

TRAIL LICENSE AGREEMENT
BETWEEN
PECO ENERGY COMPANY
AND
WARRINGTON TOWNSHIP

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TRAIL LICENSE AGREEMENT

THIS TRAIL LICENSE AGREEMENT (this "License"), made this 21 day of August 2014, by and between **PECO ENERGY COMPANY**, a Pennsylvania corporation ("Licensor") and **WARRINGTON TOWNSHIP** ("Licensee").

BACKGROUND

A. The Licensee desires to enter upon and use certain lands of Licensor in Warrington Township, Bucks County, Pennsylvania, as more particularly shown in red and blue on the plan attached as Exhibit "A" hereto (the "Premises"), which are now and will hereafter be used by Licensor for its corporate purposes.

B. Licensor is willing to permit Licensee so to enter upon and use the Premises upon the terms and conditions of this License.

NOW, THEREFORE, in consideration of the covenants, promises and agreements herein contained, and intending to be legally bound, the parties agree as follows:

1. Grant of License. Licensor, to the extent it has the power, title and right to do so, hereby grants Licensee a License granting Licensee the right to enter onto the Premises for the purposes of constructing and maintaining a trail for use by the general public for hiking and bicycling (the "Trail"), under and subject to all easements and restrictions of record or to which a survey or personal inspection might reveal.

2. Licensed Premises. The Premises shall be an eight (8) foot wide strip of ground as shown highlighted in red and blue on Exhibit "A".

3. Use of the Premises. Licensee shall use the Premises and Trail in a manner acceptable to and approved by Licensor. Licensee's use of the Premises shall not interfere with Licensor's full use, operation and maintenance of the Premises for its corporate purposes. Licensor reserves the right of continuous access to and from Licensor's Facilities located upon the Premises and property adjacent thereto. Licensee shall not permit the Premises, or any part thereof, to be used except as herein specifically provided. Licensee agrees to protect the Premises from any and all trespassers and adequately to notify and warn the public that the Premises is private property and that all trespassing is prohibited except for its use as a hiking, biking, jogging and walking trail.

4. Public Relations. Licensee is aware that there may be public concerns which may be encountered as a result of Licensee's plan to establish and use the Trail. Licensee agrees that it will meet and discuss these concerns with the property owners adjoining the Trail and other members of the public and actively work with them to reasonably resolve all such concerns.

5. Leases and Licenses. Portions of the Premises are subject to existing leases and licenses granted by Licensor. Licensor will notify those tenants that their leases or licenses are affected by this License. Licensee shall discuss its use of the Premises with the existing tenants of the Licensor and resolve any concerns with such tenants in a reasonable and timely manner. Any damages to crops or other property of such tenants or future tenants caused by Licensee or others shall be the sole responsibility of Licensee.

6. Licensor's Uses. (a) This License is expressly subject to Licensor's right to erect, install, use, operate, maintain, repair, renew, add to, relocate, remove Licensor's Facilities upon, along, over, under and across the Premises or necessary for the distribution of electric, gas or telecommunications services ("Licensor's Facilities"), together with the right as Licensor shall deem necessary to cut down, trim and remove any trees, brush or other vegetation that interferes or potentially interferes with Licensor's Facilities. Upon notification from Licensor to do so, Licensee agrees to relocate the Trail at Licensee's expense should Licensor require such relocation to accommodate Licensor's Facilities. Licensor shall not unreasonably require such relocation.

(b) Licensor reserves the right and privilege to grant easements and leases on, over, or under any part of the Premises for any purpose which does not unreasonably interfere with the Licensee's permitted use under this License.

7. Publicity and Signs. Licensee agrees to (a) erect and install signs and notices approved by Licensor at each end of and entrance to the Trail indicating Licensor's ownership of the Premises and the contribution of the use of Licensor's property to the development of the Trail. Licensee agrees that any signs or notices posted by it on the Premises or any pamphlets, brochures, or other informational material distributed by Licensee which involves the Premises shall so acknowledge Licensor's contribution;

(b) provide the appropriate media releases which will inform the general public of the donation by Licensor of the use of its property for the Trail upon the execution of this License; and

(c) provide Licensor with copies of all media releases, pamphlets, brochures, and other informational material distributed by Licensee which involves the Trail.

8. Trail Design. Licensee recognizes that Licensor is concerned about the possibility of unauthorized use of the Trail and its property by motorized vehicles such as all terrain vehicles (ATV's), motorcycles, and snowmobiles. Licensee agrees to incorporate control and safety measures into its design to discourage such unauthorized use and to protect the public. Such design factors shall include, but are not limited to, signs, barricades, and deflectors around obstructions such as towers, poles and guy wires. Licensee shall be solely responsible for the design of the Trail and all improvements but will review such designs with Licensor before finalizing the designs. Licensee shall also modify the trail safety system if required in the future for improvement of safety. Licensee's trail design and subsequent construction shall not hinder Licensor's access to Licensor's property.

9. Plans. (a) Licensee shall submit six (6) copies of detailed plans and profiles to Licensor's Real Estate & Facilities Division showing the proposed construction of the Trail, any alteration or improvements to be constructed and all proposed grading, including existing grading, fencing and grounding protection, paving, drainage facilities, landscaping, lighting fixtures, utilities and any other possible proposed alteration to the Premises in accordance with Licensor's Electric Construction Standard S-7073, a copy of which is attached hereto. **LICENSEE SHALL NOT COMMENCE THE CONSTRUCTION OR INSTALLATION OF THE TRAIL OR ANY ALTERATIONS OR IMPROVEMENTS UPON THE PREMISES AT ANY TIME UNTIL LICENSEE HAS RECEIVED WRITTEN APPROVAL FROM LICENSOR OF LICENSEE'S PLANS.** Licensor reserves the right to refuse to review or approve plans not in accordance with Licensor's standard. Licensee shall notify Licensor immediately upon the completion of any approved construction in order that a final inspection can be made by Licensor to insure compliance with plans approved by Licensor.

