COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS
"To Enrich Lives Through Effective and Caring Service"
900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone (626) 458-5100
http://dpw.lacounty.gov

MARK PESTRELLA, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
74 July 12, 2022
Celia Zavala
CELIA ZAVALA
EXECUTIVE OFFICER

July 12, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**TRANSPORTATION CORE SERVICE AREA
RESOLUTION OF INTENTION AND INTRODUCTION OF TWO ORDINANCES TO GRANT PROPRIETARY ELECTRICAL TRANSMISSION FRANCHISES TO RACEWAY SOLAR 1, LLC, AND ESTRELLA SOLAR, LLC, FOR THE SILVERADO POWER WEST LOS ANGELES PROJECT AND THE ESTRELLA SOLAR PROJECT WITHIN WEST AVENUE A, 90TH STREET WEST, 95TH STREET WEST, WEST AVENUE A-8, WEST AVENUE B, AND 110TH STREET WEST, IN THE UNINCORPORATED DEL SUR AREA OF THE COUNTY OF LOS ANGELES
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

Public Works is seeking Board approval to grant one electrical transmission franchise to Raceway Solar 1, LLC, and one electrical transmission franchise to Estrella Solar, LLC, within West Avenue A, 90th Street West, 95th Street West, West Avenue A-8, West Avenue B, and 110th Street West, in the unincorporated Del Sur area of the County of Los Angeles.

IT IS RECOMMENDED THAT THE BOARD:

1. Determine that the recommended actions are within the scope of the Silverado Power West Los Angeles Project impacts analyzed in the Environmental Impact Report and within the scope of the Estrella Solar Project impacts analyzed in the Mitigated Negative Declaration previously adopted by the Los Angeles County Regional Planning Commission.

2. Approve the Resolution of Intention to grant proprietary electrical transmission franchises, one to Raceway Solar 1, LLC, and one to Estrella Solar, LLC; set the matter for a public hearing on August 30, 2022, or the next available hearing date within 60 days from the date of adoption of the Resolution of Intention; and instruct the Executive Officer of the Board of Supervisors to publish a Notice of Public Hearing pursuant to Section 6232 of the California Public Utilities Code.

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT THE BOARD:

Adopt the ordinances granting proprietary electrical transmission franchises to Raceway Solar 1, LLC, and Estrella Solar, LLC, within West Avenue A, 90th Street West, 95th Street West, West Avenue A-8, West Avenue B, and 110th Street West, in the unincorporated Del Sur area of the County of Los Angeles.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will comply with the California Environmental Quality Act (CEQA) and allow the Board of Supervisors to approve the enclosed Resolution of Intention (Enclosure A), schedule a public hearing, and publish a Notice of Public Hearing, as needed, to adopt the enclosed ordinances (Enclosure B) to grant propriety electrical transmission franchises to Raceway Solar 1, LLC, and Estrella Solar, LLC, within West Avenue A, 90th Street West, 95th Street West, West Avenue A-8, West Avenue B, and 110th Street West, in the unincorporated Del Sur area of the County of Los Angeles.

Raceway and Estrella requested 35-year proprietary electrical transmission franchises to install underground medium-voltage cables and aboveground poles and overhead high-voltage transmission lines to conduct and transmit electricity from the planned Solar Generating Facility projects known as the Silverado Power West Los Angeles Project and the Estrella Solar Project to the existing Big Sky North Substation.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Strategy II.3, Make Environmental Sustainability our Daily Reality; Objective II.3.2, Foster a Cleaner, More Efficient, and More Resilient Energy System; and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, because revenue received from this transaction will help promote fiscal sustainability for the operation and maintenance of County highways. This transaction also allows for the continuation of utility services through renewable sources.

FISCAL IMPACT/FINANCING

There will be no significant impact to the County General Fund.

Raceway and Estrella will each pay the County a granting fee of $10,000 and will pay annual franchise fees based on $3.73 per linear foot of highway space occupied, which will be adjusted annually using the Consumer Price Index for All Urban Consumers.

The first year's franchise fee will be $142,602 for Raceway and $141,699 for Estrella, which will be deposited in Fiscal Year 2022-23 into the Road Fund (B03-Revenue Source 8355: Franchises).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Silverado Power West Los Angeles and the Estrella Solar Projects' future solar generating facilities and related powerlines routes were approved by the Los Angeles County Regional Planning Commission on July 19, 2021, and December 8, 2021, respectively. The facilities to be installed under the franchises consist of underground medium-voltage cables and aboveground poles and overhead high-voltage lines to conduct and transmit electricity. The franchises will be in effect for 35 years, commencing on September 28, 2022, and expiring on September 27, 2057. Raceway and Estrella requested a 35-year term for each of the ordinances to coincide with the 35-year term set forth in the County's approved Conditional Use Permits No. RPPL2020004435 and RPPL2020005134.

Division 3, Title 16, of the Los Angeles County Code authorizes the Board to grant a franchise associated with electrical transmission lines. County Counsel prepared and approved the accompanying Resolution of Intention and the ordinances.

Pursuant to Section 6232 of the California Public Utilities Code, the Executive Officer of the Board shall arrange for the publishing of a Notice of Public Hearing in a newspaper of general circulation in the County at least once within 15 days of the Board's adoption of the Resolution of Intention.

ENVIRONMENTAL DOCUMENTATION

An Initial Study (IS) was prepared for the Estrella Solar Project in compliance with CEQA. The IS identified nine potentially significant effects of the project: Aesthetics, agricultural and forestry resources, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, noise, and tribal cultural resources. Prior to the release of the proposed Mitigated Negative Declaration (MND) and IS for public review, revisions in the project were made or agreed to that would avoid or mitigate the effects to the point where no significant effects would occur. Mitigation measures necessary to ensure that the project will not have a significant effect on the environment are contained in the Mitigation Monitoring and Reporting Program (MMRP) prepared for the project. Written public comments received during the comment period of June 26, 2021, to August 26, 2021, were responded to in the project's response to public review period, the Commission found that: (1) on the basis of the whole record before it that there is no substantial evidence that the project will have a significant effect on the environment; (2) MND reflects the independent judgment of the Commission; and (3) MMRP identifies in detail how compliance with its measures will avoid or mitigate adverse environmental impacts from the project. The Commission adopted the MND on December 8, 2021.

An Addendum to an Environmental Impact Report (EIR) was prepared for the Silverado Power West Los Angeles Project in compliance with CEQA. The EIR IS identified 14 potentially significant effects of the project: Aesthetics, agricultural and forestry resources, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, public services, transportation and traffic, and utilities and service systems. Prior to the release of the proposed draft EIR and IS for public review, revisions in the project were made or agreed to that would avoid or mitigate the effects to the point where no significant effects would occur. Mitigation measures necessary to ensure that the project will not have a significant effect on the environment are contained in the MMRP prepared for the project. Written public comments received during the comment period of January 6, 2014, to

February 19, 2014, were responded to in the project's response to comments. After consideration of the Addendum, certified EIR, MMRP, and comments received during the public review period, the Commission found that: (1) on the basis of the whole record before it that there is no substantial evidence that the project will have a significant effect on the environment; (2) the Addendum and EIR reflect the independent judgment of the Commission; and (3) MMRP identifies in detail how compliance to its measures will avoid or mitigate adverse environmental impacts from the project. The Commission adopted the Addendum to the EIR on July 14, 2021.

The recommended actions are within the scope of the projects in the previously adopted MND and the certified EIR. The selected powerlines routes are from proposed routes evaluated in the documents. There are no changes to the projects or to the circumstances under which the projects are undertaken that require further review under CEQA.

The location of the documents and other materials constituting the record of the proceedings upon which the Commission decision and the Board's decision is based in this matter is at Public Works, 900 South Fremont Avenue, 10th Floor, Alhambra, CA 91803. The custodian of such documents and materials is Survey/Mapping & Property Management Division, Real Estate Services Section, and they are also available at the following CEQA websites:

https://ceqanet.opr.ca.gov/2012061068/2
https://ceqanet.opr.ca.gov/2021070438

Upon the Board's approval of the projects, Public Works will file a Notice of Determination with the office of the Registrar-Recorder/County Clerk in accordance with Section 21152(a) of the California Public Resources Code and pay the required processing fee with the Registrar-Recorder/County Clerk.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact or adverse effect to any current services or future County projects.

CONCLUSION

Please return adopted copies of this letter, the adopted ordinances, and the adopted Resolution of Intention to the attention of Mr. Josh Phillips, Real Estate Manager, AES Corporation, c/o Raceway Solar 1, LLC, c/o Estrella Solar, LLC, 2180 South 1300 East, Suite 600, Salt Lake City, UT 84106; the office of County Counsel; and Public Works, Survey/Mapping & Property Management Division.

Respectfully submitted,

MARK PESTRELLA, PE
Director

MP:GE:ec

Enclosures

c: Auditor-Controller (Accounting Division–Asset Management)
Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office

Enclosure A

RESOLUTION OF INTENTION
TO GRANT PROPRIETARY ELECTRICAL TRANSMISSION FRANCHISES
TO RACEWAY SOLAR 1, LLC, AND ESTRELLA SOLAR, LLC

BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles, State of California:

A. Raceway Solar 1, LLC, and Estrella Solar, LLC, hereinafter referred to as Franchisees, have applied to the Board of Supervisors of the County of Los Angeles, State of California, for thirty-five (35)-year franchises terminating on August 29, 2057, to construct, operate, maintain, renew, repair, change the size of, remove or abandon in place, and use an electrical transmission system consisting of conduits, manholes, vaults, cables, wires, poles, switches, communications circuits, other equipment, appliances, and appurtenances necessary and appropriate for cable circuits and communication line crossing, and for the purpose of conducting and transmitting electricity and electrical energy for light, heat, and power purposes, and for any and all other purposes for which electricity can be used for Franchisees' operations in connection with the photovoltaic solar electric generating facilities generally located within West Avenue A, 90th Street West, 95th Street West, West Avenue A-8, West Avenue B, and 110th Street West, in the unincorporated Del Sur area of the County of Los Angeles, State of California, in, on, along, upon, under, or across highways, as defined in Section 16.36.080 of the Los Angeles County Code now or hereafter dedicated to public use within the unincorporated area of the County of Los Angeles, State of California, as more particularly shown on Exhibit A, attached hereto and made a part hereof.

B. It is the intention of the Board of Supervisors to grant the franchises applied for upon the terms and conditions here mentioned. The Franchisees and their successors and assigns will, during the life of their franchises, pay annually to the County of Los Angeles, State of California, the amount specified in the proposed ordinances from the operative dates of the franchises and in the event such payment is not made, the franchises will be forfeited.

C. The franchises described in the ordinances attached hereto as Exhibit B and Exhibit C are franchises for electric transmission purposes.

D. That on August 30, 2022, at the hour of 9:30 a.m. of said day, a day not less than twenty (20) or more than sixty (60) days after the date of the passage of this Resolution of Intention, in the Hearing Room of the Board of Supervisors, Room 381B, Kenneth Hahn Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Los Angeles, California 90012, all persons having any objection to the granting of the franchises hereinabove described may appear before the Board of Supervisors and be heard thereon.

E. The Executive Officer of the Board of Supervisors shall cause notice of said hearing to be published in accordance with Section 6232 of the California Public Utilities Code at least once within fifteen (15) days after adoption of this Resolution of Intention in a newspaper of general circulation published in the County of Los Angeles, State of California.

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The foregoing resolution was adopted on the **12th** day of **July**, 2022, by the Board of Supervisors of the County of Los Angeles, State of California, and ex officio of the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

CELIA ZAVALA
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

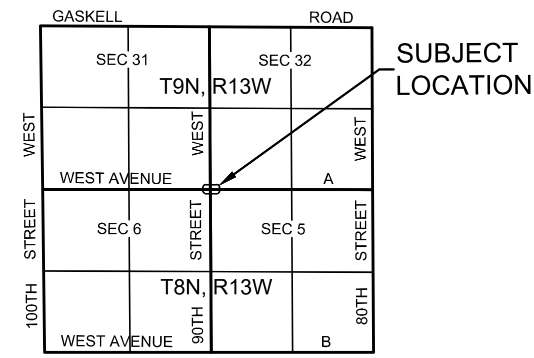
By____________________
Deputy

APPROVED AS TO FORM:

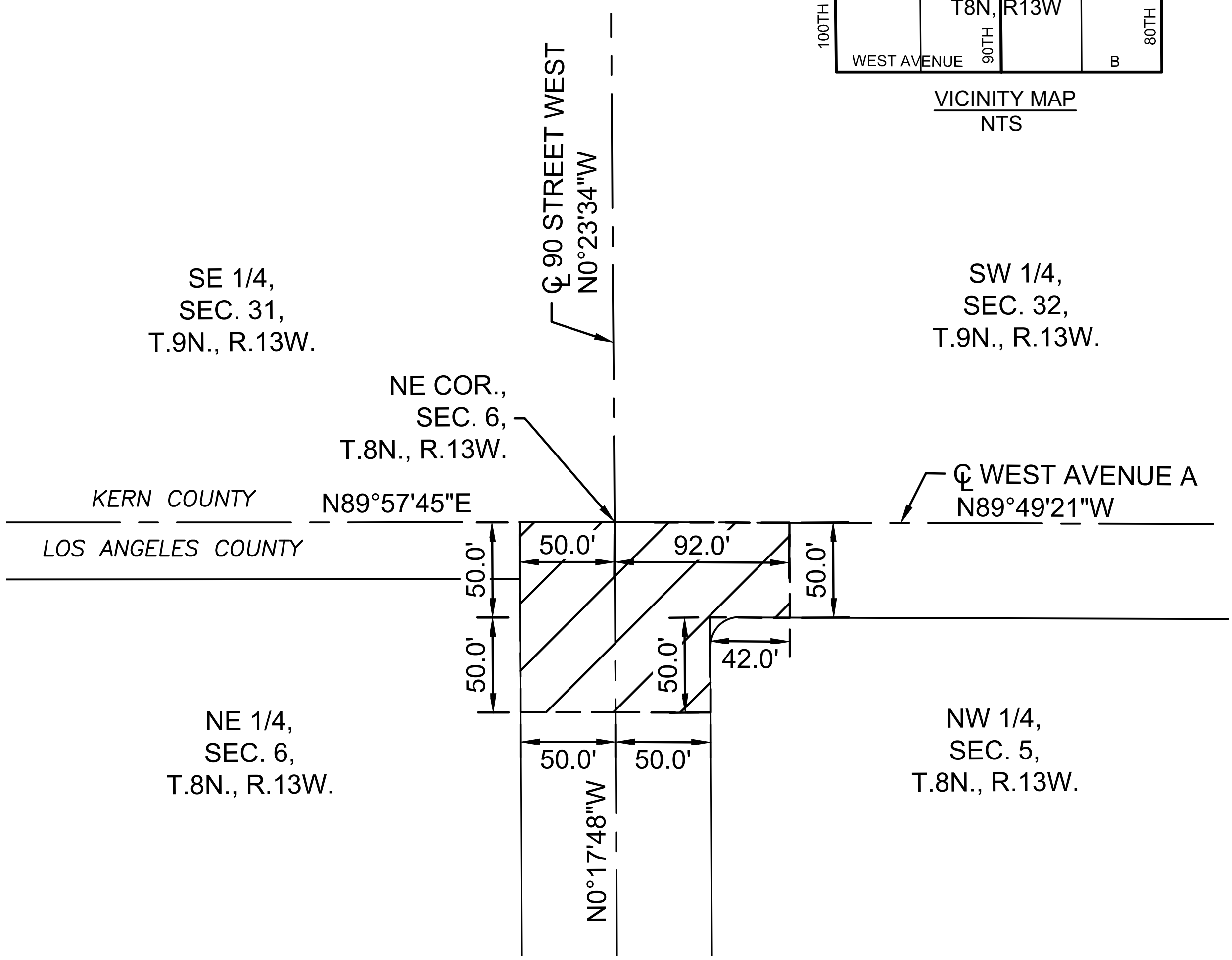
DAWYN R. HARRISON
Acting County Counsel

By____________________
Deputy

EXHIBIT A



VICINITY MAP
NTS



LEGEND

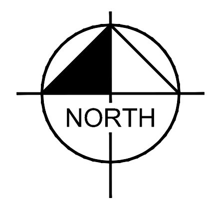
CENTERLINE

PROPERTY LINE

INDICATES FRANCHISE AREA

PREPARED UNDER MY SUPERVISION:

