

This **NV ENERGY CUSTOMER SERVICES AGREEMENT** (the “Agreement”) dated as of \_\_\_\_\_, 2019, (the “Effective Date”) is made by and between SIERRA PACIFIC POWER COMPANY, a Nevada corporation doing business as NV Energy (“NV Energy”) and CITY OF SPARKS (“Customer”). NV Energy and Customer are also each referred to as a “Party” and collectively as the “Parties.”

### **RECITALS**

WHEREAS, NV Energy is a public utility, as defined in Nevada Revised Statutes (“NRS”) Chapter 704 providing electric service;

WHEREAS, Customer is currently taking retail electric service from NV Energy under the applicable tariff rate for its various facilities and desires to receive certain services and continue to take retail electric service from NV Energy;

WHEREAS, Customer continuing to take retail electric service from NV Energy is beneficial to the Customer, NV Energy and other NV Energy customers, as well as advances the economic and energy policy objectives of the State of Nevada;

NOW THEREFORE, in consideration of these mutual premises, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties, intending to be legally bound, do agree as follows:

### **AGREEMENT**

#### **1. TERM.**

1.1 Term. The term of this Agreement commences on the Effective Date, and terminates five (5) years after the Effective Date (the “Term”).

1.2 Liquidated Damages. In the event that this Agreement is terminated prior to the end of the Term without cause by the Customer, Customer shall return to NV Energy the full amount of all Incentives (defined below) received by the Customer from NV Energy within thirty (30) days of such termination.

1.3 Covered Load. This Agreement covers all electric load for the City of Sparks and its associated facilities, with the exception of all loads associated with the Truckee Meadows Water Reclamation Facility, which is jointly owned and operated with the City of Reno.

#### **2. NV ENERGY OBLIGATIONS.**

2.1 Customer Incentive. NV Energy shall provide an incentive payment to Customer in each calendar year of 2019, 2020 and 2021 equal to the amount shown in Exhibit A (the “Incentive”). The Incentive will be paid to the Customer no later than January 31<sup>st</sup> of each year, except the first payment in 2019 for which the incentive payment will be made no later than thirty (30) days after the Effective Date.

3. **CUSTOMER OBLIGATIONS**

3.1 **Customer.** Customer shall remain a full service electric customer of NV Energy during the Term. During the Term Customer shall not file an application with the PUCN pursuant to NRS Chapter 704B or any other mechanism that would allow the Customer to receive electric service from an alternative energy provider.

4. **MISCELLANEOUS PROVISIONS.**

4.1 **Governing Law; Venue.** This Agreement is governed by and construed in accordance with the laws of the State of Nevada, without giving effect to any conflict of law principles that would apply the laws of another jurisdiction. In the event the PUCN has jurisdiction over a civil action or remedy brought under this Agreement, the Parties agree that they will first seek to initiate such action before the PUCN. In the event the PUCN lacks jurisdiction over such a dispute, the Parties agree the dispute will be brought in the U.S. District Court, District of Nevada. In the event the federal court lacks jurisdiction over such a dispute, the Parties agree the dispute will be brought in the state district court in Washoe County, Nevada. The Parties agree not to initiate any legal action against the other Party except in the jurisdictions as provided in this Section 4.1.

4.2 **Waiver of Jury Trial.** TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

4.3 **Confidentiality.**

4.3.1 *[Intentionally omitted].*

4.3.2 **Public Announcements.** Neither Party will issue or make any press releases or similar public announcements concerning this Agreement without the prior written consent of the other Party.

4.3.3 *[Intentionally omitted].*

4.4 **Entire Agreement.** This Agreement states the rights and obligations of the Parties with respect to the subject matter addressed herein and supersedes all prior agreements, oral or written, with respect thereto.

*[Signature Page to Follow]*

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties as of the Effective Date.

**SIERRA PACIFIC POWER COMPANY  
d/b/a NV ENERGY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF SPARKS**

By: \_\_\_\_\_  
Ronald Smith, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Hunderman, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Chester H. Adams, City Attorney

**EXHIBIT A**  
**CUSTOMER INCENTIVE**

<u>Year</u>	<u>Incentive</u>
2019	\$125,000
2020	\$125,000
2021	\$125,000