(b) Any relocation or other adjustment or modification of Licensor's facilities, if acceptable to Licensor, to accommodate the Trail or Licensee's improvements for the Trail shall be performed by Licensor at the sole cost and expense of Licensee on a cost plus overhead basis. Licensee shall pay an estimate of the costs prior to Licensor performing such work. Any overpayment will be refunded following completion and any unpaid amount over the estimate paid by Licensee shall be paid to Licensor within thirty (30) days following Licensor's bill therefor to Licensee.

(c) Construction of the Trail and any improvements made by Licensee shall be done at the sole cost and expense of Licensee.

(d) Licensee shall send Licensor photographs of the Premises prior to soil disturbance to establish a record of its original condition.

10. Drainage. All work performed by Licensee shall be done in a manner that will not adversely affect the drainage upon the Premises, Licensor's property and property of others adjacent thereto. Any drainage problems created by Licensee shall be

corrected at Licensee's sole cost and expense and without additional use of Licensor's property.

11. Maintenance of Premises. Licensee shall maintain the Premises and Trail and all improvements thereon in good order and condition at all times at Licensee's sole cost and expense. Licensee shall not erect, alter or remove any fences or other structures on the Premises and shall not plant, destroy, cut or remove any trees, nor remove any rock, stone, gravel, soil or other natural material or property of Licensor from the Premises without the prior written consent of Licensor. Licensee shall cut grass and trim shrubbery, cut and destroy any Canada thistles or weeds commonly known as chicory, succory or blue daisy or other objectionable or obnoxious weeds or vegetation on the Premises and shall also cut and destroy all brush in excess of three (3) feet in height on the Premises. Licensee shall also remove and properly dispose of all trash and other debris, if any, on or which may be on the Premises. Licensee may not use and expressly agrees not to use Licensor's property for disposal purposes.

(b) License shall establish and enforce rules and regulations for use of the Trail, prevent unauthorized uses and obtain assistance from police when required.

(c) Licensee shall not bring any soils onto the Premises without the prior written consent of Licensor. Licensee shall not cause any soil disturbance or make any grade changes without the prior submittal of any applicable erosion and sedimentation plan and permits..

12. Licensor's Facilities. Licensee understands and acknowledges that the business of Licensor involves the construction, maintenance, operation and use of structures, fixtures and facilities with appurtenances, now or which may hereafter be erected on the Premises and property adjacent thereto which are used or useful in connection with the generation, conversion, transmission or distribution of electricity, gas and communications services. Licensee shall not touch, handle, tamper with or contact, directly or indirectly any of the structures, fixtures and facilities of Licensor.

13. Indemnification of Licensor; Waiver and Release. Licensee assumes all risk of loss, injury or damage to the Trail or personal property and all risk of injury or death to its employees, contractors, or any other person or persons from any causes whatever, including but not limited to claims for injuries to employees of the Licensor Parties, Licensee or their contractors or subcontractors. To the fullest extent permitted by applicable law, Licensee shall at all times hereafter indemnify, defend and save harmless Licensor, its employees, agents, contractors and invitees ("Licensor Parties"), from and against any and all claims, actions, liability, damages, costs and expenses (including attorney's fees) in connection with loss of life, personal injury, or damage to property caused to any person in or about the Premises (including but not limited to

claims for injuries to employees of Licensor, Licensee or their contractors or subcontractors) or arising out of the occupancy or use of the Premises by Licensee or occasioned wholly or in part by the act or omission of Licensee, its employees, agents, contractors and invites, regardless of the concurrent negligence of Licensor Parties unless attributable to the sole negligence of the Licensor Parties.

14. Insurance. (a) In addition to the indemnifications contained in Section 13, but not in limitation thereof, Licensee agrees to carry and maintain Commercial General Liability Insurance (with coverage consistent with ISO Form CG 0001 (12/04)) providing bodily injury, property damage and personal/advertising injury coverage (including but not limited to coverage for claims against Licensor for injuries to employees of Licensee or its contractors or subcontractors) with limits not less than Four Million Dollars (\$4,000,000) per occurrence and shall include blanket contractual liability coverage for Licensee's obligations under this License with an insurance company or companies acceptable to Licensor. Licensee shall furnish Licensor with evidence of such insurance in the form of a policy or certificate of insurance. The policy or certificate shall name Licensor, its officers, agents and employees, as additional insured, be primary insurance for all purposes, contain cross-liability provisions, and provide for a waiver of all rights of subrogation which Licensee's insurance carrier may have against Licensor.

(b) The policy or certificate shall be forwarded to Licensor prior to commencing any work on the Premises, and contain a provision that Licensor be notified with at least ten (10) days prior notice in the event of cancellation of the insurance.

(c) Insurance coverage provided by Licensee or its contractors or subcontractors under this License shall not include any of the following: any claims made insurance policies; any self-insured retention or deductible amount greater than Two Hundred Fifty Thousand Dollars (\$250,000) unless approved in writing by Licensor; any endorsement limiting coverage available to Licensor which is otherwise required by this License; and any policy or endorsement language that (1) negates coverage to Licensor for Licensor's own negligence, (2) limits the duty to defend Licensor under the policy, (3) provides coverage to Licensor only if Licensee is negligent, (4) permits the recovery of defense costs from any additional insured, or (5) limits the scope of coverage for liability assumed under a contract. Licensor may revise the type or amount of required insurance in a manner that is commercially reasonable for similar properties by giving notice thereof to Licensee.

15. Recreational Act. Licensor shall have all benefits of the Act of Assembly of February 2, 1966, No. 586 S1 et seq., 68 P.S. 477-1 et seq. limiting liability of landowners to make land and water areas available to the public for recreational purposes.

16. Liens. If any lien is filed against the Premises by any contractor of Licensee for work done on the Premises, Licensee shall cause same to be discharged or satisfied within fifteen (15) days of service or upon notice of same, whichever shall be sooner. Licensee shall indemnify, defend and hold harmless Licensor against all costs and expenses (including, without limitation reasonable attorneys' fees arising out of any such liens).

17. Compliance with Laws. Licensee shall comply with all notices, rules, regulations, laws and ordinances of all governmental and regulatory agencies in its use of the Premises without expense to Licensor. Licensee shall obtain all required permits for the Trail and provide copies to Licensor.