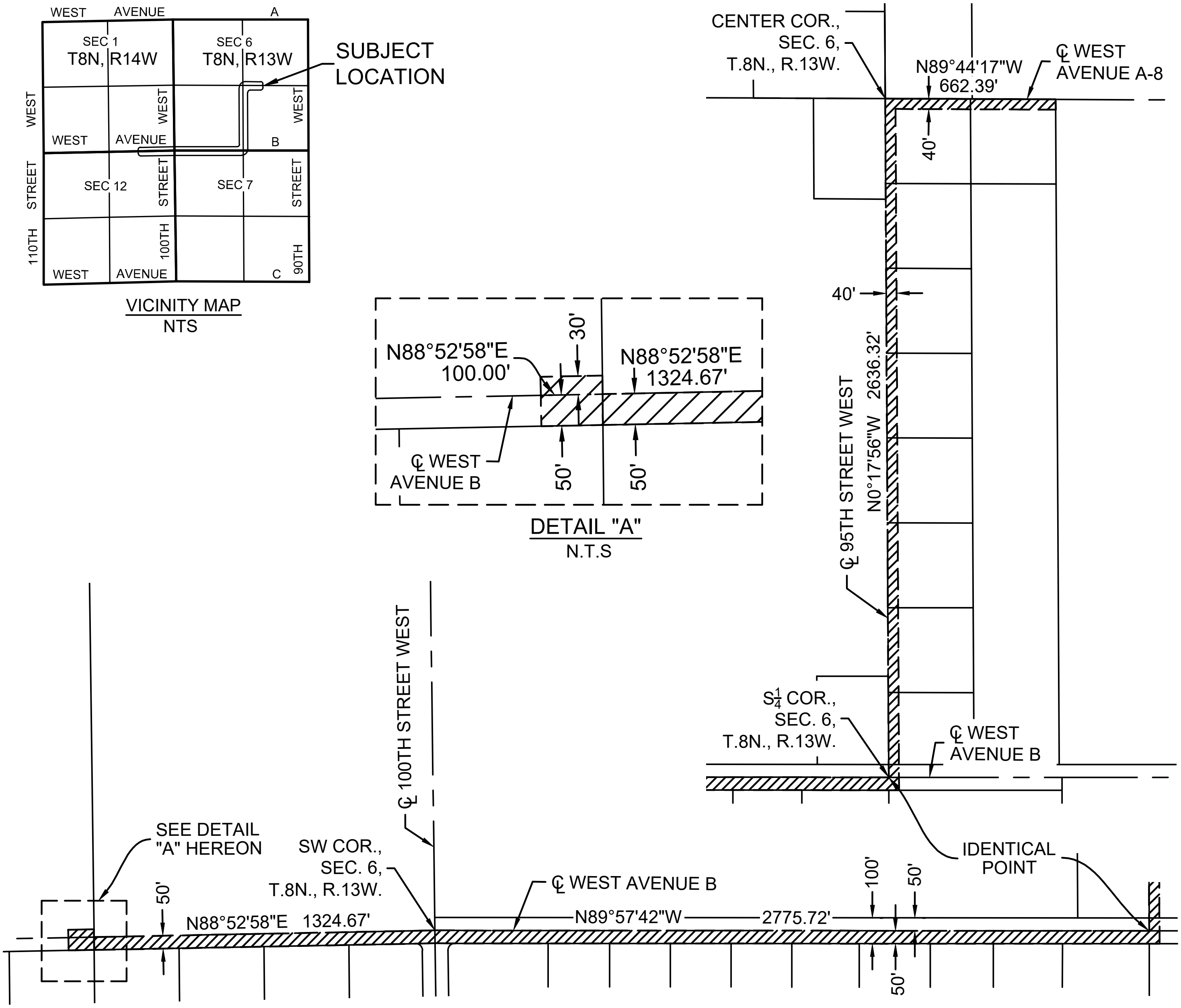
TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023



N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	**LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC**	JOB NO: 094817126
		SCALE: NTS
	SHEET 1 OF 5	DATE: 5/02/2022

EXHIBIT A



LEGEND

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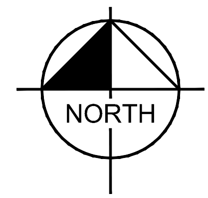
INDICATES FRANCHISE AREA

PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023



Kimley»Horn
1100 W TOWN AND COUNTRY ROAD,
SUITE 700, ORANGE, CA 92868
Tel: (714) 939-1030

LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC

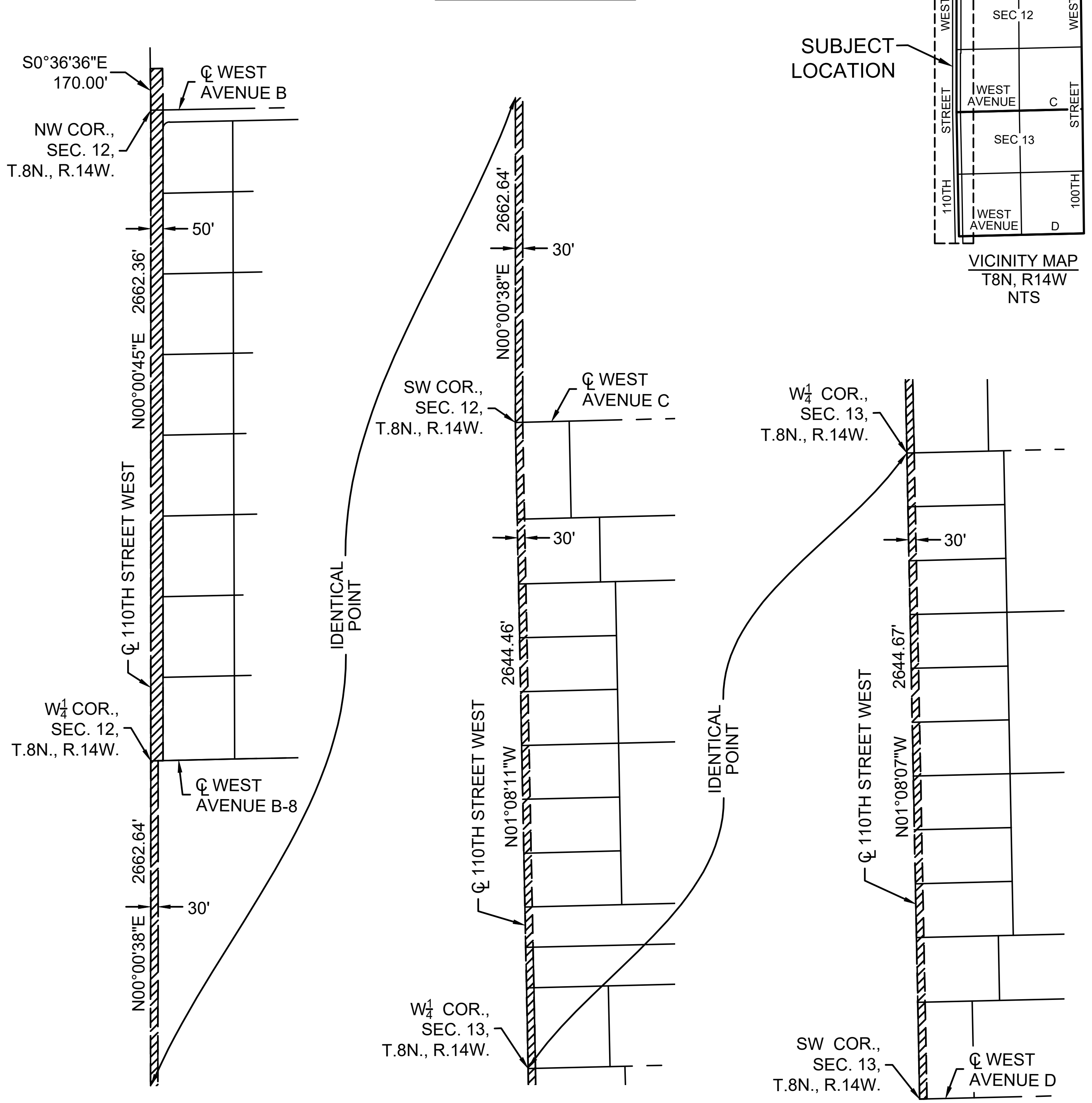
SHEET 2 OF 5

JOB NO: 094817126

SCALE: NTS

DATE: 5/02/2022

EXHIBIT A



VICINITY MAP
T8N, R14W
NTS

PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

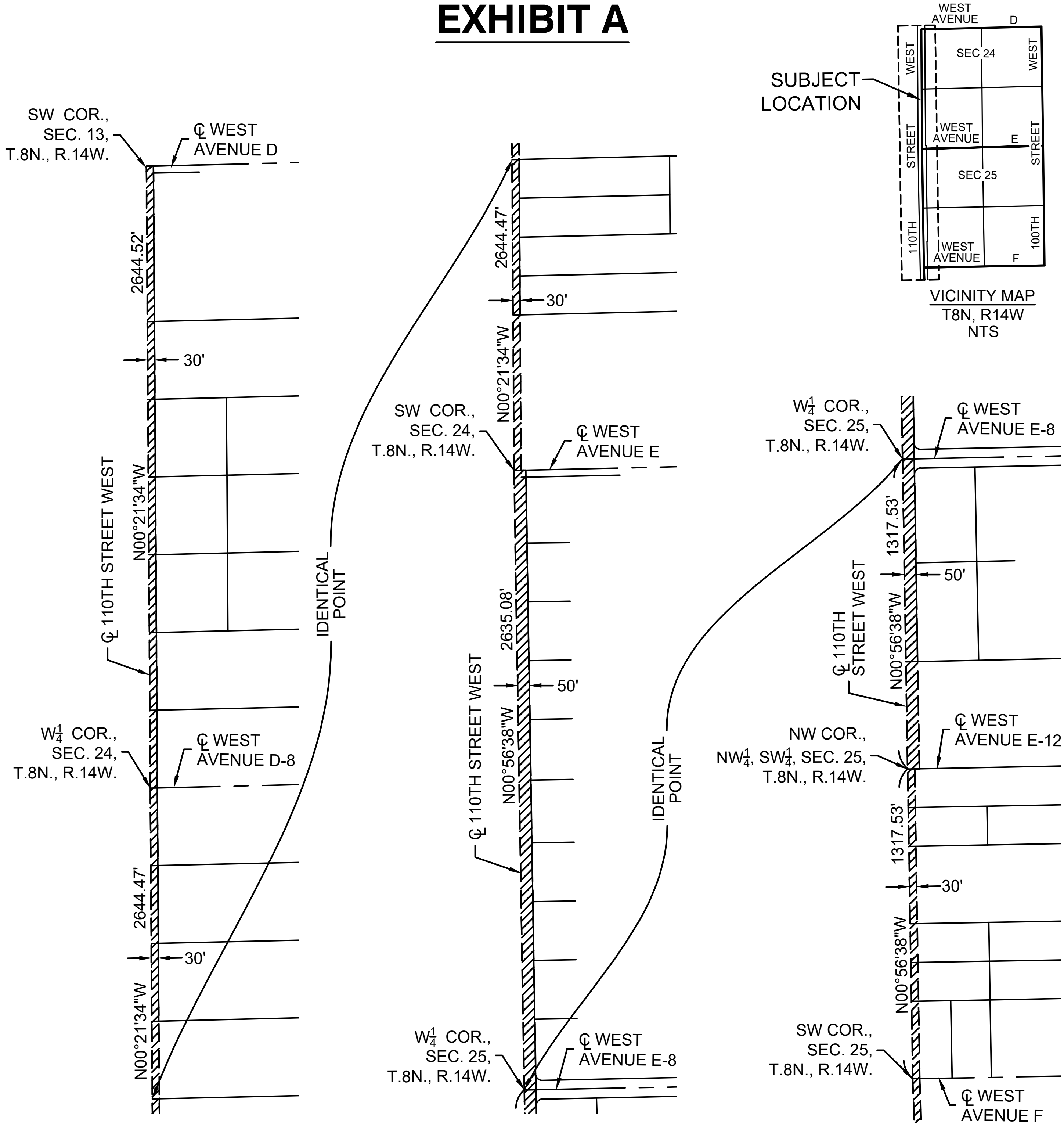
LEGEND

CENTERLINE
PROPERTY LINE
INDICATES FRANCHISE AREA

NORTH
N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC	JOB NO: 094817126 SCALE: NTS
	SHEET 3 OF 5	DATE: 5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

LEGEND

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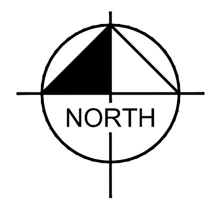
INDICATES FRANCHISE AREA



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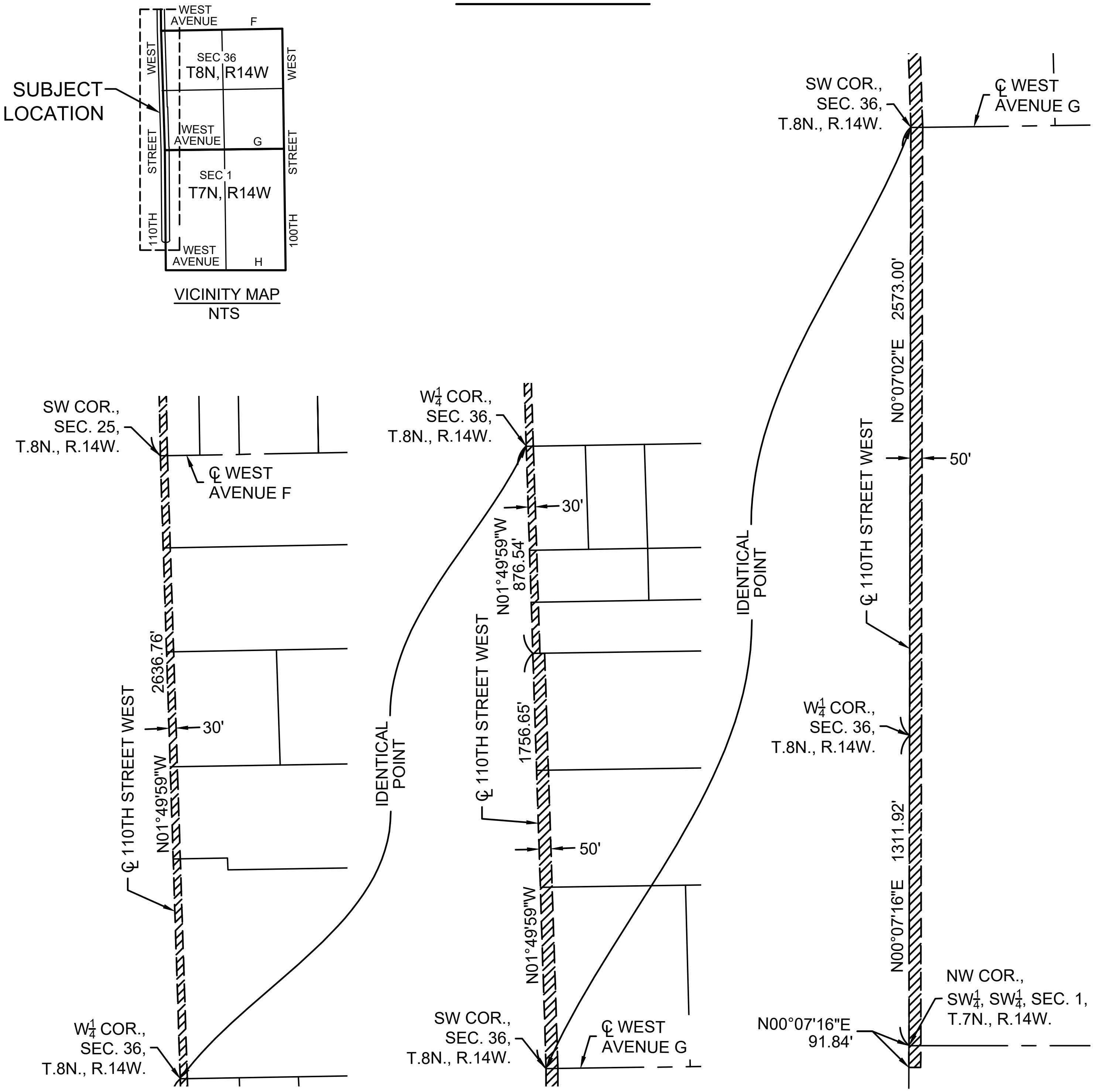
		SCALE: NTS
	SHEET 4 OF 5	DATE: 5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

