[DATE]

[NAME] [COMPANY] [ADDRESS] [ADDRESS]

Dear Mr/Mrs [NAME],

SUBJECT: ADVANCE NOTICE OF UTILITY RIGHT-OF-WAY ACCESS UNDER PERMIT NO. [XXX] WITH [TENANT NAME]

The City of Los Angeles Harbor Department (Harbor Department) executed Agreement No. 15-3354 (Operating Agreement) with Hecate Energy Harborside LLC (Hecate) for the installation of photovoltaic solar power systems (PV System) on several sites within the Port of Los Angeles (Port). This is part of the Harbor Department's goal to reduce greenhouse gas emissions and other narmful pollutants that result from Port-related operations. A portion of your premises has been identified as a site for installation of a PV System that will feed clean energy into the Los Angeles Department of Water & Power electrical power system (power grid). The location is depicted on the enclosed exhibit.

Under Section [XX, XXXXX] of Permit No. [XXX], certain rights regarding the installation of utilities, including without limitation, electrical conduit and power lines, were reserved by the Harbor Department. That section reads as follows:

"[XX. XXXXXXI]. This Agreement and the Premises are and shall be at all times subject to the reservations listed below and additional reservations City may reasonably require after the Effective Date, of which Tenant shall receive advance written notice, for which Tenant shall receive no compensation unless otherwise provided.

[X.X.X] Utility or other Rights-of-Way. Rights-of-way for sewers, pipelines (public or private), conduits for telecommunications, electric, gas, and power lines, as may from time to time be determined to be necessary by Board, including the right to enter upon, above, below or through the surface to construct, maintain, replace, repair, enlarge or otherwise utilize the Premises for such purpose, without compensation or abatement of rent and with as minimal interference with the Permitted Uses as possible. If Board makes such determination of necessity, City shall issue a written right of entry or other entitlement to the applicable third-party requiring it and/or its parent to name Tenant as an additional insured on any

Mr/Mrs [NAME] Page 2 of 2

insurance policies required by City and to defend and indemnify Tenant from and against any claims, demands, actions, proceedings, losses, liens, costs and judgments of any kind and nature whatsoever, including expenses incurred in defending against legal action that arise from or are related to such third-party's entry onto the Premises. Tenant may directly charge any third-party entering the Premises for damages incurred by Tenant on Tenant-owned property as a result of the third-party entry."

Pursuant to this reservation of authority in Permit No. [XXX], the Harbor Department hereby notifies Tenant that Hecate shall install, operate, manage, and maintain a photovoltaic solar power system in accordance with the Operating Agreement, at the Premises and as depicted on the enclosed exhibit.

Further, the Permit lists improvements that exist within your premises that are considered "City Owned Improvements". One of these is the building within the premises that was approved for this use.

Based on the language above, the Harbor Department has required Hecate (and its successors as operators of the solar power system) to insure, defend, and indemnify both the Harbor Department and [Tenant Name] while it constructs, installs, repairs, or maintains this solar power system during the construction and ongoing operation of the system on the premises.

Finally, and according to the reservation clause, the Harbor Department will make every effort to minimalize interference to your operation while the solar power system is being installed and operated. Prior to the commencement of construction, we will schedule a coordination meeting to discuss the installation of this important component of the Harbor Department's Clean Air Action Plan.

Thank you in advance for your cooperation and for being a valuable partner in this sustainable energy project. If you have any questions for comments, please don't hesitate to contact me at (310) 732-0399 or <a href="mailto:ihedge@portla.org">ihedge@portla.org</a>.

Sincerely,

JACK C. HEDGE Director of Cargo & Industrial Real Estate

JH:PA:raw
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Attachment