18. Term and Termination. (a) The Lease granted herein for the Trail shall be for a term of twenty-five (25) years commencing on the Effective Date as defined in Paragraph 26 (the "Term").

(b) The term of this License may be terminated at any time by either party without cause, upon giving thirty (30) days written notice to the other. Upon the expiration of said thirty (30) days this License shall absolutely cease and terminate. The Licensee shall, without any recourse, vacate the Premises within the thirty (30) day period after the expiration or earlier termination of this License, leaving the Premises in as good condition as at the time of execution of this License.

(c) If Licensee uses the Premises for purposes other than above-mentioned, or if Licensee shall abandon or cease to use the Premises, or shall violate or fail in any particular to comply with any of the terms, conditions, covenants and provisions in this License then this License shall thereupon automatically terminate forthwith and the privileges of Licensee hereunder shall thereupon immediately cease and terminate. In the event that this License shall terminate by reason of any of the foregoing and Licensee has not vacated the Premises or has failed to remove from the Premises any improvements, property and/or materials thereon belonging to Licensee, then Licensor may serve written notice upon Licensee to vacate the Premises and/or to remove all such improvements, property and materials within five (5) days after the date of such notice.

(d) If Licensee fails to vacate the Premises and/or fails to remove Licensee's improvements, property and/or materials within the period specified in paragraphs 18 (a) and (b), then the title to such improvements, property and/or materials may, at Licensor's option, automatically be and become vested in Licensor without further or additional act or acts on the part of the Licensee or Licensor and Licensor at its option shall have the right to remove same at the sole cost and expenses of the Licensee, which cost and expense Licensee hereby agrees to pay to Licensor no later than ten (10) days after demand to do so from Licensor.

19. Notices. All notices given by either party shall be in writing served personally upon the other party; or sent by United States certified mail, return receipt requested or sent by a recognized commercial courier service, addressed to the other party at its address, which the parties agree shall be:

Licensors:

PECO ENERGY COMPANY
2301 Market Street
Philadelphia, PA 19103
Attention: Director, Real Estate & Facilities

Licensee:

WARRINGTON TOWNSHIP
852 Easton Road
Warrington, PA 18976

20. Fees. The County shall pay Owner a fee of TWO HUNDRED FIFTY DOLLARS (\$250.00) annually in advanced for the first five (5) years of the term of this Agreement and increasing in the amount of fifteen percent (15%) commencing on the fifth (5th) year of the term and every five (5) years thereafter while this Agreement remains in effect. The first payment shall be made at signing, and all additional payments shall be made to Owner on or before the 1st day of each July this Agreement is in effect.

21. Taxes. (a) Licensee shall pay all real property taxes and other charges and assessments levied upon or assessed against Licensor or Licensor's property caused by this License or the construction of the Trail or Licensee's improvements and shall save Licensor harmless from any such taxes, charges and assessments at its sole cost and expense.

(b) Licensee agrees that no charge or assessment shall be made or imposed upon Licensor or its property for the cost of installing the Trail or improvements and shall save Licensor harmless from any such charge or assessment at Licensee's sole cost and expense.

22. Late Charge. In the event that any fee shall become overdue for a period in excess of five (5) days, Licensee shall pay an additional charge to defray the expenses of handling equivalent to five percent (5%) of each overdue fee. Such additional charge shall be due on demand and payable as an additional fee. Acceptance by Licensor of

overdue fees or additional fees shall not be construed as a waiver of Licensee's obligation to pay such fees or additional fees as set forth in this License.

23. Licensee's Standards. In addition to the provisions set forth in this License, the Licensee further agrees to comply with all the conditions contained in Licensor's Electric Construction Standards S-7070, S-7073 and S-7074 attached hereto as Exhibit "B", as they affect Licensee's use of the Premises and as may be modified by Licensor from time to time. If any provision of this License conflicts with any provision of such Standards then Licensor shall solely determine which provision shall prevail.

24. Hazardous Material. (a) Licensee shall not cause or permit, as a result of any act or omission on the part of Licensee, the placement or presence of any flammable or other forms of explosives, radioactive materials, petroleum and petroleum products, hazardous wastes or toxic substances, or related materials, asbestos or any material containing asbestos, or any other substance or materials as defined by any federal, state or local environmental law, ordinance, rule, or regulation now existing or hereinafter enacted ("Hazardous Materials") upon the Premises or Licensor's adjoining property.

(b) Licensee acknowledges that during its observation of the Premises it found no physical evidence of Hazardous Materials stored thereon.

(c) If Licensee receives notice from any governmental authority regarding Hazardous Materials on, from or affecting the Premises then Licensee shall immediately notify Licensor. In the event of a leak of any substance on Property, Licensee must notify Licensor within twenty-four (24) hours and provide a written report within five (5) business days.

(d) Licensee hereby agrees to indemnify, defend and hold harmless Licensor from any claim, investigation, litigation, damages, cost and expenses (including, but not limited to, reasonable attorneys' fees) arising out of (i) failure to comply with environmental laws; and (ii) any Hazardous Materials in, on or under the Premises arising out of or in any way related to or caused by the Licensee or Licensee's activities on the Premises. The obligations and liabilities under this section shall survive the termination of this License and shall be continuing.

25. Licensee's Mortgage. This License is subject to the lien of the First and Refunding Mortgage dated May 1, 1923, of The Counties Gas and Electric Company (to which PECO Energy Company is successor) to Fidelity Trust Company (to which US Bank, National Association, is successor) as the same has been and may hereafter be amended and supplemented for the security of presently outstanding bonds of Licensor and additional bonds which may hereafter be issued and outstanding under such mortgage as so amended and supplemented.

26. Filings. If required by law, Licensor shall file a copy of this Agreement with the Pennsylvania Public Utility Commission promptly upon the execution hereof, the 33rd day after such filing shall be the effective date hereof, unless prior to such date proceedings are instituted as provided in Section 507 of the Pennsylvania Public Utility Law, Title 66, and in the event of the institution of such proceedings, then this Agreement shall become effective as to Licensor only after approval by the Pennsylvania Public Utility Commission.

27. Miscellaneous. (a) [This License may be assigned by Licensee to the Township of Warrington, a Second Class Township of the Commonwealth of Pennsylvania, without prior consent of Licensor.] Licensee shall not [otherwise] assign or transfer this License without the prior written consent of Licensor.