LEGEND

CENTERLINE

PROPERTY LINE

INDICATES FRANCHISE AREA

NORTH

N.T.S

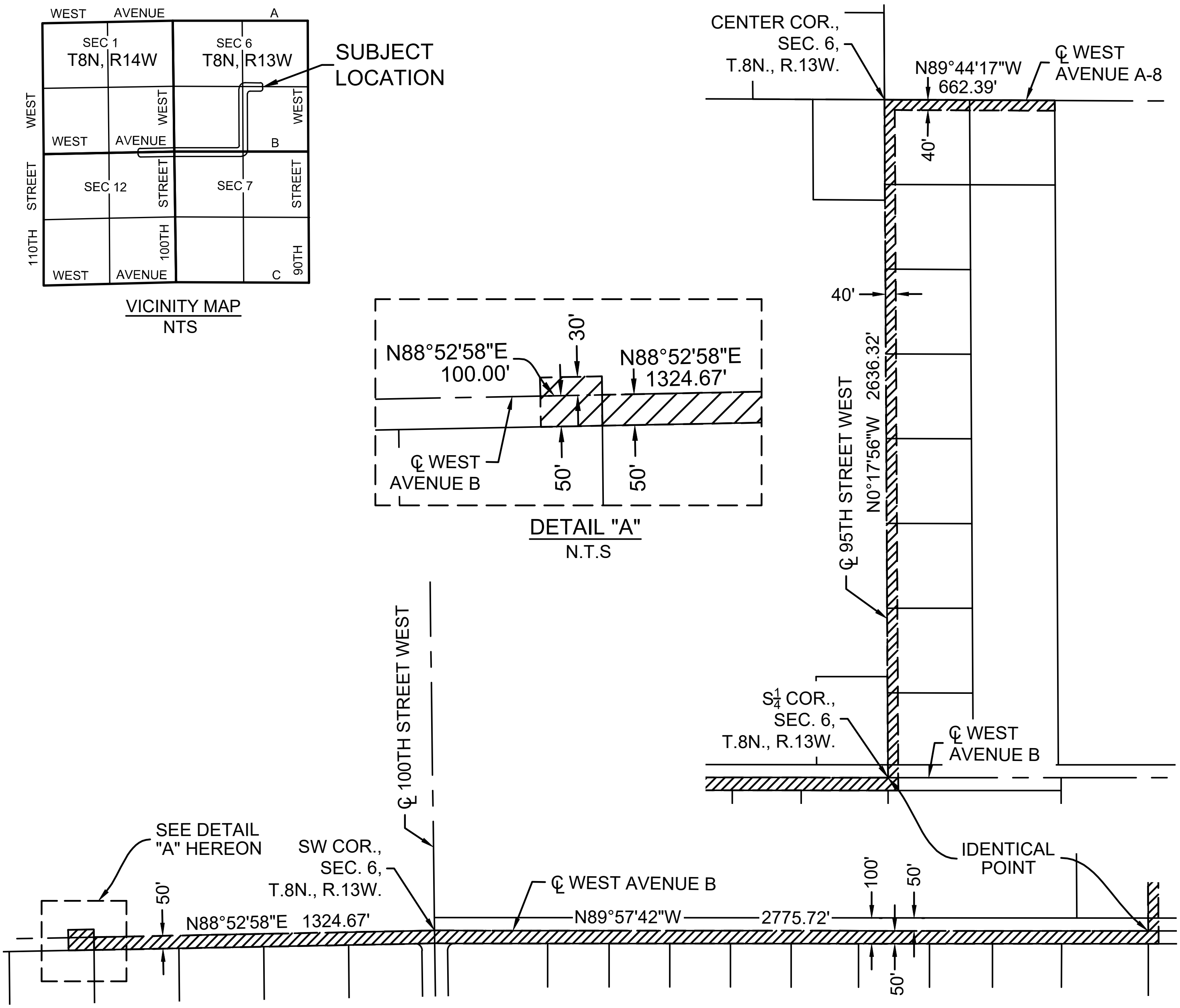
Kimley»Horn
1100 W TOWN AND COUNTRY ROAD,
SUITE 700, ORANGE, CA 92868
Tel: (714) 939-1030

LOS ANGELES COUNTY
FRANCHISE AGREEMENT EXHIBIT
RACEWAY SOLAR 1, LLC

SHEET 5 OF 5

JOB NO:	094817126
SCALE:	NTS
DATE:	5/02/2022

EXHIBIT A



LEGEND

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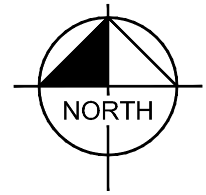
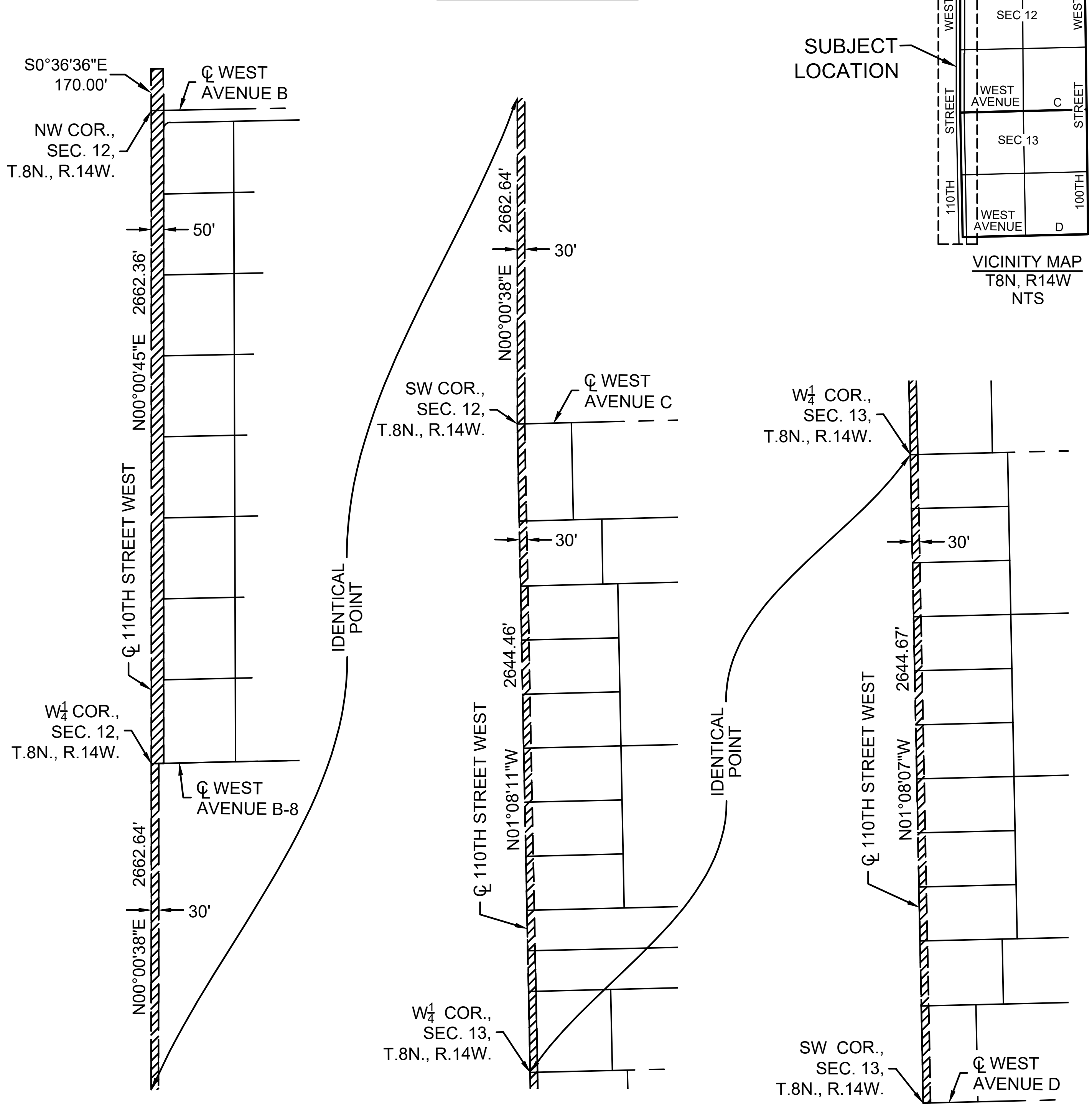
TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023



N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939–1030	**LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT ESTRELLA SOLAR, LLC**	JOB NO: 094817126
		SCALE: NTS
	SHEET 1 OF 4	DATE: 5/02/2022

EXHIBIT A



VICINITY MAP
T8N, R14W
NTS

PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

LEGEND

CENTERLINE
PROPERTY LINE
INDICATES FRANCHISE AREA

NORTH
N.T.S

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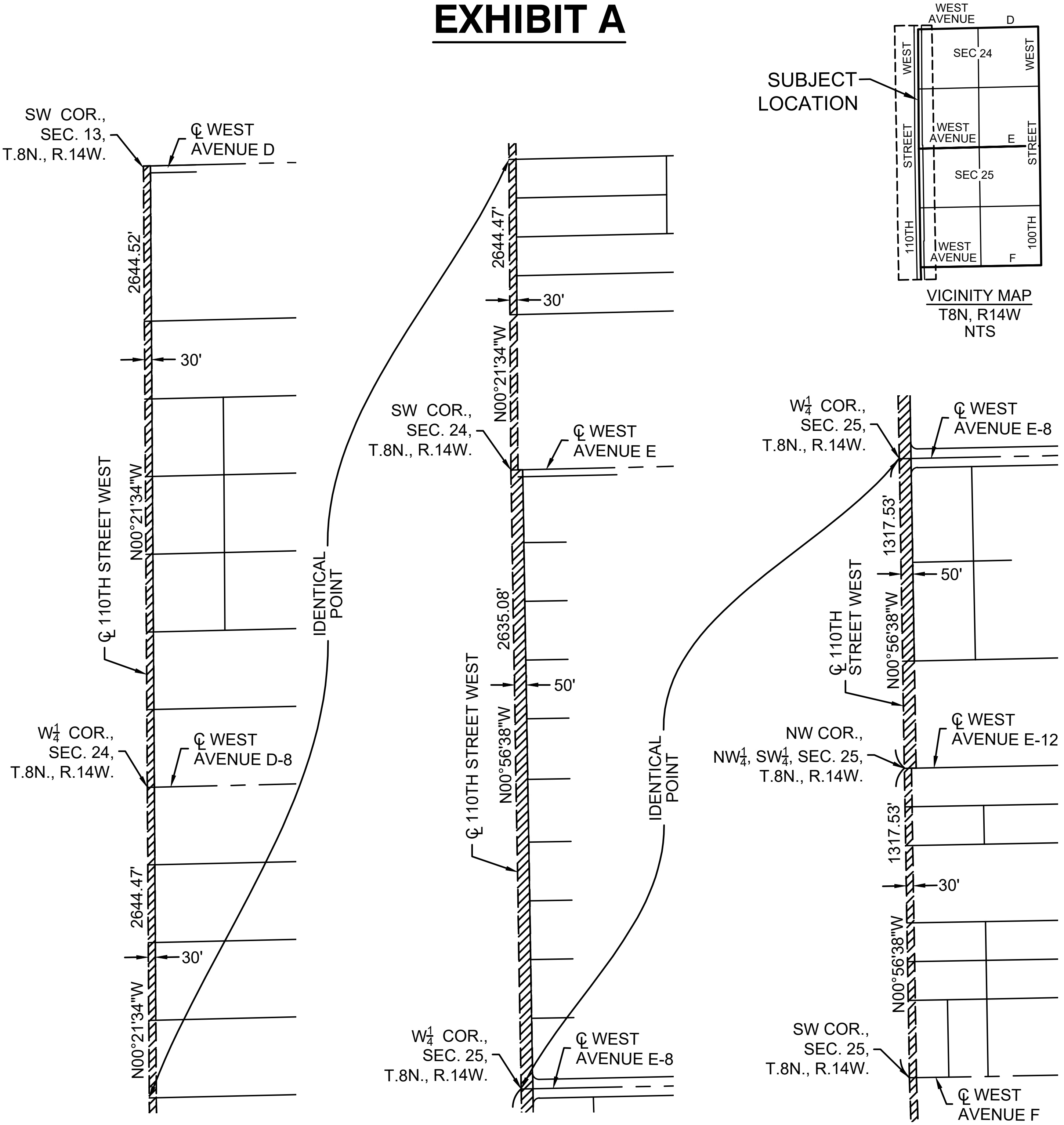
LOS ANGELES COUNTY
FRANCHISE AGREEMENT EXHIBIT
ESTRELLA SOLAR, LLC

JOB NO:	094817126
SCALE:	NTS
DATE:	5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

LEGEND

CENTERLINE
PROPERTY LINE
INDICATES FRANCHISE AREA

NORTH
N.T.S

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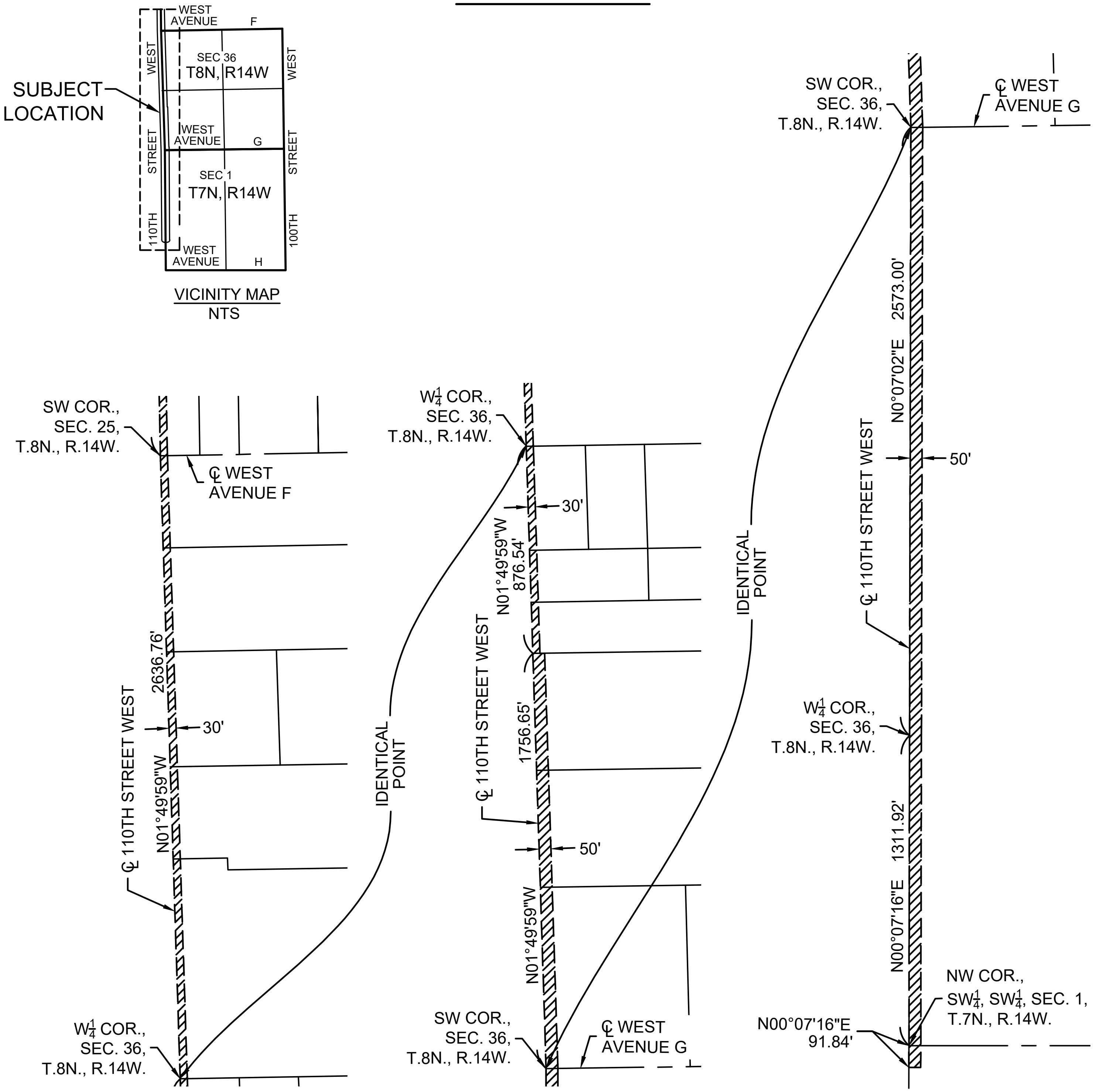
1100 W TOWN AND COUNTRY ROAD,
SUITE 700, ORANGE, CA 92868
Tel: (714) 939–1030

LOS ANGELES COUNTY
FRANCHISE AGREEMENT EXHIBIT
ESTRELLA SOLAR, LLC

SHEET 3 OF 4

JOB NO:	094817126
SCALE:	NTS
DATE:	5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

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EXP: 12-31-2023

LEGEND

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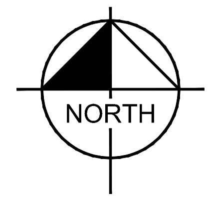
PROPERTY LINE

INDICATES FRANCHISE AREA



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SUITE 700, ORANGE, CA 92868
Tel: (714) 939-1030

LOS ANGELES COUNTY
FRANCHISE AGREEMENT EXHIBIT
ESTRELLA SOLAR, LLC

SHEET 4 OF 4

JOB NO:	094817126
SCALE:	NTS
DATE:	5/02/2022

Enclosure B

ANALYSIS

This ordinance grants an electrical transmission franchise to Raceway Solar 1, LLC, a Delaware limited liability company ("Franchisee"), to conduct and transmit electricity for a period of thirty-five (35) years, beginning on August 30, 2022, and expiring on August 29, 2057. The base annual fee payable to the County of Los Angeles by Franchisee will be determined according to a formula contained in Section 2 of this franchise ordinance. Franchisee will also pay a granting fee of ten thousand dollars ($10,000).

DAWYN R. HARRISON
Acting County Counsel

By

HEIDI LIU
Senior Associate County Counsel
Public Works Division

HL:mv

Requested: 06/06/22
Revised: 07/07/22

ORDINANCE NO. ____________

An ordinance granting an electrical transmission franchise to Raceway Solar 1, LLC, a Delaware limited liability company, for a period of thirty-five (35) years, beginning on August 30, 2022, and expiring on August 29, 2057.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Franchise Term; Grant.

