

AGREEMENT FOR UNDERGROUND ELECTRIC SERVICE

Mar Bella 13B

The State of Texas §
 §
County of *Galveston* §

This Agreement made and entered into by and between CenterPoint Energy Houston Electric, LLC, a Texas corporation, its successors and assigns, hereinafter called "Company" and, *Taylor Woodrow Communities – League City, Ltd*, its successors and assigns, hereinafter called "Owner".

WITNESSETH:

WHEREAS, Owner owns and is developing a single family residential property which is partitioned into single lots, tracts, or parcels of land known as *Mar Bella 13B*, a subdivision containing at least 24 lots, which is located in the *Rafael Basquez Survey, Abstract No. 32 and Nathan Fuller Survey, Abstract No. 67*, hereinafter called "Subdivision". The part of the Subdivision covered by this contract will be fully shown on a plat thereof which Owner agrees to record in the Map Records of *Galveston County, Texas*;

WHEREAS, pursuant to its tariff for retail delivery service, Company customarily extends and furnishes electric service by and through an overhead electric delivery system containing primary, secondary, and service lines; and,

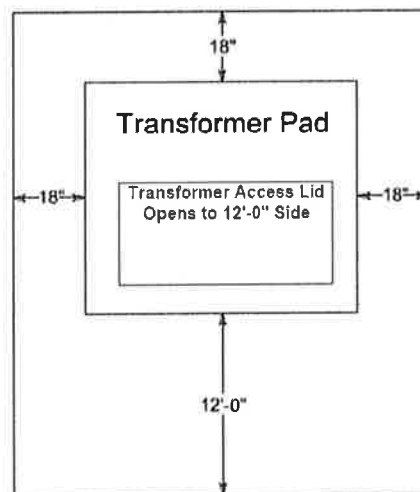
WHEREAS, in lieu of Company's standard overhead electric delivery system, Owner has requested Company to install within the Subdivision the underground electric cables, and other facilities described and identified herein below in Paragraph 1, which Company is willing to do, as set forth in this agreement.

NOW THEREFORE, it is agreed as follows:

1. The underground electric distribution system, hereinafter called the "Underground Distribution System", shall be installed in easements provided therefore and shall consist of, but not be limited to, overhead primary feeder circuits constructed on poles, single or three phase, and underground primary and secondary circuits, pad mounted or other types of transformers, junction boxes, and any such other appurtenances deemed necessary by Company to make underground service available to the permanent residential dwelling units.
2. Owner agrees, at Owner's expense to (1) have all lot, block and reserve corners accurately pinned with iron rods not less than 1/2-inch in diameter or iron pipes not less than 3/4-inch in outside diameter and not less than 24-inches long (longer rods or pipes should be used in soft soil to insure the stability of the monument); (2) identify all lots with stakes or laths marked with lot numbers; (3) have all easements cleared of trees, stumps, permanent fencing and other obstructions which would interfere with Company's overhead distribution pole line or underground cable installation; and, (4) develop all easements and rights-of-way to final grade level suitable for machine trenching before Company starts its installation. Owner agrees to have all streets, public or private, alleys, and/or paved infrastructure constructed

before any Company electrical underground facilities can be installed. Upon the Company's completion of the installation of the facilities, Owner agrees to reimburse Company for any and all additional costs to the Company resulting from changes made to the final grade level by Owner where the integrity of the Underground Distribution System. Owner shall be allowed fourteen (14) calendar days to resolve grade level conflicts, other than during emergency operating events or electrical outage events. In such cases Owner shall pay all cost to Company within thirty (30) days. Upon completion of the initial installation of Underground Distribution System, grade shall be kept substantially in conformance to the original grade. In the event grades are changed and negatively impacts the operations of said Underground Distribution System or safe operating clearances, then all relocations or modifications to the Underground Distribution System shall be at the expense of the Owner. Owner further covenants, agrees, and clarifies that all easements, including, but not limited to, those dedicated by recorded plat and labeled "Public Utility Easement", "Utility Easement" and/or "Aerial Easement" on the face thereof, and easements created by separate instrument, including, but not limited to those created by and through covenants and/or deed restrictions, shall be kept unobstructed. Company shall also have rights of ingress and egress to and from easement area(s), together with reasonable working space, for the purposes of erecting, installing, operating, maintaining, replacing, inspecting, and removing utility facilities, together with the additional right to remove from said easement and land immediately adjoining thereto all bushes, trees, landscaping and parts thereof, or other structures or improvements which are within, protrude, bisect, encroach or overhang into said easement areas and if in the sole opinion of Company, endanger or may interfere with the efficiency, safe and proper operation, and maintenance of any utility facilities. Further, in the event dead or dangerous trees exist within the fall range of overhead electrical facilities, then Company shall have the right to take down dead or dangerous trees said trees based on Company's discretion. In addition to the above, from time to time the Company will have to access electrical transformers and pedestals, during said access hot stick limits require additional safe operation space, which is illustrated below or on next page:

**MINIMUM UNOBSTRUCTED CLEARANCES
FOR PAD MOUNTED TRANSFORMERS**



3. Absent written authorization by the affected utilities or Company, all utility and aerial easements must be kept unobstructed from any non-utility improvements or obstructions by the property owner. Any unauthorized improvements or obstructions may be removed by any public utility or Company at the property owner's expense. While wooden posts and paneled wooden fences along the perimeter and back to back easements and alongside rear lots lines are permitted, they too may be removed by public utilities or Company at the property owner's expense should they be an obstruction. Public utilities or Company may put said wooden posts and paneled wooden fences back up, but generally will not replace with new fencing.
4. Owner hereby restricts said Subdivision to Underground electric service and the parties agree and stipulate that the filing of this instrument in the Deed Records of *Galveston County, Texas* will have the same force and effect as a deed restriction running with the tract of land to the effect that only Underground electric service will be furnished thereto, except such overhead facilities as shown on the facility plan layout agreed to and approved by both parties thereon. Areas in the Subdivision not served from the Underground Distribution System will be served by the Company from the usual overhead electric distribution system. Areas outside of the Subdivision are not covered by this Agreement, unless Owner has dedicated through separate agreements for DEDICATION OF UNOBSTRUCTED DRY PUBLIC UTILITY AND AERIAL EASEMENTS along the perimeter or proposed platted boundary, in which case those agreements attach, tack and run with this agreement.
5. The electric service furnished under this Agreement will be of the type described by the Company as single phase, 120/240 volt, three wire, 60-cycle alternating current for lighting and power.
6. Company will make Underground electric service available to permanent residential dwelling units in the Subdivision under Company's standard terms and conditions, or standard electric service agreements, at its regular published applicable rates at the nominal secondary service voltage specified in Paragraph 4 hereof, and at the load terminal of the individual meters.
7. Company reserves the right to construct such overhead primary feeder lines within dedicated Public Utility or Utility Easements and Aerial easements, or acquired easements otherwise acquired within the Subdivision, or elsewhere as it may determine are necessary, for the furnishing of the Underground Distribution System or to meet Company's general area requirements. At Company's option, those lots adjacent to such overhead distribution facilities may be served from such overhead distribution system. Where overhead service is furnished for electrical distribution purpose, the distribution system will be installed in Utility and Aerial Easements provided therefore and shall consist of overhead primary and secondary circuits constructed on poles equipped with transformers and such other appurtenances as Company deems necessary to make overhead service available. Company shall, concurrently with the installation of its facilities, have title to and complete control over the facilities to be installed by it.

8. In consideration of Company's installing the Underground Distribution System in lieu of its standard overhead electric system, Owner hereby grants easements to Company for the Underground Distribution System and the overhead electric system in, over, under, and across those parts of the Subdivision which are necessary for the purposes of installation, operation, inspection, repair, maintenance, replacement, removal and enlargement thereof. All of Company's distribution lines and equipment are to be installed in the locations which are mutually acceptable to the parties hereto. In the event any action by Owner requires relocation of all or any part of Company's facilities, Owner agrees to reimburse Company in full for all of Company's expenses incurred in effecting such relocation.
9. Owner warrants that it is the record owner of the property described herein and that the easements and use restrictions granted herein are superior to any other interests in said property, including, but not limited to, the interest of a lien holder, mortgagee or trustee under a deed of trust, if any. If the property is subject to a lien, mortgage or deed of trust, the lien holder, mortgagee or trustee for good consideration hereby joins in the execution of this Agreement, but solely for the purpose of subordinating its interest in the property to the interests herein granted to Company.
10. In order for the Company to install an initial URD Loop within a subdivision section as requested by Owner, the Owner must: (a) provide Company with a security payment or, (b) provide a non-cash alternative or, (c) have a homebuilder complete at least one (1) house slab. Owner shall pay all applicable costs for additional loops being requested by the Owner.
11. Company agrees and declares that nothing contained in this Agreement is intended to or will constitute a lien against the hereinabove described property, and Company does not have or claim any lien against said property under this Agreement.
12. This Agreement, and the benefits and obligations hereof, will be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors, and assigns, as the case may be, and this Agreement will not be assigned by either party without the consent of other party.
13. Owner further agrees to coordinate the construction of buildings, structures, improvements, and other utilities in such a manner so as to avoid conflict or interference with the Company's installation of its facilities. In the event Company is prohibited from the installation of its facilities due to the untimely construction of various improvements then Owner agrees to reimburse Company for the additional cost to the Company resulting from such interference.
14. Owner agrees to allow electrical service connection, also known as service drops, to be made from adjoining lots or home sites into any of said easements.
15. Owner may provide and install conduit for all street crossings for the installation of Company's facilities including gas sleeves, distribution, street lights, and related communications facilities. All conduits shall be installed according to the Company's standards and location specifications. Company's representatives shall inspect the installation