(b) The waiver by Licensor of any breach of any covenant, obligation or condition of this License shall not be deemed to be a waiver of any subsequent breach of any covenant, obligation or condition.

(c) This License shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

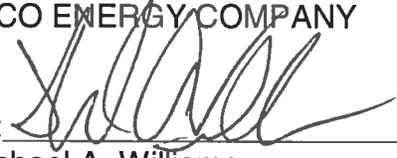
(d) This License constitutes the entire agreement between the parties and may not be amended, altered or modified except by written instrument executed by the parties hereto.

(e) This License may be executed in counterpart copies, each of which shall constitute an original, but all of which together shall constitute one and the same instrument.

(EXECUTED BY THE PARTIES ON THE FOLLOWING PAGE)

Executed as of the day and year first above written.

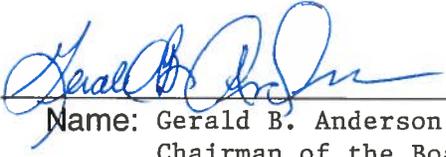
PECO ENERGY COMPANY

BY: 
Michael A. Williams
Director, Real Estate & Facilities

APPROVED



WARRINGTON TOWNSHIP

BY: 
Name: Gerald B. Anderson
Chairman of the Board of Supervisors

Title:

File No. 3340, 3342, 3343, 3383

PECO Powerline Trail Approximate Easement Segments



Warrington Township
832 Easton Road
Warrington, PA 18976
(215) 849-9350



Legend

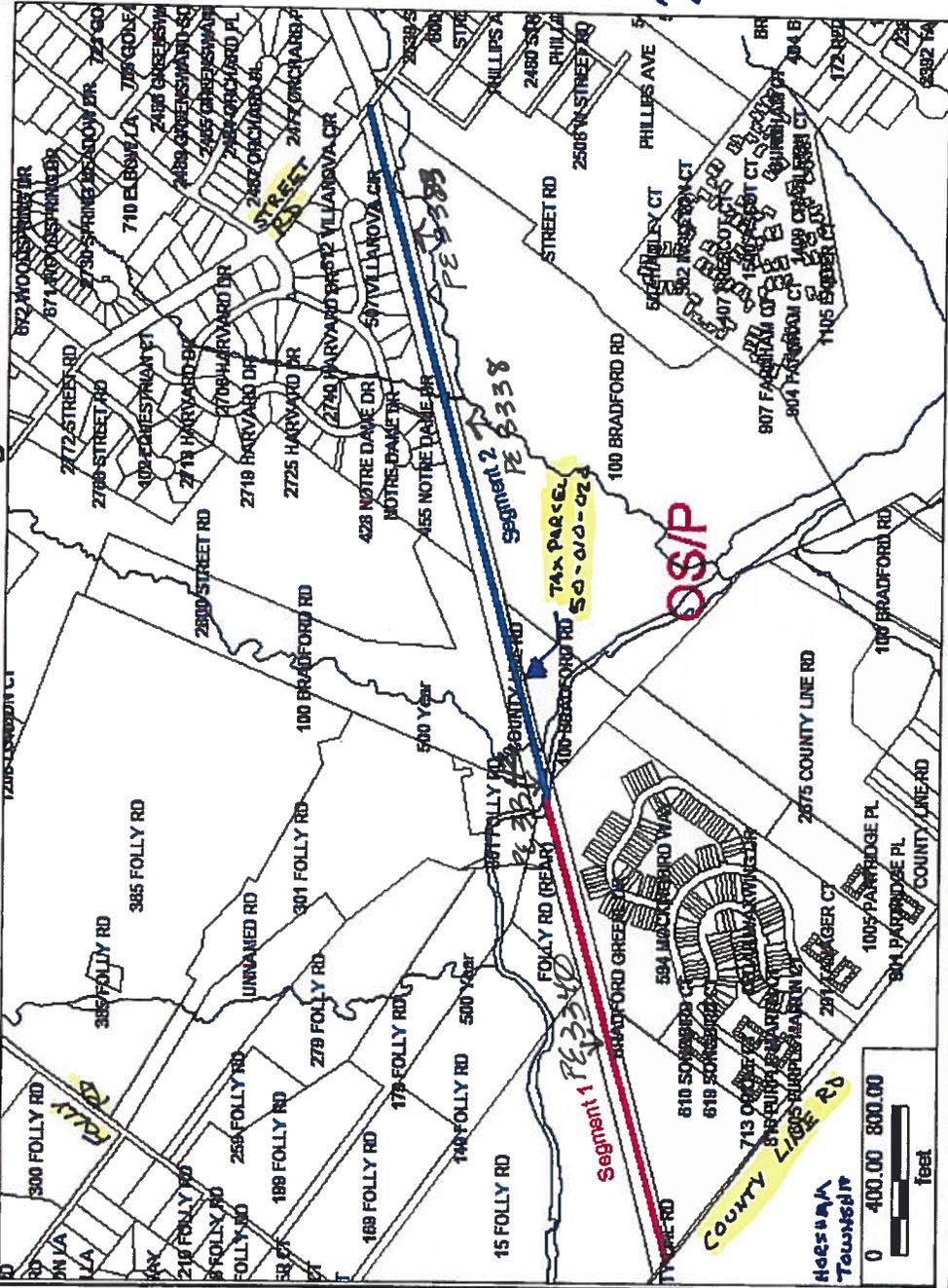
- Boundary
- Parcel
- Hydrology

Approx
Length 1.2
miles

Segment 1
Approx 2125ft x 20ft =
42,500 sq ft

Segment 2
Approx 3980 ft x 20ft =
79,600 sq ft

Total
Approx 119,100 sq ft =
2.5 acres



This map was produced using various data sources and collection methods. The accuracy of the information displayed herein has not been verified and the Warrington Township is not responsible for errors. All information based from GIS map should be field verified.