The right, privilege, and franchise ("Franchise") is granted to Raceway Solar 1, LLC, a Delaware limited liability company ("Franchisee"), and its successors and assigns, for a period of thirty-five (35) years, beginning on August 30, 2022, to construct, operate, maintain, renew, repair, change the size of, remove or abandon in place, and use an electrical transmission system consisting of conduits, manholes, vaults, cables, wires, switches, communications circuits, poles, other equipment, appliances, and appurtenances necessary and appropriate for five (5) underground cable circuits and five (5) associated communication lines, and one (1) shared overhead 230kV cable circuit and two (2) associated shared communication lines, for the purpose of conducting and transmitting electricity and electrical energy for light, heat, and power purposes, and for any and all other purposes for which electricity can be used for Franchisee's operations in connection with its solar power generating facility, generally bounded by West Avenue A, Rosamond Boulevard, 80th Street West, and 90th Street West, in, on, along, upon, under, or across highways, as defined in Section 16.36.080 of the Los Angeles County Code ("County Code"), now or hereafter dedicated to public use within the unincorporated territory of the County of Los Angeles, State of California

("County Highway"), specifically, West Avenue A at the intersection of 90th Street West, West Avenue A-8 between 90th Street West and 95th Street West, 95th Street West between West Avenue A-8 and West Avenue B, West Avenue B between 95th Street West and 110th Street West, and 110th Street West between West Avenue B and West Avenue G-12, as more particularly shown on Exhibit A, attached hereto and made a part hereof ("Franchise Area").

SECTION 2. Consideration; Payment of Fees.

A. All fees set forth in this ordinance shall be made payable to the County of Los Angeles ("County"), c/o Department of Public Works, P.O. Box 1460, Alhambra, California 91802-1460.

B. Granting Fee. As consideration for the Franchise granted, Franchisee shall pay the County a granting fee of ten thousand dollars ($10,000) within thirty (30) days after the adoption of this ordinance.

C. Annual Franchise Fee. As additional consideration for the Franchise granted, Franchisee shall pay within thirty (30) days prior to commencement of construction of Franchisee's facilities within the Franchise Area, and annually thereafter, a Franchise fee computed annually ("Annual Franchise Fee") on or before August 30th ("Anniversary Date") of each calendar year, in advance, during the term of the Franchise, to the County in lawful money of the United States. The Annual Franchise Fee shall be calculated based on the County Highway space occupied by Franchisee's facilities at the rate of three dollars and seventy-three cents ($3.73) per linear foot, or five thousand dollars ($5,000), whichever is greater. For purposes of calculating the

Annual Franchise Fee, it is agreed that Franchisee's facility area will initially occupy a total of thirty-eight thousand two hundred thirty-one (38,231) linear feet of County Highway. The Annual Franchise Fee for the first year shall be one hundred forty-two thousand six hundred two dollars ($142,602).

1. Annual Adjustments Based on Consumer Price Index. For every year that the Franchise is in full force and effect, the Annual Franchise Fee for the then-current twelve (12) month period shall be increased based on changes in the Consumer Price Index for All Urban Consumers for the Los Angeles-Long Beach-Anaheim California region (1982-84=100), All Items, as published by the United States Department of Labor, Bureau of Labor Statistics ("Index"), to determine the Annual Franchise Fee for the next twelve (12) months.

2. The Annual Franchise Fee for each subsequent year ("New Annual Franchise Fee") shall be calculated by multiplying the then-current Annual Franchise Fee by a fraction, the numerator of which shall be the Index for the month ending ninety (90) days prior to the upcoming Anniversary Date ("Current Index"), and the denominator shall be the Index for the month ending ninety (90) days prior to the previous Anniversary Date ("Previous Index"). The formula for calculation is shown below:

Current Annual Franchise Fee x [Current Index/Previous Index] = New Annual Franchise Fee.

3. If the described Index is no longer published and a substitute index is adopted by the Bureau of Labor Statistics, then Franchisee and the County shall

accept such substituted index for future Annual Franchise Fee calculations. If no such government index is offered as a replacement, the County shall, at its sole discretion, determine the indexes to be used. In no event shall a New Annual Franchise Fee be less than the previous year's Annual Franchise Fee.

D. Additional Fees and Assessments. In addition to the Annual Franchise Fee, Franchisee shall also pay all applicable County fees and assessments related to construction and operation in the Franchise Area. Franchisee shall also pay any applicable fees provided in the County Code, including, but not limited to, administrative fees, processing fees, permit fees, late charges, accrued interest, and penalties required in connection with the Franchise. These fees shall be charged at the then-current applicable rates.

E. The County reserves the right to change its method of calculating fees and the amount thereof, not more frequently than once every five (5) years, if the Board of Supervisors ("Board") determines after a public hearing that good cause exists for such change, and such change is not in conflict with the laws of the State of California.

F. Late Payments. In the event Franchisee fails to make full payment of any of the payments provided for herein on or before the dates they are due, Franchisee shall pay a late charge of ten percent (10%) of the amount due, said ten percent (10%) being due thirty (30) days after the date payments are due. The late charge in the amount of ten percent (10%) has been set by both parties hereto in recognition of the difficulty in affixing actual damages from a breach of said time of performance requirement.

In the event full payment of any rate, payment, or fee, including the ten percent (10%) late charge, is not received within sixty (60) days after the due date, an assessment of interest shall accrue on the unpaid balance at one percent (1%) per month beginning on the sixty first (61st) day after the due date.

SECTION 3. Indemnification and Insurance.

Franchisee shall meet the following indemnification and insurance requirements:

A. Indemnification. Franchisee shall indemnify, defend, and hold harmless, the County and its special districts, elected and appointed officers, employees, and agents ("County's Agents") from and against any and all expenses, costs, fees, damages, claims, liabilities, and lawsuits of any nature, including, without limitation, those involving, relating to, or asserting, bodily injury, personal injury, death, property damage, encroachment, encumbrance, or infringement upon property rights or interests and any loss of property value related thereto or arising therefrom, defense costs, attorneys' fees, and workers' compensation benefits, expenses, and damages of any other type (collectively "Claims") that relate to or arise from: (1) County's grant and/or extension of the Franchise; (2) Franchisee's use or exercise of the Franchise and/or the operations or the services provided by Franchisee, its employees, agents, servants, receivers, contractors, subcontractors, successors, or assignees ("Franchisee's Agents") in connection with the Franchise; and/or (3) any acts or omissions of Franchisee, Franchisee's Agents, or any person in connection with activities or work conducted or performed pursuant to the Franchise and/or arising out of such activities or work. In furtherance, of, and in no way limiting, the foregoing, Franchisee shall indemnify, defend, and hold harmless, the County and the County's Agents from and against any and all Claims that relate to, arise from, or involve pollution, contamination, degradation, and/or environmental compliance, relating to, arising from, or involving the Franchise, or Franchisee's use or exercise thereof, including, but not limited to, Claims arising from or relating to any threatened, actual, or alleged discharge, dispersal, release, or escape of any substance, including, but not limited to, any pollutant or contaminant of any kind, into or upon any person, thing, or place, including the land, soil, atmosphere, man-made structure, and/or any above or below ground watercourse or body of water. Notwithstanding anything to the contrary herein, Franchisee shall not be obligated to indemnify the County and County's Agents for liability and expense arising from or relating to the active negligence or willful misconduct of the County or the County's Agents.

B. Insurance. Without limiting Franchisee's indemnification of the County or County's Agents, or provision of bonding or additional security required under the Franchise, Franchisee shall provide and maintain at its own expense, during the term of the Franchise, the following programs of insurance. Such programs and evidence of insurance shall be satisfactory to the County and shall be primary to, and not contributing with, any other insurance or self-insurance programs maintained by the County.

1. Certificate(s), Declaration page(s), specified Endorsement(s) and/or other evidence of coverage satisfactory to the County shall be delivered on or before the effective date of the Franchise, and on or before the expiration date of each term of insurance, to the County. Such certificates or other evidence shall:

a. Specifically identify the Franchise ordinance by ordinance number.

b. Clearly evidence all insurance required in the Franchise.

c. Include a copy of the additional insured endorsement to the liability policies, adding the County and County's Agents as additional insureds for damages caused, in whole or in part, by Franchisee's acts or omissions in the performance of Franchisee's ongoing operations; and contain the express condition that the County is to be given written notice by mail at least ten (10) days in advance of any modification, non-renewal, cancellation, or termination of any program of liability insurance, including workers' compensation insurance. However, in the event insurers are not willing or able to provide such notice, this responsibility shall be borne by Franchisee.

d. Show Franchisee's insurance as primary to the County's insurance and self-insurance programs. This may be evidenced by adding a statement to the additional insured endorsement required in subsection (d) stating (or using equivalent wording), "It is further agreed that the insurance afforded by this policy is primary to any insurance or self-insurance programs maintained by the additional insureds, and the additional insureds' insurance and self-insurance programs are excess and non-contributing to Named Insured's insurance." Include a copy of the additional insured endorsement to the liability policies, adding the County and the County's Agents as additional insureds for all activities arising from the Franchise.

2. Upon request by the County, Franchisee shall provide the County with a copy of its effective policy of insurance providing coverage pursuant to the terms of the Franchise.

3. Insurance is to be provided by an insurance company with an A.M. Best rating of not less than A: VII, unless otherwise approved by the County.

4. Franchisee agrees to release the County and the County's Agents and waive its insurers' rights of recovery against them under the insurance policies specified in the Franchise.

5. Liability: Such insurance shall be endorsed naming the County and County's Agents as additional insureds with respect to Franchisee's obligations under the Franchise, and shall include, but not be limited to:

a. Commercial General Liability insurance written on a commercial general liability form (ISO policy form CG00 01, or its equivalent, [including any umbrella/excess liability policy] unless otherwise approved in writing by the County), with limits of not less than five million dollars ($5,000,000) per occurrence, fifteen million dollars ($15,000,000) policy aggregate, and fifteen million dollars ($15,000,000) products/completed operations aggregate. Limits may be provided by a combination of primary and excess/umbrella liability policies.

b. If written on a claims-made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following termination or cancellation of the Franchise.

c. Comprehensive Auto Liability insurance (written on ISO policy form CA 00 01, or its equivalent, unless otherwise approved by the County), endorsed for all owned (if any), non-owned, and hired vehicles with a limit of not less than one million dollars ($1,000,000) per occurrence.

d. Pollution Liability insurance, which insures liability for bodily injury or property damage, including cleanup cost for "Sudden and Accidental" contamination or pollution. Such coverage may be provided within the General Liability and Umbrella policies and have limits of five million dollars ($5,000,000) per occurrence. Such coverage shall also be in an amount and form to meet all applicable State and federal requirements, but in all events, such coverage shall not be less than five million dollars ($5,000,000) per occurrence.

i. If written with an annual aggregate limit, the policy limit shall be three (3) times the above-required occurrence limit.

ii. If written on a claims-made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following termination or cancellation of the Franchise.

6. Workers' Compensation: A program of workers' compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California. Such policy shall be endorsed to waive subrogation against

the County for injury to Franchisee's employees. In all cases, the above insurance shall include Employers' Liability insurance with coverage of not less than:

a. Each accident: one million dollars ($1,000,000).

b. Disease-policy limit: one million dollars ($1,000,000).

c. Disease-each employee: one million dollars ($1,000,000).

C. Franchisee shall furnish the County within thirty (30) days of the adoption of this ordinance, and within thirty (30) days after the expiration date of each term of insurance, with evidence of insurance coverage or renewal (as applicable), as required by subsection 3.B. to the satisfaction of the County for each of said policies certified by Franchisee's insurance agent, or by the company issuing the policy.

D. The types and amounts of said insurance coverage shall be subject to review and adjustment by the County, subject to limits in the insurance market, at County's sole discretion, at any time during the term of the Franchise. In the event of such adjustment, Franchisee agrees to obtain said adjusted insurance coverage, in type(s) and amount(s) as determined by the County, within thirty (30) days after written notice from the County.

E. Failure on the part of Franchisee to procure or maintain the required insurance, or to provide evidence of current insurance, shall constitute a material breach of the terms of the Franchise upon which the County may immediately terminate or suspend the Franchise, provided that Franchisee will have thirty (30) days written notice to comply with adjustments to insurance limits described in subsection 3.D.

F. It is the obligation of Franchisee to provide evidence of current insurance policies. No Franchise operations shall commence until Franchisee has complied with the provisions of subsection 3.B., and any operations under the Franchise shall be suspended during any period that Franchisee fails to obtain or maintain the insurance required hereunder.

SECTION 4. Security/Bond.

A. Security Requirements/Faithful Performance Bond.

1. Within sixty (60) days following the adoption of this ordinance, Franchisee shall provide to the County a faithful performance bond in the sum of not less than one million dollars ($1,000,000) payable to "County of Los Angeles," executed by a corporate surety licensed to transact business as a surety in the State of California, and acceptable to the County. Such bond shall be conditioned upon the faithful performance by Franchisee of the terms and conditions of the Franchise and shall provide that, in case of a breach of any condition of the Franchise, the whole amount of the penal sum, or any portion thereof, shall be deemed by the County to be liquidated damages, and such amount shall be payable to the County by the principal and surety(ies) of the bond.

2. For every year that the Franchise is in full force and effect, the amount of the faithful performance bond for the then-current twelve (12) month period shall be increased by one and one-half percent (1.5%) on or before the Anniversary Date in advance of the next Franchise year.

3. Throughout the term of the Franchise, Franchisee shall maintain the faithful performance bond in the amount required herein. Within ten (10) business days after receipt of notice from the County that any amount has been withdrawn from the bond as provided in this section, Franchisee shall restore the bond to the full amount required herein.

4. The faithful performance bond shall be maintained in full effect for one (1) year following the date of the County's approval pursuant to the Franchise of any sale, transfer, assignment, or other change of ownership of the Franchise or Franchisee or following the expiration or termination of the Franchise. The County may, in its sole discretion, release said bond prior to the end of the one (1) year period upon satisfaction by Franchisee of all the obligations under the Franchise.

B. Alternative and/or Additional Security.

1. The County, in its sole discretion, may require and accept alternative and/or additional security to meet and/or supplement the above bonding requirements, including, but not limited to, an irrevocable letter of credit, certificate of deposit, or a cash deposit in the form of a Passbook Savings Account acceptable to the County, as alternative and/or additional security to a faithful performance bond to guarantee the performance of Franchisee's obligations under the Franchise. Such alternative and/or additional security shall be made payable to the County and shall be deposited to the satisfaction of the County.

2. The types and amounts of the performance bond and alternative and/or additional security shall be subject to review and adjustment by the County, at the County's sole discretion, at any time during the term of the Franchise. In the event of such adjustment, Franchisee agrees to obtain said adjusted coverage and bonding, in type(s) and amount(s) as determined by the County, within thirty (30) days after written notice from the County.

C. No Franchise operations shall commence until Franchisee has complied with the requirements of this section.

SECTION 5. Transfers and Assignments.

A. Franchisee shall not sell, transfer (including stock transfer), exchange, assign, lease or divest itself of the Franchise or any part thereof (each of which is hereinafter referred to as an "Assignment") to any other person or entity ("Transferee"), except with the written consent of the Director of Public Works or his/her designee ("Director") and after payment of a transfer fee as detailed in subsection 5.G.

No such consent shall be required for any Assignment of Franchise in trust or by way of mortgage, deed of trust, pledge, or hypothecation with all or part of Franchisee's other property for the purpose of securing any indebtedness of Franchisee provided that Franchisee shall provide the County at least ten (10) days' prior written notice of such Assignment in trust, mortgage, deed of trust, pledge or other hypothecation, including the name and address of the assignee, pledgee, mortgagee, or otherwise benefitted party. Except as provided in subsection 5.E., a merger will not be deemed a sale, transfer, Assignment, or lease of the Franchise.

B. Franchisee shall give notice to the County of any pending Assignment, except as excluded in subsection 5.E., and shall provide all documents required by the County as set forth in subsection 5.F. Consent to any such Assignment shall only be refused if the County finds that Franchisee is in noncompliance with the terms and conditions of the Franchise and/or that the proposed Transferee, as applicable, is lacking in sufficient experience and/or financial ability to meet the Franchise obligations. Consent shall be conditioned upon the terms and conditions set forth in the Assignment documents delivered to the County, the assumption by the Transferee, as applicable, of all Franchisee's covenants and obligations under the Franchise, and all information provided to the County under subsection 5.F., below, being true and correct as of completion of the Assignment. Upon receipt of such consent from the County, Franchisee may proceed to consummate the Assignment.

C. Franchisee shall file with the County within thirty (30) days after the effective date of any Assignment, a certified copy of the duly executed instrument(s) that officially evidence(s) such Assignment. If such duly executed instrument(s) is (are) not filed with the County within thirty (30) days after the effective date of such proposed Assignment, or if the conditions to consent by the County have not been met, then the County may notify Franchisee and the proposed Transferee that the Assignment is not deemed approved by the County. The County may then determine that the Assignment has no force or effect or that the Franchise is forfeited.

D. As a condition to granting consent to such Assignment, the County may impose, by ordinance, such additional terms and conditions upon the proposed Transferee as the Board deems to be in the public interest. Nothing contained herein shall be construed to grant Franchisee the right to complete an Assignment except in the manner aforesaid. This section applies to any Assignment, whether by operation of law, by voluntary act of Franchisee, or otherwise.

