on the terms and conditions therein stated as well as on the terms and conditions specified in this Agreement, which shall be considered a part of each and every Contact Permit irrespective of whether this Agreement is referred to in the Contact Permit.

4. ADDITIONAL EQUIPMENT: Permittee shall not have the right to place, nor shall it place any additional Equipment upon any Pole without first making written application for and receiving written permission to do so, all as prescribed in paragraph numbered 3 hereof; nor shall Permittee change the position of any Equipment attached to any Pole without Permitter's written approval.

5. GROUND WIRE CONTACTS: The Permittee shall not have the right to attach, maintain, use, repair, renew, operate on or remove protective grounding connections from secondary or common neutral vertical grounding conductors of Permitter's facilities and equipment. Permittee shall establish its own independent grounding system.

6. CONDITION, LAWS, AND REGULATIONS: Permittee, subject to the provisions of Permitter's work procedures and rules including without limitation Permitter's safety procedures and rules, shall, at its own risk and expense, place and maintain its Equipment on the Poles (1) in a safe condition and in thorough repair; (2) in a manner suitable to Permitter so as not to interfere with the climbing and working space of the pole by Permitter or others using said pole or with the climbing and working space of facilities of Permitter or others on the pole; (3) and in conformity with all applicable laws, rules, regulations and orders of State and Federal governments, agencies and other governmental authorities, including but not limited to the California Public Utilities Commission and the Federal Communications Commission.

7. REARRANGEMENT OF FACILITIES: If, in the sole judgment of Permitter, the accommodation of any of Permittee's Equipment necessitates rearrangement of existing facilities on the Pole, the replacement of any part or parts or any other "work" of whatsoever kind or nature on the Pole, including without limitation installation work ("Work") Permitter shall issue to Permittee a "Request for Work" which shall include the estimated cost thereof. If Permittee desires to continue use of the Pole, Permittee shall so indicate on the Request for Work and return it to Permitter. Upon receipt, either Permitter or Permittee (in Permitter's sole

discretion) will make such replacement and perform such other Work and Permittor or Permittee will make, and will request other permittees, if any, of said existing facilities to make such arrangements or transfers of said existing facilities, as may be required, all at the sole expense of Permittee. If Permittor performs the Work, Permittee, on receipt of an invoice, will pay to Permittor and such other permittees their charges for making replacements, rearrangements, installations and transfers and performing other reasonably necessary work. Permittor shall not be responsible to Permittee for any loss sustained by Permittee by reason of the failure of any such other party to make such arrangements or transfers. Any new user, other than Permittor and current users of Permittor's facilities will be required to reimburse Permittee for make-ready costs that are created by permitting the new user access to facilities upon which Permittee has made attachments.

8. POLE REPLACEMENT: If, in Permittor's sole judgment, Permittee's existing Equipment on the Pole interfere with or prevent the placing of any facilities thereon required by Permittor, or by any joint owners' facilities on the Pole, and if said facilities could be placed on the Pole by removing Permittee's Equipment therefrom, or by rearranging the existing facilities (excluding rearrangement of Permittee's Equipment above) thereon, Permittor may notify Permittee of the rearrangements of existing facilities or replacement and transfers of existing facilities required in order to continue the accommodation of Permittee's Equipment, together with an estimate of the cost of making any such changes; and, if Permittee desires to continue to maintain its Equipment on the Pole or replace the Pole, and so notifies Permittor, Permittor will make such Pole replacement, if required, and Permittor will make, and will request other joint owners, if any, of said existing facilities to make such rearrangements or transfer of said existing facilities, all at the sole expense of Permittee, and Permittee, upon receipt of an invoice, will reimburse Permittor and such other joint owner(s) for the entire expense thereby incurred. Permittor shall not be responsible to Permittee for any loss sustained by Permittee for any reason or the failure of any such other joint owner to make such rearrangements or transfers. If Permittee does not so notify Permittor, Permittee shall, subject to the provisions of Permittor's work, procedures and rules, including without limitation Permittor's safety procedures and rules, remove Permittee's Equipment from the Pole within thirty (30) days from notification from Permittor.