of the conduits. In the event that the street crossing conduit has not been installed to Company's standards and location specifications at the time of the final construction walk by Company and Owner representatives, street bores will be required.

16. The Owner may also, at its sole discretion, request the Company's contractor to install the street bores. Although all street bores will be made in accordance with city or county standards applicable to that location, the Owner acknowledges that bores in certain soil conditions can result in cracks to the pavement over time. OWNER SHALL INDEMNIFY AND HOLD HARMLESS THE COMPANY AND ITS EMPLOYEES FROM ANY AND ALL DEMANDS, CLAIMS OR SUITS OF ANY KIND (INCLUDING REASONABLE ATTORNEYS' FEES) ARISING IN FAVOR OF OWNER OR ANY THIRD PARTY FOR DAMAGE TO STREETS, PAVEMENTS, SIDEWALKS, WHICH RESULTS DIRECTLY OR INDIRECTLY FROM NECESSARY ACTIVITIES RELATED TO THE COMPANY'S CONTRACTOR'S INSTALLATION OF THE STREET BORES MADE BY THE COMPANY, ITS AGENTS OR CONTRACTORS, EVEN WHERE CAUSED BY JOINT OR SOLE NEGLIGENCE OR FAULT OF THE COMPANY OR ITS AGENTS OR CONTRACTORS, BUT NOT THEIR WILLFUL MISCONDUCT OR GROSS NEGLIGENCE. This indemnification does not extend to damage caused to other property by Company, its agents or contractors that is incidental to the work. (E.g. Damage to an automobile legally parked on the street). This indemnity applies to any boring done by Company for Owner at owner's request; including any additional boring deemed necessary on the final construction walk. Any and all additional bores required, as determined on the final construction walk (obstructions and bad location of installed conduit by Owner), will be at the cost of the Owner. All costs of bores associated with this development shall be paid in full prior to Company starting construction of facilities. * Upon the completion of the final inspection, Company shall assume ownership of all conduits.

***OWNER SELECT STREET BORE OPTION:**

- ☐ **Option 1.** Owner shall provide and install all conduits to Company's standards and location specifications. Company's representative shall inspect installation of all conduits. Inspection request shall be made no less than twenty-four (24) hours in advance (Mon. – Fri.; between 8:00AM and 5:00PM, holidays excluded) Consultant's Office Phone #, Distribution Project Management of CenterPoint Energy Houston Electric, LLC, [SAP # SAP # ONLY] * Upon completion of final inspection, Company shall assume ownership of all conduit.
- ☒ **Option 2.** Owner shall pay cost of turnkey job to Company for installation of all conduits associated with street bore construction. Owner shall be responsible for the remittance of all payments prior to scheduling work for construction and shall indemnify the Company for all damages to the street caused by such installations as provided in paragraph 16 of this Agreement.

IN TESTIMONY WHEREOF, witness our hands to triplicate originals, this the 24 day of September, 2015.

Owner Name

CenterPoint Energy Houston Electric, LLC

By:

By: _____

Title of Owner:

Jason Fabre

Name:

Manager

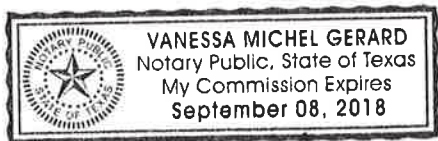
Power Delivery Solutions

Robert Skinner
(Typed or Printed)

The State of Texas §

County of Harris §

This instrument was acknowledged before me on this 24 day of September, 2015, by Robert Skinner Owner, on behalf of said Owner.



V. M. Gerard
Notary Public

The State of Texas §

County of Harris §

This instrument was acknowledged before me on this ____ day of _____, 20____, by Jason Fabre, Manager, Power Delivery Solutions of Center Point Energy Houston Electric, LLC, on behalf of said Company.

Notary Public