E. Notwithstanding the foregoing, shareholders, partners, and/or any other person or entity owning an interest in Franchisee may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, Assignment, divestment, or other change, including a merger, is effected in such a way as to give majority control of Franchisee to any person or persons, corporation, partnership, or legal entity other than the person or entity with the controlling interest in Franchisee on the effective date of the Franchise or the effective date of the last approved Assignment, consent thereof shall be required as otherwise provided in this section.

F. Except for any Assignments made pursuant to subsection 5.E., upon notice by Franchisee of any proposed Assignment, the proposed Transferee shall submit an Assignment application to the County, which shall contain at a minimum:

1. Identification of the proposed Transferee, which indicates the corporate or business entity organization, including the submission of copies of the corporate or business formation papers (e.g., articles of incorporation and by-laws, limited partnership agreements, and operating agreements), and the names and

addresses of any parent or subsidiary of the proposed Transferee(s), or any other business entity owning or controlling the proposed Transferee in part or in whole.

2. A current financial statement, which has been audited by a certified public accountant, demonstrating conclusively to the satisfaction of the County that the proposed Transferee has all the financial resources necessary to carry out all of the terms and conditions of the Franchise. The financial statement shall include a balance sheet, profit and loss statement for at least the three (3) most recent years, and a statement of changes in financial position; however, if the proposed Transferee has been in existence for less than three (3) years, then for such period of existence.

3. A copy of the proposed agreement of sale, letter of understanding, or other documentation that details the proposed Assignment.

4. Other information that may be required by the County to assess the capability of the proposed Transferee to operate and maintain the Franchise.

G. The transfer fee shall be submitted with Franchisee's request for the County's consent to any Assignment described in subsection 5.A., and the amount of the transfer fee shall be determined as follows:

1. Consent to Assignment or any other action in which the County does not elect to modify the Franchise by adoption of an amending ordinance: five thousand dollars ($5,000).

2. Consent to Assignment or any other action in which the County elects to modify the Franchise by adoption of an amending ordinance: seven thousand five hundred dollars ($7,500).

SECTION 6. Relocation of Facilities.

A. If any of the facilities constructed, installed, or maintained by Franchisee pursuant to the Franchise on, along, upon, in, under, or across the County Highway are located in a manner that prevents or interferes with the change of grade, traffic needs, operation, maintenance, improvement, repair, construction, reconstruction, widening, alteration, or relocation of the County Highway, Franchisee shall remove and relocate any such facility at no expense to the County, or any applicable cities or other public entities, within the time required by the County, upon receipt of a written request from the County to do so.

B. If Franchisee neglects or fails to remove and relocate its facilities within the time required by the County after receipt of any such notice, Franchisee shall be solely responsible for, and shall reimburse the County, city, and other applicable public entities, any and all additional costs or expenses incurred by the County, city, and other applicable public entities, due to, or resulting from, such delay and/or failure to remove and relocate Franchisee's facilities. Failure to remove such facilities within the time required by the County may constitute a breach of the Franchise in the sole discretion of the County.

C. The County reserves the right for itself, and for all cities and public entities that are now or may later be established, to lay, construct, repair, alter, relocate, and maintain subsurface or other facilities or improvements of any type or description within the highways over which the Franchise is granted, subject to the relocation provisions of subsection 6.A., above. Failure of Franchisee to relocate its facilities as required by the County may constitute a breach of the Franchise, at the sole discretion of the County.

SECTION 7. Removing or Abandoning Facilities.

A. Removal. Franchisee must remove all of Franchisee's facilities located within the Franchise Area within one hundred eighty (180) days of the expiration or termination of the Franchise, and shall restore the Franchise Area to its former state at the time such facilities are removed, as near as is practicable, so as not to impair its usefulness, unless the County agrees that the facilities can be abandoned in place as set forth in subsection 7.B., below.

B. Abandonment. Upon application from Franchisee given at any time during the term of the Franchise, the County may, in its sole discretion, give Franchisee permission to abandon, without removing, any facility laid, constructed, operated, or maintained, under the Franchise. The Director shall determine whether abandonment may be effected without detriment to the public interest and under what conditions such proposed abandonment may be effected. Within thirty (30) days of the Director's determination granting the request to abandon its facilities, Franchisee shall apply for a permit in compliance with the requirements of the applicable provisions of the County Highway Ordinance in Division 1 of Title 16 of the County Code, or any successor or amended provisions ("County Highway Ordinance"), and shall commence work authorized by the permit within sixty (60) days of permit issuance.

SECTION 8. Conditions of Franchise Grant; Suspension, Forfeiture, Termination; Grounds and Procedure.

A. The Franchise is granted upon each and every condition contained in this ordinance, including conditions as are incorporated herein by reference.

B. Any neglect, failure, or refusal to comply with any of the conditions of the Franchise shall constitute grounds for suspension, forfeiture, termination, or any combination thereof. The County, prior to any suspension or termination of the Franchise, shall give to Franchisee not less than thirty (30) days' written notice of any default. If Franchisee does not, within the noticed period commence to cure the default, or after such commencement fails to diligently prosecute said cure, the County may hold a hearing at which Franchisee shall have the right to appear and be heard and, thereupon, the County may determine whether such conditions are material and essential to the Franchise and whether Franchisee is in default with respect thereto, and the County may declare the Franchise suspended or terminated. Notice of the hearing shall be given to Franchisee by certified mail not less than thirty (30) days before said hearing. The Franchise may only be suspended or terminated by the County after a hearing.

SECTION 9. Construction, Operation, and Maintenance.

A. All facilities, constructed, laid, operated, or maintained under the provisions of the Franchise shall be constructed, laid, operated, or maintained in accordance with, and conforming to, all the ordinances, codes, rules, and regulations now or hereafter adopted or prescribed by the County and all applicable local, State, and federal laws and regulations.

B. Franchisee shall not commence any construction, excavation, or encroachment work under the Franchise until it has obtained any permit or authorization required by the County Code, including, but not limited to, the County Highway Ordinance, except in cases of emergency affecting public health, safety or welfare, or the preservation of life or property, in which case Franchisee shall apply for such permit not later than the next business day.

C. The work of constructing, laying, replacing, repairing, or removing facilities authorized under the provisions of the Franchise on, along, upon, in, under, or across the County Highways, in the Franchise Area, shall be conducted with as little hindrance as practicable to the use of the County Highway for purpose of travel; and, as soon as the constructing, laying, replacing, repairing, or removing of any of said facilities is completed, all portions of the County Highway that have been excavated or otherwise injured thereby shall be placed in as good condition as the same was in before constructing, laying, replacing, repairing, or removing of the facilities, to the satisfaction of the County.

D. The County reserves the right for itself, and for all cities and public entities that are now or may be later established, to improve the surface of any highway over which the Franchise is granted.

E. If the County constructs or maintains any storm drain, sewer structure, or other facility or improvement, under or across any facility of Franchisee maintained pursuant to the Franchise, Franchisee shall provide, at no expense to the County, such support as shall be reasonably required to support, maintain, and protect Franchisee's facility.

F. Within twenty-one (21) days of a request by the County, Franchisee shall provide information, at no cost to the County, cities, or other applicable public entities, identifying the location of the facilities laid or constructed under the Franchise by potholing or other method approved by the County. Franchisee shall maintain a membership and participate in Underground Service Alert – Southern California in compliance with Government Code section 4216, et seq.

G. If any portion of any highway is damaged by reason of defective facilities laid or constructed by Franchisee under the Franchise, Franchisee shall, at its own expense, repair any such defect and put such highway in as good condition as it was in before such damage was incurred, to the satisfaction of the County. If Franchisee neglects or fails to repair such damage after receipt of any such notice, or if such damage constitutes an immediate danger to public health and safety requiring the immediate repair thereof, Franchisee shall be solely responsible for, and shall reimburse the County, city, and other applicable public entities, any and all additional costs or expenses incurred by the County, city, and other applicable public entities, due to, or resulting from, the repair of such damage.

SECTION 10. Notices.

Unless stated otherwise herein, any notices to be given or other documents to be delivered by either party may be delivered in person, by private courier, or deposited in the United States registered or certified mail to the party for whom it was intended as follows:

To County:	Attention: Survey/Mapping & Property Management Division County of Los Angeles Department of Public Works 900 South Fremont Avenue Alhambra, California 91802-1460 Mailing Address: P.O. Box 1460 Alhambra, California 91802-1460 AND Attention: Executive Office of the Board of Supervisors County of Los Angeles Board of Supervisors 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012
To Franchisee:	Attention: Operations Raceway Solar 1, LLC c/o AES Clean Energy 2180 S 1300 E #600 Salt Lake City, Utah 84106

Notices given by mail in accordance with this provision shall be deemed to have been given at the time and date actually received, or if delivery is refused, on the date of such refusal. Any party may change its address for purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision.

SECTION 11. County Franchises.

In addition to the terms and conditions stated herein, the Franchise is granted pursuant to the terms and conditions contained in Division 3, Franchises, of Title 16, Highways, of the County Code, which are incorporated herein by reference, and as Division 3 of Title 16 may be amended hereafter and/or in any successor provisions. In the event the terms and conditions of the Franchise conflict with the terms and conditions of Division 3 of Title 16, the terms and conditions herein shall control. Without limiting the generality of the foregoing, Section 16.44.050 of the County Code is superseded by this ordinance.

SECTION 12. Franchise Operative Date.

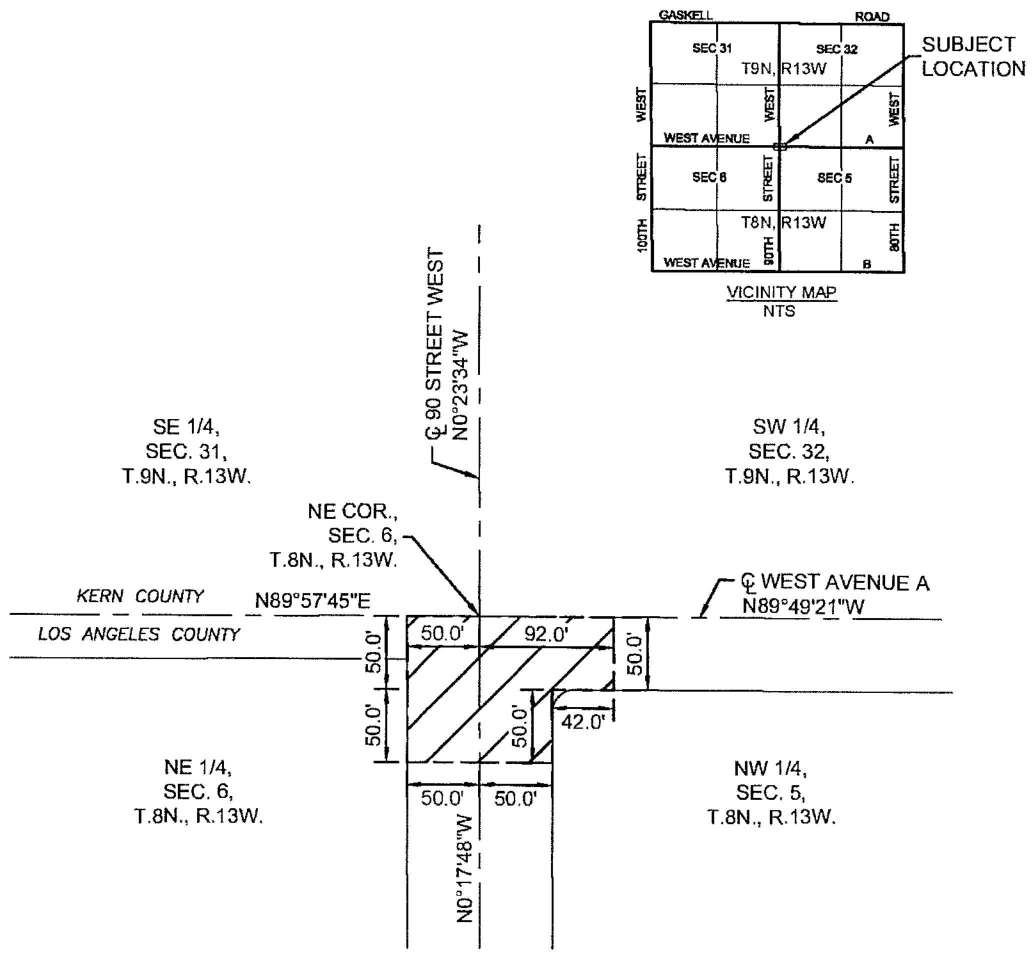
The operative date of the Franchise shall be August 30, 2022.

SECTION 13. Termination.

If Franchisee fails to comply with any of the requirements of the Franchise, the County may, in its sole discretion, terminate the Franchise and/or seek any and all available remedies at law or in equity.

[RACEWAYSOLAR1FRANHLCC]

EXHIBIT A



LEGEND

— – — CENTERLINE

——— PROPERTY LINE

INDICATES FRANCHISE AREA

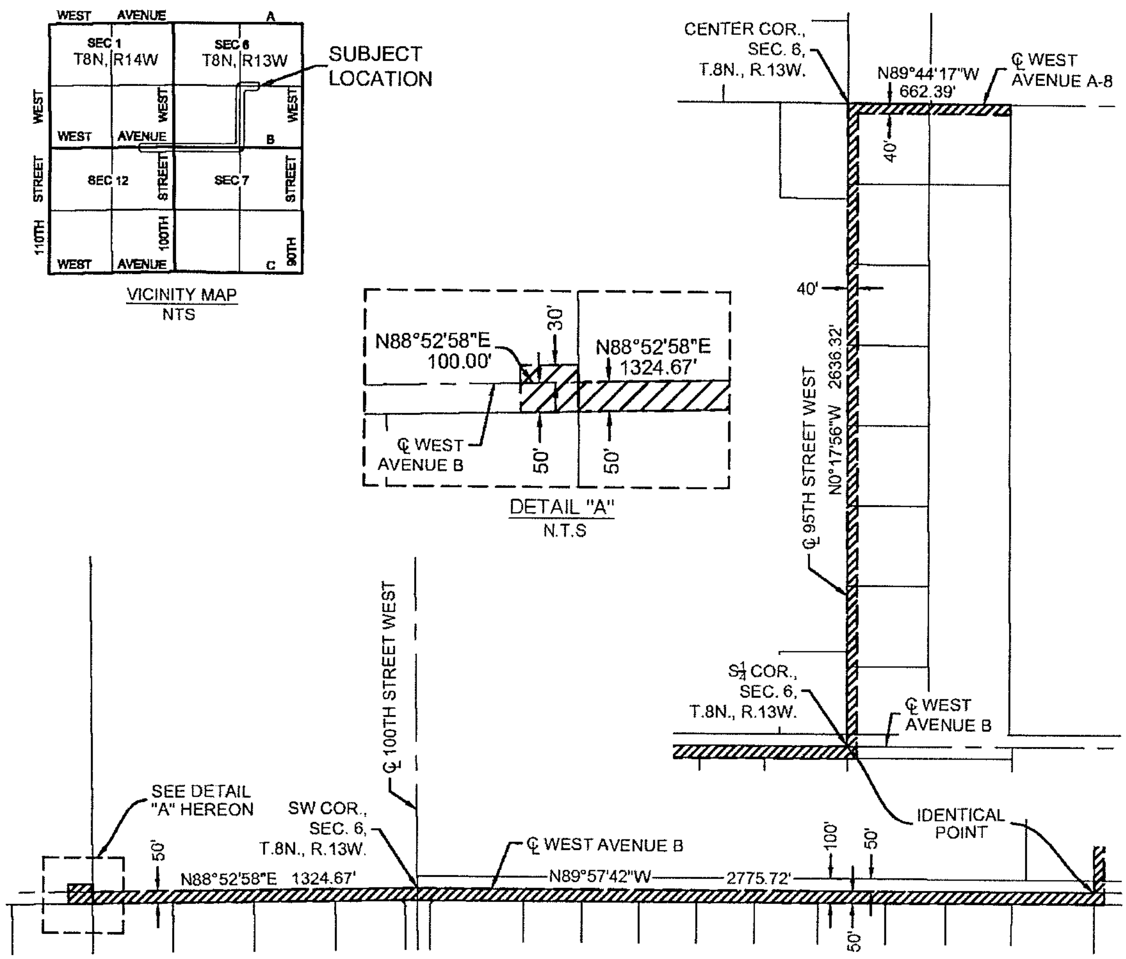
PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

NORTH
N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC	JOB NO: 094817126
		SCALE: NTS
	SHEET 1 OF 5	DATE: 5/02/2022