9. ERECTION OF POLE FACILITIES: If Permittee should require Equipment in a location upon any public thoroughfare or other public or private property, and Permittor does not have Poles so located as to fulfill Permittee's requirements, Permittee shall notify Permittor of its need for such Poles in order that Permittor

may determine whether it wishes to place Poles in that location. If Permitter is willing to erect Poles in such location adequate to care for the service requirements of Permittee, it shall so notify Permittee and thereupon Permittee shall make application under this Agreement for permission to place its Equipment thereon. Upon receipt of said application and payment, Permitter shall proceed to erect said Poles.

10. POLE OWNERSHIP: No use, however extended, of any said Poles under this Agreement shall create or vest in Permittee any ownership rights therein. Nothing in this Agreement shall be construed to obligate Permitter to grant Permittee permission to use any particular Pole. In the construction and maintenance of any of its contacts, and other work contemplated herein, Permittee agrees to conform to the requirements of General Orders No. 95 and 128 of the Public Utilities Commission of the State of California and any supplements thereto and revisions thereof.

11. ADDITIONAL ANCHORS:

(a) In those cases where additional anchorage is necessary due to Equipment placed by Permittee, Permitter may elect to place, own, and maintain such anchors as are required to hold the strains of Permittee's Equipment upon said Poles, and Permittee upon receipt of an invoice will reimburse Permitter for all reasonable expenses thereby incurred. If Permitter elects not to place such anchors, Permittee shall, at its own sole risk and expense, place such anchors. The anchor ownership shall immediately vest in Permittee.

(b) In general, in those cases where the anchorage requirements of Permittee and Permitter are coincident, the strains of Permittee's Equipment and of Permitter's facilities on the Poles shall be held by the same anchors; however, in individual cases when in Permitter's sole judgment such procedure is desirable, Permittee, at its own sole expense, shall provide separate anchors to hold the strains of its Equipment upon the Poles and the ownership of such anchors shall vest in Permittee.

(c) In those cases where any existing anchors are inadequate to hold Permittee's strains and separate anchors are not desired or if anchors being used by Permittee should be inadequate to hold additional strains of Permitter resulting from the placing of additional facilities on said Poles and said anchors would have been adequate to hold the additional strains if Permittees strains were removed therefrom, Permitter shall cause the existing anchors to be replaced with adequate anchors at the sole risk and expense of Permittee, and Permittee, upon receipt of an invoice, will reimburse Permitter for the entire expense thereby incurred. Ownership of such anchors will remain vested in Permitter.

(d) To the extent additional anchorage or guys result in excess capacity and Permittor desires to use some or all of this excess capacity, Permittor will reimburse Permittee for that portion of the expense which was incurred in placing the additional anchorage or guy and which is associated with the excess capacity being used by Permittor.

12. GUYING: Permittee will provide separate guying to hold the strain of its Equipment upon the Poles. In no instance will joint guying be permitted.

13. RIGHT OF WAY: Permittee will obtain from public authorities and private owners of real property any and all permits, licenses, or grants necessary for the lawful exercise of the permission granted by this Agreement or any Contract Permit, and Permittee shall submit to Permittor evidence of compliance with the foregoing requirements prior to Permittor granting permission for any installation of Equipment on any pole.

14. NOTICE OF EQUIPMENT REMOVAL:

(a) On being given at least thirty (30) days written notice by Permittor to do so or in cases of emergency on such notice less than thirty (30) days as the circumstances reasonably permit, Permittee shall remove said Equipment from such Poles as Permittor shall designate in said notice, and, at the expiration of the time specified in said notice, all rights and privileges of Permittee hereunder in and to the Poles designated shall terminate. Any request by Permittor to remove Equipment from Permittor's Poles shall be reasonable and shall not be made in an arbitrary manner. If the Equipment is not removed from the designated Poles within the time specified, Permittor shall have the right to do so at the sole cost of Permittee, which hereby agrees to reimburse Permittor for the actual expense for such removal. If Permittor shall so terminate its permission hereunder as to a portion only of said Poles, it shall have the right at any time or from time to time thereafter to terminate its permission as to any portion or all of the remaining Poles.