EXHIBIT A

**CONDITIONS FOR WORKING IN THE VICINITY OF
ELECTRIC TRANSMISSION LINES OF
PECO AND ITS SUBSIDIARIES**

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS

**CALL PECO AT 610-648-7926 or 7913 BEFORE WORKING IN THE
VICINITY OF PECO ELECTRIC TRANSMISSION LINES**

- 1 **DEFINITIONS:** As used in this Standard:
- 1.1 **PECO** means PECO and its subsidiaries.
 - 1.2 **Contractor** means natural person, firm, business association, company, partnership, corporation, tenant, lessee, grantee or licensee who or which is controlling or performing the job or activity that necessitates the approval and notification required by this standard.
 - 1.3 **In the vicinity of PECO electric transmission lines** means construction or other work activities on or adjacent to rights-of-way or easements that contain PECO electric transmission lines, including but not limited to any use of cranes, booms, derricks, ladders or other equipment or items that might come within the horizontal distances set forth in Table I, to PECO overhead conductors.

**TABLE I
Horizontal Distance to Transmission Lines**

<u>Nominal Operating Voltage</u> (volts)	<u>Distance</u>	
	<u>(feet)</u>	<u>(meters)</u>
500,000	50	15.2
230,000 & below	20	6.1

- 2 **APPROVAL:** All contractors engaged in construction or other work activities on PECO rights-of-way must obtain the specific advance written approval of PECO Real Estate Department, 2301 Market Street, Philadelphia, Pa. 19101, Telephone (215) 841-5471.

**CONDITIONS FOR WORKING IN THE VICINITY OF
PECO ELECTRIC TRANSMISSION LINES**

ELECTRIC CONSTRUCTION STANDARDS

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PECO

S-7070



- 3 **CONTRACTOR'S DUTY AND RESPONSIBILITY:** It is the contractor's duty and responsibility to ensure that all construction or other work activities in the vicinity of PECO electric transmission lines shall be performed in accordance with the latest applicable federal, state and local statutes and regulations. OSHA 29 CFR 1926.1408 to 1926.1410 regulations governs the safe operation of cranes and derricks in the vicinity of electric transmission lines.
- 4 **RESPONSIBILITY FOR SUB-CONTRACTORS:** The prime contractor shall be responsible for supplying copies of the S-7070 to all sub-contractors and determining that the sub-contractors are familiar with the information contained therein. Subcontractors utilizing cranes, booms, hoists, or other equipment in the vicinity of electric transmission lines must adhere to the requirements of OSHA 29 CFR 1926.1408 to 1926.1410 regulations.
- 5 Work activities that are not applicable to the requirements of OSHA 29 CFR 1926.1408 to 1926.1410 shall be considered in the vicinity of PECO electric transmission lines if such work might come within the clearance distances of Table II.

TABLE II
Clearance Distance to Transmission Lines

<u>Nominal Operating Voltage</u> (volts)	<u>Distance</u>	
	<u>(feet)</u>	<u>(meters)</u>
500,000	35	10.7
230,000	25	7.7
138,000	20	6.1
69,000	15	4.6
34,000 and below	12	3.7

- 6 **NOTIFICATION:** In addition to the advance approval required in paragraph 2, the contractor shall contact PECO in accordance with the following schedule:
- 6.1 As soon as possible, but no less than sixty (60) calendar days before construction or other work activities are to start, if at any time any construction or work activities may or could take place in the vicinity of PECO electric transmission lines, the contractor shall contact PECO New Business Group (800-841-4141) and Transmission and Substations OHT Supervisor, Overhead Transmission Center, 1040 Swedesford Road, Berwyn, Pa. 19312, Telephone 610-648-7926 or 610-648-7913. After this notification, PECO will review the project and

**CONDITIONS FOR WORKING IN THE VICINITY OF
PECO ELECTRIC TRANSMISSION LINES**

ELECTRIC CONSTRUCTION STANDARDS

coordinate with the contractor on what precautionary safety measures, if any, are appropriate: If transmission line outages are required, the contractor and representatives of the T&S will work together to develop a tentative schedule.

- 6.2 The contractor shall also contact the T&S OHT Supervisor at 610-648-7926 or 7913 at least ten (10) working days before construction or other work activity is to begin to confirm scheduling and arrangements.
- 6.3 If at any time during construction or other work activities, a previously unanticipated need for equipment or personnel in the vicinity of PECO electric transmission lines occurs, the contractor shall immediately contact the OHT Supervisor at 610-648-7926 or 7913. Construction or other work activities in the vicinity of PECO transmission lines without prior notice to PECO in accordance with paragraphs 6.1 and 6.2 is potentially dangerous and is absolutely forbidden.
- 6.4 In addition to electric transmission lines, PECO rights-of-way and easements may also contain distribution lines. Contractor shall treat all overhead power lines as energized and potentially dangerous. Contractor shall notify PECO at 610-648-7926 or 7913 if at any time any construction or other work activities may or could take place in the vicinity of any overhead power lines.
- 6.5 In the event of any contact with PECO facilities, the contractor shall call the PECO System Operations at 800-841-4141 as soon as possible.

7 OUTAGES:

- 7.1 PECO shall determine the available time periods for line outages in the event de-energizing conductors is necessary. If the contractor insists on a specific day or time for an outage which results in the use of inefficient generation, the contractor shall reimburse PECO for the additional generating costs, as determined by PECO System Operations Division.
- 7.2 If an emergency occurs on the PECO system during a scheduled line outage period and that line is required to maintain system integrity, the contractor shall, within one hour, make the transmission line available for PECO's use and shall cease work within the vicinity of the line.