EXHIBIT A



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▨	INDICATES FRANCHISE AREA

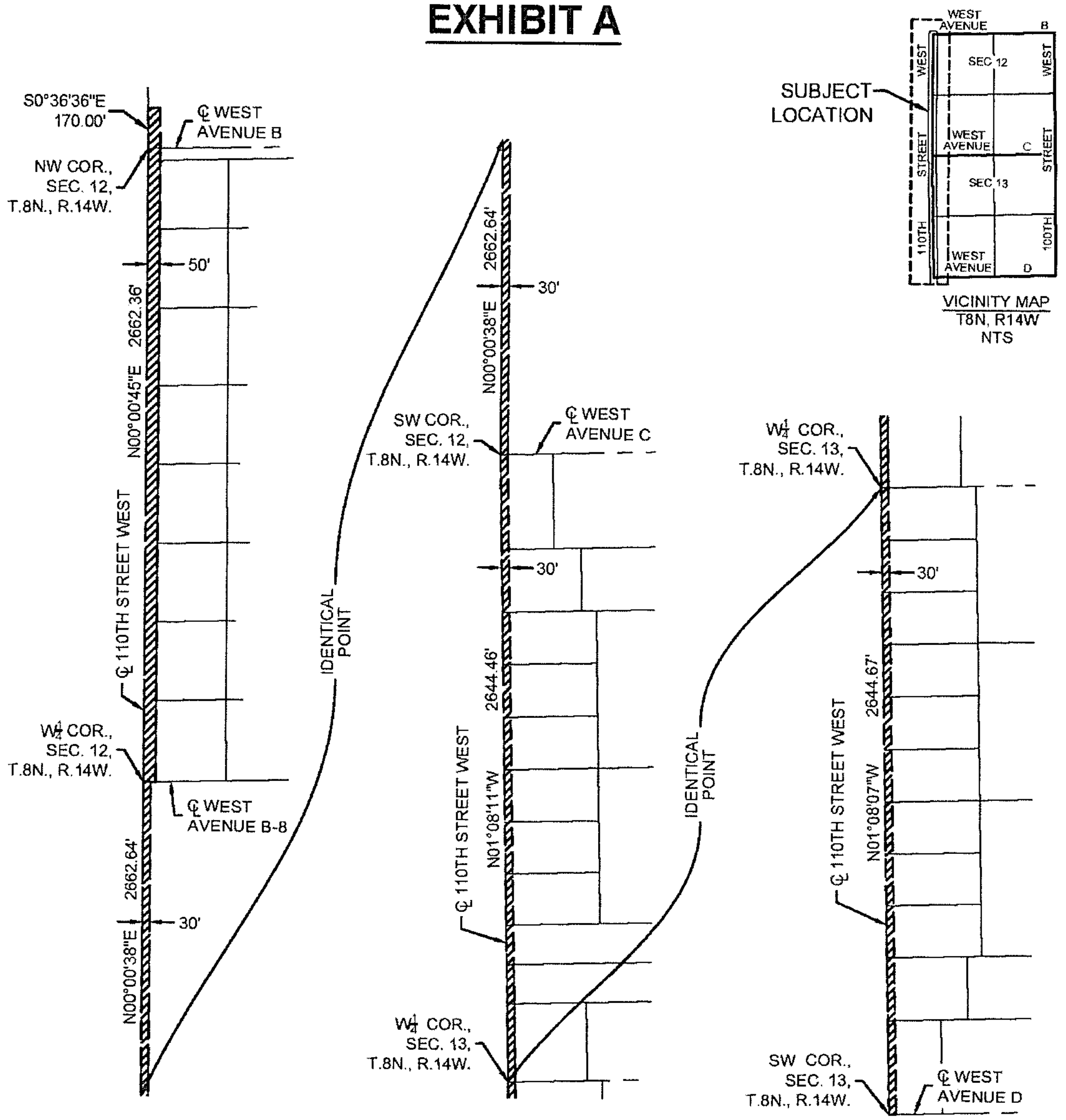
PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

NORTH
N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC	JOB NO: 094817126
		SCALE: NTS
	SHEET 2 OF 5	DATE: 5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

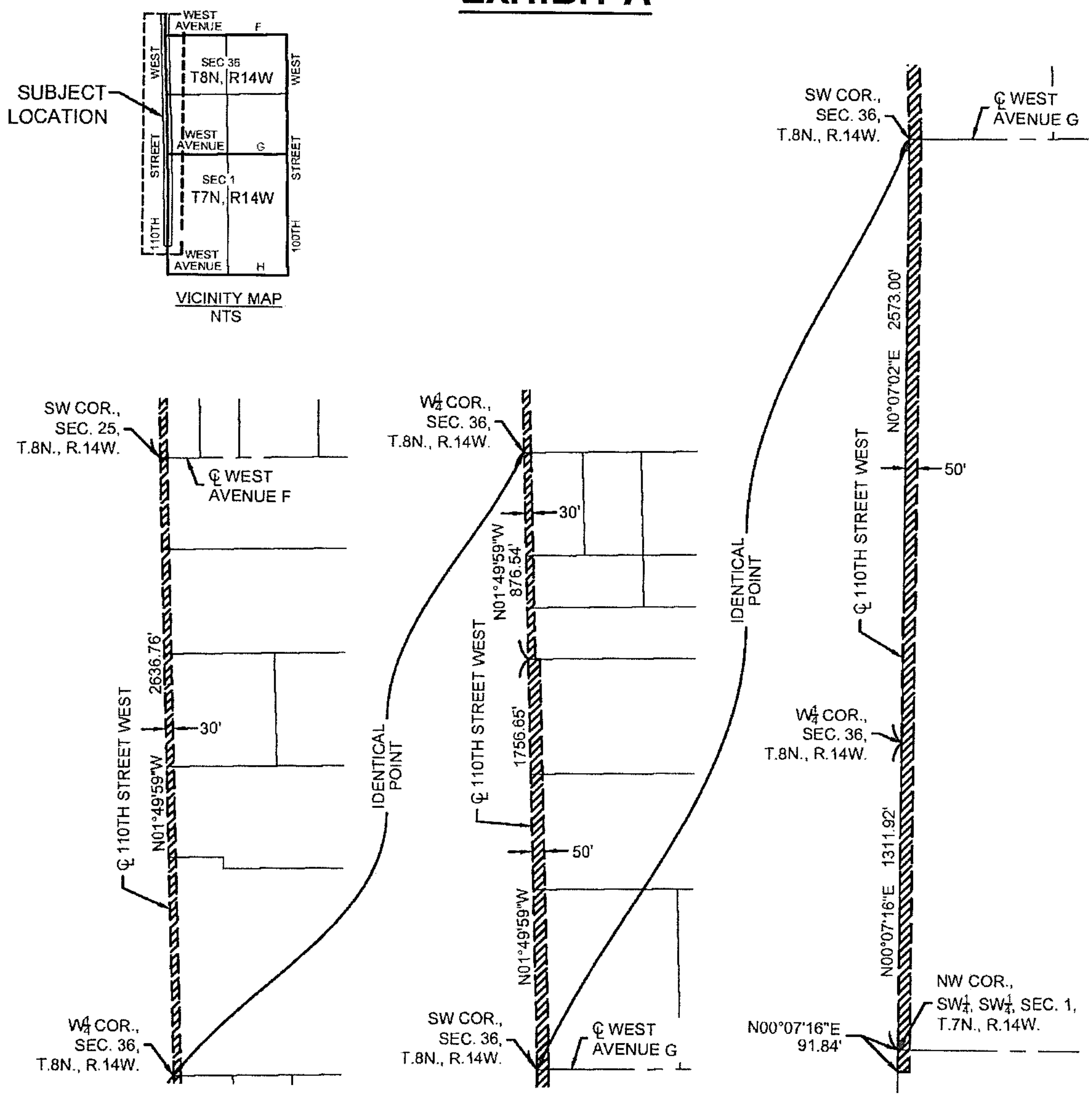
LEGEND

- CENTERLINE
- PROPERTY LINE
- INDICATES FRANCHISE AREA

NORTH
N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC	JOB NO: 094817126 SCALE: NTS
	SHEET 3 OF 5	DATE: 5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

LEGEND

— — — CENTERLINE
——— PROPERTY LINE
INDICATES FRANCHISE AREA

NORTH
N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT RACEWAY SOLAR 1, LLC	JOB NO: 094817126 SCALE: NTS
	SHEET 5 OF 5	DATE: 5/02/2022

ANALYSIS

This ordinance grants an electrical transmission franchise to Estrella Solar, LLC, a Delaware limited liability company ("Franchisee"), to conduct and transmit electricity for a period of thirty-five (35) years, beginning on August 30, 2022, and expiring on August 29, 2057. The base annual fee payable to the County of Los Angeles by Franchisee will be determined according to a formula contained in Section 2 of this franchise ordinance. Franchisee will also pay a granting fee of ten thousand dollars ($10,000).

DAWYN R. HARRISON
Acting County Counsel

By

HEIDI LIU
Senior Associate County Counsel
Public Works Division

HL: mv

Requested: 06/06/22
Revised: 07/0722

HOA.103708958.1

ORDINANCE NO. ____________

An ordinance granting an electrical transmission franchise to Estrella Solar, LLC, a Delaware limited liability company, for a period of thirty-five (35) years, beginning on August 30, 2022, and expiring on August 29, 2057.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Franchise Term; Grant.

The right, privilege, and franchise ("Franchise") is granted to Estrella Solar, LLC, a Delaware limited liability company ("Franchisee"), and its successors and assigns, for a period of thirty-five (35) years, beginning on August 30, 2022, to construct, operate, maintain, renew, repair, change the size of, remove or abandon in place, and use an electrical transmission system consisting of conduits, manholes, vaults, cables, wires, switches, communications circuits, poles, other equipment, appliances, and appurtenances necessary and appropriate for one (1) underground 34.5kV cable circuit and one (1) associated communication line, and one (1) shared overhead 230kV cable circuit and two (2) associated shared communication lines, for the purpose of conducting and transmitting electricity and electrical energy for light, heat, and power purposes, and for any and all other purposes for which electricity can be used for Franchisee's operations in connection with its solar power generating facility, generally bounded by West Avenue A, West Avenue A-8, 90th Street West, and 95th Street West, in, on, along, upon, under, or across highways, as defined in Section 16.36.080 of the Los Angeles County Code ("County Code"), now or hereafter dedicated to public use within the unincorporated territory of the County of Los Angeles, State of California

("County Highway"), specifically, West Avenue A-8 between 90th Street West and 95th Street West, 95th Street West between West Avenue A-8 and West Avenue B, West Avenue B between 95th Street West and 110th Street West, and 110th Street West between West Avenue B and West Avenue G-12, as more particularly shown on Exhibit A, attached hereto and made a part hereof ("Franchise Area").

SECTION 2. Consideration; Payment of Fees.

A. All fees set forth in this ordinance shall be made payable to the County of Los Angeles ("County"), c/o Department of Public Works, P.O. Box 1460, Alhambra, California 91802-1460.

B. Granting Fee. As consideration for the Franchise granted, Franchisee shall pay the County a granting fee of ten thousand dollars ($10,000) within thirty (30) days after the adoption of this ordinance.

C. Annual Franchise Fee. As additional consideration for the Franchise granted, Franchisee shall pay within thirty (30) days prior to commencement of construction of Franchisee's facilities within the Franchise Area, and annually thereafter, a Franchise fee computed annually ("Annual Franchise Fee") on or before August 30th ("Anniversary Date") of each calendar year, in advance, during the term of the Franchise, to the County in lawful money of the United States. The Annual Franchise Fee shall be calculated based on the County Highway space occupied by Franchisee's facilities at the rate of three dollars and seventy-three cents ($3.73) per linear foot, or five thousand dollars ($5,000), whichever is greater. For purposes of calculating the Annual Franchise Fee, it is agreed that Franchisee's facility area will initially occupy a total of thirty-seven thousand nine hundred and eighty-nine (37,989) linear feet of County Highway. The Annual Franchise Fee for the first year shall be one hundred forty-one thousand six hundred and ninety-nine dollars ($141,699).

1. Annual Adjustments Based on Consumer Price Index. For every year that the Franchise is in full force and effect, the Annual Franchise Fee for the then-current twelve (12) month period shall be increased based on changes in the Consumer Price Index for All Urban Consumers for the Los Angeles-Long Beach-Anaheim California region (1982-84=100), All Items, as published by the United States Department of Labor, Bureau of Labor Statistics ("Index"), to determine the Annual Franchise Fee for the next twelve (12) months.

2. The Annual Franchise Fee for each subsequent year ("New Annual Franchise Fee") shall be calculated by multiplying the then-current Annual Franchise Fee by a fraction, the numerator of which shall be the Index for the month ending ninety (90) days prior to the upcoming Anniversary Date ("Current Index"), and the denominator shall be the Index for the month ending ninety (90) days prior to the previous Anniversary Date ("Previous Index"). The formula for calculation is shown below:

Current Annual Franchise Fee x [Current Index/Previous Index] = New Annual Franchise Fee.

3. If the described Index is no longer published and a substitute index is adopted by the Bureau of Labor Statistics, then Franchisee and the County shall accept such substituted index for future Annual Franchise Fee calculations. If no such

government index is offered as a replacement, the County shall, at its sole discretion, determine the indexes to be used. In no event shall a New Annual Franchise Fee be less than the previous year's Annual Franchise Fee.

D. Additional Fees and Assessments. In addition to the Annual Franchise Fee, Franchisee shall also pay all applicable County fees and assessments related to construction and operation in the Franchise Area. Franchisee shall also pay any applicable fees provided in the County Code, including but not limited to, administrative fees, processing fees, permit fees, late charges, accrued interest, and penalties required in connection with the Franchise. These fees shall be charged at the then-current applicable rates.

E. The County reserves the right to change its method of calculating fees and the amount thereof, not more frequently than once every five (5) years, if the Board of Supervisors ("Board") determines after a public hearing that good cause exists for such change, and such change is not in conflict with the laws of the State of California.

F. Late Payments. In the event Franchisee fails to make full payment of any of the payments provided for herein on or before the dates they are due, Franchisee shall pay a late charge of ten percent (10%) of the amount due, said ten percent (10%) being due thirty (30) days after the date payments are due. The late charge in the amount of ten percent (10%) has been set by both parties hereto in recognition of the difficulty in affixing actual damages from a breach of said time of performance requirement.

In the event full payment of any rate, payment, or fee, including the ten percent (10%) late charge, is not received within sixty (60) days after the due date, an assessment of interest shall accrue on the unpaid balance at one percent (1%) per month beginning on the sixty-first (61st) day after the due date.

SECTION 3. Indemnification and Insurance.

Franchisee shall meet the following indemnification and insurance requirements:

A. Indemnification. Franchisee shall indemnify, defend, and hold harmless, the County and its special districts, elected and appointed officers, employees, and agents ("County's Agents") from and against any and all expenses, costs, fees, damages, claims, liabilities, and lawsuits of any nature, including, without limitation, those involving, relating to, or asserting, bodily injury, personal injury, death, property damage, encroachment, encumbrance, or infringement upon property rights or interests and any loss of property value related thereto or arising therefrom, defense costs, attorneys' fees, and workers' compensation benefits, expenses, and damages of any other type (collectively "Claims") that relate to or arise from: (1) County's grant and/or extension of the Franchise; (2) Franchisee's use or exercise of the Franchise and/or the operations or the services provided by Franchisee, its employees, agents, servants, receivers, contractors, subcontractors, successors, or assignees ("Franchisee's Agents") in connection with the Franchise; and/or (3) any acts or omissions of Franchisee, Franchisee's Agents, or any person in connection with activities or work conducted or performed pursuant to the Franchise and/or arising out of such activities or work. In furtherance of, and in no way limiting, the foregoing, Franchisee shall indemnify, defend, and hold harmless, the County and the County's Agents from and against any and all Claims that relate to, arise from, or involve pollution, contamination, degradation, and/or environmental compliance, relating to, arising from, or involving the Franchise, or Franchisee's use or exercise thereof, including, but not limited to, Claims arising from or relating to any threatened, actual, or alleged discharge, dispersal, release, or escape of any substance, including, but not limited to, any pollutant or contaminant of any kind, into or upon any person, thing, or place, including the land, soil, atmosphere, man-made structure, and/or any above or below ground watercourse or body of water. Notwithstanding anything to the contrary herein, Franchisee shall not be obligated to indemnify the County and County's Agents for liability and expense arising from or relating to the active negligence or willful misconduct of the County or the County's Agents.

B. Insurance. Without limiting Franchisee's indemnification of the County or County's Agents, or provision of bonding or additional security required under the Franchise, Franchisee shall provide and maintain at its own expense, during the term of the Franchise, the following programs of insurance. Such programs and evidence of insurance shall be satisfactory to the County and shall be primary to, and not contributing with, any other insurance or self-insurance programs maintained by the County.

1. Certificate(s), Declaration page(s), specified Endorsement(s) and/or other evidence of coverage satisfactory to the County shall be delivered on or before the effective date of the Franchise, and on or before the expiration date of each term of insurance, to the County. Such certificates or other evidence shall:

a. Specifically identify the Franchise ordinance by ordinance number.

b. Clearly evidence all insurance required in the Franchise.

c. Include a copy of the additional insured endorsement to the liability policies, adding the County and County's Agents as additional insureds for damages caused, in whole or in part, by Franchisee's acts or omissions in the performance of Franchisee's ongoing operations; and contain the express condition that the County is to be given written notice by mail at least ten (10) days in advance of any modification, non-renewal, cancellation, or termination of any program of liability insurance, including workers' compensation insurance. However, in the event insurers are not willing or able to provide such notice, this responsibility shall be borne by Franchisee.

d. Show Franchisee's insurance as primary to the County's insurance and self-insurance programs. This may be evidenced by adding a statement to the additional insured endorsement required in subsection d stating (or using equivalent wording), "It is further agreed that the insurance afforded by this policy is primary to any insurance or self-insurance programs maintained by the additional insureds, and the additional insureds' insurance and self-insurance programs are excess and non-contributing to Named Insured's insurance." Include a copy of the additional insured endorsement to the liability policies, adding the County and the County's Agents as additional insureds for all activities arising from the Franchise.