(b) Permittee may remove its Equipment from any Poles hereunder upon giving ten (10) days written notice to Permittor. Said notice shall be given by executing the "Notice of Contact Removal" form attached hereto as Exhibit "C" and sending the executed notice to Permittor. Any of Permittee's Equipment removed by Permittee under this subsection shall remain the sole property of Permittee. Abandonment shall be conclusively presumed if said Equipment is not used for any period of ninety (90) consecutive days; provided, however, a determination of abandonment shall not include periods of non-use resulting from construction or maintenance activities by Permittee. After the expiration of said period, Permittor shall have

the right to remove and retain possession of said Equipment, provided that at least ten (10) days prior to such removal Permittor has mailed to Permittee written notice of its intention to remove said Equipment. Upon such removal by Permittor, any and all Permittee's rights in the removed Equipment shall terminate and shall vest absolutely in Permittor.

15. UNDERGROUND RELOCATION: Whenever Permittor removes all or a portion of the Pole line upon which Permittee has installed its facilities and places same underground, then Permittee shall likewise remove its Equipment from said pole line or portions thereof and, if possible, place the same at its sole cost and expense underground. If the Equipment cannot be placed underground, Permittee shall remove the Equipment at Permittee's sole cost and expense. To the extent possible, Permittee agrees to coordinate its removal with Permittor's removal schedule. In the event that Permittee does not coordinate its removal with Permittor's removal schedule, Permittee shall reimburse Permittor for any additional expenses, which occur as a result of Permittee's failure to coordinate with Permittor's removal schedule.

16. PAYMENTS: For the written consent provided for in paragraph I of this Agreement and for the privilege of placing and maintaining said Equipment on said Poles:

(a) Permittee shall pay Permittor for the actual direct and indirect cost of all work performed by Permittor pursuant to Requests for Work requested by Permittee, such work to include surveys, inspections, engineering, rearrangement, installations, and removals. All charges shall be based upon Permittor's regular and customary methods for calculating costs. Such costs invoiced to Permittee shall be paid in advance unless otherwise agreed to by Permittor. If Permittee cancels or withdraws a Request for Work or Contact Permit after Permittor has begun work under the Request for Work or Contact Permit, Permittor shall be reimbursed for the expense of all work performed by Permittor associated with the Request for Work or Contact Permit.

(b) Permittee shall pay, on a pro rata basis and in advance, to Permittor amounts to be computed as of the fifteenth day of June and as of the fifteenth day of December of each calendar year during the existence of this Agreement in accordance with the following formula and the Fee Schedule attached hereto as Exhibit "D" ("Fee Schedule") as such Fee Schedule may be updated by Permittor from time to time:

$(A \times B) + (C \times D) = \text{Total amount of semiannual payment.}$

A= Total number of Equipment attachments as of the date of computation.

- B= Semiannual price equal to $\frac{1}{2}$ of the annual fee set forth for Equipment attachments in the Fee Schedule on a per foot of usable space basis.
- C= Total number of anchor attachments as of the date of computation.
- D= Semiannual price equal to $\frac{1}{2}$ of the annual fee set forth in the Fee Schedule per anchor attachment.

(c) If the Equipment draws energy from Permitter, Permittee will also be required to pay the regular rate and any charges applicable to the consumption of such energy at the small commercial GFN rate (see SMUD's Rate Schedule GS).

(d) The above rates shall apply to all existing uses and attachments of Permittee as well as all future uses and attachments. Permitter may update the Fee Schedule from time to time to reflect its annual costs of ownership in accordance with California Public Utilities Code §§ 9510 *et seq.* The updated Fee Schedule shall apply to all uses and attachments under this Agreement as of the effective date of the updated Fee Schedule.