CONDITIONS FOR WORKING IN THE VICINITY OF PECO ELECTRIC TRANSMISSION LINES

ELECTRIC CONSTRUCTION STANDARDS

- 8 **REIMBURSEMENT BY CONTRACTOR:** PECO shall be reimbursed by the contractor for all costs and expenses incurred in implementing any precautionary safety measures.
- 9 **BLASTING:** No blasting shall be permitted in the vicinity of transmission line facilities without specific advance written approval by PECO. Notification of intent to blast shall be made in accordance with paragraph 6.2.
- 10 **EXCAVATIONS:**
- 10.1 No one shall excavate closer than 40 feet to PECO transmission structures or anchors without specific advance written approval by PECO. Notification of intent to excavate shall be made in accordance with paragraphs 6.1 and 6.2.
- 10.2 Contractors shall comply with the provisions of the Pennsylvania or Maryland One-Call Systems. In Pennsylvania, call 1-800-242-1776. In Maryland, call 1-800-257-7777.
- 11 **GROUNDING SYSTEM:** The contractor shall notify the OHT Supervisor in the event he/she or any subcontractor uncovers or destroys any transmission line grounding leads. The repairs to this equipment shall be made by PECO personnel at the contractor's expense. Contractors and their personnel shall not touch, handle or attempt to repair any exposed or severed grounding leads.
- 12 **STORAGE:** No buildings, storage sheds, trailers, combustible or hazardous materials shall be placed or stored under a transmission line conductor or within 50 feet of a structure.
- 13 **CLEAN-UP OPERATIONS:** After completing construction, the contractor shall remove all unused material and debris, re-establish all roads and trails and return the right-of-way to its original condition within thirty (30) calendar days of work completion. The contractor shall notify PECO at the address described in paragraph 6.1 upon completion of the clean-up operations so that PECO may arrange an inspection to assure compliance with these requirements.

CONDITIONS FOR WORKING IN THE VICINITY OF
PECO ELECTRIC TRANSMISSION LINES

ELECTRIC CONSTRUCTION STANDARDS

INFORMATION REQUIRED TO EVALUATE PROPOSED TRANSMISSION LINE RIGHT-OF-WAYS SECONDARY USES OF PECO AND ITS SUBSIDIARIES

PECO considers proposed secondary uses of transmission line rights-of-way in accordance with its electric construction standards S-7072, "Secondary Uses for Rights-of-Way Along Electric Transmission Lines of PECO and its Subsidiaries" and S-7074, "General Conditions Regulating Approved Secondary Uses for Transmission Line Rights-of-Way of PECO and Its Subsidiaries" respectively. In order to properly evaluate these proposed secondary uses, PECO requires that certain information be submitted to its Real Estate Department as follows:

1.0 PRELIMINARY PLANS

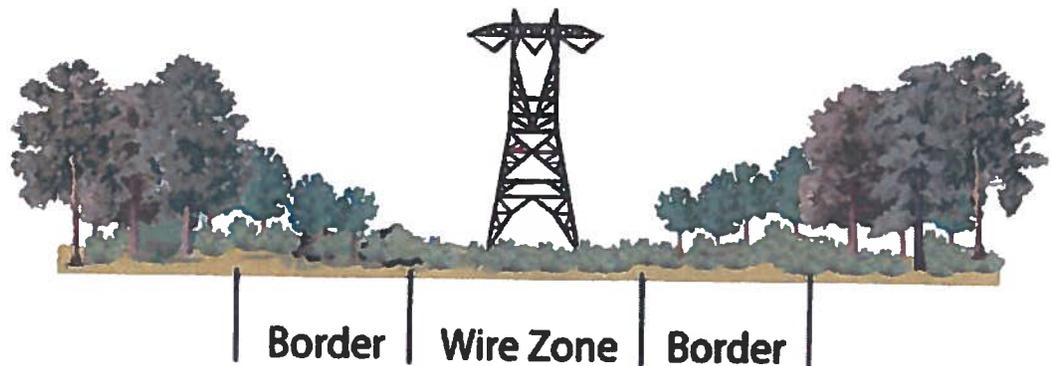
PECO will accept for review and comment a preliminary sketch or concept plan prepared in advance of formal drawings for the purpose of determining the feasibility of a particular right-of-way use. This plan shall indicate the proposed use and general location in relation to PECO's facilities. Six (6) copies of this preliminary report shall be submitted to PECO Real Estate Department, 2301 Market Street, Philadelphia, PA 19101.

2.0 FINAL DRAWINGS - Submission of the final drawings shall be required before PECO will consider granting final approval of the project and before any work may begin on PECO property. Six (6) copies of the final drawings containing the following information shall be submitted for approval to the PECO Real Estate Department:

- 2.1** Location of all PECO transmission and distribution structures, including identification numbers, poles, guys manholes, and all underground facilities.
- 2.2** Grade elevations at the base of all PECO facilities.
- 2.3** Proposed road and parking lot details including location, type of construction, grade elevations, drainage plans, and the location of any curbs, sidewalks or protective barriers.
- 2.4** The location and height of all proposed street lights.
- 2.5** Where regarding is necessary, include both existing and final grades on the plans.
- 2.6** Where plantings are proposed, the location, the height above final grade at maturity, the number and the species shall be specified.

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2.7 The diagram above provides guidance for planting within the electric transmission right-of-way. Grasses and herbaceous plants are permitted in the wire zone. Trees may not be planted in the wire zone. Small growing trees or shrubs may be permitted in the border zone of the right-of-way.

2.8 The location, size, and, depth of all proposed underground facilities such as water and sewer lines shall be specified.

2.9 All plans shall be drawn to a suitable scale and elevations shall be referenced to U.S. Coast & Geodetic datum or other datum acceptable to PECO.

3.0 **SAFETY** - All plans and drawings, preliminary and final, involving work in the vicinity of PECO electric lines must include the following:

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS. TREAT ALL OVERHEAD POWER LINES AS ENERGIZED AND POTENTIALLY DANGEROUS. All contractors and subcontractors must obtain copies of PECO Energy Electric Construction Standard S-7070, "Conditions for Working In the Vicinity of Electric Transmission Lines of PECO and Its Subsidiaries" and comply with its provisions.

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4.0 REFERENCES

4.1 PECO Construction Standards

- 4.1.1 S-7070: "Conditions for Working in the Vicinity of Electric Transmission Lines of PECO and Its Subsidiaries"**
- 4.1.2 S-7072: "Secondary Uses for Rights-of-Way along Electric Transmission Lines of PECO and Its Subsidiaries"**
- 4.1.3 S-7074: "General Conditions Regulating Approved Secondary Uses for Transmission Line Rights-of-Way of PECO and its Subsidiaries."**

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USES FOR TRANSMISSION LINE RIGHTS-OF-WAY OF PECO AND ITS
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CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS

**CALL PECO AT 610-648-7926 OR 610-648-7913 BEFORE WORKING IN THE
VICINITY OF PECO ELECTRIC TRANSMISSION LINES**

The following GENERAL CONDITIONS regulate approved secondary uses of PECO transmission line rights-of-way, whether owned in fee or controlled by easement. The acceptable non-transmission line uses are summarized in PECO Electric Construction Standard S-7072, "Secondary Uses for Rights-of-Way Along Electric Transmission Lines of PECO and Its Subsidiaries."

