

**ACTUAL COST CONTRACT**

**THIS AGREEMENT** is entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_ (Agency), and PACIFIC GAS AND ELECTRIC COMPANY (PG&E),

**RECITALS:**

1. PG&E owns, operates, and maintains certain (*Description of Company's facilities and land rights as applicable*), (PG&E's facilities).
2. Agency contemplates construction of (Description of Agency's Project) in the (*vicinity of \_\_\_\_\_, \_\_\_\_\_, County, California*), which will necessitate the rearrangement of PG&E's facilities.
3. Agency has requested and PG&E is willing to rearrange PG&E's facilities to accommodate Agency's project.

**AGREEMENT:**

1. Upon the receipt by PG&E of notice in writing from Agency, PG&E will commence and thereafter diligently prosecute the rearrangement of PG&E's facilities as nearly as possible in accordance with PG&E's Drawing No. \_\_\_\_\_, attached hereto and marked Exhibit A, provided, however, that PG&E shall not be obligated to perform such work until necessary land rights have been acquired in a form satisfactory to PG&E for any of PG&E's facilities that must be replaced in a new location (the new location).
2. In the event the construction of temporary facilities is necessary, PG&E may use lands owned or controlled by Agency for the purpose of making such temporary installation provided that Agency shall have approved the location thereof. Upon completion of construction of such facilities in their permanent location, PG&E shall remove all temporary facilities.
3. Upon the completion of the work, Agency will reimburse PG&E for (\_\_\_\_\_% of) the actual net cost which PG&E has incurred in effecting the rearrangement of PG&E's facilities including costs, if any, involved in any temporary rearrangement. The actual net cost is presently estimated to be \$ \_\_\_\_\_, (*of which Agency's share is \$ \_\_\_\_\_*).

4. Agency shall acquire, at no cost to PG&E and in a form satisfactory to PG&E, all necessary permits required for the temporary or permanent rearrangement of PG&E's facilities from governmental agencies having jurisdiction over the same and shall file any statement required by, and otherwise comply with the applicable provisions of the Environmental Quality Act of 1970 (California Public Resources Code, Sections 21000 et seq.).

5. Agency shall convey or cause to be conveyed to PG&E all necessary land or land rights in a form satisfactory to PG&E to allow PG&E to install its facilities in the new location or reimburse PG&E for its costs incurred in acquiring such land or land rights; provided, however, that in satisfaction of this obligation of Agency, Agency and PG&E will enter into a Joint Use Agreement in the form attached and marked Exhibit B for such portion of the new location as falls within Agency's lands.

For such portion of PG&E's existing facilities as will remain in the present location on land or rights of way acquired by Agency, the parties will enter into a Consent to Common Use in the form attached and marked Exhibit C. PG&E will convey or quitclaim to Agency its land or land rights occupied by facilities to be abandoned or removed within the land or rights of way required by Agency for the construction of its project.

6. Actual cost will be determined in accordance with the uniform system of accounts prescribed for utility companies by the Public Utilities Commission of the State of California and PG&E's regularly established accounting practices and will include, but shall not be limited to, the following charges: survey costs, acquisition of land rights, labor and payroll taxes, materials and supplies, transportation, stores and tool expense, supervision and overheads, including allowance for funds used during construction, and an allowance for worker's compensation and public liability and property damage insurance, and estimated federal and state taxes.

7. Actual net cost shall be actual cost reduced by the following:

(a) betterment, defined as replacements costing more than the replaced facilities because of greater capacity, durability or efficiency.

(b) salvage value of any materials removed and retained by PG&E, the replacement cost of which is charged to Agency.

8. Upon completion of the work, PG&E may submit to Agency an un-itemized preliminary invoice for the actual charges recorded to date, less an amount for estimated salvage and betterment, if any, and Agency, within thirty (30) days after receipt of PG&E's invoice, shall reimburse PG&E therefor.

9. Within thirty (30) days after receipt of PG&E's itemized invoice for the additional amount due PG&E, Agency shall reimburse PG&E for the amount billed, provided, however, that Agency shall have reasonable access to PG&E's accounts and records for the purpose of auditing said invoice. If, after the itemized invoice is prepared, it is determined that the actual net cost is less than any amount previously paid by Agency under this Agreement, PG&E shall reimburse Agency the amount of the difference between the amount paid and the actual net cost, without interest.

10. The provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement by duly authorized officers this day and year first hereinabove set forth.

PACIFIC GAS AND ELECTRIC COMPANY      AGENCY

By \_\_\_\_\_

By \_\_\_\_\_

SUBSTITUTE PARAGRAPH FOR INTERIM BILLING

(To be used when there is an extremely high cost to agency or a high cost to agency where the job is done in stages)

\*3. During the progress of the work, PG&E may bill Agency not more than once each month for (\_\_\_\_\_% of) the actual costs incurred by PG&E not previously reimbursed by Agency to the date of such billing, and Agency shall reimburse PG&E therefor. Upon the completion of the work, Agency shall reimburse PG&E for (\_\_\_\_\_% of) the actual net cost which PG&E has incurred in effecting the rearrangement of its facilities including costs, if any, involved in any temporary rearrangement with credit given to Agency for any interim payments made in accordance with this paragraph. The net cost is presently estimated to be \$ \_\_\_\_\_.

SUBSTITUTE PARAGRAPHS FOR ADVANCE PAYMENTS

## ATTACHMENT 1

(To be used when preliminary engineering and/or an advance payment is made by Agency - structure to fit situation. If the estimated cost of the work is received, remove Paragraph 8. If less than the estimate cost is received, continue to use Paragraph 8.)

4. Agency has heretofore paid PG&E \$\_\_\_\_\_ for its preliminary engineering costs which costs will be incorporated into the work to be performed hereunder.

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