17. TOTAL OF CONTACTS: For purposes of determining the number of Pole contacts, to be billed under paragraph 16 above, all Pole contacts as reported in the Contact Permits approved by Permitter shall be included in the number of such contacts to be billed. Permittee shall pay Permitter for contacts within thirty (30) days of receipt of invoice for such contacts. Nonpayment of any such amount when due shall constitute a default of this Agreement.

18. UNAUTHORIZED CONTACTS; AUDIT. Permittee acknowledges that pole contacts made without first obtaining Permitter's written consent thereto (hereinafter called "unauthorized contacts") create unnecessary and burdensome problems for Permitter and are prohibited. Permittee agrees that it will apply to Permitter for permission to maintain each and every unauthorized contact which comes to Permittee's attention and will pay retroactive pole contact fees for said unauthorized contacts to the earliest ascertainable date Permittee's Equipment could have made said contact. If no date can be ascertained, the retroactive pole contact fees shall be computed from the earliest date Permittee or its predecessor executed a pole contact agreement with Permitter. Where no ascertainable date is available, the total fee to be paid will be for a maximum period of three years preceding the discovery of the unauthorized contact. For each past year for which the retroactive pole contact fee is to be assessed, the rental rate for determining the retroactive fee shall

be the regular rental rate applicable to the year during which the unauthorized contact occurred. In addition, Permittee shall pay a one-time charge for each unauthorized contact, equal to three years of the regular rate, in accordance with Public Utilities Code § 9513. Permitter may, in its sole discretion, conduct audits from time to time to verify the accuracy in the number and type of Pole attachments.

19. DAMAGE TO FACILITIES: Permittee shall exercise all due care to avoid causing damage to the facilities of Permitter, other permittees, and joint owners supported on the Poles; and Permittee shall assume all responsibility for any and all loss from such damage. Permittee shall make an immediate report of the occurrence of any such damage to the owner of the damaged facilities and shall, upon receipt of an invoice, reimburse said owner for the entire expense.

20. EMERGENCY CONDITIONS: Permittee shall ensure the availability of personnel on a 24-hour basis for response to emergency situations. Upon notification by Permitter, these personnel shall respond in a timely and expeditious fashion and shall be prepared and qualified to make any repairs to Permittee's Equipment necessitated by the emergency.

21. EQUIPMENT INSPECTION: Permitter shall have the right to inspect each new installation of Permittee's Equipment on and in the vicinity of Poles and to make periodic inspections at reasonable intervals during the term hereof and to require maintenance work by Permittee as necessary to maintain compliance with General Orders 95 and 128. Permittee shall pay to Permitter upon receipt of an invoice Permitter's expense for making such inspections. In the event Permittee fails or refuses to perform such work within thirty (30) days after being notified, Permitter may perform the work and charge Permittee for the cost thereof.

22. LIABILITY: Permittee shall defend, indemnify and hold harmless Permitter, its directors, officers, agents and employees against all claims, loss, damage, expense and liability asserted or incurred by other parties, including, but not limited to, Permitter's employees and Permittee's employees, arising out of Permittee's performance of this contract and caused by the acts, omissions, or negligence, whether active or passive, of Permittee, its agents and employees, and excepting only such loss, damage or liability as may be caused by the intentional acts or the sole negligence of Permitter.

23. INSURANCE: Without limiting any of the other obligations or liabilities of Permittee, Permittee shall secure and maintain at its own cost and expense throughout the duration of this contract, insurance

coverage in accordance with requirements established in the Insurance Requirements Form, which is attached and included as Exhibit "E" to this Agreement and by this reference is made a part hereof.

24. SUSPENSION OF WORK: Permittor shall have the right to require Permittee to suspend immediately any work being performed or to be performed by Permittee hereunder whenever in Permittor's sole opinion such work is being performed or is to be performed in a manner contrary to any of the provisions of this Agreement in an unsafe manner or in any manner which might cause injury to persons or damage to property. Permittee shall not resume any such work until Permittor has given Permittee approval to do so.