1.0 UNDERSTANDING

- 1.1** User understands that PECO's business includes construction, installation, maintenance, operation and use of structures, fixtures, facilities and instrumentation, with appurtenances, which now exist or which may hereafter be placed on the right-of-way, which are used or useful for the generation, conversion, transmission or distribution of electricity, or gas or telecommunications services.
- 1.2** User agrees to comply with all requirements of any of the constituted public authorities, and with the terms of any federal or state statute or local ordinance or regulation applicable to the use of the right-of-way, and agrees to indemnify and hold PECO harmless from penalties, fines, costs or damages resulting from User's failure to do so.
- 1.3** User understands that PECO, its successors and assigns, shall have the right to continue to use its rights-of-way for the purposes listed in paragraph 1.1 hereof. PECO reserves the right to require User to relocate or remove any installations, improvements, or plantings. Any relocation or removal shall be accomplished in accordance with the terms and conditions of User's written lease agreement, if applicable, or in accordance with terms and conditions specified by PECO.

2.0 APPROVAL

All proposed secondary uses of PECO rights-of-way shall be subject to the prior written approval of the PECO Real Estate Department, 2301 Market Street, Philadelphia, PA 19101, Telephone (215) 841-5471. All related notifications, submissions and requests for approval, unless otherwise specified, shall be directed to the PECO Real Estate Department.

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3.0 SAFETY AND CLEARANCES

CONTACT WITH POWER LINES CAN RESULT IN DEATH OR SERIOUS BURNS. User shall treat all overhead power lines as energized and potentially dangerous. If at any time, construction or other work activities in the vicinity of PECO transmission lines may occur, User and all contractors and subcontractors must obtain from the PECO Real Estate Department the current version of PECO Electric Construction Standard S-7070, "Conditions for Working in the Vicinity of Electric Transmission Lines of PECO and Its Subsidiaries" and must comply with its provisions. **Construction or other work activities in the vicinity of PECO transmission lines without prior notice to PECO in accordance with the S-7070 is potentially dangerous and is absolutely forbidden.**

4.0 DRAWINGS

Prior to the start of any construction on the right-of-way, User shall submit to PECO, for its approval, plans prepared in accordance with Electric Construction Standard S-7073, "Evaluation of Proposed Transmission Line Rights-of-Way Secondary Uses."

5.0 RELOCATION

User must obtain the prior written approval of PECO Real Estate Department for any relocation of PECO facilities. Approved relocations shall be performed only by PECO or its agents at Users sole cost and expense.

6.0 INSTALLATION

- 6.1** User agrees that all construction work performed by User or its agents within the right-of-way shall be performed in accordance with accepted engineering practices. User understands that PECO may require the bonding and/or grounding of improvements to eliminate the effects of induced voltage.
- 6.2** User agrees that no charge or assessment for the installation of any underground facility shall be made or imposed upon any part of PECO's right-of-way through which any underground facility passes and User shall save PECO harmless from any such charge or assessment at User's sole cost and expense. PECO shall be permitted to connect to Users facilities without a connection charge.

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7.0 EXCAVATIONS

- 7.1** There shall be no construction or excavation within 25 feet of any tower, steel pole structure, wood pole structure or guy anchor without the prior specific written approval of PECO. No construction or excavation shall be permitted in the area between a pole or structure and its associated guy wire anchor. User shall exercise care to prevent cave-ins which could disturb PECO facilities.
- 7.2** User shall comply with the provisions of the Pennsylvania or Maryland One-Call Systems. In Pennsylvania, call 1-800-242-1776. In Maryland, call 1-800-257-7777.
- 7.3** To prevent injuries, User is required to cover all open ditches at night or whenever otherwise unattended.
- 7.4** User agrees that any trenches dug during the installation or subsequent repair of underground facilities shall be properly planked to insure PECO's access across its right-of-way at all times.

8.0 IMPROVEMENTS

User, at Users sole cost and expense, shall install and maintain any public improvements required or necessary for the proposed use, such as sewer or water main extensions, curbs, sidewalks or roadway paving. User also agrees that no charge or assessment shall be made or imposed upon any part of PECO's right-of-way arising or resulting from Users improvements.

9.0 ACCESS

- 9.1** At all times, User shall provide an access route at least 16 feet wide for ingress and egress of PECO vehicles as necessary for the construction and maintenance of its structures and facilities within the right-of-way and adjacent premises, unless this provision is waived in writing by PECO.
- 9.2** When permission is granted by PECO for a highway, road or driveway to cross its right-of-way at an elevation different from the existing elevation of the right-of-way, the construction shall include a ramp from each side of the road to meet the existing right-of-way elevation. Access ramps shall be at least 16 feet wide with a maximum grade of 15%.

10.0 GATES

All fencing within the right-of-way shall include a 16 foot wide gate(s) or wire barricade(s) as described in PECO Electric Construction Standard S-7071, "Right-of-Way Fences, Gates and Barricades."

11.0 LOCKS

PECO shall have the right to install its own lock on any gates within the right-of-way. User shall provide, at its sole cost and expense, a dual/multiple locking system for this purpose.

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12.0 EXPLOSIVES

User shall not use or store explosives or flammable materials in any form within the right-of-way.

13.0 DRAINAGE

In order to prevent erosion or other drainage problems and to prevent dirt from being placed above any concrete tower foundations, User shall not alter the grade of the right-of-way except as approved under paragraph four hereof.

14.0 PARKING LOTS AND DRIVEWAYS

PECO shall have the right to use any driveway or parking lot located within the right-of-way without being responsible for any damage caused thereto. User shall construct driveways and parking lots to withstand the weight of vehicles which distribute 38,000 pounds per axle.