2. Upon request by the County, Franchisee shall provide the County with a copy of its effective policy of insurance providing coverage pursuant to the terms of the Franchise.

3. Insurance is to be provided by an insurance company with an A.M. Best rating of not less than A: VII, unless otherwise approved by the County.

4. Franchisee agrees to release the County and the County's Agents and waive its insurers' rights of recovery against them under the insurance policies specified in the Franchise.

5. Liability: Such insurance shall be endorsed naming the County and County's Agents as additional insureds with respect to Franchisee's obligations under the Franchise, and shall include, but not be limited to:

a. Commercial General Liability insurance written on a commercial general liability form (ISO policy form CG00 01, or its equivalent, [including any umbrella/excess liability policy] unless otherwise approved in writing by the County), with limits of not less than five million dollars ($5,000,000) per occurrence, fifteen million dollars ($15,000,000) policy aggregate, and fifteen million dollars ($15,000,000) products/completed operations aggregate. Limits may be provided by a combination of primary and excess/umbrella liability policies.

b. If written on a claims-made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following termination or cancellation of the Franchise.

c. Comprehensive Auto Liability insurance (written on ISO policy form CA 00 01, or its equivalent, unless otherwise approved by the County), endorsed for all owned (if any), non-owned, and hired vehicles with a limit of not less than one million dollars ($1,000,000) per occurrence.

d. Pollution Liability insurance, which insures liability for bodily injury or property damage, including cleanup cost for Sudden and Accidental contamination or pollution. Such coverage may be provided within the General Liability and Umbrella policies and have limits of five million dollars ($5,000,000) per occurrence. Such coverage shall also be in an amount and form to meet all applicable State and federal requirements, but in all events, such coverage shall not be less than five million dollars ($5,000,000) per occurrence.

i. If written with an annual aggregate limit, the policy limit shall be three (3) times the above-required occurrence limit.

ii. If written on a claims-made form, such insurance shall be endorsed to provide an extended reporting period of not less than two (2) years following termination or cancellation of the Franchise.

6. Workers' Compensation: A program of workers' compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California. Such policy shall be endorsed to waive subrogation against

the County for injury to Franchisee's employees. In all cases, the above insurance shall include Employers' Liability insurance with coverage of not less than:

a. Each accident: one million dollars ($1,000,000).

b. Disease-policy limit: one million dollars ($1,000,000).

c. Disease-each employee: one million dollars ($1,000,000).

C. Franchisee shall furnish the County within thirty (30) days of the adoption of this ordinance, and within thirty (30) days after the expiration date of each term of insurance, with evidence of insurance coverage or renewal (as applicable), as required by subsection 3.B. to the satisfaction of the County for each of said policies certified by Franchisee's insurance agent, or by the company issuing the policy.

D. The types and amounts of said insurance coverage shall be subject to review and adjustment by the County, subject to limits in the insurance market, at County's sole discretion, at any time during the term of the Franchise. In the event of such adjustment, Franchisee agrees to obtain said adjusted insurance coverage, in type(s) and amount(s) as determined by the County, within thirty (30) days after written notice from the County.

E. Failure on the part of Franchisee to procure or maintain the required insurance, or to provide evidence of current insurance, shall constitute a material breach of the terms of the Franchise upon which the County may immediately terminate or suspend the Franchise, provided that Franchisee will have thirty (30) days written notice to comply with adjustments to insurance limits described in subsection 3.D., above.

F. It is the obligation of Franchisee to provide evidence of current insurance policies. No Franchise operations shall commence until Franchisee has complied with the provisions of subsection 3.B., and any operations under the Franchise shall be suspended during any period that Franchisee fails to obtain or maintain the insurance required hereunder.

SECTION 4. Security/Bond.

A. Security Requirements/Faithful Performance Bond.

1. Within sixty (60) days following the adoption of this ordinance, Franchisee shall provide to the County a faithful performance bond in the sum of not less than one million dollars ($1,000,000) payable to "County of Los Angeles," executed by a corporate surety licensed to transact business as a surety in the State of California, and acceptable to the County. Such bond shall be conditioned upon the faithful performance by Franchisee of the terms and conditions of the Franchise and shall provide that, in case of a breach of any condition of the Franchise, the whole amount of the penal sum, or any portion thereof, shall be deemed by the County to be liquidated damages, and such amount shall be payable to the County by the principal and surety(ies) of the bond.

2. For every year that the Franchise is in full force and effect, the amount of the faithful performance bond for the then-current twelve (12) month period shall be increased by one and one-half percent (1.5%) on or before the Anniversary Date in advance of the next Franchise year.

3. Throughout the term of the Franchise, Franchisee shall maintain the faithful performance bond in the amount required herein. Within ten (10) business days after receipt of notice from the County that any amount has been withdrawn from the bond as provided in this section, Franchisee shall restore the bond to the full amount required herein.

4. The faithful performance bond shall be maintained in full effect for one (1) year following the date of the County's approval pursuant to the Franchise of any sale, transfer, assignment, or other change of ownership of the Franchise or Franchisee or following the expiration or termination of the Franchise. The County may, in its sole discretion, release said bond prior to the end of the one (1) year period upon satisfaction by Franchisee of all the obligations under the Franchise.

B. Alternative and/or Additional Security.

1. The County, in its sole discretion, may require and accept alternative and/or additional security to meet and/or supplement the above bonding requirements, including, but not limited to, an irrevocable letter of credit, certificate of deposit, or a cash deposit in the form of a Passbook Savings Account acceptable to the County, as alternative and/or additional security to a faithful performance bond to guarantee the performance of Franchisee's obligations under the Franchise. Such alternative and/or additional security shall be made payable to the County and shall be deposited to the satisfaction of the County.

2. The types and amounts of the performance bond and alternative and/or additional security shall be subject to review and adjustment by the County, at the County's sole discretion, at any time during the term of the Franchise. In the event of such adjustment, Franchisee agrees to obtain said adjusted coverage and bonding, in type(s) and amount(s) as determined by the County, within thirty (30) days after written notice from the County.

C. No Franchise operations shall commence until Franchisee has complied with the requirements of this section.

SECTION 5. Transfers and Assignments.

A. Franchisee shall not sell, transfer (including stock transfer), exchange, assign, lease or divest itself of the Franchise or any part thereof (each of which is hereinafter referred to as an "Assignment") to any other person or entity ("Transferee"), except with the written consent of the Director of Public Works or his/her designee ("Director") and after payment of a transfer fee as detailed in subsection 5.G.

No such consent shall be required for any Assignment of Franchise in trust or by way of mortgage, deed of trust, pledge, or hypothecation with all or part of Franchisee's other property for the purpose of securing any indebtedness of Franchisee provided that Franchisee shall provide the County at least ten (10) days' prior written notice of such Assignment in trust, mortgage, deed of trust, pledge or other hypothecation, including the name and address of the assignee, pledgee, mortgagee or otherwise benefitted party. Except as provided in subsection 5.E., a merger will not be deemed a sale, transfer, Assignment or lease of the Franchise.

B. Franchisee shall give notice to the County of any pending Assignment, except as excluded in subsection 5.E., and shall provide all documents required by the County as set forth in subsection 5.F. Consent to any such Assignment shall only be refused if the County finds that Franchisee is in noncompliance with the terms and conditions of the Franchise and/or that the proposed Transferee, as applicable, is lacking in sufficient experience and/or financial ability to meet the Franchise obligations. Consent shall be conditioned upon the terms and conditions set forth in the Assignment documents delivered to the County, the assumption by the Transferee, as applicable, of all Franchisee's covenants and obligations under the Franchise, and all information provided to the County under subsection 5.F., below, being true and correct as of completion of the Assignment. Upon receipt of such consent from the County, Franchisee may proceed to consummate the Assignment.

C. Franchisee shall file with the County within thirty (30) days after the effective date of any Assignment, a certified copy of the duly executed instrument(s) that officially evidence(s) such Assignment. If such duly executed instrument(s) is (are) not filed with the County within thirty (30) days after the effective date of such proposed Assignment, or if the conditions to consent by the County have not been met, then the County may notify Franchisee and the proposed Transferee that the Assignment is not deemed approved by the County. The County may then determine that the Assignment has no force or effect or that the Franchise is forfeited.

D. As a condition to granting consent to such Assignment, the County may impose, by ordinance, such additional terms and conditions upon the proposed Transferee as the Board deems to be in the public interest. Nothing contained herein shall be construed to grant Franchisee the right to complete an Assignment except in the manner aforesaid. This section applies to any Assignment, whether by operation of law, by voluntary act of Franchisee, or otherwise.

E. Notwithstanding the foregoing, shareholders, partners, and/or any other person or entity owning an interest in Franchisee may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, Assignment, divestment, or other change, including a merger, is effected in such a way as to give majority control of Franchisee to any person or persons, corporation, partnership, or legal entity other than the person or entity with the controlling interest in Franchisee on the effective date of the Franchise or the effective date of the last approved Assignment, consent thereof shall be required as otherwise provided in this section.

F. Except for any Assignments made pursuant to subsection 5.E., upon notice by Franchisee of any proposed Assignment, the proposed Transferee shall submit an Assignment application to the County, which shall contain at a minimum:

1. Identification of the proposed Transferee, which indicates the corporate or business entity organization, including the submission of copies of the corporate or business formation papers (e.g., articles of incorporation and by-laws, limited partnership agreements, and operating agreements), and the names and

addresses of any parent or subsidiary of the proposed Transferee(s), or any other business entity owning or controlling the proposed Transferee in part or in whole.

2. A current financial statement, which has been audited by a certified public accountant, demonstrating conclusively to the satisfaction of the County that the proposed Transferee has all the financial resources necessary to carry out all of the terms and conditions of the Franchise. The financial statement shall include a balance sheet, profit and loss statement for at least the three (3) most recent years, and a statement of changes in financial position; however, if the proposed Transferee has been in existence for less than three (3) years, then for such period of existence.

3. A copy of the proposed agreement of sale, letter of understanding, or other documentation that details the proposed Assignment.

4. Other information that may be required by the County to assess the capability of the proposed Transferee to operate and maintain the Franchise.

G. The transfer fee shall be submitted with Franchisee's request for the County's consent to any Assignment described in subsection 5.A., and the amount of the transfer fee shall be determined as follows:

1. Consent to Assignment or any other action in which the County does not elect to modify the Franchise by adoption of an amending ordinance: five thousand dollars ($5,000).

2. Consent to Assignment or any other action in which the County elects to modify the Franchise by adoption of an amending ordinance: seven thousand five hundred dollars ($7,500).

SECTION 6. Relocation of Facilities.

A. If any of the facilities constructed, installed, or maintained by Franchisee pursuant to the Franchise on, along, upon, in, under, or across the County Highway are located in a manner that prevents or interferes with the change of grade, traffic needs, operation, maintenance, improvement, repair, construction, reconstruction, widening, alteration, or relocation of the County Highway, Franchisee shall remove and relocate any such facility at no expense to the County, or any applicable cities or other public entities, within the time required by the County, upon receipt of a written request from the County to do so.

B. If Franchisee neglects or fails to remove and relocate its facilities within the time required by the County after receipt of any such notice, Franchisee shall be solely responsible for, and shall reimburse the County, city, and other applicable public entities, any and all additional costs or expenses incurred by the County, city, and other applicable public entities, due to, or resulting from, such delay and/or failure to remove and relocate Franchisee's facilities. Failure to remove such facilities within the time required by the County may constitute a breach of the Franchise in the sole discretion of the County.

C. The County reserves the right for itself, and for all cities and public entities that are now or may later be established, to lay, construct, repair, alter, relocate and maintain subsurface or other facilities or improvements of any type or description within the highways over which the Franchise is granted, subject to the relocation provisions of subsection 6.A., above. Failure of Franchisee to relocate its facilities as required by the County may constitute a breach of the Franchise, at the sole discretion of the County.

SECTION 7. Removing or Abandoning Facilities.

A. Removal. Franchisee must remove all of Franchisee's facilities located within the Franchise Area within one hundred eighty (180) days of the expiration or termination of the Franchise, and shall restore the Franchise Area to its former state at the time such facilities are removed, as near as is practicable, so as not to impair its usefulness, unless the County agrees that the facilities can be abandoned in place as set forth in subsection 7.B., below.

B. Abandonment. Upon application from Franchisee given at any time during the term of the Franchise, the County may, in its sole discretion, give Franchisee permission to abandon, without removing, any facility laid, constructed, operated, or maintained, under the Franchise. The Director shall determine whether abandonment may be effected without detriment to the public interest and under what conditions such proposed abandonment may be effected. Within thirty (30) days of the Director's determination granting the request to abandon its facilities, Franchisee shall apply for a permit in compliance with the requirements of the applicable provisions of the County Highway Ordinance in Division 1 of Title 16 of the County Code, or any successor or amended provisions ("County Highway Ordinance"), and shall commence work authorized by the permit within sixty (60) days of permit issuance.

SECTION 8. Conditions of Franchise Grant; Suspension, Forfeiture, Termination; Grounds and Procedure.

A. The Franchise is granted upon each and every condition contained in this ordinance, including conditions as are incorporated herein by reference.

B. Any neglect, failure, or refusal to comply with any of the conditions of the Franchise shall constitute grounds for suspension, forfeiture, termination, or any combination thereof. The County, prior to any suspension or termination of the Franchise, shall give to Franchisee not less than thirty (30) days' written notice of any default. If Franchisee does not, within the noticed period commence to cure the default, or after such commencement fails to diligently prosecute said cure, the County may hold a hearing at which Franchisee shall have the right to appear and be heard and, thereupon, the County may determine whether such conditions are material and essential to the Franchise and whether Franchisee is in default with respect thereto, and the County may declare the Franchise suspended or terminated. Notice of the hearing shall be given to Franchisee by certified mail not less than thirty (30) days before said hearing. The Franchise may only be suspended or terminated by the County after a hearing.

SECTION 9. Construction, Operation, and Maintenance.

A. All facilities, constructed, laid, operated, or maintained under the provisions of the Franchise shall be constructed, laid, operated, or maintained in accordance with, and conforming to, all the ordinances, codes, rules, and regulations now or hereafter adopted or prescribed by the County and all applicable local, State, and federal laws and regulations.

B. Franchisee shall not commence any construction, excavation, or encroachment work under the Franchise until it has obtained any permit or authorization required by the County Code, including, but not limited to, the County Highway Ordinance, except in cases of emergency affecting public health, safety or welfare, or the preservation of life or property, in which case Franchisee shall apply for such permit not later than the next business day.

C. The work of constructing, laying, replacing, repairing, or removing facilities authorized under the provisions of the Franchise on, along, upon, in, under, or across the County Highways, in the Franchise Area, shall be conducted with as little hindrance as practicable to the use of the County Highway for purpose of travel; and, as soon as the constructing, laying, replacing, repairing, or removing of any of said facilities is completed, all portions of the County Highway that have been excavated or otherwise injured thereby shall be placed in as good condition as the same was in before constructing, laying, replacing, repairing, or removing of the facilities, to the satisfaction of the County.

D. The County reserves the right for itself, and for all cities and public entities that are now or may be later established, to improve the surface of any highway over which the Franchise is granted.

E. If the County constructs or maintains any storm drain, sewer structure, or other facility or improvement, under or across any facility of Franchisee maintained pursuant to the Franchise, Franchisee shall provide, at no expense to the County, such support as shall be reasonably required to support, maintain, and protect Franchisee's facility.

F. Within twenty-one (21) days of a request by the County, Franchisee shall provide information, at no cost to the County, cities, or other applicable public entities, identifying the location of the facilities laid or constructed under the Franchise by potholing or other method approved by the County. Franchisee shall maintain a membership and participate in Underground Service Alert – Southern California in compliance with Government Code section 4216 et seq.

G. If any portion of any highway is damaged by reason of defective facilities laid or constructed by Franchisee under the Franchise, Franchisee shall, at its own expense, repair any such defect and put such highway in as good condition as it was in before such damage was incurred, to the satisfaction of the County. If Franchisee neglects or fails to repair such damage after receipt of any such notice, or if such damage constitutes an immediate danger to public health and safety requiring the immediate repair thereof, Franchisee shall be solely responsible for, and shall reimburse the County, city, and other applicable public entities, any and all additional costs or expenses incurred by the County, city, and other applicable public entities, due to, or resulting from, the repair of such damage.

SECTION 10. Notices.

Unless stated otherwise herein, any notices to be given or other documents to be delivered by either party may be delivered in person, by private courier, or deposited in the United States registered or certified mail to the party for whom it was intended as follows:

To County:

Attention: Survey/Mapping & Property Management Division
County of Los Angeles Department of Public Works
900 South Fremont Avenue
Alhambra, California 91802-1460
Mailing Address:
P.O. Box 1460
Alhambra, California 91802-1460

AND

Attention: Executive Office of the Board of Supervisors
County of Los Angeles Board of Supervisors
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

To Franchisee:

Attention: Operations
Estrella Solar, LLC
c/o AES Clean Energy
2180 S 1300 E #600
Salt Lake City, Utah 84106

Notices given by mail in accordance with this provision shall be deemed to have been given at the time and date actually received, or if delivery is refused, on the date of such refusal. Any party may change its address for purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision.