25. REMOVAL OF EQUIPMENT BY DEFAULT: If Permittee should default in the removal of its Equipment from any pole within the time allowed for such removal or should default in the performance of any other work which it is obligated to do under this Agreement, Permittor may elect to do such work at Permittee's sole risk and expense, and Permittee, upon receipt of an invoice, shall reimburse Permittor for the entire expense thereby incurred.

26. DEFAULT; TERMINATION: Upon any default of Permittee, Permittor shall have the right to terminate this Agreement upon thirty (30) days notice provided Permittee does not cure the default within said thirty (30) day period.

27. PAST DUE PAYMENTS: Any amount to be paid by Permittee to Permittor which is not paid within ten (10) days after written notice when due shall bear interest at the rate of one (1) percent per month on the unpaid balance until paid.

28. TERMINATION OF AGREEMENT: Any termination of this Agreement, shall not relieve either Permittee or Permittor of any obligation, whether indemnity or otherwise, which has accrued prior to such termination or completion of removal of Permittee's Equipment, whichever is later, or which arises out of an occurrence happening prior thereto.

29. PERMITS, LICENSES: The Permittee shall obtain from public authorities and private owners of real property any and all permits, licenses or grants necessary for the lawful exercise of the permission hereby given.

30. AMENDMENTS: This Agreement may be amended as required, however, no such amendment shall become effective unless and until the amendment has been agreed to in writing by the parties hereto.

31. NOTICE: Wherever in this Agreement notice is provided or required to be given by either party hereto to the other, such notice shall be in writing and transmitted by United States mail or by personal delivery to:

Permitter at: Sacramento Municipal Utility District
P.O. Box 15830, MS EA 105
Sacramento, CA 95852-1830
Attn: Michelle Zuniga,
Distribution Line Design Supervisor

Permittee at: _____

with a copy of default notices to :

32. TERM: The Agreement shall continue from year to year but may be canceled by either party at any time upon one hundred twenty (120) days prior written notice.

PERMITTOR:
SACRAMENTO MUNICIPAL UTILITY
DISTRICT

Print Name: _____
Sign : _____
Dated: _____

PERMITTEE: _____

Print Name: _____
Sign : _____
Dated: _____

Exhibit A

SMUD MAKEREADY APPLICATION



SMUD / DISTRIBUTION SERVICES
P.O. Box 15830, MS EA 105
SACRAMENTO, CA 95852-1830

Application # _____
Thomas Bros. _____
SMUD Map # _____

To SMUD:

In accordance with the terms of the agreement, dated _____, covering the use of SMUD poles located at _____
_____ County of _____, State of California, we hereby request
permission to place and maintain certain equipment on _____ poles and _____ anchors, as more particularly
described and delineated on the attached drawings. In accordance with the prevailing Pole Attachment Agreement, all
permits, licenses or grants have been obtained for the attachments covered by this permit.

Permittee: _____ Signed: _____
Address: _____ Title: _____
Address: _____ Dated: _____
Date of Attachment _____

To Permittee:

Permission is hereby granted by SMUD to the Permittee to place the above-described equipment on the above-identified poles, subject to the following:

1. The terms and conditions of the above mentioned agreement.
2. Administrative and inspection costs in the amount of:
\$ _____
3. Permittee makes changes or rearrangements at sole risk and expense.

Installation of said equipment on said poles shall be complete within 120 days from the date of our Authorization to Install/Rebuild Facilities. Permission hereby granted may be revoked if the work has not been completed within the 120-day period.