15.0 LIMITATION OF DAMAGES FOR PLANTINGS

If required by PECO, User shall remove or relocate plantings blocking access to PECO facilities within 30 days after receiving notice. If prior notice cannot be given or if such removal or relocation is not timely completed, PECO shall gain access to its facilities and compensation for damage to User, if any, shall not exceed pro rata rental for the portion of the right-of-way used by PECO for its corporate purposes.

Where plantings are installed without the prior written consent of PECO, User shall remove or relocate plantings as requested by PECO. No compensation will be paid by PECO for this work.

16.0 UNDERGROUND FACILITIES

16.1 The installation of any underground facilities required by User shall be completed at User's expense, in accordance with the Erosion and Sedimentation Control Regulations of the Pennsylvania Department of Environmental Resources (PA-DER) or any other environmental regulatory agency or governmental agency, and with the minimum possible damage to the ground within the PECO right-of-way.

16.2 Any underground installation shall meet applicable standards for minimum cover unless otherwise specified by PECO. PECO reserves the right to require greater than minimum cover. User is aware PECO intends to cross over underground facilities with vehicles generally weighing 38,000 pounds per axle, and the pipeline(s) shall be installed accordingly. PECO does not warrant that any approved or specified cover will protect the pipeline(s).

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- 16.3 User shall furnish engineering plans of pipeline cathodic protection systems for PECO review and approval prior to installation. Cathodic protection interference tests shall be performed on the completed facility at the expense of User. User shall furnish any other information required by PECO.
- 16.4 User shall take special care to avoid leakage at pipe joints or seepage into open ditches during the construction, installation, use, maintenance, repair, renewal, removal or replacement of the pipeline(s).
- 16.4.1 In the event of a leak or a spill involving gasoline, oil or other toxic or hazardous materials or pollutants, User agrees to satisfy all requirements specified by, PECO, the PA DER, the Environmental Protection Agency (EPA), or any environmental regulatory agency or other governmental agency for the cleanup of said leak or spill. User further agrees to assume full responsibility for the cost of the cleanup and any future liability resulting from the leak or spill.
- 16.5 All proposed pipeline or metallic communication line installations which will longitudinally occupy any transmission line right-of-way for a distance greater than 200 feet must have an inductive interference study completed at Users sole cost and expense and reviewed by PECO prior to construction of the proposed facility.
- 16.5.1 At a minimum, inductive interference study shall include the following:
- 16.5.1.1 Induced voltage on the proposed facility at emergency rating of each transmission line (individually) on the right-of-way.
- 16.5.1.2 Induced voltage on the proposed facility at emergency rating of each distribution line (individually) on the right-of-way.
- 16.5.1.3 Induced voltage on the proposed facility at emergency rating of all electric lines on the right-of-way.
- 16.5.1.4 Induced voltage on the proposed facility during a fault (both phase to ground and three phase) on each transmission line on the right-of-way. Faults on the electric transmission lines shall be located at either end of the proposed facility to be installed on the right-of-way and at the middle of the occupation. Fault studies shall also be conducted at any additional locations specified by the PECO engineer.
- 16.5.1.5 If the proposed facility to be installed on the right-of-way is a bare metal structure (i.e. metal pipe), User shall supply to PECO voltage gradient plots of the area around any transmission structure within 50 feet of the facility. If the voltage gradients around any electric structure increase, User, at Its sole cost and expense, must install mitigation prior to the proposed pipeline installation.

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16.5.2 Electric transmission and distribution facilities will be added or removed from the right-of-way from time to time. Before PECO adds or removes facilities, the owners of any pipeline or metallic communication line on the PECO right-of-way shall be responsible for completing an initial or revised inductive interference study, submitting it to PECO for review and installing required mitigation, including on PECO's facilities, and at Users sole cost and expense, in a timely manner.

16.5.3 User shall maintain all inductive interference mitigation systems in good operating condition and check for proper operation once each year.

17.0 MARKINGS FOR UNDERGROUND FACILITIES

In order to minimize the number of future dig-ins, User shall be required, as part of any underground installation, to install and maintain at Users expense, permanent markers to identify the location of the underground facility. Pipelines and other similar installations shall be marked where the line enters and exits the right-of-way, at intermediate points along straight runs of pipe and at all angle points where the line changes direction.

18.0 BARRIERS

User shall take precautions to protect PECO structures and facilities, including but not limited to protective barriers. The location of any protective barriers shall be delineated on plans prepared by User and approved by PECO.

19.0 DAMAGE TO PECO FACILITIES

User shall be responsible for any damage caused to PECO facilities and shall be required to reimburse PECO for the cost of repairing the damage. All such damage shall be promptly reported to PECO System Operations, 800-841-4141.

20.0 OUTDOOR ADVERTISING

User shall furnish plans for PECO's prior approval. Plans must show both horizontal and vertical views of Users proposed structure(s) in relationship to PECO facilities.

21.0 INSPECTIONS

User understands and agrees that PECO or its authorized agents have the right to enter the right-of-way at any time for any corporate purpose.

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22.0 RESTORATION OF PROPERTY

User agrees upon completion of any work done to: (1) restore the ground to a condition at least equal to that existing prior to such installation, including but not limited to back filling, properly tamping and reseeded the surface of the ground above the facilities and, if necessary, refilling and reseeded following any subsequent settlement of the ground in order to maintain the drainage pattern existing prior to such installation; and (2) repair and put into good condition to the satisfaction of PECO, any and all fences and other improvements injured thereby, and landscaping damaged during the course of users work.

23.0 REFERENCES

23.1 PECO Electric Construction Standards

- 23.1.1** S-7070 - "Conditions For Working in the Vicinity of Electric Transmission Lines of PECO Energy Company and Its Subsidiaries"
- 23.1.2** S-7071 - "Rights-of-Way Fences, Gates and Wire Barricades of PECO and Its Subsidiaries"
- 23.1.3** S-7072 - "Secondary Uses For Rights-of-Way along Electric Transmission Lines of PECO and Its Subsidiaries"
- 23.1.4** S-7073 - "Information Required to Evaluate Proposed Transmission Line Rights-of-Way Secondary Uses of PECO and Its Subsidiaries"

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