SECTION 11. County Franchises.

In addition to the terms and conditions stated herein, the Franchise is granted pursuant to the terms and conditions contained in Division 3, Franchises, of Title 16, Highways, of the County Code, which are incorporated herein by reference, and as Division 3 of Title 16 may be amended hereafter and/or in any successor provisions. In the event the terms and conditions of the Franchise conflict with the terms and conditions of Division 3 of Title 16, the terms and conditions herein shall control. Without limiting the generality of the foregoing, Section 16.44.050 of the County Code is superseded by this ordinance.

SECTION 12. Franchise Operative Date.

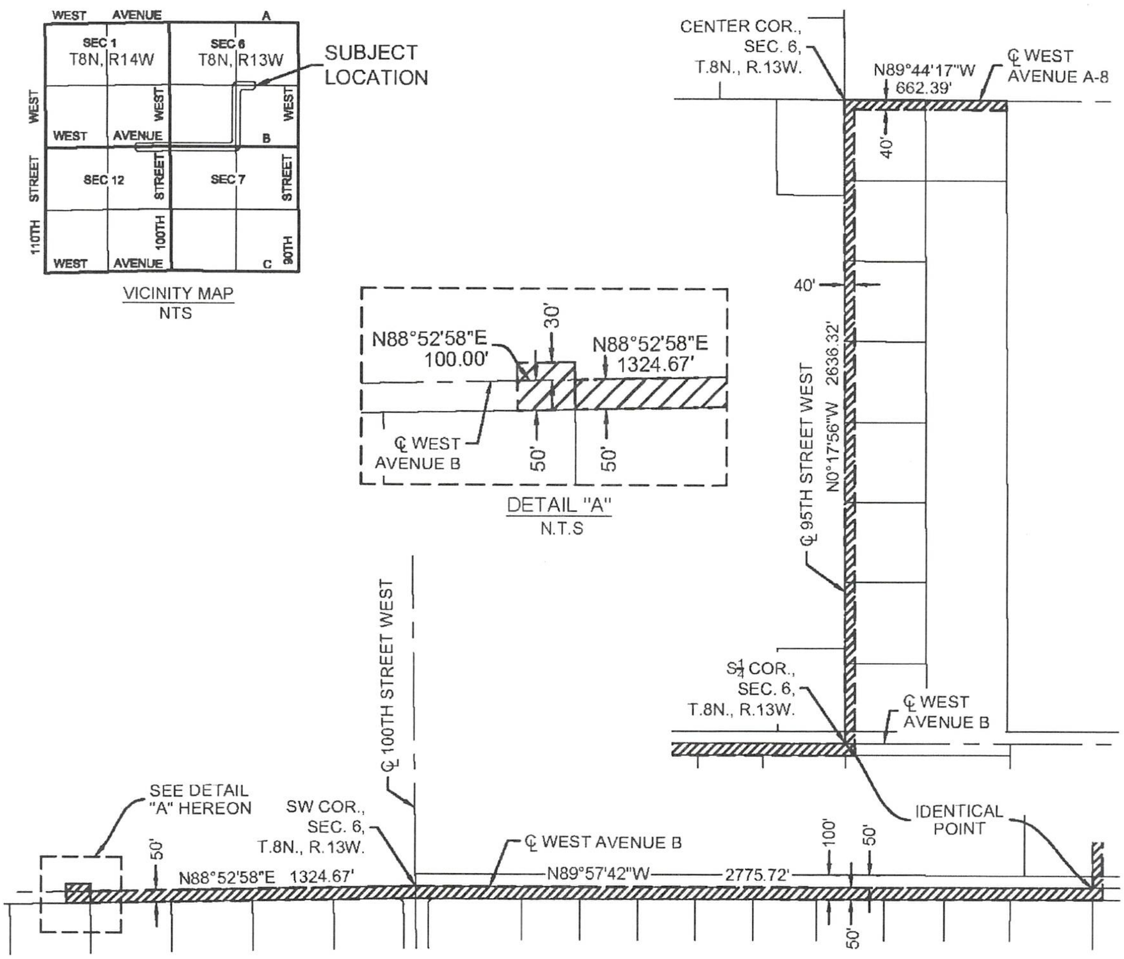
The operative date of the Franchise shall be August 30, 2022.

SECTION 13. Termination.

If Franchisee fails to comply with any of the requirements of the Franchise, the County may, in its sole discretion, terminate the Franchise and/or seek any and all available remedies at law or in equity.

[ESTRELLASOLARFRANHLCC]

EXHIBIT A



LEGEND

- CENTERLINE
- PROPERTY LINE
- INDICATES FRANCHISE AREA

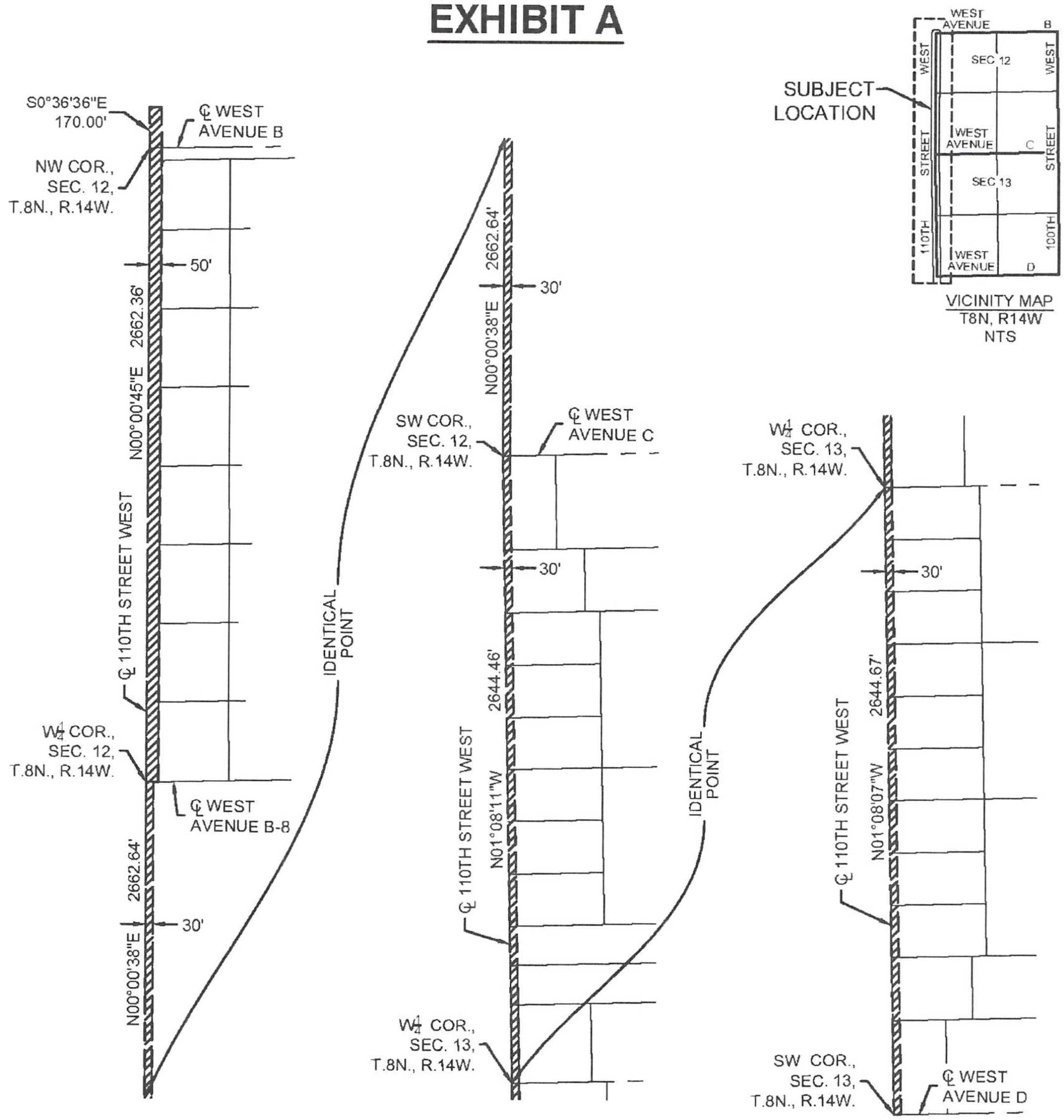
PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

NORTH
N.T.S

Kimley»Horn 1100 W TOWN AND COUNTRY ROAD, SUITE 700, ORANGE, CA 92868 Tel: (714) 939-1030	LOS ANGELES COUNTY FRANCHISE AGREEMENT EXHIBIT ESTRELLA SOLAR, LLC	JOB NO: 094817126
		SCALE: NTS
	SHEET 1 OF 4	DATE: 5/02/2022

EXHIBIT A



PREPARED UNDER MY SUPERVISION:

TONY WONG, P.E. 22551 DATE
EXP: 12-31-2023

LEGEND

— - —	CENTERLINE
———	PROPERTY LINE
//////	INDICATES FRANCHISE AREA

NORTH
N.T.S

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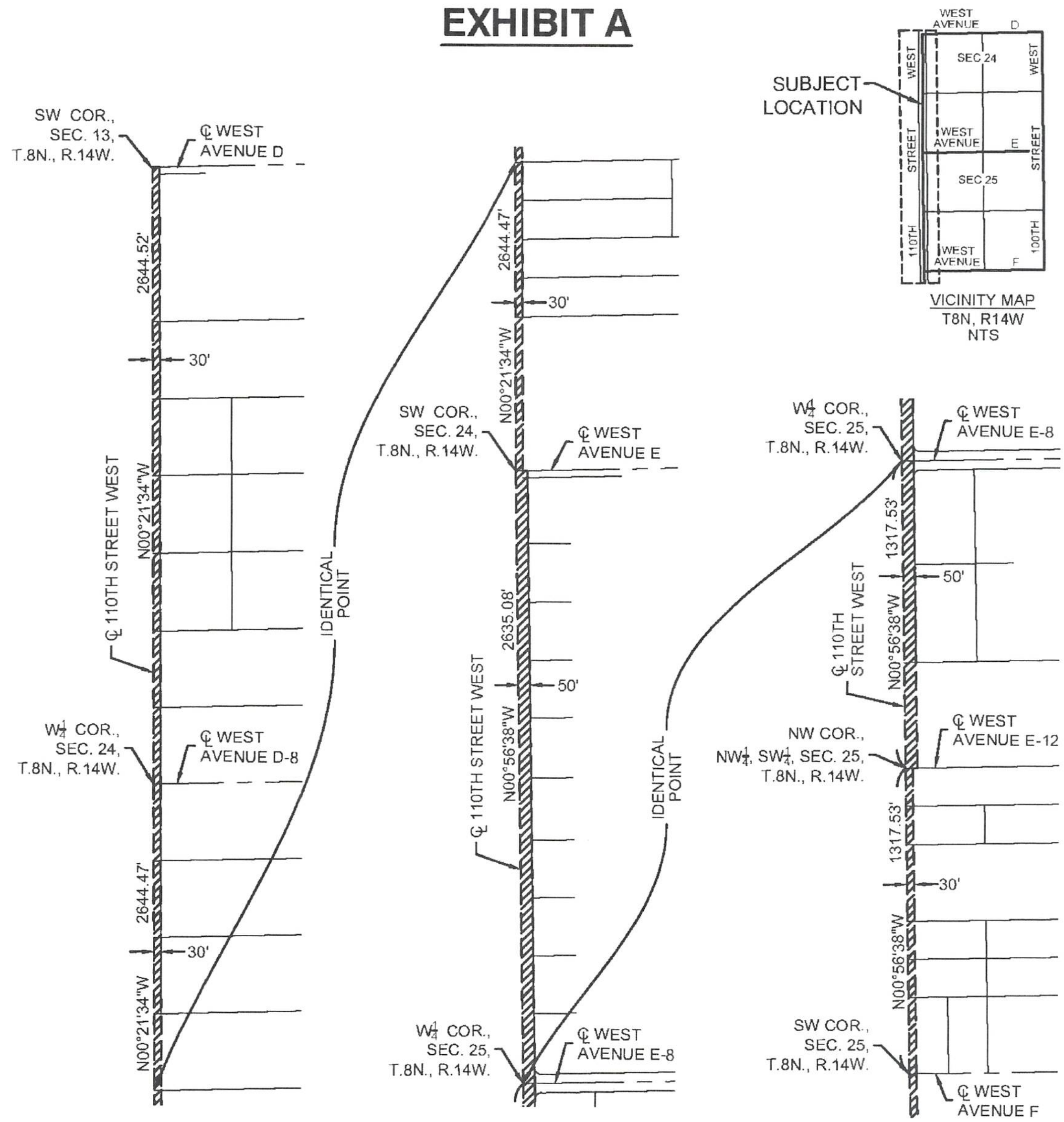
		SCALE: NTS
	SHEET 2 OF 4	DATE: 5/02/2022

EXHIBIT A



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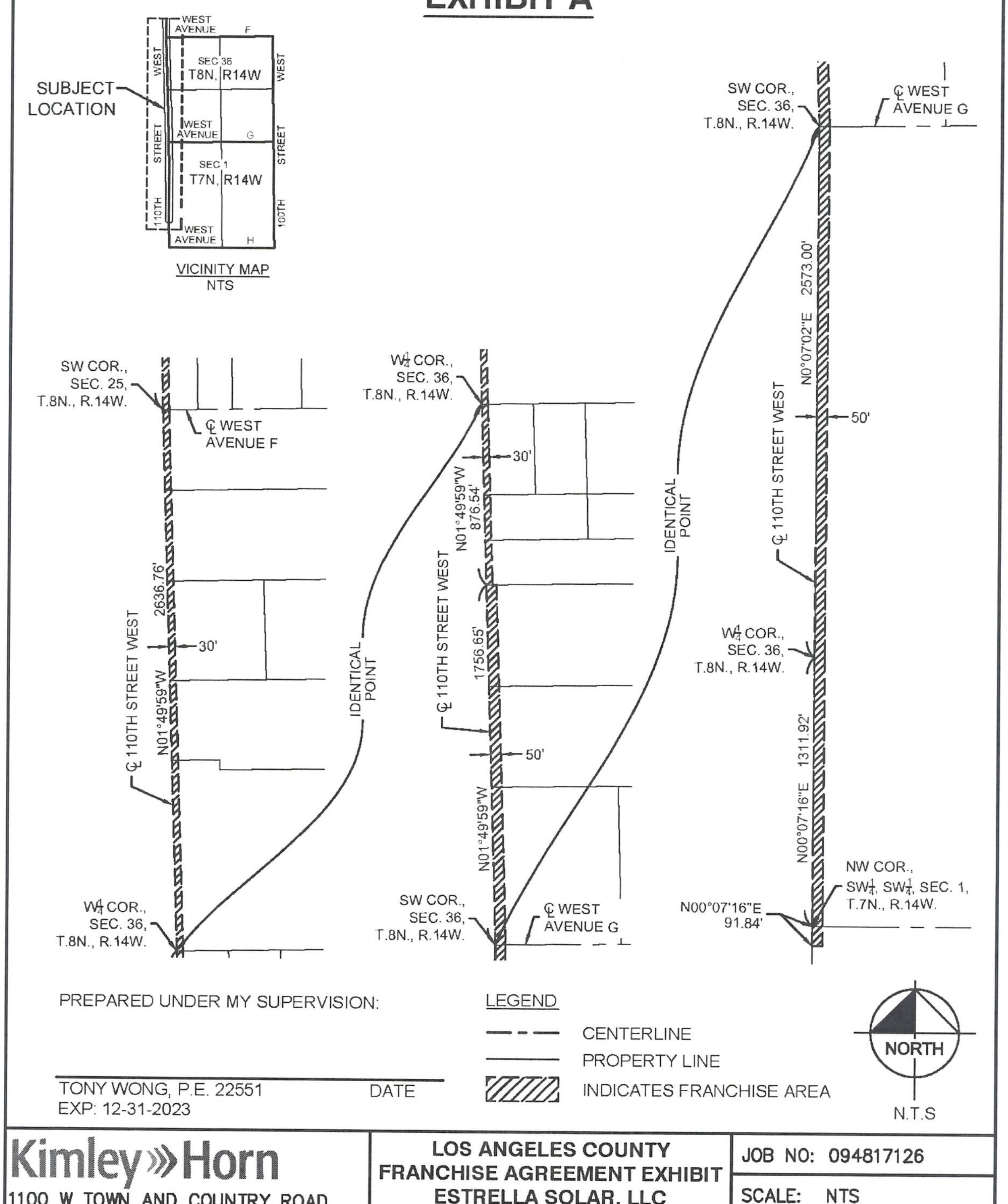
	SHEET 3 OF 4	DATE: 5/02/2022

EXHIBIT A



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		SCALE: NTS
	SHEET 4 OF 4	DATE: 5/02/2022