To Permittee:

You are hereby authorized to make the above-mentioned changes and rearrangements on the above-identified poles, if any, at your expense upon receipt of payment for above charges. Please submit payment with copy of this application to address below.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

Attention: Joint/Lease Pole
P.O. Box 15830, MS EA 105
Sacramento, CA 95852-1830

Approved by: _____
Title: _____
Date: _____

Exhibit B

NOTICE OF CONTACT (CONTACT PERMIT)

FROM: SACRAMENTO MUNICIPAL UTILITY DISTRICT
P.O. Box 15830, MS EA 105
ATTN: JOINT POLE
SACRAMENTO, CA 95852-1830

NUMBER
DATE

Under and pursuant to the agreement between the Sacramento Municipal Utility District and _____ dated _____ permission is hereby given for facility contact to SMUD poles and/or anchors as listed below:

NO. OF POLES	RATE	TOTAL
NO. OF ANCHORS	RATE	TOTAL

TO:

DATE OF CONTACT:

POLE(S):

ANCHOR(S):

MAP NO. _____

ORDER #: _____

FORMAL NOTICE MAILED:

By _____

Date _____

Exhibit C

NOTICE OF CONTACT REMOVAL

FROM: Sacramento Municipal Utility District
P.O. Box 15830, MS EA 105 ATTN: JOINT POLE
SACRAMENTO, CA 95852-1830

NUMBER
DATE

Under and pursuant to the agreement between the Sacramento Municipal Utility District and _____ dated _____, formal notice is hereby given for facilities removal /abandonment, as listed below:

NO. OF POLES	RATE	TOTAL
NO. OF ANCHORS	RATE	TOTAL

TO:

DATE OF REMOVAL:

POLE #:

ANCHOR #:

MAP NO. _____

ORDER #: _____

FORMAL NOTICE SENT:

Date _____

By _____

Exhibit D

Fee Schedule

A. Annual rate per foot of usable space occupied by use/attachment:	\$12.52.
B. Annual rate per anchor attachment:	\$5.32.
C. Transfer of Equipment fee per attachment:	\$384.00.

Exhibit E

Insurance Requirements Form

TYPE OF COVERAGE		MINIMUM COVERAGE LIMITS		
<input checked="" type="checkbox"/>	Commercial General Liability (CGL)	Occurrence	Aggregate	
	Un-Modified ISO form CG 0001 10 93, or other acceptable to SMUD. <input checked="" type="checkbox"/> Additional Insured Endorsement- Including on-going and products/completed operations <input checked="" type="checkbox"/> Coverage Limits shall be endorsed to be dedicated to liability arising under this Agreement <input checked="" type="checkbox"/> Delete Railroad Exclusionary Language <input checked="" type="checkbox"/> Including Contractual Liability	Bodily Injury, Property Damage, Contractual Liability	\$5M	\$5M
<input checked="" type="checkbox"/>	Business Automobile Liability (BAL)	Individual	Accident	
	Covering claims arising from ownership, operation, loading, unloading owned, hired, leased, non-owned, and /or borrowed private passenger and commercial vehicles. <input checked="" type="checkbox"/> Additional Insured (Coverage noted on certificate)	Bodily Injury, Property Damage	\$5M	\$5M
<input type="checkbox"/>	Environmental Impairment Liability (EIL) / Contractor's Pollution Liability (CPL)	Occurrence	Aggregate	
	Covering claims arising from handling, abatement, and transport of pollutants including asbestos and lead paint <input type="checkbox"/> Additional Insured (Coverage noted on certificate)	Bodily Injury, Property Damage	N/A	N/A
<input type="checkbox"/>	Aircraft Liability (Air)	Per Seat	Occurrence	
	Covering claims from passengers, SMUD and other third parties <input type="checkbox"/> Additional Insured (Cover noted on certificate)	Bodily Injury, Property Damage Aircraft Capacity- Pilot Plus Maximum of 3 Passengers Aircraft Capacity- Pilot Plus 4 Passengers or More	N/A	N/A
<input type="checkbox"/>	Professional Errors & Omissions Liability (E&O)	Each Claim	Aggregate	
	Covering claims arising out of Contractor's Scope of Services. No subcontractor exclusion or subcontractor(s) must carry equal insurance.	Financial Loss, Personal Injury, Bodily Injury, Property Damage	N/A	N/A
<input checked="" type="checkbox"/>	California Workers Compensation (WC) Including US Longshore & Harbor Workers Coverage where applicable	CA Statutory Limits		
	<input checked="" type="checkbox"/> Employer's Liability (EL) Covering Bodily Injury by Accident & Bodily Injury by Disease	Per Employee	Aggregate	
		\$ 1 M	\$ 1 M	
<input checked="" type="checkbox"/>	Railroad Protective Liability	Each Claim	Aggregate	
	<input checked="" type="checkbox"/> Named Insureds- Any and all railroads located within 50 feet of Permittee's work. <input checked="" type="checkbox"/> Coverage shall be primary and cover losses arising out of Permittee's acts or omissions within 50 feet of a railroad property.	Bodily Injury and Property Damage	\$5M	\$5M

Primary Coverage: Insurance required above shall be primary as respects: SMUD, its directors, officers, representatives, agents, employees, lessors and/or any other person or entity for which SMUD has agreed in writing that its contractors or permittees shall include as an additional insured (collectively hereinafter referred to as "The Parties") and any other insurance effected or procured by any or all of The Parties shall be excess of and shall not contribute with the required insurance.

Additional Insureds Severability of Interests, Waivers of Subrogation: These policies, with the exception of WC, EL and E&O coverages, shall name The Parties as additional insureds as respects work performed pursuant to or incidental to this Agreement (including coverage for ongoing and products/completed operations hazards) except for active negligence of The Parties in public works construction contracts (Cal Ins Code §11580.04). ISO forms CG 2010 or CG 20 33(ongoing operations) and CG 2037 (products/completed operations), or other forms acceptable to SMUD, shall be used. CGL severability of interests (cross liability), and CGL, BAL and WC waiver of subrogation clauses shall be included. Pursuant to the terms of this Agreement, insurance effected or procured by Permittee shall not reduce or limit Permittee's obligation to indemnify and defend The Parties for claims made or suits brought which result from, or in connection with, the performance of this Agreement.

Products/Completed Operations: The coverages required herein, when written on an occurrence form, shall be maintained during the entire term of the Agreement. Coverages written on a claims-made form, and E&O, EIL coverage shall be maintained during the entire term of the Agreement and further until at least three years following completion and acceptance of all work under this Agreement. Additional insured endorsements providing products/completed operations coverage shall continue to provide coverage through the expiration of time within which a claim may be filed under all applicable laws.

Insurer Security: Insurers shall be rated A- / IX or better by A.M. Best, or shall be otherwise acceptable to SMUD. Insurers need not be admitted by the State of California.

Insurance Certificates, Endorsements, Notice of Policy Change/Cancellation: Before commencing work under this Agreement, Permittee's broker or agent shall provide copies of additional insured and waiver of subrogation endorsements, as well as deletion of railroad exclusionary language endorsement, and certificates of insurance verifying that at least the minimum insurance coverages required above are in effect. In the event of a loss or claim potentially arising out of Permittee's Scope of Services, Permittee shall promptly provide complete copies of its insurance policies upon written request by SMUD. Certificates must disclose any self-insured retention of \$250,000 or more. Certificates must specify whether the liability coverages are written on an occurrence form or a claims-made form. There shall be no change(s) to or cancellation(s) of coverage(s) resulting in the Permittee becoming non-compliant with the insurance coverage required herein this Agreement. In the event a change or cancellation will result in Permittee becoming non-compliant with the insurance coverage required herein, Permittee shall provide thirty (30) days advance written notice to SMUD of any such change or cancellation. Permittee's failure to provide such advance written notice shall be construed to be a material breach of this Agreement.

SACRAMENTO MUNICIPAL UTILITY DISTRICT
P. O. BOX 15830, SACRAMENTO, CA 95852-1830
ATTENTION: